



Port Hedland Voluntary Buyback Scheme

Port Hedland Industries Council
Community Industry Forum
28 February 2024



Current Situation

- On 25 October 2023, the Western Australian Minister for Ports, Hon David Michael MLA, announced an extension of the PHVBS term for a further two years to 31 December 2025.
- HMI continues to administer the PHVBS for the extension period with some changes to its operational terms to provide the opportunity to increase the take-up by eligible property owners.
- The PHVBS offer terms have been modified from 1 January 2024.
- Under the revised PHVBS terms the prior PHVBS terms will be maintained for the two-year extension period, except that the floor for the annual indexation has been removed. This will provide eligible property owners who choose to participate an opportunity to secure a guaranteed settlement price for their property, calculated as follows:
 - the agreed market value of the property as of 6 August 2019;
 - a premium of 35 per cent of the agreed market value;
 - indexation capped at +4% per annum (noting that indexation can reflect a negative movement).
 - An amount of up to \$20,000 for verifiable transaction costs.

Current Situation

In addition to the PHVBS extension, other amendments announced by the Minister for Ports include:

- planning for the redevelopment of the West End precinct will begin. The WA Planning Commission, supported by the Department of Planning, Lands and Heritage, will facilitate the progression of structure planning in line with the provisions of the Port Hedland West End Improvement Scheme 1 (**IS1**).
- Expanded property eligibility to include commercial or short-stay strata properties within mixed-use developments where HMI has already acquired residential properties, noting that this is estimated to increase the eligible properties by 29 to a total of 433.
- A new steering group will be implemented to provide oversight of the PHVBS activities, to be comprised of Pilbara Ports, HMI, Town of Port Hedland, Pilbara Development Commission (as Chair), DevelopmentWA and Port Hedland Industry Council (or another Industry representative).
- The steering group will endorse the allocation of PHVBS funds for minor works at HMI acquired properties, where those works would facilitate a change of use.
- The steering group will also endorse the allocation of up to \$22 million of PHVBS funds to agencies nominated by the Minister for Planning to support residential development within the Town of Port Hedland.

As at 21 February 2024:

Of the estimated 404
eligible properties

235



Properties
have been
acquired



86%

Have been or
are being valued



62%

Have been sold
or are selling
to HMI



6

Properties are
progressing to
settlement



9

Properties are at
contract stage



341

Offer letters
have been issued

Current Projects

Short Stay Accommodation

HMI has identified an opportunity to allocate a number of vacant HMI acquired residential properties to be used as a short stay accommodation pool.

HMI is in contract discussions with an Operator to provide short stay accommodation management services.

The primary objectives of the short stay accommodation model include:

- To assist in overcoming the current market challenges for short stay accommodation, particularly for small businesses and not for profits, by allocating nominated HMI acquired properties into short stay accommodation;
- To allocate HMI acquired residential properties, in the short to medium term, to a use that is consistent with Port Hedland West End Improvement Scheme 1 (IS1) and the HMI Maritime Precinct Masterplan

Current Projects

New Port Hedland Seafarers Centre

Pilbara Ports acquired the former Sealanes building at 3 Richardson Street in December 2020, and it was identified as an ideal site for a new Seafarers Centre within the commercial/Portside sub precinct of the West End.

The new, fit-for-purpose design will replace the existing centre, welcoming the up to 150,000 seafarers that visit Port Hedland every year when on shore leave.

Current Projects

Demolition of properties

Over the next few months, HMI will work with an experienced local contractor to demolish houses and structures on six HMI properties in the West End.

These buildings are being demolished as they pose significant safety concerns due to major structural defects.

The HMI is working with the contractors and the Town of Port Hedland to ensure the demolitions occur safely, including the removal of any hazardous materials.

Thank you. Questions?

Stay connected



www.hedlandmaritime.com.au

