

STRATEGIC PLANNING AND DEVELOPMENT COMMITTEE MEETING

A meeting of the STRATEGIC PLANNING AND DEVELOPMENT COMMITTEE will be held by video conferece/at Waverley Council Chambers, Cnr Paul Street and Bondi Road, Bondi Junction at:

7.30 PM, TUESDAY 1 DECEMBER 2020

Ross McLeod

General Manager

K.B.M

Waverley Council PO Box 9 Bondi Junction NSW 1355 DX 12006 Bondi Junction Tel. 9083 8000

E-mail: info@waverley.nsw.gov.au

Delegations of the Waverley Strategic Planning and Development Committee

On 10 October 2017, Waverley Council delegated to the Waverley Strategic Planning and Development Committee the authority to determine any matter **other than**:

- 1. Those activities designated under s 377(1) of the *Local Government Act* which are as follows:
 - (a) The appointment of a general manager.
 - (b) The making of a rate.
 - (c) A determination under section 549 as to the levying of a rate.
 - (d) The making of a charge.
 - (e) The fixing of a fee
 - (f) The borrowing of money.
 - (g) The voting of money for expenditure on its works, services or operations.
 - (h) The compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment).
 - (i) The acceptance of tenders to provide services currently provided by members of staff of the council.
 - (j) The adoption of an operational plan under section 405.
 - (k) The adoption of a financial statement included in an annual financial report.
 - (I) A decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6.
 - (m) The fixing of an amount or rate for the carrying out by the council of work on private land.
 - (n) The decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work.
 - (o) The review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the *Environmental Planning and Assessment Act 1979*.
 - (p) The power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194.
 - (q) A decision under section 356 to contribute money or otherwise grant financial assistance to persons,
 - (r) A decision under section 234 to grant leave of absence to the holder of a civic office.
 - (s) The making of an application, or the giving of a notice, to the Governor or Minister.
 - (t) This power of delegation.
 - (u) Any function under this or any other Act that is expressly required to be exercised by resolution of the council.
- 2. Despite clause 1(i) above, the Waverley Strategic Planning and Development Committee does not have delegated authority to accept any tenders.
- 3. The adoption of a Community Strategic Plan, Resourcing Strategy and Delivery Program as defined under sections 402, 403, and 404 of the *Local Government Act*.

Live Streaming of Meetings

This meeting is streamed live via the internet and an audio-visual recording of the meeting will be publicly available on Council's website.

By attending this meeting, you consent to your image and/or voice being live streamed and publicly available.

AGENDA

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The Chair will read the following Opening Prayer and Acknowledgement of Indigenous Heritage:

God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our Local Government Area.

- 1. Apologies/Leaves of Absence
- 2. Declarations of Pecuniary and Non-Pecuniary Interests
- 3. Addresses by Members of the Public
- 4. Confirmation of Minutes

| PD/4.1/20.12 | Confirmation of Minutes - Strategic Planning and Development Committee |
|--------------|--|
| | Meeting - 3 November 20204 |

5. Reports

| PD/5.1/20.12 | Planning Agreement Policy (Amendment No. 3) and Affordable Housing Contribution Scheme - Adoption |
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6. Urgent Business

7. Meeting Closure

CONFIRMATION OF MINUTES PD/4.1/20.12

Subject: Confirmation of Minutes - Strategic Planning and

Development Committee Meeting - 3 November 2020

TRIM No: SF20/44

Author: Richard Coelho, Governance Officer



RECOMMENDATION:

That the minutes of the Strategic Planning and Development Committee Meeting held on 3 November 2020 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

Introduction/Background

The minutes of the Strategic Planning and Development Committee meeting must be submitted to Strategic Planning and Development Committee for confirmation, in accordance with clause 20.23 of the Waverley Code of Meeting Practice.

Attachments

1. Strategic Planning and Development Committee Meeting Minutes - 3 November 2020 .



MINUTES OF THE STRATEGIC PLANNING AND DEVELOPMENT COMMITTEE MEETING HELD BY VIDEO CONFERENCE/AT WAVERLEY COUNCIL CHAMBERS, CNR PAUL STREET AND BONDI ROAD, BONDI JUNCTION ON TUESDAY, 3 NOVEMBER 2020

Present:

Councillor Steven Lewis (Chair) **Hunter Ward** Councillor Paula Masselos (Mayor) Lawson Ward Councillor Elaine Keenan (Deputy Mayor) Lawson Ward **Councillor Sally Betts Hunter Ward** Councillor Angela Burrill Lawson Ward Councillor George Copeland Waverley Ward Councillor Leon Goltsman Bondi Ward Councillor Tony Kay Waverley Ward Councillor Will Nemesh **Hunter Ward** Councillor John Wakefield Bondi Ward Councillor Dominic Wy Kanak Bondi Ward

Staff in attendance:

Emily Scott Acting General Manager

John Clark Director, Customer Service and Organisation Improvement

Peter Monks Director, Planning, Environment and Regulatory

Karen Mobbs General Counsel
Darren Smith Chief Financial Officer

Evan Hutchings Executive Manager, Governance and Projects

At the commencement of proceedings at 7.53 pm, those present were as listed above.

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The Acting General Manager read the following Opening Prayer and Acknowledgement of Indigenous Heritage:

God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our Local Government Area.

1. Apologies/Leaves of Absence

Apologies were received and accepted from Cr O'Neill.

2. Declarations of Pecuniary and Non-Pecuniary Interests

The Chair called for declarations of interest and the following was received:

2.1 Cr Betts declared a significant non-pecuniary interest in item PD/5.3/20.11 – Margaret Whitlam Recreation Centre – Indoor Cricket Nets Training Facility and informed the meeting that she is on the board of Easts Cricket Club and will leave the meeting for the consideration and vote on this item.

3. Addresses by Members of the Public

- 3.1 P Wolanski AM (Managing Director, Denwol Group) PD/5.1/20.11 Our Liveable Places Centres Strategy.
- 3.2 G Shiels (Managing Director, GSA Planning, on behalf of Denwol Group) PD/5.1/20.11 Our Liveable Places Centres Strategy.
- 3.3 G Karavanas (Director, GSA Planning, on behalf of A Voulgarakis, N Voulgarakis and J Alexander-Hatziplis) PD/5.1/20.11 Our Liveable Places Centres Strategy.
- 3.4 L Fabiano (on behalf of South Bondi/Tamarama Precinct) PD/5.1/20.11 Our Liveable Places Centres Strategy.
- 3.5 A Ciano (Head of Property Development, Uniting) PD/5.5/20.11 Planning Proposal 99-117 Birrell Street, Waverley.

4. Confirmation of Minutes

PD/4.1/20.11 Confirmation of Minutes - Strategic Planning and Development Committee Meeting - 1 September 2020 (SF20/44)

MOTION / DECISION Mover: Cr Lewis

Seconder: Cr Masselos

That the minutes of the Strategic Planning and Development Committee Meeting held on 1 September 2020 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

5. Reports

PD/5.1/20.11 Our Liveable Places Centres Strategy - Adoption (SF20/4425)

MOTION Mover: Cr Masselos

Seconder: Cr Keenan

- 1. Adopts the Our Liveable Places Centres Strategy attached to the report (Attachment 1) subject to the following amendments:
 - (a) Page 5 Amend 'Changes to the LEP and DCP' text box to replace the text 'This document does not propose any increase in height or FSR controls across the LGA' with the following text: 'This document does not recommend any increase in height or FSR controls to the current LEP.'
 - (b) Page 52 Update the map under section 2.6.3 to remove the incorrect '1' notations.
 - (c) Page 53 Delete recommendation 3, 'Bike Lanes', as the location and configuration of the north-south bike lane is being addressed by the separate study 'Bondi Junction to Randwick Cycle Route Options' reported to Council on 21 July 2020.
 - (d) Page 132 Change wording of recommendation 6 under 14.6.3 to replace 'Align' with 'Investigate'.
- 2. Prepares an Engagement Summary Report to be placed on the Have Your Say page for the project.
- 3. Notes the Strategy recommendation for additional investigation in the following areas:
 - (a) An appropriate planning mechanism to support the retention of essential urban services throughout the local government area, including automobile services (mechanics, petrol stations, etc) as well as some larger format retailers (storage, hardware, etc).
 - (b) A maximum floor space for supermarkets across all centres to ensure such a development would be compatible with the role and function of the centre and its place in the retail hierarchy.
 - (c) The appropriate quantum of car parking for the success of centres.
 - (d) A mechanism to encourage diversity of goods and service offerings in centres identified as

Resilience Network Centres (RNC).

- (e) A scheme for historic façade upgrades in centres such as Bondi Road and Charing Cross.
- (f) Prepare a design manual for shopfronts, materials and signage in identified centres to be included in the Waverley Development Control Plan.

THE MOVER OF THE MOTION THEN ACCEPTED THE ADDITION OF A NEW CLAUSE 1(e) AS FOLLOWS:

'Pages 53, 61, 89, 101, 111, 133, 145, 151, 157 – Sustainability and Environment – Decentralised Power – Amend "Incentivise the uptake of rooftop solar" to "Investigate incentivising..."'

AMENDMENT Mover: Cr Burrill Seconder: Cr Betts

That the following clause 1(f) be added to the Motion:

'Page 144 - Public Realm - Delete 2. Hall Street Upgrades.'

THE AMENDMENT WAS PUT AND DECLARED LOST.

Division

For the Amendment: Crs Betts, Burrill, Goltsman, Kay and Nemesh.

Against the Amendment: Crs Copeland, Keenan, Lewis, Masselos, Wakefield and Wy Kanak.

THE MOVER OF THE MOTION THEN ACCEPTED THE ADDITION OF NEW CLAUSES 1(f)–(m).

THE MOTION AS AMENDED WAS THEN PUT AND DECLARED CARRIED.

DECISION:

- 1. Adopts the Our Liveable Places Centres Strategy attached to the report (Attachment 1) subject to the following amendments:
 - (a) Page 5 Amend 'Changes to the LEP and DCP' text box to replace the text 'This document does not propose any increase in height or FSR controls across the LGA' with the following text: 'This document does not recommend any increase in height or FSR controls to the current LEP.'
 - (b) Page 52 Update the map under section 2.6.3 to remove the incorrect '1' notations.
 - (c) Page 53 Delete recommendation 3, 'Bike Lanes', as the location and configuration of the north-south bike lane is being addressed by the separate study 'Bondi Junction to Randwick Cycle Route Options' reported to Council on 21 July 2020.
 - (d) Page 132 Change wording of recommendation 6 under 14.6.3 to replace 'Align' with 'Investigate'.
 - (e) Pages 53, 61, 89, 101, 111, 133, 145, 151, 157 Sustainability and Environment Decentralised Power Amend 'Incentivise the uptake of rooftop solar' to 'Investigate incentivising...'
 - (f) Page 144 Public Realm 5. Gould Street Add new sentence at the beginning: 'To increase

- the sense of safety and amenity investigate a shared zone between Roscoe Mall and Curlewis Street, improve pedestrian accessibility...'
- (g) Page 163 Transport and Accessibility Add new clause: '2. Rearrange Parking Investigate angled parking in Wairoa Avenue to increase parking provision within the centre.'
- (h) Page 14 Table 1 Capitalise 'aboriginal'.
- (i) Page 18 Fourth paragraph, first sentence Change 'The history, of course, begins with indigenous people of Sydney's east coast' to 'Prior to 1770, the history, of course, begins with the custodianship of Sydney's east coast.'
- (j) Page 18 Fourth paragraph, second sentence Change 'Aboriginal people lived....' to 'Aboriginal people have lived....'
- (k) Page 18 Fourth paragraph, after the second sentence, add: 'They extensively manufactured from Bondi's volcanic extrusions the industrialised famous "Bondi Points", a particular design of stone blade found as far away as Western Australia.'
- (I) Page 18 Fourth paragraph, current third sentence Change 'on which may of' to 'on which many of'.
- (m) Page 18 Fourth paragraph, last sentence Change 'representing an indigenous heritage that is now globally recognised' to 'representing a First Nations heritage that is now maintained by current descendants and globally recognised as the world's oldest living culture.'
- 2. Prepares an Engagement Summary Report to be placed on the Have Your Say page for the project.
- 3. Notes the Strategy recommendation for additional investigation in the following areas:
 - (a) An appropriate planning mechanism to support the retention of essential urban services throughout the local government area, including automobile services (mechanics, petrol stations, etc) as well as some larger format retailers (storage, hardware, etc).
 - (b) A maximum floor space for supermarkets across all centres to ensure such a development would be compatible with the role and function of the centre and its place in the retail hierarchy.
 - (c) The appropriate quantum of car parking for the success of centres.
 - (d) A mechanism to encourage diversity of goods and service offerings in centres identified as Resilience Network Centres (RNC).
 - (e) A scheme for historic façade upgrades in centres such as Bondi Road and Charing Cross.
 - (f) Prepare a design manual for shopfronts, materials and signage in identified centres to be included in the Waverley Development Control Plan.

Crs Burrill and Nemesh were not present for the vote on this item.

P Wolanski AM (Managing Director, Denwol Group), G Shiels (Managing Director, GSA Planning, on behalf of Denwol Group), G Karavanas (Director, GSA Planning, on behalf of A Voulgarakis, N Voulgarakis and J Alexander-Hatziplis) and L Fabiano (on behalf of South Bondi/Tamarama Precinct) addressed the meeting.

PD/5.2/20.11 Jessie Street Reserve - Native Garden and Indigenous Learning Centre (A19/0171)

MOTION Mover: Cr Masselos Seconder: Cr Copeland

That Council:

1. Notes that an indigenous plant and native food garden has been recently installed outside Bronte Public School.

2. Considers the inclusion of a budget allocation in the 2021–22 budget to enable the installation of a small local native plant garden at Jessie Street Reserve that includes species from the critically endangered Eastern Suburbs Banksia Scrub vegetation community, together with interpretative signage.

THE MOVER OF THE MOTION THEN ACCEPTED AN AMENDMENT TO CLAUSE 1, THE DELETION OF CLAUSE 2 AND THE ADDITION OF NEW CLAUSES.

THE MOTION AS AMENDED WAS THEN PUT AND DECLARED CARRIED.

DECISION:

- 1. Notes that an indigenous plant and native food garden has been recently installed outside Bronte Public School in Hewlett Street.
- 2. Does not support Jessie Street Reserve as an Indigenous Learning Centre generally due to the small size of the Reserve, its location beside a busy road with much of the Reserve sloping towards the road, and it therefore being an unsuitable site for groups of children, but instead investigate options for the alternative location of an Indigenous Learning Centre.
- 3. Officers prepare a Jessie Street Reserve concept plan for community consultation that includes a small integrated herb and bird-attracting, drought tolerant, low-maintenance, native plant garden, species from the critically endangered Eastern Suburbs Banksia Scrub vegetation community, interpretive signage and a bench seat, with funding allocation to be provided from the 2021–22 budget.
- 4. Officers, when developing the concept plan, be informed by the landscape plan developed in March 1989 in preparation for the official opening of the Reserve by Mayor of Waverley Barbara Armitage, Mrs Phillipa Fingelson (Jessie Street's daughter), and Ms Jessie Street-Fingleton (Jessie Street's great grand-daughter) as a memory to Jessie Street.

PD/5.3/20.11 Margaret Whitlam Recreation Centre – Indoor Cricket Nets Training Facility (A19/0459)

Cr Betts declared a significant non-pecuniary interest in this item and informed the meeting that she is on the board of Easts Cricket Club. Cr Betts was not present at, or in sight of, the meeting for the consideration and vote on this item.

MOTION Mover: Cr Wakefield Seconder: Cr Copeland

That Council:

- 1. Receives and notes the Concept Design Report for the Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility project attached to the report.
- 2. Endorses Option B as the preferred option for inclusion in the development of the new draft Waverley Park Plan of Management.
- 3. Notes that community consultation on the proposed Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility will be undertaken as part of the Waverley Park Plan of Management (PoM) process.

FORESHADOWED MOTION Mover: Cr Kay

- 1. Receives and notes the Concept Design Report for the Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility project attached to the report.
- 2. Notes that Option B of the three considered options A, B and C is currently the preferred option of the joint Council and Eastern Suburbs Cricket Club (ESCC) Project Control Group.
- Notes that the location and provision of amenities within the Margaret Whitlam Recreation Centre (MWRC), the layout and location of the commercial café, the interface of the building within the Park, and the exterior landscaping will be considered as part of the Waverley Park Plan of Management.
- 4. Notes that the intention of the proposed MWRC Indoor Cricket Facility is for recreation purposes only, to better meet the needs identified in the draft Waverley Open Space and Recreation Strategy currently on exhibition.
- 5. Officers consider, but not be limited by, the following issues as part of updating the Option B concept design for Councillor consideration following Council endorsement of the Waverley Park Plan of Management:
 - (a) Confirm that the design 'sits lightly in its environment' and views from the park (to the west of the subject site) are generally maintained through provision of further plans, elevations, photo montages and view analysis, as necessary.
 - (b) Confirm the design's environmental credibility (acoustic and thermal) and weather protection, including energy use, natural cross flow ventilation, sound (attenuation, echoing and vibration), summer heat and humidity, rain, wind and winter cold.
 - (c) Remove the viewing deck/terrace so that all existing tiered public seating is retained.

- (d) Assess impacts on residential parking in surrounding streets.
- (e) Other conceptual matters that are raised in the course of preparing and exhibiting the draft Waverley Park Plan of Management.
- 6. Endorses the preparation of a community consultation program for a new draft Waverley Park Plan of Management, which will include consideration of the proposed Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility in a future Masterplan for the site.
- 7. In conjunction with project partner ESCC, submits a grant application to the Greater Sydney Sports Facility Fund and seeks other grant funding opportunities.

THE MOVER OF THE MOTION THEN ACCEPTED THE DELETION OF CLAUSES 2 AND 3, THE ADDITION OF CLAUSES 2–7 OF THE FORESHADOWED MOTION AND AN AMENDMENT TO CLAUSE 4.

THE MOTION AS AMENDED WAS THEN PUT AND DECLARED CARRIED UNANIMOUSLY.

UNANIMOUS DECISION:

- 1. Receives and notes the Concept Design Report for the Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility project attached to the report.
- 2. Notes that Option B of the three considered options A, B and C is currently the preferred option of the joint Council and Eastern Suburbs Cricket Club (ESCC) Project Control Group.
- Notes that the location and provision of amenities within the Margaret Whitlam Recreation Centre (MWRC), the layout and location of the commercial café, the interface of the building within the Park, and the exterior landscaping will be considered as part of the Waverley Park Plan of Management.
- 4. Notes that the intention of the proposed MWRC Indoor Cricket Facility is generally for recreation purposes, to better meet the needs identified in the draft Waverley Open Space and Recreation Strategy currently on exhibition.
- 5. Officers consider, but not be limited by, the following issues as part of updating the Option B concept design for Councillor consideration following Council endorsement of the Waverley Park Plan of Management:
 - (a) Confirm that the design 'sits lightly in its environment' and views from the park (to the west of the subject site) are generally maintained through provision of further plans, elevations, photo montages and view analysis, as necessary.
 - (b) Confirm the design's environmental credibility (acoustic and thermal) and weather protection, including energy use, natural cross flow ventilation, sound (attenuation, echoing and vibration), summer heat and humidity, rain, wind and winter cold.
 - (c) Removing the viewing deck/terrace so that all existing tiered public seating is retained.
 - (d) Assess impacts on residential parking in surrounding streets.
 - (e) Other conceptual matters that are raised in the course of preparing and exhibiting the draft

Waverley Park Plan of Management.

- 6. Endorses the preparation of a community consultation program for a new draft Waverley Park Plan of Management, which will include consideration of the proposed Margaret Whitlam Recreation Centre Indoor Cricket Nets Training Facility in a future Masterplan for the site.
- 7. In conjunction with project partner ESCC, submits a grant application to the Greater Sydney Sports Facility Fund and seeks other grant funding opportunities.

PD/5.4/20.11 Planning Proposal – Bondi Junction Strategic Centre – Protecting and Promoting Non-Residential Floor Space – Post-exhibition (PP-3/2019)

Subsequent to the meeting, before 10 am the next day, a notice of motion to rescind this resolution was lodged with the General Manager. The rescission motion will be considered at the Council meeting on 17 November 2020.

MOTION Mover: Cr Lewis
Seconder: Cr Masselos

That Council:

- 1. Notes the matters raised in the submissions on the planning proposal to protect commercial floor space capacity in the Bondi Junction Strategic Centre.
- 2. Supports the planning proposal with the amendment that a change of use from existing serviced apartments to residential accommodation will not be impacted by the Additional Local Provision.
- 3. Supports making the amendments to the Waverley Local Environmental Plan 2012 outlined in the planning proposal in conjunction with Parliamentary Counsel under the delegation received from the Department of Planning, Industry and Environment.
- 4. Notifies those people who made a submission of Council's decision.
- 5. Undertakes a review of the longer-term implications of office demand in Bondi Junction within three years after the end of the COVID-19 crisis to understand market adjustment and emerging trends.
- 6. Notes that the Additional Local Provision does not prohibit the operation of home occupations, home business, home industry or any business use lawfully tied to a dwelling.
- 7. Notes the unique circumstances that 29 Newland Street, Bondi Junction, presents as a largely residential building with minimal commercial offerings and therefore exempts the site from the provisions of the Additional Local Provision.

FORESHADOWED MOTION Mover: Cr Betts

- 1. Notes the matters raised in the submissions on the planning proposal to protect commercial floor space capacity in the Bondi Junction Strategic Centre.
- 2. Defers the matter to the February 2021 meeting of the Strategic Planning and Development Committee to enable officers to investigate what planning mechanisms are available to compensate

or to provide incentives for those building owners who will lose their existing use rights and development potential as a result of this planning proposal as evidenced in the public submissions received on the proposal. Such incentives could include floor space bonuses or variations to the Planning Agreement Policy, among others.

- 3. Updates the information in the current report by February 2021 with any additional information on the long-term implications on office demand in Bondi Junction to better understand market adjustment and emerging trends.
- 4. Notifies those people who made a submission of Council's decision.
- 5. Notes that the Additional Local Provision does not prohibit the operation of home occupations, home business, home industry or any business use lawfully tied to a dwelling.
- 6. Notes the unique circumstances that 29 Newland Street, Bondi Junction, presents as a largely residential building with minimal commercial offerings and therefore exempts the site from the provisions of the Additional Local Provision.

THE MOTION WAS THEN PUT AND DECLARED CARRIED.

DECISION:

That Council:

- 1. Notes the matters raised in the submissions on the planning proposal to protect commercial floor space capacity in the Bondi Junction Strategic Centre.
- 2. Supports the planning proposal with the amendment that a change of use from existing serviced apartments to residential accommodation will not be impacted by the Additional Local Provision.
- 3. Supports making the amendments to the Waverley Local Environmental Plan 2012 outlined in the planning proposal in conjunction with Parliamentary Counsel under the delegation received from the Department of Planning, Industry and Environment.
- 4. Notifies those people who made a submission of Council's decision.
- 5. Undertakes a review of the longer-term implications of office demand in Bondi Junction within three years after the end of the COVID-19 crisis to understand market adjustment and emerging trends.
- 6. Notes that the Additional Local Provision does not prohibit the operation of home occupations, home business, home industry or any business use lawfully tied to a dwelling.
- 7. Notes the unique circumstances that 29 Newland Street, Bondi Junction, presents as a largely residential building with minimal commercial offerings and therefore exempts the site from the provisions of the Additional Local Provision.

Division

For the Motion: Crs Copeland, Keenan, Lewis, Masselos, Wakefield and Wy Kanak.

Against the Motion: Crs Betts, Burrill, Goltsman, Kay and Nemesh.

PD/5.5/20.11 Planning Proposal – 99-117 Birrell Street, Waverley (SF20/5475)

MOTION / DECISION Mover: Cr Masselos Seconder: Cr Keenan

That Council:

1. Notes the submission of a planning proposal prepared by Ethos Urban on behalf of Uniting Care on 18 August 2020 to increase the maximum height of buildings and the maximum floor space ratio of the sites 99–117 Birrell Street, Waverley, under the Waverley Local Environmental Plan 2012.

- 2. Notes that the proposed increase in height and FSR is consistent with the Gateway Determination received for the adjacent War Memorial Hospital Campus site, and will enable improved conservation of the significant heritage fabric of the site and increase the amount of usable, public open space available on the site.
- 3. Authorises officers to forward the planning proposal to the Department of Planning, Industry and Environment (DPIE) for a Gateway Determination.
- 4. Places the planning proposal on public exhibition in accordance with any conditions of the Gateway Determination that may be issued by the DPIE.
- 5. Notes that a Site Specific DCP will be exhibited concurrently with the planning proposal and will include provisions for scale and interface with the surrounding land uses, heritage buildings and gardens within the site, pedestrian access and through-site links and provision of landscaped open space.
- 6. Requests the role of local plan-making authority from the DPIE to exercise the delegations issued by the Minister under section 3.36 of the *Environmental Planning and Assessment Act 1979* in relation to the making of the amendment.

Division

For the Motion: Crs Betts, Burrill, Copeland, Goltsman, Kay, Keenan, Lewis, Masselos, Nemesh and

Wakefield.

Against the Motion: Cr Wy Kanak.

A Ciano (Head of Property Development, Uniting) addressed the meeting.

6 Urgent Business

There were no items of urgent business.

7. Meeting Closure

THE MEETING CLOSED AT 10.04 PM.

SIGNED AND CONFIRMED
CHAIR
1 DECEMBER 2020

REPORT PD/5.1/20.12

Subject: Planning Agreement Policy (Amendment No. 3) and

Affordable Housing Contribution Scheme - Adoption

TRIM No: SF20/4416

Author: Patrick Connor, Strategic Planner

Director: Peter Monks, Director, Planning, Environment and Regulatory



RECOMMENDATION:

That Council:

- 1. Notes the matters raised in the submissions made on the draft Planning Agreement Policy (Amendment No. 3) and the draft Affordable Housing Contributions Scheme during the exhibition period.
- 2. Adopts the Planning Agreement Policy (Amendment 3) attached to the report (Attachment 1).
- 3. Adopts the Affordable Housing Contributions Scheme attached to the report (Attachment 3).
- 4. Notifies those people who made a submission of Council's decision.
- 5. Submits a planning proposal to the Department of Planning, Industry and Environment seeking a Gateway Determination to incorporate the Affordable Housing Contributions Scheme into the Waverley Local Environment Plan 2012.

1. Executive Summary

This Council report seeks endorsement for two pieces of work: the draft Planning Agreement Policy (Amendment No. 3) and the draft Affordable Housing Contributions Scheme.

The draft Amendment 3 to Council's Planning Agreement Policy 2014 is an amendment that proposes to:

- Update the standardised benchmark rates applied to development applications in line with current market conditions.
- Update the minimum split of VPA funds to affordable housing from 10% to 25%.
- Incorporate housekeeping amendments relating to process improvement.

The draft Affordable Housing Contribution Scheme is a legislative requirement of section 7.32 *Environmental Planning and Assessment Act 1979* (EP&A Act), with further clarification provided by *Environmental Planning Assessment (Planning Agreements) Direction 2019 (Ministerial Direction)* and *State Environmental Planning Policy No 70—Affordable Housing (Revised Schemes)* (SEPP 70) to allow Councils to collect any monetary or in-kind contributions for affordable housing through the planning system. The draft scheme has two main objectives:

1. Give effect to the Council's current approach of allocating monetary contributions to affordable housing through voluntary planning agreements.

- 2. Introduce a new affordable housing contribution as a requirement in the WLEP 2012, consistent with the recommendations from the Local Housing Strategy:
 - A contribution on all new residential apartment development of 1% of floor space at a flat \$ rate/sqm.
 - A contribution of 10% towards affordable housing for sites that receive planning uplift through a rezoning process.

The Affordable Housing Contribution Scheme is being reported to Council with the draft Planning Agreement Policy 2014 (Amendment No. 3) as it relates to collecting contributions for affordable housing through Voluntary Planning Agreements (VPA).

On 15 September 2020, Council supported the recommendation to exhibit the two documents. Both documents were exhibited for a total of six weeks from 7 October to 15 November 2020. During the exhibition period, a total of six submissions were received. Two submissions were received for the Planning Agreement Policy (Amendment No. 3) and four submissions were received for the Affordable Housing Contributions Scheme. These submissions are discussed in part four of this report.

2. Introduction/Background

Planning Agreement Policy 2014

Planning agreements are used by all Councils across NSW. It is a standard consideration in section 4.15 Matters for Consideration under the EP&A Act 1979, meaning it is a standard matter for assessment of all development applications.

Council's Planning Agreement Policy 2014 has been successfully utilised to negotiate and draft planning agreements accompanying development applications seeking a clause 4.6 variation to clause 4.4 floor space ratio for up to an additional 15% of floor space.

Prior to the adoption of the Policy, development applications would seek to exceed Council's planning controls, in accordance with clause 4.6 of the LEP. These applications could be approved with no share of the uplift going towards community infrastructure. In instances where these applications were refused, they were often subject to lengthy and costly court cases. However, the policy is clear that 'development that is unacceptable on planning grounds will not be given consent because of benefits offered by a developer' and that 'council will not enter a planning agreement unless it is satisfied that the proposed development is acceptable on planning grounds having regard to the general heads of consideration set out in section 79C of the Act'. For instance, Council has refused several development applications and section 4.55 modification applications involving VPAs on the grounds that these would have unacceptable impacts in planning terms. This includes developments seeking two additional storeys that would have contributed VPAs worth \$4.2 million, \$3.2 million and \$1 million.

Where development exceeds the established planning controls, and can do so without having an unacceptable impact, then value sharing can provide the community a net benefit from the development in terms of additional infrastructure and amenity.

Success of the Planning Agreement Policy 2014

The case-by-case value sharing method used in the Policy has been very successful in delivering community benefits. Since 2014, close to \$26 million has been raised, with \$23.4 million for public domain works and \$2.6 million for affordable housing. To place this number into context, the section 7.12 developer contributions provided by all development across the Waverley local government area (LGA) for FY 2019–20 FY was \$2.6 million.

Contributions have been dedicated towards several public domain upgrades including Waverley's Complete Streets program in Bondi Junction (for development relating to Bondi Junction) and several upgrades to local parks near developments. There have been instances where parks directly adjacent to a subject development have been upgraded as a result of VPA contributions, e.g. Seven Ways at Glenayr Avenue. To this extent, the policy ensures that increases in density are associated with an increase in liveability, rather than a decrease.

Waverley Affordable Housing Contributions Scheme

Legislative requirement

In early 2019, DPIE announced that, under SEPP 70, all Councils were eligible to impose a condition of consent on new development for contributions to affordable housing. To do this, Council must have an affordable housing contributions scheme referenced in the LEP.

An affordable housing condition of consent would be any condition on a development consent that requires monetary or in-kind contributions to affordable housing. In Waverley, an affordable housing condition of consent includes a condition of consent for VPAs as every VPA allocates funds towards affordable housing. *Environmental Planning Assessment (Planning Agreements) Direction 2019 (Ministerial Direction)* supports this intent of SEPP 70 and requires that Councils who allocate VPA funds to affordable housing must develop an affordable housing contributions scheme. Therefore, to continue allocating VPA funds to affordable housing, it is a legislative requirement that Council prepares this scheme.

Action from the adopted Local Housing Strategy (LHS)

The preparation of the scheme is also in line with actions from the LHS, where it was recommended to implement a contributions scheme that requires a 1-3% base rate monetary contribution on all new residential apartment development and a higher 10-15% monetary contribution on sites receiving uplift. The draft scheme identified that a specific percentage of 1% on all new residential apartment development and 10% on sites receiving uplift would be appropriate as a starting point. This component of the scheme is subject to Department of Planning, Industry and Environment (DPIE) approval to update the LEP with such a clause via a planning proposal.

Attached to this report is the Affordable Housing Contributions Scheme for adoption (Attachment 3).

3. Relevant Council Resolutions

| Meeting and date | Item No. | Resolution |
|-------------------|--------------|--|
| Council | CM/7.8/20.09 | That Council: |
| 15 September 2020 | | |
| | | 1. Publicly exhibits for 42 days the draft Waverley Planning |
| | | Agreement Policy 2014 (Amendment No. 3) attached to the |
| | | report. |
| | | 2. Notes that the updates to the Policy include an update to |
| | | the VPA split of contributions to affordable housing from a |
| | | minimum of 10 to 25%, updated benchmark rates and |
| | | housekeeping amendments. |
| | | |
| | | 3. Publicly exhibits for 42 days the draft Waverley Affordable |
| | | Housing Contributions Scheme attached to the report. |
| | | |
| | | 4. Investigates using the affordable housing reserve for the |
| | | provision of Social Housing and Waverley Community Living |

| Meeting and date | Item No. | Resolution | |
|---------------------------|--------------|--|--|
| | | Program (WCLP) Accommodation in addition to our current | |
| | | affordable housing program. | |
| Council 21 August 2018 | CM/7.3/18.08 | That Council: | |
| ZI August 2016 | | Adopts the Waverley Planning Agreement Policy 2014 (Amendment No. 2) attached to this report subject to the following amendment: | |
| | | (a) The reference to a 25% allocation of funds to affordable housing in sections 2.4 and Appendix 6 of the policy being amended to 10% consistent with Council's current policy and noting that a future workshop will be held with Councillors to discuss increasing the percentage (currently 10%) of VPA funds going towards the Waverley Affordable Housing Program. | |
| | | 2. Notes the purpose of this amendment to the Waverley Planning Agreement Policy 2014 is to implement prescheduled development contribution rates, implement and clarify the process for applying planning agreements to planning proposals in order to fund public infrastructure needs and housekeeping updates. | |
| | | 3. Notes that the proposed amendments relating to standardised, pre-scheduled development contribution rates are consistent with the value sharing principles that have been applied to Planning Agreements negotiated to date. | |
| | | 4. Notes that the proposed amendments relating to a planning proposal are consistent with the principles which have been applied to planning agreements negotiated for development applications, with the latter providing certainty for the community and development industry. | |
| Council | CM/5.1/18.05 | That Council: | |
| 15 May 2018 | | 1. Prepares educational material for public consultation on the process, policy and practice of voluntary planning agreements, including an educational program schedule for precincts and interested residents to commence in the second half of this year in relation to VPAs. | |
| | | 2. Reviews the potential for variation in the clauses of Council's VPA Policy, particularly in regard to increasing the current 10% contribution to Council's Affordable Housing Program | |
| | | 3. Considers the pros and cons of financial versus in-kind contributions for VPAs, including the potential for receipt of property in perpetuity that contributes to Council programs, | |

| Meeting and date | Item No. | Resolution | |
|----------------------------|--------------|---|--|
| | | such as Affordable Housing. | |
| | | 4. Notes the planned Councillor workshop on the subject of VPAs and incorporates consideration of these matters into that workshop. | |
| Council | CM/8.4/18.03 | That Council officers: | |
| 20 March 2018 | | Prepare a report setting out all voluntary planning agreements (VPAs) adopted by Council from June 2012 to March 2018, with the following detail for each VPA: | |
| | | (a) The excess floor space. | |
| | | (b) The excess height. | |
| | | (c) The total dollar amount received by Council. | |
| | | (d) A summary of expenditure of income received as a result of the VPA against the purpose for which it is was obtained. | |
| | | Add additional height sought to the Planning Agreement Register. | |
| | | 3. Conduct a Councillor workshop on the report and the Planning Agreement Policy prior to the report coming back to Council. | |
| Council 20 October 2015 | CM/7.6/15.10 | EXTRACT | |
| | | That Council: | |
| | | Notes the key purpose of this amendment to the Planning Agreement Policy 2014 is to identify and capture the increase in value arising from a planning proposal in order to fund public infrastructure needs. | |
| | | 2. Notes that the proposed amendments relating to a planning proposal are consistent with the principles which have been applied to Planning Agreements negotiated for development applications, with the latter providing certainty for the community and development industry. | |
| | | 3. Further notes that this is the first time a detailed Planning Agreement methodology has been proposed for planning proposals, and it would be valuable to advertise the draft amendments to generate community and industry feedback for Council's consideration of issues that may arise. | |
| | | 4. Adopts for the purpose of exhibition the Planning | |

| Meeting and date | Item No. | Resolution |
|--|--------------|---|
| | | Agreement Policy 2014 (Amendment No. 1) for a period of 28 days, subject to the following: |
| | | |
| Operations Committee 7 October 2014 | OC/5.2/14/10 | EXTRACT That Council resolves to adopt the Planning Agreement Policy 2014 provided at Attachment 1 to this report, which will replace the Interim Voluntary Planning Agreement Policy 2013 subject to the following amendments: |
| Council 10 December 2013 | 1312.12.7 | EXTRACT That Council: 1. Review Clause 4.4B of Waverley LEP 2012 in conjunction with the Department of Planning and Infrastructure and our legal representatives in order to ensure that: (a) The value of any affordable housing incentive associated with future development is shared equitably between Council and developers. |
| Finance, Ethics and Strategic Planning Committee 5 November 2013 | F-1311.7 | That Council resolve to publicly exhibit the Planning Agreement Policy 2013 attached to this report (Attachment 1) |
| Council 18 June 2013 | 1306.12.8 | Council adopt the Interim Voluntary Planning Agreement Policy 2013 attached to this report (Attachment 1). |

4. Discussion

The VPA Policy Amendment 3 and the Affordable Housing Contributions Scheme were on public exhibition from 7 October to 15 November 2020. During the exhibition period, a total of six submissions were received. Two submissions were received for the Planning Agreement Policy (Amendment No. 3) and four submissions were received for the Affordable Housing Contributions Scheme. The submissions are discussed below.

| Submitter | Key Point | Council Response |
|-------------|---|---|
| 1. Resident | The LEP outlines the maximum controls and these should be adhered to. | Noted. Discretion has been a longstanding element of the NSW planning system in the form of SEPP 1 Development Standards and recently Cl 4.6 of the Standard Instrument LEP. Council officers are |

| | | required to merit assess any applications that do not meet numerical criteria. |
|-------------|---|--|
| | These controls were decided with strategic intent and have a strong justification. | Noted – as above. |
| | Legitimising the negotiation of VPAs legitimises exceedances of these controls. | VPA discussions will only be held if it is considered the exceedance to the LEP is acceptable and will not have adverse environmental impacts to the surrounding area. |
| | The process is flawed and corrupts the development of land. | Noted. VPAs are a legitimate means of securing public benefits from developments that can exceed the development controls without having adverse environmental impacts on the surrounding area. |
| | Waverley has adopted a system of VPAs and relies on the income it generates. There are fairer ways of deriving income when up zoning has already given landowners considerable windfall benefit. | Noted – as above. |
| | The opportunity to value capture from up zoning much of Bondi Junction was missed in WLEP 2012. Council should not make this mistake again. | Noted and agreed. |
| | Priority for VPA contribution spending should be on affordable housing. 100% of contributions should be going towards affordable housing. | priority, Council must also ensure the delivery of public infrastructure to improve the quality of life for residents and manage the day to day requirements of a growing population. The VPA Policy does contemplate circumstances where 100% of contributions go towards affordable housing. |
| | Affordable housing should be owned in perpetuity and should be run by a Community Housing Provider under the care of Council. Short term affordable housing should not be an option. | Noted and agreed. Under the ARHSEPP there are provisions for developers to achieve bonus FSR in relation to providing affordable housing for a 10-year period. |
| 2. Resident | Support for the affordable housing increase to 25% VPAs are a form of 'legalised bribery' to | Noted. Noted. VPAs are a legitimate |

| | pervert the planning controls | means of securing public benefits from developments that can exceed the development controls without having adverse environmental impacts on the surrounding area. Again, discretion is a longstanding element of the NSW planning system and prior to the use of VPAs developers sought exceedances under merit assessment without offering a public benefit. |
|------------------------|--|--|
| | Council should not provide options for | Noted. Council supports a |
| | VPAs and should improve its work on | 50% value capture on uplift. |
| | value capture as a result of rezoning. | |
| 3. Church organisation | Agrees on the importance of providing | Noted. |
| | affordable housing. | |
| | Wants Council to clarify the AH | Noted. See below. |
| | Contributions Scheme with regards to | |
| | developments that are providing | |
| | affordable housing and social housing. | |
| | Proposes Council to update the AH Contribution Scheme Section 1.5 to read as the following: - 1.5 What types of development does the scheme apply to? O Residential apartment development and mixed- use development excluding employment generating only development, social housing and affordable rental housing. | Noted and agreed. Council will make the change to the policy as part of this postexhibition review. Change made in policy to read ' employment generating only development and development for the primary purpose of social housing and affordable rental housing'. |

| 4. Developer lobbyist organisation | Contribution schemes that require new development to provide affordable housing can have the unintended effect of making the development of new housing unviable and therefore limit the supply of new housing. A lack of housing supply reduces housing affordability. | Once an affordable housing contributions scheme is in place it creates a price signal for developers and landowners and expectations adjust accordingly. While affordable housing levies are relatively new in an Australian and NSW context, they have a long history in other similar jurisdictions like the UK, where up to 30% of new housing is required as affordable. Annual new housing supply only adds around 1-1.5% to the total stock each year and hence the supply of new housing has little bearing on the price of dwellings. The empirical evidence in Australia points to demand side factors, in particular interest rate settings, as having a far greater impact on house prices than supply-side mechanisms. |
|------------------------------------|---|---|
| | Outlines Council's need for 600 new affordable dwellings by 2036 and is unsure how Council intends to meet this demand without upzoning any areas. | Noted. There is an undersupply of affordable housing across Sydney and Councils are seeking different ways to ameliorate this shortage. The planning system is one lever and in Waverley – the second most dense LGA in Australia – there are limited opportunities for large scale upzoning. |
| | In no way do they support Council levying an AH Contribution Scheme to developments under the existing controls. | Noted. This option is being pursued in the context of Waverley being a dense urban area, with limited opportunities for large scale upzoning. |
| | Believes housing affordability should be resolved at the District level as opposed to at the local Council level. | Council needs to act on affordable housing issues now to ensure that Waverley can continue to provide stock for those with a lower socioeconomic background. The NSW Government have delegated the responsibility |

| Preference for a District Plan for housing | to develop schemes to Councils, with the NSW Government authorising such schemes. Noted. As above. |
|--|--|
| affordability or for the Greater Sydney Region. | Noted. As above. |
| This would allow for the pooling and sharing of resources across Sydney to deliver more immediate and targeted outcomes. | Noted. As above. |
| Does not support the use of AH contributions for Clause 4.6 variations as these are minor exceedances. | Often in Waverley Clause 4.6 variation requests are used to gain entire extra storeys or gain considerable additional floor space. It is considered that levying these exceedances for the good of providing affordable housing for those in need outweighs the increased private financial gain of a developer. |
| Council should only be seeking AH contributions for sites that receive FSR increases as a result of planning proposals. | As above. |
| Supports proponents being given the option to provide a contribution in the form of providing affordable dwellings/land dedications or a monetary contribution. | Noted. |
| Council must ensure that the scheme is consistent with the Eastern City District Plan's viability testing. | Noted. |
| Recommends that Council confirm that its AH Contribution Scheme can be implemented in a way that is consistent with the GSC and State Government's Policy. | Noted. As outlined in the discussion after this table, the NSW Government Guidelines tightly circumscribe the ability to levy affordable housing contributions and Council is pursuing a pathway that is more appropriate to our circumstances. |
| Argues that as Council's LHS does not propose to upzone any areas, Council cannot propose any areas to fall under the AH contributions under SEPP 70. | Noted. As above. |
| Notes SEPP 70 requires any AH Contribution Schemes to have evidence ensuring the proposed benchmark rates are viable and do not impact on the development feasibility, expects Council's scheme to be prepared in line | Noted. |

| | with this | |
|-----------------------------------|---|---|
| | Recommends Council allow for alternate payment methods to the unendorsed bank cheque, such as electronic bank transfer and other similar payment methods | Noted. |
| | Recommends Council undertake a full review of the policy within five years' time. | Noted. |
| | Believes Councils current and proposed VPA policy is contrary to a Draft Practice Note released by the Secretary in April 2020 which states that VPAs should not be used to negotiate value capture in connection with development standard decisions | The Secretary's Draft Practice Note remains a draft and does not have any legislative basis. Council does not support those elements of the draft Practice Note regarding value capture and believe that any value uplift obtained by development should be shared with the community. |
| | Believes Council needs to undertake a review of the proposed policy and current policy and once the review and any subsequent amendments are made, exhibit the updated policy. | Noted. Reviews of the policies will remain as is, any large changes that require further investigation can be included as part of amendment four to the VPA policy. |
| | Believes rather than increasing 10% of monetary contributions to 25% as part of the VPA policy Council should instead ensure that VPA monetary contributions should be spent on the highest infrastructure priorities for the Waverley community. | Council has identified a requirement for affordable housing within Waverley. It is considered that reserving 75% of the contribution money for infrastructure upgrades is adequate and using the remaining 25% for the provision of affordable housing helps to meet the need for affordable housing in Waverley. |
| | Council should not use VPAs to avoid or bypass the proper use of infrastructure contributions mechanisms or strategic planning processes. | Noted. |
| 5. Community housing organisation | Believes additional mechanisms are needed to secure more affordable housing such as the following: | Noted. |
| | Collaboration between Council and community housing providers. Partnering with community housing providers to develop under-utilised Council sites such as car parks for affordable housing developments. Consolidating and directing contributions secured by Council to | 1. Council will continue to work closely with community housing providers in promoting and providing affordable housing within the Waverley LGA. 2. Council has no plans to |

| 1 | | |
|---|---|---|
| | partnerships with community housing providers that deliver more affordable housing or to be spent on State Government initiated social housing. 4. Council to approach Land and Housing Corp about redeveloping existing social housing sites. 5. Reduced car parking rates for affordable housing developed by community housing providers. 6. Minimising land costs for affordable housing. 7. Special rate levies for affordable housing. 8. Responding to proposed Government policies such as the Housing Diversity SEPP EIE to advocate for additional affordable housing options. | develop 'under-utilised' sites for affordable housing. 3. Council would be open to discussions on this on the provision that the affordable and social housing is developed in Waverley. 4. Council can approach Land and Housing Corp to understand their future intentions. 5. The DCP currently has a minimum zero car parking rate. 6. There are no plans to investigate special rate levies for affordable housing. 7. Council will continue to make submissions to State Government policies such as the Housing Diversity SEPP EIE to advocate for additional affordable housing options. Noted. |
| | Strongly supports the levy of 1% of floor | Noted. |
| | space (typically provided as a monetary contribution) on all new residential | |
| | development for the purposes of | |
| | affordable housing. | |
| | Council should increase the types of | Noted. Any potential changes |
| | residential developments that the 1% | to the levy will be reviewed |
| | levy applies to all residential development excluding detached single | once the scheme is in place and has been operating and is |
| | dwelling houses. | ready for a review. |
| | Consider trying to apply mechanisms to | Noted. Any potential changes |
| | the Low Rise Housing Diversity Code to | to the levy will be reviewed |
| | be able to levy the 1% on developments approved under this SEPP. | once the scheme is in place and has been operating and is ready for a review. |
| | Council should consider adding the 1% | Noted. Any potential changes |
| | levy to change of use applications and major alts and adds. | to the levy will be reviewed once the scheme is in place |
| | major area ana adas. | and has been operating and is |
| | | ready for a review. |
| | Council should establish a review process | Noted. |
| | that aligns with the review of its LSPS and LHS every five years and the affordable | |
| | housing levy rates be reviewed annually | |
| | to ensure they align with market rates. | |
| | Recommends that Council ensures that | Noted. Council will review |
| | all affordable housing contributions are | this and discuss the |

| _ | | • |
|---|---|--|
| | explicitly used for the delivery of affordable housing and that maintenance costs be managed by the developer as part of a condition of consent / provision in the positive covenant. | possibilities of adding this to conditions of consent / positive covenants. Affordable housing contributions should be used |
| | in the positive coveriant. | for the delivery of new |
| | | housing and recurrent |
| | | revenue from these assets |
| | | should be used for |
| | | maintenance of these assets. |
| | Council should consider the imposition of | Noted. As above. |
| | a condition that relates to the ongoing | |
| | maintenance of any affordable housing | |
| | provided – this is important as | |
| | maintenance costs can reduce the | |
| | availability of funds to deliver new | |
| | affordable housing stock | |

Updates to the Waverley Planning Agreement Policy 2014

The changes made to the Planning Agreement Policy 2014 are highlighted in Attachment 2. The amendments made from the policy in 2014 (Amendment No. 2) to this Amendment (No. 3) prior to exhibition are in blue text. The amendments made to Amendment No. 3 as a result of this exhibition period are highlighted in green.

Increasing the minimum affordable housing contribution split to 25%

To date, the Policy has mandated that 10% of all VPA contributions are allocated to Waverley's Affordable Housing Program. It was raised at the time of the last amendment, that Council wished to investigate increasing this split to 25%. At the time Council officers were about to undertake the Local Housing Strategy, which would include an analysis of the LGA's affordable housing need and options to address this through the planning system. It was resolved to postpone the decision of an increased split until Council officers undertook a Councillor workshop and completed the LHS so that any change to the split was grounded in an adopted strategy.

Affordable housing is a critical need in Waverley LGA and more funds towards affordable housing would help to alleviate this need. The LHS highlighted that VPAs are currently the only funding source for affordable housing. Greater contribution to affordable housing could benefit a wider geographical area. Therefore, the LHS recommended 'review the VPA Policy to consider an increase up to 100% of VPA contributions towards affordable housing and to develop criteria to determine where this is appropriate.'

It is recommended that, at a minimum, all planning agreement contributions will allocate 25% to affordable housing. Any increase beyond the 25% contribution would usually be in those circumstances where it was possible to obtain title to a residential unit that would be added to Council's affordable housing portfolio.

Updated benchmarks

Standardised benchmark rates were introduced in the last amendment to the Policy and have been in place since August 2018. Since then, the benchmarks have been applied to VPAs lodged after the commencement of the policy. The VPA benchmarks have overall been a success for both Council officers and the applicants, providing certainty and transparency. For applicants, it provides certainty that they can factor into their financing should they wish to pursue a clause 4.6 variation and VPA. For Council officers, it has reduced the administrative burden of negotiating voluntary planning agreements that can take up to three months.

The benchmark rates were introduced on the basis that they were regularly updated to reflect current market conditions. Attachment 3 outlines the new rates, which vary from no change to a 5-7% decrease from the previous benchmarks. Detailed market research was undertaken using Realestate.com, NSW Valuer General and the Housing NSW 'Rent and Sales Report'. Recent sales were taken from the 2019/20 financial year time period.

Housekeeping amendments

Housekeeping amendments include:

- Giving regard to the latest draft Planning Agreement Practice Note 2020.
- Updated reference to the strategic context in light of the adoption of the LSPS, LHS and supporting environmental strategies to inform the preparation of the comprehensive review of the LEP.
- Update to the DA negotiation process reflecting the introduction of the standardised VPA benchmark rates.
- Updated notification procedures to include notifying the relevant Precinct Committee.

Affordable Housing Contributions Scheme

The changes made to the Affordable Housing Contribution Scheme as a result of the post-exhibition review are highlighted in green in Attachment 4.

Objectives

The objectives of the scheme are as follows:

1. Give effect to Council's current approach of allocating monetary contributions to affordable housing through voluntary planning agreements.

The NSW Government released a Ministerial Direction requiring that Councils who wish to require in-kind or monetary contributions for affordable housing through a voluntary planning agreement must have an affordable housing contributions scheme. Council wishes to continue allocating planning agreement funds (a minimum 25% as outlined in this report) to affordable housing and hence the preparation of the scheme (Attachment 3).

2. Introduce a new contribution.

A contribution on all new residential apartment development of 1% of floor space at a flat \$ rate/sqm.

A contribution of up to 10% of floor space at a flat \$ rate/sqm will apply to sites getting planning uplift through the rezoning process.

These rates per sqm will differ by suburb due to different submarket conditions which are in the policy.

Under SEPP 70, all Councils in NSW were made eligible to start collecting affordable housing contributions where there is uplift in the planning controls, an identified local housing need and where it is viable.

It should be noted that the DPIE's Guidelines for Preparing an Affordable Housing Scheme tightly circumscribe the ability to levy affordable housing contributions, being predicated on the upzoning of large areas, such as large sections of suburbs or corridors. This position was not supported by Waverley Council in a submission to these guidelines in 2018 and again in the Local Housing Strategy, given the Waverley context as a highly dense urban area with little opportunity for large scale uplift. Recently, Ryde Council's proposed LEP mechanism to levy affordable housing contributions was refused by the DPIE and Waverley

may face difficulties in obtaining a Gateway approval from the DPIE. Notwithstanding, it is believed that the Waverley Affordable Housing Contribution Scheme is consistent with the requirements of s7.32 *Conditions requiring land or contributions for affordable housing* of the *EP&A Act 1979* and officers will strongly advocate for the application of an affordable housing levy in the LGA.

Council has adopted the Local Housing Strategy which does not propose any rezoning in the LGA. This is because it was determined that there was sufficient capacity to deliver the appropriate housing supply to meet housing targets.

Council also receives unsolicited spot rezoning proposals from private industry. It is intended that the scheme will give Council the legislative backing to require affordable housing contributions from proponents that are granted uplift through the planning proposal process.

Process

To make these contributions mandatory, an amendment needs to be made to the Waverley LEP 2012 for a new clause referencing the scheme. This requires Council officers to submit a planning proposal to DPIE seeking a gateway determination. Given the precedent set by Ryde Council as mentioned above, it is unclear whether DPIE will grant consent for the gateway determination although in discussions with Officers from DPIE, Council has been encouraged to put forward its submissions for consideration.

5. Financial impact statement/Time frame/Consultation

Financial impact

The current funding split for planning agreements being 90% to public works and 10% to affordable housing creates a strong nexus between development and the public benefit. The benefits are tangible and are able to be widely used (i.e. park upgrades).

The funds allocated from VPA revenue in the next two years in the LTFP have been derived from funding that is already committed with existing VPAs. There will be no changes to public works funding in the next two years (to end of 2022 FY).

The draft Affordable Housing Contributions Scheme will not have a negative financial impact on Council's budget as it relies on contributions from developers. It could have a significant positive impact on the Affordable Housing Fund by increasing the revenue allocated to it.

Consultation

Both the draft Planning Agreement Policy 2014 (Amendment 3) and draft Waverley Affordable Housing Contributions Scheme were exhibited for six weeks from 7 October to 15 November 2020. During the exhibition period, six submissions were received. Two submissions were received for the Planning Agreement Policy (Amendment No. 3) and four submissions were received for the Affordable Housing Contributions Scheme.

Time frame

If supported by Council, the Planning Agreement Policy 2014 (Amendment 3) will be adopted. If supported, the draft Affordable Housing Contributions Scheme will be adopted as a policy position and implemented through the preparation of a planning proposal for Council's inclusion within SEPP 70 and to enforce the affordable housing contributions listed throughout this report.

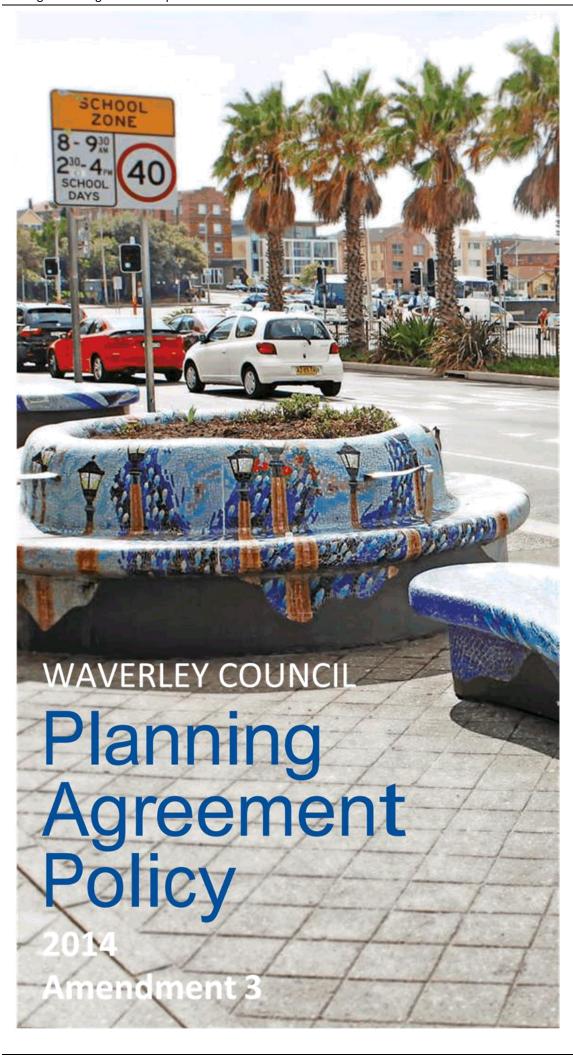
6. Conclusion

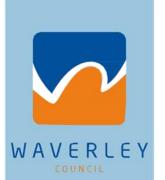
The draft Planning Agreement Policy 2014 (Amendment 3) has been drafted in accordance with legislation, and Council's policies, plans and strategies. Subject to Council approval, it reflects a direction from Council to increase the funding split towards affordable housing, updated benchmarks reflecting current housing market conditions and housekeeping amendments to ensure the policy remains up to date.

The draft Waverley Affordable Housing Contributions Scheme has also been drafted. It is a legislative requirement to prepare this scheme to continue allocating any contributions to affordable housing through the planning system.

7. Attachments

- 1. Planning Agreement Policy Final <a>J
- 2. Planning Agreement Policy Marked-up J
- 3. Affordable Housing Contributions Scheme Final J.
- 4. Affordable Housing Contributions Scheme Marked-up U





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Planning Agreement Policy 2014 (Amendment No. 3)

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PD/5.1/20.12- Attachment 1



Planning Agreement Policy 2014 (Amendment No. 3)

5.13 How will the Council seek to determine the amount of Monetary
Contribution that may be payable for an amendment to the Waverley
Local Environmental Plan 2012
20

Appendix 1 VPA payable rates

Appendix 2 Valuation Methodology for Planning Proposals

Appendix 3 Planning Agreement Template

Appendix 4 Explanatory Note Template

Appendix 5 Works for Planning Agreements

Appendix 6 Waverley Council Statement of Business Ethics

PD/5.1/20.12- Attachment 1

Planning Agreement Policy 2014 (Amendment No. 3)

Terms and definitions used in this Policy

In this Policy, the following terminology is used:

Act means the Environmental Planning and Assessment Act 1979.

Council means Waverley Council.

developer is a person who has sought a change to an environmental planning instrument (which includes the making, amendment or repeal of an instrument (s7.4(11)), or who has made or proposes to make a development application, or who has entered into an agreement with or is otherwise associated with such a person.

development application has the same meaning as in the Act.

development contribution means the kind of provision made by a developer under a planning agreement, being a monetary contribution, the dedication of land free of cost or the provision of any other material public benefit.

explanatory note means a written statement that provides details of the objectives, nature, effect and merits of a planning agreement, or an amendment to or revocation of a planning agreement.

instrument change means a change to an environmental planning instrument to facilitate a development the subject of a planning agreement.

planning benefit means a development contribution that confers a net public benefit.

public facilities means public infrastructure, facilities, amenities and services.

planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution.

planning proposal means an application to amend the Waverley Local Environmental Plan 2012

proponent means the party that is responsible for lodging a planning proposal with Council.

Practice Note means the *draft Planning Agreement Practice Note* (April 2020) published by the Department of Planning, Industry and Environment.

public includes a section of the public.

public benefit is the benefit enjoyed by the public as a consequence of a development contribution.

Regulation means the Environmental Planning and Assessment Regulation 2000.

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WLEP 2012 means the Waverley Local Environmental Plan 2012.

Part 1 - Policy Framework

1.1 Name of this Policy

This Policy is known as the *Waverley Council Planning Agreement Policy 2014* ("**the Policy**"). It sets out Waverley Council's policy and procedures relating to planning agreements under the *Environmental Planning and Assessment Act 1979*.

1.2 Application of the Policy and commencement

This Policy applies to development applications lodged pursuant to *Waverley Local Environmental Plan 2012* ("WLEP 2012") and planning proposals seeking a change to WLEP 2012 for land and development within the local government area of Waverley Council ("Council"). This policy generally applies to all forms of development with the exception of dwelling houses (a building containing only one dwelling) and employment generating development only (i.e. retail and commercial floorspace).

To be updated post-exhibition - This Policy was adopted by resolution of the Council on 21st August 2018. The Policy is effective from 21st August 2018.

1.3 Objectives of this Policy

The objectives of this Policy are:

- (a) to establish a fair, transparent and accountable framework governing the use of planning agreements by the Council;
- (b) to explore the range and extent of development contributions made by development towards public facilities and other public benefits in the Council's area:
- (c) to set out the Council's specific policies and procedures relating to the use of planning agreements within the Council's area;
- (d) to give all stakeholders in development greater involvement in determining the type, standard and location of public facilities and other public benefits; and
- (e) to facilitate public participation and to allow the community to gain an understanding of the benefits of appropriate planning agreements for the provision of public benefits.
- (f) to enhance the understanding within Council's area as to possibilities for development and associated public benefits and planning benefits facilitated by planning agreements.

1.4 What does the Policy set out?

This Policy sets out the Council's approach to the use of planning agreements through negotiation when considering development applications and planning proposals associated with changes to WLEP 2012 in the Waverley area. Council is guided by the policy approach set out in the Department of Planning's Practice Note titled *Planning Agreements* (19 July 2005) ("the Practice Note") and also considers the draft *Planning Agreement Practice Note* (April 2020) that was on exhibition at the time of this policy update. It should be noted Council must give regard to the Practice Note but is not bound by it.

In particular, this Policy sets out

- timing considerations in respect to planning agreements and procedures for negotiating and entering into planning agreements,
- the circumstances in which the Council may consider entering into a planning agreement,
- the matters ordinarily covered by a planning agreement, the form of development contributions which may be sought under a planning agreement.
 Unless otherwise agreed in a particular case, development contributions negotiated as part of a development application or as part of a planning proposal will be valued or calculated as set out in in Appendix 1 and Appendix 2.
- examples of the kinds of public benefits which may be sought and, in relation to each kind of benefit, whether it involves a planning benefit,
- · the method for determining the value of public benefits,
- whether money paid under different planning agreements is to be pooled and progressively applied towards the provision of public benefits to which the different agreements relate,
- when, how and where public benefits may be provided in line with strategic priorities as identified in Council's strategies and plans probity measures, and
- the Council's policies on other matters relating to planning agreements, such as their review and modification, the discharging of the developer's obligations under agreements, the circumstances, if any, in which refunds may be given, dispute resolution and enforcement mechanisms, and the payment of costs relating to the preparation, negotiation, execution, monitoring and other administration of agreements.

1.4 Statutory framework

The current legal and procedural framework for planning agreements is set in Subdivision 2 of Division 7.1 of the *Environmental Planning and Assessment Act 1979*. Council is also bound by the provisions of Division 1A of Part 4 of the *Environmental Planning and Assessment Regulation* 2000.

Section 7.4 sets out the circumstances under which a planning agreement may be entered into. It provides a planning agreement may be made between a planning authority (or two or more planning authorities) and a person (developer):

- a) who has sought a change to an environment planning instrument (such as a rezoning application); or
- b) who has made or proposes to make a development application; or
- c) who has entered into an agreement with or is otherwise associated with a person in one of the above two categories.

1.5 Land use and strategic infrastructure planning

Land use planning should occur concurrently with strategic infrastructure planning to ensure that built form provisions and infrastructure contributions deliver both appropriate urban forms and contributions related to the development. Strategic infrastructure planning should



be undertaken regularly and address expected growth, infrastructure demand resulting from this growth, and the apportioned cost of these infrastructure provisions. Planning agreements should be used towards public benefits that are in accordance with the council's infrastructure planning and funding policies and strategies, including this Policy.

1.6 What are the mandatory requirements of a planning agreement?

Section 7.4(3) of the Act requires planning agreements to include provisions specifying:

- (a) a description of the land to which the agreement applies,
- (b) a description of:
 - (i) the change to the environmental planning instrument to which the agreement applies, or
 - (ii) the development to which the agreement applies,
- (c) the nature and extent of the provision to be made by the developer under the agreement, the time or times by which the provision is to be made and the manner by which the provision is to be made,
- (d) in the case of development, whether the agreement excludes (wholly or in part) or does not exclude the application of section 7.11 or 7.12 to the development,
- (e) if the agreement does not exclude the application of section 7.11 to the development, whether benefits under the agreement are or are not to be taken into consideration in determining a development contribution under section 7.11,
- (f) a mechanism for the resolution of disputes under the agreement,
- (g) the enforcement of the agreement by a suitable means, such as the provision of a bond or guarantee, in the event of a breach of the agreement by the developer

The Act does not preclude a planning agreement containing other provisions that may be necessary or desirable in particular cases, except as provided by law. However, Council has prepared a template agreement that will form the basis for a planning agreement and this may be used as the basis for any agreement. This is attached as Appendix 3.

Clause 25E(1) of the Regulation requires that an explanatory note must accompany a planning agreement that:

- summarises the objectives, nature and effect of the proposed agreement, amendment or revocation, and
- contains an assessment of the merits of the proposed agreement, amendment or revocation, including the impact (positive or negative) on the public or any relevant section of the public.



1.7 Guiding principles

The Practice Note sets out guidelines and safeguards in the application of planning agreements. These include determining the planning agreements acceptability and reasonableness. As such attention will be directed towards:

- a) proper or legitimate planning purposes, ordinarily ascertainable from the statutory planning controls and other adopted planning policies applying to development,
- b) providing for public benefits that bear a relationship to development that are not wholly unrelated to the development and are located in the vicinity of where the development is located.
- c) producing outcomes that meet the general values and expectations of the public and protect the overall public interest,
- d) providing for a reasonable means of achieving the relevant purposes and outcomes and securing the benefits, and
- e) protecting the community against planning harm.

Generally, negotiations of a planning agreement should commence before lodgment of a development application/submission of a planning proposal to the Gateway so as to ensure a practical outcome for public notification. In most cases, by way of safeguard, a planning agreement should be entered into before a planning proposal is submitted to the Gateway.

In addition, by way of safeguard, Council will seek to ensure probity of its processes involving planning agreements by ensuring applications involving planning agreements which involve Council land, or development applications made by or on behalf of Council, are independently assessed by an external planning consultant.



Part 2 - Principles for Planning Agreements

2.1 Purposes of planning agreements

Section 7.4(1) of the Act provides that a planning agreement is a voluntary agreement or other arrangement between one or more planning authorities and a developer under which the developer agrees to make development contributions towards a public purpose. Planning agreements are negotiated between planning authorities and developers in the context of applications for changes to environmental planning instruments (planning proposals) or for consent to carry out development (development applications).

The Council's approach to the negotiation of planning agreements is based on the planning purpose of furthering the Council's planning vision for the area as set out in the Waverley Community Strategic Plan, Local Strategic Planning Statement (LSPS) and supporting environmental strategies (as amended from time to time). It is also informed by the mission and values of the Corporate Plan.

When negotiating planning obligations the Council will generally take into account Council's vision and mission statement, the Strategic Plan's general priorities set out in the programs to that Plan, the site circumstances and also the obligation preferences of the developer.

As an incentive towards the provision of development contributions to be applied towards public benefits and planning benefits, Council may consider, subject to its statutory obligations and other matters set out in this Policy or any other relevant Council policies, plans or procedures:

a) applications for development up to an additional area of 15% of maximum gross floor area permitted under clause 4.4 of WLEP 2012.

Notwithstanding (a) above, Council will consider each proposed planning agreement on a case by case basis. In circumstances where significant variation of applicable development standards is proposed consideration should be given to the preparation of a planning proposal to amend WLEP2012.

The Council may negotiate a planning agreement with a developer/proponent in connection with any proposed application by the developer/proponent for an instrument change (e.g. rezoning application) or for development consent relating to any land in the Council's area. The Council may also negotiate a planning agreement in association with another Council or another authority where relevant. The negotiation of a planning agreement is at the absolute discretion of the Council.

Council will not enter a planning agreement unless it is satisfied that the proposed development is acceptable on planning grounds having regard to the general heads of consideration set out in Section 4.15 of the Act. Development that is unacceptable on planning grounds will not be given consent because of benefits offered by a developer. It is noted that any exceptions to relevant development standards will be assessed in accordance with the provisions set out in cl.4.6 of WLEP 2012.

2.2 Principles underlying the use of planning agreements

The Council's use of planning agreements will be governed by the following principles:

- a) Planning decisions will not be bought or sold through planning agreements.
- b) The Council will not allow planning agreements to improperly fetter the exercise of its functions under the act, regulation or any other act or law.
- c) The Council will not use planning agreements for any purpose other than a proper planning purpose.
- d) Development that is unacceptable on planning grounds will not be permitted because of planning benefits offered by developers that do not make the development acceptable in planning terms.
- e) The Council will not seek benefits under a planning agreement that are wholly unrelated to particular development. Development contributions obtained from planning agreements in an area will be spent within the vicinity of the development it relates to.
- f) The Council will not take into consideration planning agreements that are wholly unrelated to an application, nor will the Council give undue weight to a planning agreement.
- g) The Council will not allow the interests of individuals or interest groups to outweigh the public interest when considering a proposed planning agreement.
- h) The Council will not improperly rely on its position in order to extract unreasonable public benefits from developers under planning agreements.
- i) Planning agreements should not be used as a means of general revenue raising or to overcome revenue shortfalls.
- j) Planning agreements must be underpinned by proper strategic land use and infrastructure planning carried out on a regular basis and must address expected growth and the associated infrastructure demand.
- k) Strategic planning should ensure that development is supported by the infrastructure needed to meet the needs of the growing population.

The progression of a planning proposal or the approval of a development application should never be contingent on entering into a planning agreement.

2.3 What matters will the Council consider?

The matters that the Council may consider in any such negotiation may include, but not be limited to, the following:

- (a) Whether the planning agreement(s) meets the demands created by the development for new public infrastructure, amenities and services.
- (b) If inclusions in the development meet specific planning objectives of the Council.



- (c) If compensation is required for the loss of, or damage to, a public amenity, service, resource or asset caused by the development through its replacement, substitution, repair or regeneration.
- (d) Rectification of an existing deficiency in the existing provision of public facilities in the Council's area is made.
- (e) Whether recurrent funding of public facilities and/or public benefit is required or provided.
- (f) The extent to which the Council needs to monitor the planning impacts of development.
- (g) Whether planning benefits for the wider community accrue from the planning agreement.

The most important factor in deciding what planning obligations might be required as part of a planning agreement is the size of the development or resulting increase in land value from an amendment to the Waverley Local Environmental Plan 2012. However, other factors such as the location or the resulting type of development may be relevant. These will establish core information such as likely increases in population and demand for particular public services.

This information will help Council with the determination of the development application/planning proposal and to prepare the planning agreement.

2.4 Strategic planning context

An important role for Planning Agreements is achieving specific land use planning outcomes with strategic and/or site-specific merit. A Planning Agreement should facilitate the provision of public facilities and amenity outcomes that advance the delivery of Council's corporate and strategic planning objectives and deliver valuable community benefits where appropriate. Long-term strategies including Waverley's Local Strategic Planning Statement (LSPS) and Waverley's Community Strategic Plan (2018-2029) (CSP) and delivery program are based on the outcomes of engagement with the community. The implementation of key aspects of some of these goals, the broader strategic directions and the delivery of key infrastructure areas can be directly or indirectly achieved through Planning Agreements.

The vision and goals established within Council's long-term strategic plans such as the CSP and LSPS flow through to supporting plans that guide Council's medium and short-term priorities:

- Long Term Financial Plan (10 years)
- Delivery Program (4 years)
- · Operational Plan (Annual)

Council's Local Strategic Planning Statement, supported by a number of environmental strategies and considers planning for growth in Waverley, including relevant supporting strategies which seek to identify the communities needs for infrastructure such as community facilitates, transport, open space, public domain and recreation infrastructure, capital works and infrastructure.

2.5 Types of public benefits to be delivered under planning agreements

Public benefits received through Planning Agreements contribute to Council's ability to deliver:

- a) infrastructure identified within existing development contributions plans (s7.12 contributions plan),
- b) infrastructure identified within Council's Strategic plans, e.g. commercial floor space in village centres, affordable housing, and open space acquisition,
- c) infrastructure required directly as a result of density increases experienced or expected from the redevelopment of a site. e.g. due to changes in development controls arising from a Planning Proposal, and
- d) Land identified in a strategic plan, policy, planning instrument, development control plan or contributions plan for a public purpose, dedication or acquisition.

Examples of public benefits described above are provided at Appendix 5. It is recognised that development contributions that facilitate works in addition to the works listed in Appendix 5 may be appropriate because negotiations for each proposed development will reflect the circumstances of each case and the needs created by the scale of proposed change. Consequently, Appendix 5 does not prevent development contributions being negotiated on a case by case basis, particularly where planning benefits are also involved.

It is to be noted that at a minimum 25% of all planning agreement contributions will form a monetary contribution to Waverley's Affordable Housing Program fund. There may be some circumstances where Council will allocate up to 100% of the monetary contribution to Waverley's Affordable Housing Program fund.

This policy allows for in-kind contributions to be made to Council in lieu of monetary contributions provided that these are consistent with the calculation methods outlined in Appendix 1 and 2. In-kind contributions could include for example affordable housing, commercial floor space dedicated in perpetuity to Council or public domain upgrades.

2.6 Recurrent charges

The Council may request developers/proponents, through a planning agreement, to make development contributions towards the recurrent costs of public facilities. Where the public facility primarily serves the development to which the planning agreement relates or neighbouring development, the arrangement for recurrent funding may be in perpetuity.

Where the public facility or public benefit is intended to serve the wider community, the planning agreement may, where appropriate, only require the developer/proponent to make contributions towards the recurrent costs of the facility for a set period which will be negotiated according to the impact of the development.



2.7 Pooling of development contributions

Where a proposed planning agreement provides for a monetary contribution by the developer/proponent, the Council may seek to include a provision permitting money paid under the agreement to be pooled with money paid under other planning agreements and applied progressively for the different purposes under those agreements.

Pooling may be appropriate to allow public benefits, particularly essential infrastructure, to be provided in a fair and equitable way.

2.8 Do other development contributions apply?

Generally, the Council will not enter a planning agreement that excludes the application of s7.11 or s7.12 of the Act to development to which the agreement relates. This, however, is a matter for negotiation between the Council and a developer having regard to the particular circumstances of the case.

However, where the application of s7.11 of the Act to development is not excluded by a planning agreement, the Council will generally not agree to a provision allowing benefits under the agreement to be taken into consideration in determining a development contribution under section 7.11.

Part 3 - Negotiation Procedures and Probity

3.1 Introduction

The Council's negotiation system for planning agreements aims to be efficient, predictable, transparent and accountable. Council will seek to ensure that the final negotiation of planning agreements runs in parallel with applications for instrument changes or development applications so as not to unduly delay the approval.

Where possible Council will publicly notify a planning agreement in the same manner and at the same time as the application for the instrument change or the development application to which it relates.

Council's preference is therefore to have the planning agreement negotiated and documented before it is publicly notified as required by the Act and Regulation. It is also preferable that a planning agreement is negotiated before lodgement of the relevant application and that it accompanies the application on lodgement.

3.2 Steps in the negotiation process

The negotiation of a planning agreement will generally involve the following key steps which are outlined in Appendix 1 and 2:

Planning Proposals

- 1. Prior to the lodgement of the relevant planning proposal, the Council and proponent (and any other relevant person) will decide whether to negotiate a planning agreement.
- The parties will decide whether to appoint an independent person to facilitate or otherwise participate in the negotiations or aspects of it, and appoint such person.
- 3. A timetable for negotiations and the protocols and work practices governing their negotiations will be agreed between the parties.
- 4. The key issues for negotiation will be identified by the parties, and the negotiations over these issues will take place.
- If agreement is reached, the Council (and any other relevant party) will prepare the proposed planning agreement including the explanatory note, and provide a copy of it to the proponent.
- 6. The parties may undertake further negotiation on the specific terms of the proposed planning agreement as necessary.
- 7. Once agreement is reached on the terms of the proposed planning agreement, the proponent may then make the development application/planning proposal to the Council accompanied by an offer to enter into such an agreement with specifics of the agreement set out in detail.
- 8. The Council will publicly exhibit the planning proposal and planning agreement in accordance with the Act. The Council may approve the planning proposal and set

out the conditions for the agreement or, if an agreement has been executed, set out in the consent/determination the terms of the agreement.

Development applications

- Prior to the lodgement of the relevant development application, the applicant will decide whether to offer a planning agreement. The applicant should contact Council about how the benchmark rates (Appendix 1) apply to the subject development.
- 2. The applicant submits the development application with a letter of offer to enter into a planning agreement.
- 3. Development assessment staff independently undertake their assessment of the application.
- 4. Should the development application be approved, Council officers will prepare the planning agreement for notification, reporting to Council and execution.

The parties may be required to undertake further negotiations and, hence, a number of the abovementioned steps mentioned may need to be repeated as a result of the public notification process or its formal consideration by the Council in connection with the relevant application.

Note that all costs associated with the negotiation of a planning agreement, including the appointment of an independent person, are to be borne by the developer.

It is also noted that where the value of the development exceeds \$20 million the development application will be dealt with by the independent Sydney Planning Panel (SPP) or any other relevant planning authority.

3.3 Probity

Public probity is important to Waverley Council and it will ensure that the negotiation of any planning agreements is fair, transparent and is directed at achieving public benefits in an appropriate manner free of corruption.

In this regard, Council will:

- a) Inform any applicant about Council values and business ethics specifically, about ethical behaviour appropriate to business dealings. A copy of Council's Statement of Ethics Policy (as amended from time to time) is attached at Appendix 8.
- b) Ensure that its communities understand the system and the Council's role specifically, how the planning agreements system operates and how Council will deal with developments/ planning proposals objectively.
- c) Notify planning agreements to ensure they are open and transparent specifically, achieving maximum public awareness of the matters contained in a planning agreement(s) and the potential benefits of an agreement.
- d) Ensure appropriate delegations and separation of responsibilities in considering development applications/planning proposals that involve planning agreements – specifically, the need to ensure processes adequately



address the level of risk of corruption of a process while at the same time being appropriate to the likely level of risk.

- e) Ensure that modifications to approved development should be subject to the same scrutiny as the original development application.
- f) Ensure that Councillors and Council staff understand their varied roles, some of which have potential to conflict.
- g) Complete negotiations via written correspondence, rather than face-to-face meetings, to ensure that all discussions are clearly documented to ensure the highest level of transparency, accountability and record-keeping. This also allows timely consideration and resolution of any issues raised and facilitates carefully considered decision making by all parties.
- h) Take every step to ensure that conflicts of interest are ameliorated to the greatest extent possible – specifically, independent assessment by third parties where Council has an interest and not entering into any contractual arrangement which purport to guarantee outcomes that are subject to separate regulatory processes.

Apart from the above procedures, further procedures that will be implemented to address these matters may also include, but not be limited by, the following procedures:

- a) The Councillors will not be involved in the face to face negotiation of the agreement but will ultimately execute the planning agreement as part of their duties as Councillors.
- b) A Council officer with appropriate delegated authority will negotiate a planning agreement on behalf of the Council in accordance with this Policy.
- c) The Council will, in all cases, ensure that Council staff with key responsibility for providing advice on approvals, approving applications or ensuring compliance, do not have a role in the assessment of the commercial aspects of the agreement nor on the conditions of the planning agreement except where advice is required on matters relating to the conditions of consent for a particular proposal.
- d) The Council may involve an independent person(s) to facilitate or otherwise participate in the negotiations or aspects of it, particularly where this will lead to a better planning outcome.
- e) The Council will ensure that all negotiations with a developer/proponent and their consultants are sufficiently separated and documented.
- f) Where the Council has a commercial stake in development the subject of an agreement, it will take appropriate steps to ensure that it avoids a conflict of interest between its role as a planning authority and its commercial interest in the development.
- g) Where Council is the consent authority and an applicant has proposed to enter into a Planning Agreement, the development application must be



determined by the Waverley Local Planning Panel (WLPP), the Sydney Planning Panel, or any other relevant planning authority.



Part 4 - Notification and Exhibition

4.1 Public notification of planning agreements

In accordance with the Act, a planning agreement must be publicly notified and available for public inspection for a minimum period of 28 days. Notification generally involves a public notice in the Wentworth Courier, online at https://haveyoursay.waverley.nsw.gov.au/ and directly to the relevant precinct committee. The Council may decide to notify a planning agreement for a longer period or shorter period as permitted by the Act.

The Council will also notify the application to which a planning agreement relates in accordance with the Act.

4.2 Re-notification

The Council may publicly re-notify and make available for public inspection a proposed planning agreement and the application to which it relates if, in the Council's opinion, a material change is made to the terms of the agreement or the application after it has been previously publicly notified and inspected. Such a change may arise as a consequence of public submissions made in respect of the previous public notification and inspection of the agreement or the application, or their formal consideration by the Council, or for any other reason.

4.3 Public comment on planning agreements

The Council encourages the public to make submissions on planning agreements. This will allow the Council to better understand local needs and permit fine tuning of the planning obligations set out in any planning agreement.

In the case of development applications, whilst Council aims to advertise the planning agreement at the same time as the development application it may be advertised separately to the development application depending upon when an outcome is reached following negotiation.

In the case of planning proposals, it would be expected that the proponent would provide a detailed offer which would incorporate specifics as to the public benefit and an undertaking to pursue and enter into a negotiated planning agreement prior to gazettal notification.

Part 5 - Implementation and Conditions

5.1 Preparation of the planning agreement

The Council will prepare a planning agreement relating to a particular application for an instrument change or development application. The Council uses a standard form of planning agreement on which every planning agreement is based which reflects the policies and procedures set out in this document (refer Appendix 3). This planning agreement will include an explanatory note (refer Appendix 4).

The Council will require a planning agreement to make provision for payment by the developer of the Councils costs of and incidental to negotiating, preparing and entering into the agreement as well as administering and enforcing the agreement.

5.2 When is a planning agreement required to be entered into?

A planning agreement is entered into when it is signed by all of the parties. The Council will usually require a planning agreement to be entered into as a condition of granting development consent to the development to which the agreement relates or as part of the Gateway process for a planning proposal. However, a planning agreement can be entered into at any time after the agreement is publicly notified in accordance with the Act and Regulation.

5.3 When will planning obligations arise?

5.3.1 Development Applications

The Council will generally require a planning agreement to provide that the developer's obligations in relation to securing the delivery of development contributions must be met prior to the issuing of any construction certificate related to the subject development application. Delivery of the development contribution may be prior to occupation certificate.

5.3.2 Planning Proposals

There are a number of possible scenarios which are to be detailed in the terms of the planning agreement to ensure that the obligations of the agreement are fulfilled by the proponent of the planning proposal.

- a) Generally, the developer's obligations in relation to caveat and registration of the PA must be met as soon as possible after gateway determination and prior to gazettal notice, bank guarantee must be delivered to Council upon gazettal notice and delivery of the contribution (e.g. payment of monetary contribution), prior to the issuing of any construction certificate related to the subject development application otherwise, generally the delivery of the contribution will be upon gazettal notice.
 - Note: there may be a significant time gap between the gazettal of the planning proposal and the issuing of a construction certificate for any subsequent development of the subject site. Timing must be a key consideration during the negotiation of the planning agreement terms.
- b) If the proponent of the planning proposal intends to sell the site it must immediately notify Council in writing. Generally, the proponent must meet the obligations of the planning agreement, particularly the delivery of

developer contributions (e.g. payment of monetary contribution), on or before settlement of the sale of the land. Generally, this is to be secured through registration of the planning agreement, caveat against the title of the land and provision of bank guarantee as required under (a).

5.4 Implementation agreements

The Council may require an implementation agreement that provides for matters such as:

- (a) The timetable for provision of planning obligations under the planning agreement.
- (b) The design, technical specification and standard of any work required by the planning agreement to be undertaken by the developer.
- (c) The manner in which a work is to be handed over to the council. The manner in which a material public benefit is to be made available for its public purpose in accordance with the planning agreement.

5.5 Monitoring and review of a planning agreement

The Council will continuously monitor the performance of the developer's/proponent's obligations under a planning agreement and report them in accordance with the Act.

5.6 Modification or discharge of obligations

The Council may agree to a provision in a planning agreement permitting the developer's/proponent's obligations under the agreement to be modified or discharged in the following circumstances:

- a) The developer's/proponent's obligations have been fully carried out in accordance with the agreement, or
- b) The development consent to which the agreement relates has lapsed, or
- c) The development consent to which the agreement relates has been modified to such an extent that the planning obligations may not be appropriate, or
- d) The performance of the planning agreement has been frustrated by an event or events beyond the reasonable control of the parties, or
- e) The developer/proponent has fully and completely assigned the developer's/proponent's interest under the agreement in accordance with its terms, or
- f) Other material changes affecting the operation of the planning agreement have occurred, or
- g) The Council and the developer/proponent otherwise agree to the modification or discharge of the agreement.

Such a provision will require the modification or revocation of the planning agreement in accordance with the Act and Regulation.

5.7 Assignment and dealings by the developer/proponent

The Council will not generally permit the assignment of any or all of the developer's/proponent's rights or obligations under the agreement, nor will the Council permit any dealing in relation to any part or the whole of the land the subject of the agreement. However the Council may agree to an assignment when:

- a) The developer/proponent has, at no cost to the Council, first procured the execution by the person with whom it is dealing of all necessary documents in favour of the Council by which that person agrees to be bound by the agreement as if they were a party to the original agreement, and
- b) If the proposed dealing involves a mortgage, charge or other encumbrance in relation to the party's right, title and interest in the land, such documents provide for an agreement by the person to the effect that they, and any receiver appointed by them, will not enjoy rights greater than those of that party, and
- c) The party is not in breach of the Agreement.

This does not affect the operation of any of other requirements of the agreement.

5.8 Provision of security under a planning agreement

The Council will generally require a planning agreement to make provision for security to cover the developer's/proponent's obligations under the agreement. A form of security will generally be an unconditional bank guarantee from an Australian Bank in favour of the Council to the full value of the developer's/proponent's obligations under the Agreement and on terms otherwise acceptable to the Council. An insurance bond may also be deemed acceptable. Other security will generally be required.

5.9 Registration of planning agreements

The Council may require a planning agreement to contain a provision requiring the developer/proponent to agree to registration of the agreement pursuant to s93H of the Act if the requirements of that section are satisfied.

5.10 Dispute resolution

The Council will require a planning agreement to provide for mediation of disputes between the parties to the agreement before the parties may exercise any other legal rights in relation to the dispute.

5.11 Methodology for valuing public benefits under a planning agreement

Subject to section 2.4, unless otherwise agreed in a particular case, public benefits will be valued as follows:

5.11.1 Provision of land or units for a public purpose

Where the benefit under a planning agreement is the provision of land for a public purpose, or units given to Council in perpetuity, the value of the benefit will be determined by an independent valuer who is experienced in valuing land in New South Wales (and who is acceptable to Council), on the basis of a scope of work which is prepared by Council. All costs of the independent valuer in carrying out such a valuation will be borne by the developer/proponent.



5.11.2 Carrying out of works for a public purpose

Where the benefit under a planning agreement is the carrying out of works for a public purpose, the value of the benefit will be determined by an independent quantity surveyor (who is acceptable to Council), on the basis of the estimated value of the completed works being determined using the method that would ordinarily be adopted by a quantity surveyor. Council will prepare the scope of work for the independent quantity surveyor. All costs of the independent quantity surveyor in carrying out the work will be borne by the developer/proponent.

5.11.3 Other public benefit

Where the benefit under a planning agreement is the provision of public benefit other than under 5.11.1 or 5.11.2, Council and the Developer/proponent will negotiate the manner in which the benefit is to be valued for the purposes of the agreement.

5.12 How will the Council seek to determine the amount of Monetary Contribution that may be payable for Developments with FSR above clause 4.4 of WLEP (the WLEP Provisions)

Generally, the value of 50% of the increase in net value to the development arising from an increase in FSR beyond WLEP 2012 provisions in clause 4.4 may be considered an appropriate contribution. A series of standardised development contribution rates have been developed to streamline negotiations and provide fairness, predictability and certainty to the community, Council and developers. These pre-scheduled development contribution rates apply to different suburbs in the Waverley LGA. These rates are located in Appendix 1 and will be applied to Development Applications. These rates will be updated annually.

5.13 How will the Council seek to determine the amount of Monetary Contribution that may be payable for an amendment to the Waverley Local Environmental Plan 2012

Generally, the value of 50% of the net value from the planning proposal may be considered an appropriate contribution. The net value will be determined by an independent valuer who is experienced in valuing land in New South Wales (and who is acceptable to Council). All costs of the independent valuer in carrying out such a valuation will be borne by the proponent. The methodology used to determine the net value will generally be calculated by determining the Residual Land Value resulting from the planning proposal less the Base Case.

APPENDIX 1 VPA payable rates

The VPA payable rates per square metre for residential floor space are outlined in the following table. VPA payable rates have not been calculated for Bronte, Tamarama, Waverley or Queens Park as there have been few VPAs offered in these areas. If a VPA is offered in these suburbs, then it should be calculated based on the 'Average LGA' rate. For mixed use developments commercial office and retail benchmark rates should be used.

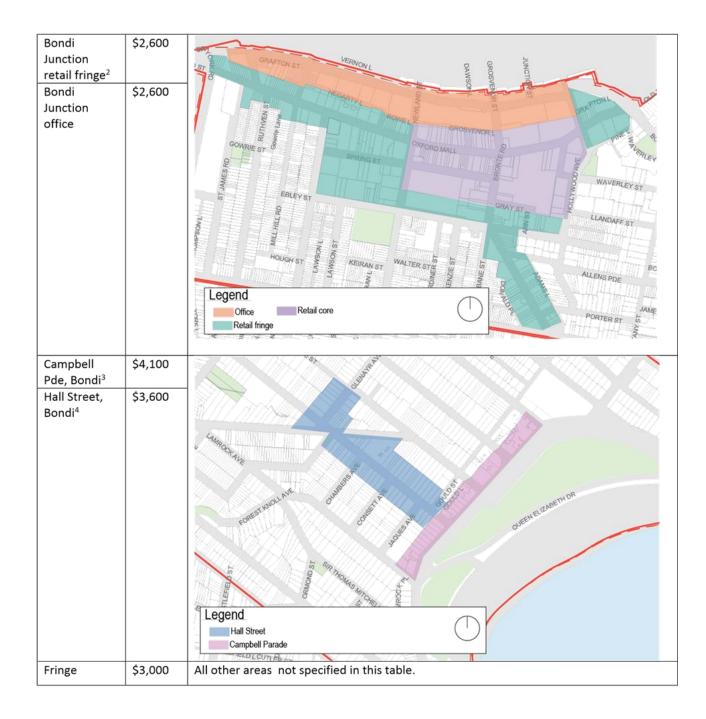
n.b. these rates will be updated on an annual basis based on sales prices.

RESIDENTIAL BENCHMARK RATES

| Area and type | Rate \$/sqm |
|----------------|-------------|
| Bondi Junction | \$3,700 |
| Bondi | \$3,700 |
| Bondi Beach | \$4,000 |
| North Bondi | \$4,200 |
| Dover Heights | \$2,800 |
| Rose Bay | \$2,800 |
| Vaucluse | \$2,800 |

BENCHMARK RATES FOR OFFICE AND RETAIL IN MIXED USE DEVELOPMENTS

| Area and type | Rate \$/sqm | Location it applies |
|---|----------------|--|
| Bondi Road, Bondi | \$2,400 | AND TEPHENST STEPHENST STE |
| Bondi Junction retail core ¹ | \$2,800 | |



PRO RATA BENCHMARKS

Where a modification is sought to a development application to increase the floorspace in a mixed use development, the proportionate percentage of the commercial and residential floorspace in the overall development may be applied pro rata to calculating the monetary contribution.

For any other development type that is not residential or retail or office the following methodology should be used.

METHODOLOGY APPLYING TO OTHER DEVELOPMENT TYPES

There are two components that will make up the valuation. These are:

- 1. The valuation (end sale value) of the bonus (marginal) floor space; and
- Assessment of the marginal costs (to be deducted from the marginal revenue in order to calculate marginal profit);

Component 1 must be done by fully qualified Valuers. It is recommended that two Valuers are appointed, one on behalf of Council and the other on behalf of the applicant.-The adopted valuation figures is to be the average of the two valuations, where these valuations are reasonably close.

Component 2 must be done by fully qualified quantity surveyors (QS). It is recommended that two consultants are appointed, one on behalf of Council and the other on behalf of the applicant. The adopted cost estimates is to be the average of the two QS estimates, where these valuations are reasonably close.

The principles of valuation of the two components are detailed below:

1. Component 1 - Value of Floor Space Bonus

- 1.1. The Valuer is to provide the end sale value of the bonus floor space. This refers to the additional apartments plus their ancillary car parking spaces.
- 1.2. Where there was a bonus on the height of the building then the bonus apartments will be on the upper most levels of the building. Alternatively it may be on the levels immediately below the penthouse and sub-penthouse levels (given that a premium may be attached to the penthouse and sub-penthouse levels refer to example in Paragraph 1.6 below).
- 1.3. The marginal value (or value of the bonus floor space measured in dollars per square metre) should not be less than average value (the building's total value divided by total floor area).
- 1.4. The bonus floor space does not necessarily have to be identified in "whole" apartments. It can be identified in fractions of apartments or even in square metres.
- 1.5. The valuation is to take into consideration the specification and quality of finish of the bonus apartments.
- 1.6. An acceptable method of measure is the difference between the total value of the apartments without the bonus floor space and the total value of the apartments with the bonus floor space.

In the example below a bonus floor space provides an additional increase in the internal leasable area of 14.9% through an increase of building height (one additional floor) plus a slight widening of the building. The result is an increase in the end value by 15.8%.

Building Without Bonus Floor Space

| Level | Sqm | \$/sqm | \$m |
|-------|-------|--------|------|
| | | | |
| 11 | 300 | 12,000 | 3.6 |
| 10 | 400 | 11,000 | 4.4 |
| 9 | 500 | 10,000 | 5.0 |
| 8 | 500 | 9,800 | 4.9 |
| 7 | 500 | 9,600 | 4.8 |
| 6 | 500 | 9,400 | 4.7 |
| 5 | 500 | 9,200 | 4.6 |
| 4 | 500 | 9,000 | 4.5 |
| 3 | 500 | 8,500 | 4.3 |
| 2 | 500 | 8,000 | 4.0 |
| 1 | 500 | 7,500 | 3.8 |
| TOTAL | 5,200 | | 48.5 |

Building With Bonus Floor Space

| Level | Sqm | \$/sqm | \$m |
|------------|-------|--------|-------|
| 12 | 300 | 12,000 | 3.6 |
| 11 | 425 | 11,000 | 4.7 |
| 10 | 525 | 10,200 | 5.4 |
| 9 | 525 | 10,000 | 5.3 |
| 8 | 525 | 9,800 | 5.1 |
| 7 | 525 | 9,600 | 5.0 |
| 6 | 525 | 9,400 | 4.9 |
| 5 | 525 | 9,200 | 4.8 |
| 4 | 525 | 9,000 | 4.7 |
| 3 | 525 | 8,500 | 4.5 |
| 2 | 525 | 8,000 | 4.2 |
| 1 | 525 | 7,500 | 3.9 |
| TOTAL | 5,975 | | 56.2 |
| Margin | 775 | | 7.7 |
| % Increase | 14.9% | | 15.8% |

- 1.7. The marginal value shall be the actual price exchanged. Where the apartments have not been exchanged then the market value should be the listed or asking price. If there are no listed or asking prices then the value shall be estimated by the Valuer based on market evidence.
- 1.8. Market evidence should include any pre-sales in the building and/or recent sales and pre-sales of comparable apartments in other buildings in the locality.
- 1.9. The Valuer shall deduct (from the end value of the bonus floor space) GST at one eleventh of the gross end sale value and any other costs on sale such as sales commission and legal costs. Generally these costs will be no more than 3.0% of gross end sale value.
- 1.10. The result is the expected marginal net sale proceeds from the bonus floor space.

2. Component 2 - Marginal Cost to Design and Construct

- 2.1. The QS shall provide an estimate of the marginal cost of construction relating to the bonus floor space and bonus car parking spaces. Generally, Council will not accept exaggerated costs that are significantly higher than the development cost indicated on the submitted DA.
- 2.2. This simplest method to calculate marginal cost is the pro-rata of the total building cost based on bonus floor space divided by total GFA plus a pro-rata of the car parking cost based on number of parking spaces allocated to the bonus units divided by total car parking spaces.
- 2.3. Various site costs including, but not limited to, landscaping, driveways, fencing and external works shall be excluded since these costs are not marginal.
- 2.4. The QS and/or Valuer shall then add the marginal design costs, application fees, marketing and advertising costs and other ancillary costs. Again this would be a pro-rata of total costs. Evidence of these costs should be provided.

- 2.5. The QS and/or Valuer shall then add the monetary contributions under Section 94A in relation to the bonus floorspace (if paid or is to be paid).
- 2.6. The QS and/or Valuer can then add finance and interest costs again using the pro-rata method. The method for showing interest calculation must be provided using cash flow or other appropriate method of calculation.
- 2.7. Land cost and profit margins are not to be included as these are not marginal costs.
- 2.8. GST on costs is to be excluded since this will be returned to the developer in the form of input credits.
- 2.9. The result is the total estimated cost in delivering the marginal floor space.

The formula for calculating the profit from the bonus floor space is:

Marginal net sale proceeds less Marginal cost to Construct

50% of the profit from the bonus floor space is to be provided as a negotiated form of public benefit through a Planning Agreement.

APPENDIX 2

Valuation Methodology for Planning Proposals under Waverley Council's Planning Agreement Policy 2014

There are two components that will make up the valuation. These are:

- The Base Case; and
- Residual Land Value.

Both components must be done by suitably qualified Valuers. It is recommended that two Valuers are appointed, one on behalf of Council and the other on behalf of the applicant. The costs of commissioning the Valuers should be shared between Council and the applicant. The adopted valuation figure is to be the average of the two valuations.

The principles of valuation of the two components are detailed below:

1. Component 1 - Base Case

- 1.1. The Base Case is the value of the land under the current zoning (assuming in perpetuity). The value under the base case should be assessed on the site's highest and best use permissible under the current zoning. The highest and best use may, or may not be, the current use of the land.
- 1.2. The Valuer is required to test and determine the highest and best use of the land. The base case is to assume that the current zoning on the land and the development standards under the current instruments will remain in perpetuity. The planning proposal itself must not affect the base case.
- 1.3. Standard valuation practices shall apply and at least two methods of valuation should be used. Comparable sales should be one of the methods applied unless there is insufficient evidence. When using comparable sales evidence the Valuer must ensure that the sale prices are not affected by planning proposals or draft instruments that are not related to the base case or at least make reasonable allowances / adjustments.
- 1.4. If the subject site was sold recently then the purchase price can be adopted provided that the price was not inflated as a result of the planning proposal.

2. Component 2 - Residual Land Value

- 2.1. The Valuer shall estimate the value of the land under the planning proposal using the residual land valuation (RLV) method. The preferred method for calculating the RLV is discounted cash flow modelling using proprietary software like Estate Master DF or similar. A simple developer's profit model may be acceptable for small-scale single-staged developments.
- 2.2. The assumptions in the RLV calculations must be reasonable and based on industry averages.
- 2.3. If there are no listed or asking prices then the end sale values shall be estimated by the Valuer based on comparable market evidence.

- 2.4. Market evidence should include any recent pre-sales in the building and/or recent sales and pre-sales of comparable apartments in other buildings in the locality.
- 2.5. Estimated construction costs must be supported by a Quantity Surveyor's report. Construction contingency should be no greater than 5%. Soft costs may be included such as design costs, application fees, authority fees, development management, marketing and advertising and finance establishment costs.
- 2.6. In calculating the RLV the project start date should assume the land is zoned appropriately (i.e. the zone that is being proposed).
- 2.7. The RLV should exclude any discounting during the rezoning period as the payment under the VPA will not be made until occupation certificate. A typical development program should be assumed that allows reasonable time for development approval, certification and construction. Council will not accept a program that appears conservative or pessimistic. The table below provides a suggested range of project lives for a single stage project. Any significant departure in project life requires supporting evidence.

| Construction Cost | Approvals and Documentation (months) | Construction (months) |
|-------------------|--------------------------------------|-----------------------|
| Under \$20m | 8-9 | 10-14 |
| \$20m to \$40m | 9-11 | 14-17 |
| Above \$40m | 10-12 | 18-20 |

- 2.8. It is recognised that these timeframes can vary and are impacted by building height and number of basement levels.
- 2.9. For a short single staged development a developer's profit or "back of envelope" method rather than a cash flow model may be acceptable. Using this method the RLV will be derived from the target profit/risk margin. If this method is used the interest should be calculated as follows:

Interest Cost = (Total Project Costs excluding land & GST) X (Interest Rate / 12) X (Months of Construction) X 50%.

2.10. The RLV model should preferably show both the development margin and Project Internal Rate of Return (IRR) on the cash flow before interest. Reasonable industry standard hurdle rates should be applied. Generally a target margin (on project costs) of 15% to 25% and a target IRR of 16% to 20% should apply but this depends upon the levels of market risk and other project risks.

> The formula for calculating the net value from the planning proposal is: Residual Land Value minus the Base Case

50% of the net value from the planning proposal is to be provided as a negotiated form of public benefit through a Planning Agreement.

APPENDIX 3 (Clause 1.6) Planning Agreement Template

| PLANNING AGREEMENT NO Section 7.4 of the Environmental Planning and Assessment Act, | 1979 |
|---|--------------|
| geoden fir er tile zimmental frammig and floodeenent flos, | , , , , , , |
| THIS AGREEMENT is made on | 20 |
| PARTIES | |
| WAVERLEY COUNCIL of Cnr Paul Street and Bondi Road, Bondi Juncti ABN 12 502 583 608 ("Council") AND | ion NSW 2022 |
| DEVELOPER NAME (ACN #) of Address ("Developer") | |

BACKGROUND/RECITALS

- **A.** The Developer is the registered proprietor of the Land.
- **B.** The Council is the local authority constituted under the Local Government Act 1993 and the planning and consent authority constituted under the Act.
- C. On DATE the Developer made (or caused to be made) the Development Application to Council for Development Consent to carry out the Development on the Land.
- D. The Development Application was accompanied by an offer dated DATE by the Developer to enter into this Agreement to make the Development Contribution to be applied towards a public purpose in accordance with Council's Planning Agreement Policy if development consent was granted.
- **E.** The Development Consent was granted on DATE.

F. This Agreement is consistent with the Developer's offer referred to in Recital D.

OPERATIVE PROVISIONS:

1 PLANNING AGREEMENT UNDER THE ACT

The parties agree that this Agreement is a planning agreement governed by Section 7.4 and Subdivision 2 of Division 7.1 of Part 7 of the Act.

2 APPLICATION OF THIS AGREEMENT

This Agreement applies to the Land and to the Development proposed in the Development Application, as may be modified.

3 OPERATION OF THIS AGREEMENT

This Agreement shall take effect on and from the date of this Agreement. The parties must execute and enter into this Agreement as soon as possible after the Development Consent is grant and prior to any Construction Certificate issuing for the Development.

4 DEFINITIONS AND INTERPRETATION

4.1 Definitions

In this Agreement unless the context otherwise requires:

"Act" means the Environmental Planning and Assessment Act 1979 (NSW);

"Agreement" means this agreement;

"Bank Guarantee" means an irrevocable and unconditional undertaking by a trading bank approved by the Council to pay the Development Contribution amount on demand without an expiry or end date and containing terms and conditions acceptable to Council and in accordance with clause 9 of this Agreement;

"Business Day" means a day that is not a Saturday, Sunday or public holiday, on which banks are open for general services in Sydney, New South Wales;

"Caveat Form" means an irrevocable authority to Waverley Council to register and maintain a caveat on the Land, in a form acceptable to Council and executed by the owner of the Land, or such other form of owner's consent to caveat as may be required by Council;

"Cartifying Authority" means any accredited private certifier including where

"Certifying Authority" means any accredited private certifier including where appropriate, a Principal Certifying Authority (PCA) appointed or to be appointed to certify the Development or any aspect of it;

- "Council" means Waverley Council and herein includes any local government authority with which that Waverley Council may merge or any other local government authority responsible for a local government area that the Land is located within;
- "Construction Certificate" means any construction certificate as referred to in s 6.4 of the Act in respect of the Development Consent;
- "Development" means the development the subject of the Development Application described in item 4 of the Schedule;
- "Development Application" means the development application referred to in item 3 of the Schedule:
- "Development Consent" means the development consent granted in respect of the Development Application described in item 3 of the Schedule;
- "Development Contribution" means the amount of money referred to in item 5 of the Schedule; [NOTE: For monetary contributions]
- "Development Contribution Date" means the time the Development Contribution is to be paid as specified to in item 7 of the Schedule; [NOTE: For monetary contributions] "GST" has the same meaning as in the GST Law;
- "GST Law" has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of the GST;
- "Land" means the land described in item 2 of the Schedule;
- "Occupation Certificate" means any occupation certificate as referred to in s 6.4 of the Act in respect of the Development Consent;
- "Party" means a party to this Agreement including their successors and assigns;
- "Public Purpose" for the purpose of this Agreement means the public purpose described in item 6 of the Schedule;
- "Registration Application" means an application for registration of this Agreement as a planning agreement on the title of the Land pursuant to Section 7.6 of the Act in a form approved by the Registrar General;
- "Schedule" means the schedule to this Agreement.

4.2 Interpretation

In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

- (a) Headings are inserted for convenience only and do not affect the interpretation of this Agreement;
- (b) A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney, New South Wales;
- (c) If the day on which any act, matter or thing is to be done under this Agreement

- is not a business day, the act, matter or thing must be done on the next business day;
- (d) A reference in this Agreement to dollars or \$ means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars;
- (e) A reference in this Agreement to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;
- (f) A reference in this Agreement to any agreement, Agreement or document is to that agreement, Agreement or document as amended, novated, supplemented or replaced;
- (g) A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement;
- (h) An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency;
- (i) Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;
- A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender denotes the other genders;
- (k) References to the word 'include' or 'including' are to be construed without limitation:
- A reference to this Agreement includes the agreement recorded in this Agreement;
- (m) A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns; and
- (n) Any schedules and attachments form part of this Agreement.

5 DEVELOPMENT CONTRIBUTION TO BE MADE UNDER THIS AGREEMENT

- 5.1 The Developer agrees to make, and the Council agrees to accept, the Development Contribution to be applied for the Public Purpose.
- 5.2 The Developer must pay the Development Contribution to the Council by bank cheque on or before the Development Contribution Date and time is essential in this respect. [NOTE: For monetary contributions]

6 APPLICATION OF THE DEVELOPMENT CONTRIBUTION

6.1 The Council will apply the Development Contribution towards the Public Purpose as soon as practicable.

7 APPLICATION OF S7.11 AND S7.12 OF THE ACT TO THE DEVELOPMENT

- 7.1 This Agreement does not exclude the application of Sections 7.11,7.12 or 7.24 of the Act to the Development.
- 7.2 The Development Contribution provided by the Developer will not be taken into consideration in determining any development contribution under Section 7.11 or 7.12 of the Act.

8 REGISTRATION OF THIS AGREEMENT

- 8.1 The Parties agree this Agreement is to be registered by the Registrar-General as provided for in section 7.6 of the Act.
- 8.2 The Developer warrants that they have done everything necessary to enable this Agreement to be registered under section 7.6 of the Act.
- 8.3 Without limiting clause 8.2, the Developer warrants that they have obtained the express written consent to the registration of this Agreement under section 7.6 of the Act from:
 - (a) If this Agreement relates to land under the *Real Property Act 1900*, each person who has an estate or interest in the Land registered under that Act; or
 - (b) If this Agreement relates to land not under the *Real Property Act 1900*, each person who is seized or in possessed of an estate or interest in the Land.
- 8.4 As soon as possible after entering into this Agreement and in any event prior to the issue of a Construction Certificate, the Developer will at their cost arrange and effect registration of this Agreement under s7.6 upon the title to the Land and as soon as possible will:
 - (a) deliver to the Council the Registration Application in registrable form noting the Council as applicant and executed by the owner of the Land and any other person the subject of the warranty in clause 8.3;
 - (b) produce or cause to be produced the title deed with NSW Land Registry Services and advise Council of the production number or provide a copy of the CoRD Holder Consent as may be applicable;
 - (c) provide the Council with a cheque in favour of NSW Land Registry Services, NSW for the registration fees for registration of this Agreement, or deliver funds electronically as Council may direct; and
 - (d) provide the Council with a cheque in favour of the Council for its reasonable costs, expenses and fees incurred or to be incurred in connection with the preparation of this Agreement and any documents, form or instrument created or to be created in accordance with the provisions of this Agreement.
 - (e) and take any other necessary action so as to ensure this Agreement is registered

on the title to the Land prior to the issue of any Construction Certificate.

- 8.5 Upon compliance with clause 8.4 by the Developer the Council will promptly lodge the Registration Application with the Registrar General.
- 8.6 The Parties will co-operate with each other to ensure that the Agreement is registered by the Registrar General.
- 8.7 Upon payment of the Development Contribution or surrender of the Development Consent, the Developer may request in writing the removal of the dealing created by registration of the Agreement from the title to the Land. The Council will not withhold its consent to such removal, provided the Developer pays all reasonable costs, expenses and fees of the Council relating to such removal.
- 8.8 Should payment of the Development Contribution or surrender of the Development Consent occur upon the date of this Agreement and prior to issue of a Construction Certificate, then there will be no obligation to register this Agreement in accordance with this clause nor provide the Bank Guarantee in accordance with clause 9.1.
- 8.9 Upon registration of this Agreement by the Registrar General, this Agreement is binding on, and is enforceable against the owner of the Land from time to time as if each owner for the time being had entered into this Agreement.

9 BANK GUARANTEE

9.1 Provision of Bank Guarantee

- (a) Subject to clause 8.8, prior to the issue of a Construction Certificate, the Developer must deliver to the Council a Bank Guarantee, which must be:
 - in a form and from an institution approved by the Council;
 - (ii) irrevocable and unconditional;
 - (iii) with no expiry date;
 - (iv) issued in favour of the Council;
 - for an amount equivalent to the Development Contribution set out in Item 6 of the Schedule;
 - (vi) drafted to cover all of the Developer's obligations under this Agreement; and
 - (vii) on the terms otherwise satisfactory to the Council.
- (b) The Developer acknowledges that the Council enters into this Agreement in consideration of the Developer providing the Bank Guarantee as a security for the performance of all of the Developer's obligations under this Agreement, including without limitation the delivery of the Development Contribution to Council in accordance with this Agreement.

9.2 Calling on Bank Guarantee

- (a) The Council may call on the Bank Guarantee in the event that the Developer:
 - fails to make a payment of any part of the Development Contribution in accordance with this Agreement or any other amount payable under this Agreement by its due date for payment; or
 - (ii) breaches any other term or condition of this Agreement,

and fails to remedy the relevant failure or breach within 7 days after the Council's notice.

(b) If the Council calls on the Bank Guarantee as a result of the Developer's failure to pay any amount due under this Agreement, then the Council will apply the amount received pursuant to its claim on the Bank Guarantee towards the Developer's obligation to pay the relevant amount and will deduct that amount from the total amount payable under this Agreement. In those circumstances, the Developer will be required to pay to the Council any outstanding balance of the Development Contribution and other amounts payable under this Agreement.

9.3 Return of Bank Guarantee

Subject to clause 9.2, provided that the Developer has complied with its obligations under this Agreement, to pay the Development Contribution or any other amount payable under this Agreement, the Council will return the Bank Guarantee to the Developer.

10 REVIEW OF THE AGREEMENT

Any amendment or review of this Agreement shall be by agreement in writing and in compliance with section 7.5 of the Act.

11 DISPUTE RESOLUTION

11.1 Notice of dispute

If a Party claims that a dispute has arisen under this Agreement ("Claimant"), it must give written notice to the other Party ("Respondent") stating the matters in dispute and designating as its representative a person to negotiate the dispute ("Claim Notice"). No Party may start Court proceedings (except for proceedings seeking interlocutory relief) in respect of a dispute unless it has first complied with this clause.

11.2 Response to notice

Within ten business days of receiving the Claim Notice, the Respondent must notify the Claimant of its representative to negotiate the dispute.

11.3 The nominated representative must:

- Meet to discuss the matter in good faith within five business days after services by the Respondent of notice of its representatives;
- (ii) Use reasonable endeavours to settle or resolve the dispute within15 business days after they have met.

11.4 Further notice if not settled

If the dispute is not resolved within 15 business days after the nominated representatives have met, either Party may give to the other a written notice calling for determination of the dispute ("Dispute Notice") by mediation under clause 11.5 or by expert determination under clause 11.6.

11.5 Mediation

If a Party gives a Dispute Notice calling for the dispute to be mediated:

- (i) The Parties must agree to the terms of reference of the mediation within five business days of the receipt of the Dispute Notice (the terms shall include a requirement that the mediation rules and the Institute of Arbitrators and Mediators Australia (NSW Chapter) apply);
- (ii) The mediator will be agreed between the Parties, or failing agreement within five business days of receipt of the Dispute Notice, either Party may request the President of the Institute of Arbitrators and Mediators Australia (NSW Chapter) to appoint a mediator;
- (iii) The mediator appointed pursuant to this Clause 11.5 must;
 - (a) Have reasonable qualifications and practical experience in the area of disputes; and
 - (b) Have no interest or duty which conflicts or may conflict with his function as mediator, he being required to fully disclose any such interest or duty before his appointment;
- (iv) The mediator shall be required to undertake to keep confidential all matters coming to his knowledge by reason of his appointment and performance of his duties;
- (v) The Parties must within five business days of receipt of the Dispute Notice notify each other of their representatives who will be involved in the mediation.
- (vi) The Parties agree to be bound by a mediation settlement and may only initiate judicial proceedings in respect of a dispute which is the subject of a mediation settlement for the purpose of enforcing that mediation settlement.
- (vii) In relation to costs and expenses
 - (a) Each Party will bear their own professional and expert costs incurred in connection with the mediation; and
 - (b) The cost for the mediator will be shared equally by the Parties unless the

mediator determines a Party has engaged in vexatious or unconscionable behaviour in which case the mediator may require the full cost of the mediation to be borne by that Party.

11.6 Expert Determination

If the dispute is not resolved under clause 11.3 or 11.5 the dispute may, by agreement between the Parties, both acting reasonably having regard to the nature of the dispute, be resolved by expert determination, in which event:

- (i) The dispute must be determined by an independent expert in the relevant field:
 - (a) Agreed upon and appointed jointly by the Council and the Developer; or
 - (b) In the event that no agreement is reached or appointment made within 30 business days, appointed on application of a Party by the then current President of the Law Society of New South Wales;
- (ii) The expert must be appointed in writing and terms of the appointment must not be inconsistent with this clause;
- (iii) The determination of the dispute by such expert will be made as an expert and not as an arbitrator and will be in writing and containing reasons for the determination;
- (iv) The expert will determine the rules of the conduct for the process, but must conduct the process in accordance with the rules of natural justice;
- (v) Each Party will bear its own costs in connection with the process and the determination by the expert together with an equal proportion of the expert's fees and costs; and
- (vi) Any determination made by an expert pursuant to this clause is final and binding upon the Parties except where the determination is in respect of, or relates to, termination or purported termination of this Agreement by any Party, in which event the expert is deemed to be giving a non-binding appraisal and any Party may commence litigation in relation to the dispute if it has not been resolved within 20 business days of the expert giving his or her decision.

11.7 Litigation

If the dispute is not finally resolved in accordance with this clause 11, either Party is at liberty to litigate the dispute.

11.8 Continue to Perform Obligations

Each Party must continue to perform its obligations under this Agreement, notwithstanding the existence of a dispute.

12 ENFORCEMENT

12.1 Nothing in this Agreement prevents the Council from exercising any function under the Act

or any other Act or law relating to the enforcement of any aspect of this Agreement (including the breach of this Agreement by the Developer) or any matter to which this Agreement relates.

- 12.2 Until such time as the Development Contribution has been paid in full, an Occupation Certificate must not be issued and the Developer must:
 - (a) notify the Council in writing of the name and contact details of any Certifying Authority to which it has applied for an Occupation Certificate at the same time that such application is made;
 - (b) at the time it lodges any application for an Occupation Certificate notify the Certifying Authority in writing of the existence and terms of this Agreement; and
 - (c) procure and provide to Council a written acknowledgement from the Certifying Authority addressed to Council confirming that the Certifying Authority will not issue an Occupation Certificate until Council provides written confirmation that the Development Contribution has been paid;
 - (d) not rely on any Occupation Certificate in respect to the Development.
- 12.3 The Developer acknowledges and agrees that:
 - (a) the Land is charged with the payment to Council of the Development Contribution until the Development Contribution is paid in full to Council; [NOTE for monetary contributions]
 - (b) Council has a caveatable interest in the Land from the later of the date of the Development Consent and this Agreement until the Development Contribution and any other monies due to Council under this Agreement are paid in full to Council;
 - (c) Council has the right to lodge and maintain a caveat against the title to the Land to
 notify of and protect its interest created by this Agreement (including the charge in
 (a), until the Development Contribution and any other monies due to Council under
 this Agreement are paid in full to Council;
 - (d) unless the Development Contribution is paid to Council by the Developer upon entering into this Agreement, the Developer shall provide Council with the Caveat Form; and
 - (e) Upon payment of the Development Contribution or surrender of the Development Consent, the Developer may request in writing the removal of the caveat from the title to the Land. The Council will not withhold its consent to such removal, provided the Developer pays all reasonable costs, expenses and fees of the Council relating to such removal and has complied with all its obligations under this Agreement.

13 NOTICES

- 13.1 Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:
 - (a) delivered or posted to that Party at its address set out below in Item 8 of the Schedule;
 - (b) faxed to that Party at its fax number set out below in Item 8 of the Schedule;
 - (c) emailed to that Party at its email address set out below in Item 8 of the Schedule.
- 13.2 If a Party gives the other Party 3 business days' notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.
- 13.3 Any notice, consent, information, application or request is to be treated as given or made at the following time:
 - (a) If it is delivered, when it is left at the relevant address.
 - (b) If it is sent by post, 2 business days after it is posted.
 - (c) If it is sent by fax, as soon as the sender receives from the sender's fax machine a report of an error free transmission to the correct fax number.
- 13.4 If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day, after 5pm on that day in the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

14 APPROVALS AND CONSENT

Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given under this Agreement in that Party's absolute discretion and subject to any conditions determined by the Party. A Party is not obliged to give its reasons for giving or withholding consent or for giving consent subject to conditions.

15 ASSIGNMENT AND DEALINGS

Until the Development Contribution is paid in full, the Developer cannot sell, transfer, assign, novate, charge, encumber or otherwise deal with the Land or attempt or purport to do so.

16 COSTS

Council's costs of and incidental to the preparation and execution of this Agreement and any related documents and registration of same shall be borne by the Developer. The Developer shall be responsible to pay its own costs and any stamp duty arising from this Agreement or its preparation.

17 ENTIRE AGREEMENT

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

18 FURTHER ACTS

Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to affect, perfect or complete this Agreement and all transactions incidental to it.

19 GOVERNING LAW AND JURISDICTION

This Agreement is governed by the law of New South Wales. The Parties submit to the nonexclusive jurisdiction of its courts and courts of appeal from them. The Parties will not object to the exercise of jurisdiction by those courts on any basis.

20 JOINT AND INDIVIDUAL LIABILITY AND BENEFITS

Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by 2 or more persons binds them jointly and each of them individually, and any benefit in favour of 2 or more persons is for the benefit of them jointly and each of them individually.

21 NON FETTER

The Developer acknowledges and agrees that:

- in addition to its obligations under this Agreement the Council is also responsible for the conduct and administration of local government in the Waverley Local Government Area;
- (b) this Agreement in no way affects Council's statutory obligations, functions or powers, including without limitation, its obligations, functions or powers in respect of the Development Application, Development Consent and any other approvals required in respect of the works to be carried out under the Development Consent;
- (c) nothing which the Council does or fails to do under this Agreement will limit or otherwise affect the Developer's obligations under the Development Consent;

and

(d) nothing which the Council does, fails to do or purports to do in performing the Council's statutory functions or powers will constitute or amount to a breach of this Agreement.

22 REPRESENTATIONS AND WARRANTIES

The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

23 SEVERABILITY

If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

24 MODIFICATION

No modification of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

25 WAIVER

The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party. A waiver by a Party is only effective if it is in writing. A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

26 GOODS & SERVICES TAX

- 26.1 The Parties agree and acknowledge, all amounts payable by one party to the other party in relation to a supply under this Agreement have been calculated exclusive of GST which may be imposed on the supply.
- 26.2 If any supply made under this Agreement is, or becomes, subject to GST, the party to whom the supply is made ("Recipient") must pay to the party making the supply

("Supplier"), as consideration, in addition to any consideration payable or to be provided elsewhere in this Agreement, subject to issuing a Valid Tax Invoice, an additional amount on account of GST, such amount to be calculated by multiplying the consideration by the applicable rate of GST.

- 26.3 Any amount in respect of GST payable under clause 26.2 must be paid to the Supplier immediately on receipt of the Valid Tax Invoice.
- 26.4 If any party is required to reimburse or indemnify the other party for a cost or expense ("Cost") incurred by the other party, the amount of that Cost for the purpose of this Agreement is the amount of the Cost incurred, less the amount of any credit for, or refund of, GST, which the party incurring the Cost is entitled to claim in respect of the Cost.

27 EXECUTION IN TRIPLICATE

The Parties shall execute this Agreement in triplicate so as to provide one original signed by both parties and a further copy for registration of the Agreement under s7.6 of the Act. This Agreement will be dated on the day of execution by all Parties.

SCHEDULE

| Item Number | <u>Particulars</u> | <u>Description</u> |
|-------------|---|---|
| 1 | Developer | NAME (ACN #) |
| 2 | Land | Street Address (Lot & DP) |
| 3 | Development Application | DA# |
| 4 | Development (description) | |
| 5 | Development Contribution | |
| 6 | Public Purpose | |
| 7 | Development Contribution Date (Payment date for the Development Contribution) | |
| 8 | Developer Address | |
| | Developer Fax | |
| | Developer Email | |
| | Council Address | CORNER PAUL STREET AND BONDI ROAD, BONDI JUNCTION NSW 2022 |
| | Council Fax | (02) 9387 1820 |
| | Council Email | info@waverley.nsw.gov.au |

Director/Secretary

16

| EXECU. | ΓED by | y WAV | ERLEY | COUNCI | L with | Common | Seal | of | Waverley | Council |
|---------|--------|----------|----------|------------|---------|-----------|------|----|----------|---------|
| affixed | pursua | ant to a | a resolu | ition of V | /averle | y Council | on | | | |

| ROSS MCLEOD | CLR PAULA MASSELOS |
|---------------------------------------|--------------------|
| General Manager | Mayor |
| | |
| | |
| | |
| EVECUTED | |
| EXECUTED by | |
| NAME | |
| (ACN #) | |
| In accordance with section 127 of the | |
| Corporations Act 2001 | |
| | |
| | |
| | |
| | |
| | |
| | |
| NAME | NAME |

PD/5.1/20.12- Attachment 1 Page 78

Director

APPENDIX 4 Explanatory Note Template

Explanatory Note

(Clause 25E of the Environmental Planning and Assessment Regulation 2000)

Draft Planning Agreement

The purpose of this explanatory note is to provide a summary of the proposed planning agreement (PA) prepared jointly between Waverley Council and the Developer under s7.4 of the Environmental Planning and Assessment Act 1979 (the Act).

This explanatory note has been prepared as required by clause 25E of the *Environmental Planning and Assessment Regulation 2000.*

| riaiiiii | ng and Assessment Regulation 2000. |
|----------|---|
| 1 | Parties: Waverley Council (Council) and |
| | Developer (ACN #) of Address (Developer) |
| 2 | Description of subject land: |
| 3 | Description of Development: |
| 4 | Background: |
| 5 | Summary of Objectives, Nature and Effect of the Draft Planning Agreement: |
| 6 | Assessment of the merits of the Draft Planning Agreement: |
| | The Planning Purposes served by the Draft Planning Agreement |
| | How the Draft Planning Agreement promotes the Public Interest |

PD/5.1/20.12- Attachment 1

How the Draft Planning Agreement Promotes the Objects of the Environmental Planning and Assessment Act, 1979 (EP&A Act)

How the Draft Planning Agreement promotes elements of the Council's charter under section 8 of the Local Government Act, 1993

Conformity with the Council's Capital Works Program

Whether the Agreement specifies that certain requirements of the Agreement must be complied with before a construction certificate, occupation certificate or subdivision certificate is issued

This explanatory note is not to be used to assist in construing the Planning Agreement

PD/5.1/20.12- Attachment 1

APPENDIX 6 Types of public benefits delivered by Planning Agreements

Possible requirements:

The following is a list of possible requirements that the Council may have for planning agreements. They are not exhaustive and developers are encouraged to discuss these or other requirements that may be included in a planning agreement.

| | Project Cost |
|---|--------------|
| Council Requirement | Estimate |
| Bondi Junction Public Domain and Transport Infrastructure | |
| Improvements | \$21,000,000 |
| Contributions to the Waverley Affordable Housing Program | On going |

Other examples of public benefits

Detailed requirements for these public benefits can be found in Council's suite of environmental studies.

- Affordable housing
- Dedicated land or floorspace for a public purpose
- Publicly accessible through site links
- Amenity upgrades in parks
- E-bike infrastructure (parking hubs/ev charging points)
- Publicly accessible recreation (e.g. tennis courts, indoor play, swimming) and youth facilities
- Playful spaces
- Cultural Infrastructure music performance space / gallery / exhibition space / artist run initiative (ARI) space / spaces for artist residencies
- Open space acquisition opportunities identified in the Open Space and Recreation Strategy



Statement of Business Ethics

LINKS TO COMMUNITY STRATEGIC PLAN & DELIVERY PROGRAM

Direction G1 – Inspiring community leadership is achieved through decision making processes that are open, transparent, corruption resistant and based on sound integrated planning.

Strategy G1a – Develop and maintain a framework of plans and policies that ensures open and transparent operations that facilitate equitable benefit sharing and progress towards sustainability.

AUTHOR: Michael Simmons

DEPARTMENT: Governance & Integrated Planning

DATE CREATED: August 2006

DATE REVISED: April 2014

DATE APPROVED BY EXECUTIVE TEAM:

DATE ADOPTED BY COUNCIL: 6 May 2014

NEXT REVIEW DATE: April 2016

TRIM FILE REF: A06/1397

Statement of Business Ethics

How we do business at Waverley

Our community expects high ethical standards in the provision of Council services and in everything else we do. How we manage our relationships is key to maintaining the community's trust and confidence. Council has set out an ethical framework in which it operates and what we expect from staff.

Our Statement of Business Ethics provides clear guidelines on what to expect from Waverley Council, our obligations and expected behaviours. These standards comply with the NSW Government guidelines for procurement and contracting.

Our principles and policies are an integral part of good business practice.

If at any time you feel that Council is not meeting its standards, please contact my office.

I encourage you to become familiar with our policies, and trust that this Statement helps you in your interactions with Council.

Athanasios (Arthur) Kyron

Kyraun

General Manager

1. Who does this Business Ethics Statement refer to?

| We, us, our | Council's staff, councillors, contractors, subcontractors, consultants, delegates and (to the extent practicable) volunteers, as appropriate to the context |
|--------------------|--|
| Council's staff | Council's staff, contractors, subcontractors, consultants, delegates and (to the extent practicable) volunteers |
| You, your | People or organisations that deal or wish to deal with Council in business matters |
| Code of Conduct | Council's Code of Conduct and the Code of Conduct Procedure for Councillors & General Manager and the Code of Conduct Procedure for Staff, Delegates & Volunteers as it applies to Councillors, council staff, consultants, delegates and volunteers |

2. Why comply with a Business Ethics Statement?

When you comply with this Statement, you will find that doing business with Council is easier and more effective. You can be sure that you are not disadvantaged because we require others who deal with us to do the same.

By doing business ethically, you will also find it easier to deal with other government bodies because they have similar policies. Ethical practice makes good business sense.

On the other hand, corrupt or unethical behaviour can lead to significant legal, financial and reputational consequences for yourself and Council.

3. What are our Values?

Our values are set out in our Delivery Program and Operational Plan and apply to everything we do. We pride ourselves on bringing the following values alive in our daily activities:

Great Leadership

Great leadership is having the courage to make difficult decisions when they are for the benefit of the whole community and having the skills to engage our teams in providing quality service.

Great Customer Service

Great Customer Service is the willingness and ability to give priority to customers, delivering high quality services which meet their needs.

Respect for All

Respect for all is; treating each other and all members of the community in a friendly, fair and equitable way.

Working Ethically

Ethical behaviour is acting in ways that are consistent with the expectation of the organisation to be corruption free and transparent.

Working Together

Working Together is about everyone working in partnership (internally and with the community) to achieve common or shared goals.

Getting the Job Done Safely, Sustainably and On Time

Getting the job done means providing a service efficiently, effectively and in the safest possible manner within agreed timeframes and due regard for the environment.

4. What are our Key Business Principles?

Our Key Business Principles overlap with our Values, and target our relationships with suppliers.

Ethics

We have to comply with Council's *Code of Conduct*. This means we need to uphold high standards of conduct and ethics in everything we do for Council. We expect the private sector to apply similarly high standards when dealing with Council.

We will:

- act with integrity;
- avoid personal and professional conflicts;
- respect and follow the letter and spirit of Council's policies and procedures;
- use public resources effectively and efficiently;
- make decisions solely on merit; and
- give reasons for decisions (where appropriate).

Value for Money

We will always try to obtain the best possible value for money in any business arrangement. This does not simply mean the lowest or highest price.

Apart from initial and ongoing costs, we will normally consider other aspects such as your ability to provide suitable goods or services, quality, safety, environmental sustainability, reliability and timely performance.

The lowest or highest bid may be the 'best value' if it meets the requirements we believe are needed.

Fairness

We will be fair by being objective, reasonable and evenhanded. This does not mean that we will always ask for competitive bids or that we will ask for bids from suppliers that have performed poorly in the past.

On the other hand, we will rarely deal exclusively with a particular supplier, and then only where we have strong reasons to do so.

Sometimes our decision will have a negative effect on a person or organisation, but that does not necessarily mean it is unfair.

We will only request business proposals (by tender or any other method) if we intend to award a contract. If we make a change to our request, we will advise all the affected bidders so that they can respond before a decision is made.

All of our business dealings are open and transparent, where legally appropriate, including the surrounding process. The exception is where we need to maintain confidentiality or protect privacy.

5. What should you expect from Council?

Council will ensure that all policies, procedures and practices related to approvals, tendering, contracting and the procurement of goods and services are consistent with best practice and the highest standards of ethical conduct. You should expect Council's staff and councillors to:

- act honestly, openly, fairly and ethically in all their dealings with you;
- be friendly, courteous, respectful and professional in their dealings with you;
- respect confidentiality of commercial information and privacy of individuals;
- prevent actual, potential or perceived conflicts of interest;
- comply with the law including legislation and regulations;
- comply with Council's policies and procedures including the Code of Conduct and purchasing policies;

- assess all business proposals objectively by considering only relevant factors;
- seek value for money;
- promote fair and open competition;
- protect privilege, confidentiality and privacy;
- respond promptly to reasonable requests for information;
- never request gifts or other benefits;
- decline gifts or other benefits for doing their job unless the gifts or benefits are nominal or token, or otherwise allowed under the Council's Code of Conduct. Please note that Waverley Council staff who have a financial delegation are prohibited from receiving gifts of any value; and
- clear probity standards are established.

6. What does Council expect from you?

We expect you to:

- act honestly, openly, fairly and ethically in all your dealings with Council and in all your dealings on behalf of Council;
- treat our customers in a friendly, courteous, respectful and professional way in all your dealings on behalf of Council;
- ensure that environmental sustainability is a key element of your business practice;
- respect confidentiality of commercial and Council information and privacy of individuals;
- prevent actual, potential or perceived conflicts of interest and declare these as soon as possible if they occur;
- comply with the law including legislation and regulations;
- provide working conditions for your employees that comply with industrial relations laws and regulations;
- not be involved in the exploitation of child labour;
- uphold Equal Employment Opportunity principals;
- comply with this Statement and Council's other policies and procedures including the Code of Conduct, purchasing policies, secondary employment and post-separation employment policies;
- provide value for money;
- protect privilege, confidentiality and privacy;
- respond promptly to reasonable requests for information;

- respect the fact that Council's staff and councillors must comply with this Statement and Council's other policies and procedures;
- ensure that you do not offer, and refuse requests for, gifts
 or benefits to Council's staff or councillors for doing their
 job, unless you are offering gifts or benefits that are
 nominal or token or otherwise allowed under the Code of
 Conduct;
- ensure that you do not lobby or seek to influence Council's staff or councillors while business proposals are being considered;
- ensure that you are not involved in collusive practices including attempting to influence or pressure Council's staff or councillors to perform their public duties improperly;
- obtain Council's consent before discussing Council's business with the media;
- assist Council to prevent unethical practices in our business relationships;
- advise the General Manager if you believe any person has breached the law, this Statement or Council's other policies and procedures.

If you are employed/contracted by us, you must ensure that in your dealings with members of the public, you:

- comply with the values and meet the standards set out in this Statement and in council's codes and policies;
- act reasonably and professionally at all times;
- provide information about how they can make a complaint about you or your operations and how their complaint will be dealt with including how we will be advised of the complaint and its resolution.

7. Why you need to comply

All of Council's providers of goods and services are required to comply with this statement. The principles of this Statement are consistent with the ethical requirements of other public sector agencies. Therefore you must be careful when you deal with us, because we are public officials.

Council will not tolerate corrupt conduct in any form, such as trying to influence the outcome of a tender. Council's standard tendering invitations, for example, state that any action or contact that may be considered as an attempt to

influence a decision of Council's staff or councillors will automatically disqualify the relevant tender.

People and businesses who engage in corrupt conduct are committing a crime. Penalties for certain acts under the *Independent Commission Against Corruption Act 1988* and the *Crimes Act 1900* can include imprisonment.

Non-compliance with the requirements of this Statement resulting in demonstrated corrupt or unethical conduct could lead to:

- Termination of contracts
- Loss of future work
- Loss of reputation
- Investigation for corruption
- Matters being referred for criminal investigation
- Disqualification of tender

Additional information to assist you

Gifts or other benefits

Council awards contracts and determines applications based solely on merit. Gifts must NOT be given in connection with any prospective business dealings and Council officials are not permitted to ask for any reward or incentive for doing their job.

The acceptance of gifts of a token value by Councillors and staff is permitted in certain circumstances. All gifts accepted and all offers of gifts whether token or not are required to be disclosed and are required to be recorded in Council's Gift Register. Waverley Council staff that have a financial delegation are prohibited from receiving gifts of any value.

References to 'gifts' normally include other benefits or cash. Gifts or benefits to Council's staff and Councillors that have a nominal or token value and do not create a sense of obligation, may be acceptable. Cash is never acceptable. All gifts must be declared and entered in Council's gift register.

Council's Code of Conduct contains further information.

Communication

You must communicate with us clearly and directly at all times, and account for all communications. This will ensure

that there is a minimal risk of appearing to influence Council's staff or councillors inappropriately.

Confidentiality

All Council information is considered confidential and cannot be disclosed unless Council has agreed otherwise in writing, or the information is public knowledge, or the law requires it to be disclosed.

Conflict of Interest

Council's staff and councillors must disclose any actual, potential or perceived conflict between their personal interests and their professional duties. This includes both pecuniary and non-pecuniary interests and is equally important.

Sponsorship

From time to time, Council seeks financial or in-kind sponsorship from the private sector to support Council's activities or events. Council also regularly provides sponsorships or grants to community organisations for their activities or events.

Council has a *Sponsorships, Grants and Donations Policy* that sets out the procedures and considerations that apply in these situations. Sponsorships, grants or donations must not interfere with Council's ability to carry out its functions, and the process of seeking and providing sponsorships, grants and donations must be open and transparent.

Contractors, Sub-Contractors, Consultants and Delegates

You must ensure that any person who is engaged in your work for Council complies with this Statement. This applies to all delegates including your staff, contractors, subcontractors, consultants and any other persons or organisations. We must ensure that any person who acts for Council complies with this Statement.

All delegates of Council must also comply with Council's Code of Conduct for Staff, Delegates and Volunteers.

Secondary and Post-Separation Employment

Council's staff members have a duty to maintain public trust.

If a Council staff member works as an employee outside Council, this is called 'secondary employment'. Running a business or acting as a consultant is also considered 'secondary employment', even if the staff member is not strictly an employee in the other business.

The General Manager can prohibit Council's staff from secondary employment where there is, or might be, a conflict of interest.

Council's staff must apply for the General Manager's approval of secondary employment if there is a risk of conflict of interest.

Council's staff must not use their access to commercially sensitive information they gain at Council to assist them into secondary employment or into new employment, business or consultancy after they leave Council. This includes detailed knowledge of Council policies, procedures, practices and information unless these are public knowledge.

Council's staff must also not allow themselves or their work to be influenced by plans for, or offers of, new employment, business or consultancy.

Council's Code of Conduct contains further information.

Intellectual Property

You must respect Council's intellectual property and Council must respect your intellectual property. Access, licence or use must be agreed in writing.

Use of Resources

Council's resources must only be used for official purposes.

Council's Code of Conduct contains further information.

Political Donations

The law requires that persons who have a financial interest in, or have made a submission in relation to a Development application or a planning instrument, must disclose certain information about political donations and other gifts. This is a mandatory requirement if a donation or gift has been made to a Councillor or council employee within the previous two years of the application or submission.

Reporting Unethical Behaviour

Council is committed to promoting ethical behaviour. Reports of unethical behaviour, fraud, corruption, maladministration or waste can be made to the General Manager or Council's Public Officer on 02 9369 8000.

External reports can be made to the:

Independent Commission Against Corruption 02 8281 5999 NSW Ombudsman 02 9286 1000 NSW Department of Local Government 02 4428 4100

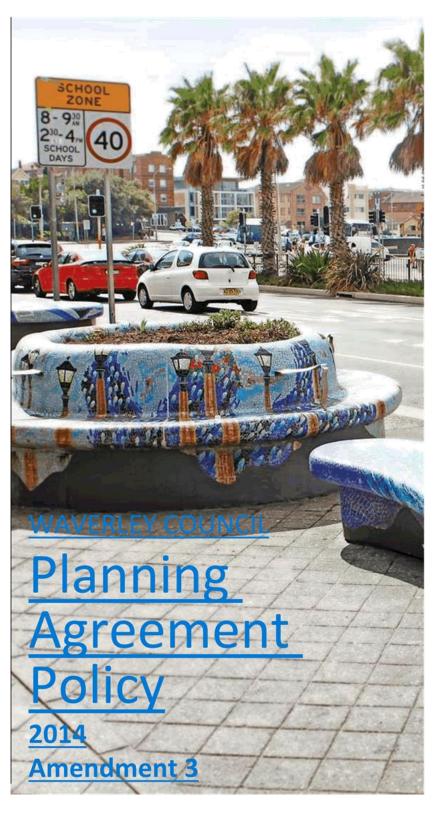
Public officials, including Council's staff and councillors, who report corrupt conduct, maladministration or serious waste of public funds can be protected by the *Protected Disclosures Act 1994*. This Act protects public officials disclosing corruption related matters from reprisal or detrimental action and ensures that disclosures are properly investigated and dealt with.

9. Who should you contact?

If you have questions or comments concerning this Statement, or have information on suspected corruption, maladministration or serious waste of funds, please contact the General Manager's office by letter, phone, fax or email. The details are below.

If you would like a copy of Council's Code of Conduct for Staff, Code of Conduct for Councillors or Sponsorships, Grants and Donations Policy, visit www.waverley.nsw.gov.au or contact our Public Officer.

| FOR MORE INFORMATION OR TO OBTAIN COUNCIL POLICIES | TO REPORT CORRUPTION, MALADMINISTRATION OR WASTE |
|--|--|
| CONTACT The Public Officer, Waverley Council | CONTACT The General Manager, Waverley Council |
| PHONE 9369 8000 | PHONE 9369 8000 |
| FAX 9369 1820 | FAX 9369 1820 |
| ONLINE www.waverley.nsw.gov.au | ADDRESS PO BOX 9, BONDI JUNCTION NSW 1355 |
| EMAIL info@waverley.nsw.gov.au | EMAIL info@waverley.nsw.gov.au |







Planning Agreement Policy 2014 (Amendment No. 3)

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Terms and definitions used in this Policy

In this Policy, the following terminology is used:

Act means the Environmental Planning and Assessment Act 1979.

Council means Waverley Council.

developer is a person who has sought a change to an environmental planning instrument (which includes the making, amendment or repeal of an instrument (\$7.4(11)), or who has made or proposes to make a development application, or who has entered into an agreement with or is otherwise associated with such a person.

development application has the same meaning as in the Act.

development contribution means the kind of provision made by a developer under a planning agreement, being a monetary contribution, the dedication of land free of cost or the provision of any other material public benefit.

explanatory note means a written statement that provides details of the objectives, nature, effect and merits of a planning agreement, or an amendment to or revocation of a planning agreement.

instrument change means a change to an environmental planning instrument to facilitate a development the subject of a planning agreement.

planning benefit means a development contribution that confers a net public benefit.

public facilities means public infrastructure, facilities, amenities and services.

planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution.

<u>planning proposal means an application to amend the Waverley Local</u> Environmental Plan 2012

proponent means the party that is responsible for lodging a planning proposal with Council.

Practice Note means the draft Planning Agreement Practice Note (April 2020) published by the Department of Planning, Industry and Environment.

public includes a section of the public.

public benefit is the benefit enjoyed by the public as a consequence of a development contribution.

Regulation means the Environmental Planning and Assessment Regulation 2000.



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WLEP 2012 means the Waverley Local Environmental Plan 2012.

Part 1 - Policy Framework

1.1 1.1 Name of this Policy

This Policy is known as the *Waverley Council Planning Agreement Policy 2014* ("the Policy"). It sets out Waverley Council's policy and procedures relating to planning agreements under the *Environmental Planning and Assessment Act 1979*.

1.2 1.2 Application of the Policy and commencement-

This Policy applies to development applications lodged pursuant to *Waverley Local Environmental Plan 2012* ("WLEP 2012") and planning proposals seeking a change to WLEP 2012 for land and development within the local government area of Waverley Council ("Council") with particular application to the Bondi Junction Precinct and Bondi Beach Precinct Areas. Although Council will consider entering planning agreements in other parts of its local government area it is anticipated that most planning agreements will relate to development in Bondi Junction Precinct and Bondi Beach Precinct Areas."). This policy generally applies to all forms of development with the exception of dwelling houses (a building containing only one dwelling) orand employment generating development only (i.e. retail and commercial office-only developments.floorspace).

<u>To be updated post-exhibition</u> - This Policy was adopted by resolution of the Council on 21st August 2018. The Policy is effective from 21st August 2018.

1.3 1.3 Objectives of this Policy

The objectives of this Policy are:

- (a) to establish a fair, transparent and accountable framework governing the use of planning agreements by the Council;
- (b) to explore the range and extent of development contributions made by development towards public facilities and other public benefits in the Council's area;
- (c) to set out the Council's specific policies and procedures relating to the use ofplanning agreements within the Council's area;
- (d) to give all stakeholders in development greater involvement in determining the type, standard and location of public facilities and other public benefits; and
- (e) to facilitate public participation and to allow the community to gain an understanding of the benefits of appropriate planning agreements for the provision of public benefits.
- (f) to enhance the understanding within Council's area as to possibilities for development and associated public benefits and planning benefits facilitated by planning agreements in the Bondi Junction Precinct Area and Bondi Beach Precinct Area.

1.4 ____ What does the Policy set out?

This Policy sets out the Council's approach to the use of planning agreements through negotiation when considering development applications and applications for a changeplanning proposals associated with changes to WLEP 2012 in the Waverley area.

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Council is guided by the policy approach set out in the Department of Planning's Practice Note titled *Planning Agreements* (19 July 2005) ("the Practice Note") although it and also considers the draft *Planning Agreement Practice Note* (April 2020) that was on exhibition at the time of this policy update. It should be noted Council must give regard to the Practice Note but is not bound to follow the Practice Note by it.

In particular, this Policy sets out-

- timing considerations in respect to planning agreements and procedures for negotiating and entering into planning agreements,
- the circumstances in which the Council may consider entering into a planning agreement,-
- the matters ordinarily covered by a planning agreement, the form of development
 contributions which may be sought under a planning agreement. Unless otherwise
 agreed in a particular case, development contributions negotiated as part of a
 development application or as part of a planning proposal will be valued or
 calculated as set out in Sections 5.12 and 5.13 (and detailed in Appendix 1 and
 Appendix 2).
- examples of the kinds of public benefits which may be sought and, in relation to each kind of benefit, whether it involves a planning benefit,
- · the method for determining the value of public benefits,
- whether money paid under different planning agreements is to be pooled and progressively applied towards the provision of public benefits to which the different agreements relate,
- when, how and where public benefits may be provided with particular reference to the Bondi Junction Precinct Area and Bondi Beach Precinct Area, in line with strategic
 - priorities as identified in Council's strategies and plans probity measures, and
- the Council's policies on other matters relating to planning agreements, such as
 their-review and modification, the discharging of the developer's obligations under
 agreements, the circumstances, if any, in which refunds may be given, dispute
 resolution and enforcement mechanisms, and the payment of costs relating to the
 preparation, negotiation, execution, monitoring and other administration of
 agreements.

1.4 1.5 Statutory framework

The current legal and procedural framework for planning agreements is set in Subdivision 2 of Division 7.1 of the *Environmental Planning and Assessment Act 1979*. Council is also bound by the provisions of Division 1A of Part 4 of the *Environmental Planning and Assessment Regulation* 2000.-

Section 7.4 sets out the circumstances under which a planning agreement may be entered into. It provides a planning agreement may be made between a planning authority (or two or more planning authorities) and a person (developer):

 a) who has sought a change to an environment planning instrument (such as a rezoning application); or

a)b) who has made or proposes to make a development application; or

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b)c)who has entered into an agreement with or is otherwise associated with a person in one of the above two categories.

—Land use and strategic infrastructure planning

Land use planning should occur concurrently with strategic infrastructure planning to ensure that built form provisions and infrastructure contributions deliver both appropriate urban forms and contributions related to the development. Strategic infrastructure planning should be undertaken regularly and address expected growth, infrastructure demand resulting from this growth, and the apportioned cost of these infrastructure provisions. Planning agreements should be used towards public benefits that are in accordance with the council's infrastructure planning and funding policies and strategies, including this Policy.

1.6 What are the mandatory requirements of a planning agreement?

Section 7.4(3) of the Act requires planning agreements to include provisions specifying:

- (a) a description of the land to which the agreement applies,
- (b) a description of:-
 - (i) the change to the environmental planning instrument to which the agreement applies, or
 - the development to which the agreement applies,
- (c) the nature and extent of the provision to be made by the developer under the agreement, the time or times by which the provision is to be made and the manner by which the provision is to be made,
- (d) in the case of development, whether the agreement excludes (wholly or in part) or does not exclude the application of section 7.11 or 7.12 to the development,
- (e) if the agreement does not exclude the application of section 7.11 to the development, whether benefits under the agreement are or are not to be taken into consideration in determining a development contribution under section 7.11.
- (f) a mechanism for the resolution of disputes under the agreement,
- (g) the enforcement of the agreement by a suitable means, such as the provision of a bond or guarantee, in the event of a breach of the agreement by the

The Act does not preclude a planning agreement containing other provisions that may be necessary or desirable in particular cases, except as provided by law. However, Council has prepared a template agreement that will form the basis for a planning agreement and this may be used as the basis for any agreement. This is attached as Appendix 3.

Clause 25E(1) of the Regulation requires that an explanatory note must accompany a planning agreement that:

- summarises the objectives, nature and effect of the proposed agreement, amendment or revocation, and
- contains an assessment of the merits of the proposed agreement, amendment or revocation, including the impact (positive or negative) on the public or any



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relevant section of the public.

1.7 Guiding principles

The Practice Note sets out guidelines and safeguards in the application of planning agreements. These include determining the planning agreements acceptability and reasonableness. As such attention will be directed towards:

- a) proper or legitimate planning purposes, ordinarily ascertainable from the statutory planning controls and other adopted planning policies applying to development,
- •b) providing for public benefits that bear a relationship to development that are not wholly unrelated to the development and are located in -the precinct area in which vicinity of where the development is located.
- producing outcomes that meet the general values and expectations of the public and protect the overall public interest,
- d) providing for a reasonable means of achieving the relevant purposes and outcomes and securing the benefits, and
- •e) protecting the community against planning harm.

Generally, negotiations of a planning agreement should commence before lodgment of a development application/submission of a planning proposal to the Gateway so as to ensure a practical outcome for public notification (see 3.2 and Part 4). In most cases, by way of safeguard, a planning agreement should be entered into before a planning proposal is submitted to the Gateway.

In addition, by way of safeguard, Council will seek to ensure probity of its processes involving planning agreements by ensuring applications involving planning agreements which involve Council land, or development applications made by or on behalf of Council, are independently assessed by an external planning consultant.

1.8



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Terms and definitions used in this Policy

In this Policy, the following terminology is used:

Act means the Environmental Planning and Assessment Act 1979.

Bondi Beach Precinct Area means the area-shown in the attached map at Appendix 5.

Bondi Junction Precinct Area means the area shown in the attached map at Appendix 5.

Council means Waverley Council.

developer is a person who has sought a change to an environmental planning instrument (which includes the making, amendment or repeal of an instrument (\$7.4(11)), or who has made or proposes to make a development application, or who has entered into an agreement with or is otherwise associated with such a person development application has the same meaning as in the Act.

development contribution means the kind of provision made by a developer under a planning agreement, being a monetary contribution, the dedication of land free of cost or the provision of any other material public benefit.

explanatory note means a written statement that provides details of the objectives, nature, effect and merits of a planning agreement, or an amendment to or revocation of a planning agreement.

instrument change means a change to an environmental planning instrument to facilitate a development the subject of a planning agreement.

planning benefit means a development contribution that confers a net public benefit. public facilities means public infrastructure, facilities, amenities and services.

planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution.

planning proposal means an application to amend the Waverley Local Environmental Plan 2012

proponent means the party that is responsible for lodging a planning proposal with Council.

Practice Note means the Practice Note on Planning Agreements published by the former Department of Infrastructure Planning and Natural Resources (July 2005).

public includes a section of the public.

public benefit is the benefit enjoyed by the public as a consequence of a development contribution.

Regulation means the Environmental Planning and Assessment Regulation 2000. WLEP 2012 means the Waverley Local Environmental Plan 2012

Part 2 - Principles for Planning Agreements

2.1 Purposes of planning agreements

Section 7.4(1) of the Act provides that a planning agreement is a voluntary agreement or other arrangement between one or more planning authorities and a developer under which the developer agrees to make development contributions towards a public purpose. Planning agreements are negotiated between planning authorities and developers in the context of applications for changes to environmental planning instruments (planning proposals) or for consent to carry out development (development applications).

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The Council's approach to the negotiation of planning agreements is based on the planning purpose of furthering the Council's planning vision for the area as set out in the Waverley Community Strategic Plan, Local Strategic Planning Statement (LSPS) and housingsupporting environmental strategies (as amended from time to time). It is also informed by the mission and values of the Corporate Plan. The Bondi Junction Precinct Area and Bondi Beach Precinct Area in particular are the subject of a number of policies and plans aimed at upgrading public facilities, including infrastructure upgrading, improving and maintaining public areas including paths, footpaths and landscaping within the Precincts (refer to Appendix 6).

When negotiating planning obligations the Council will generally take into account Council's vision and mission statement, the Strategic Plan's general priorities set out in the programs to that Plan, the site circumstances and also the obligation preferences of the developer.

Within the Bondi Junction Precinct Area and Bondi Beach Precinct Area (identified in maps at Appendix 5) as As an incentive towards the provision of development contributions to be applied towards public benefits and planning benefits, Council may consider, subject to its statutory obligations and other matters set out in this Policy or any other relevant Council policies, plans or procedures:

a) a) applications for development up to an additional area of 15% of maximum gross floor area permitted under clause 4.4 of WLEP 2012.

Notwithstanding (a) above, Council will consider each proposed planning agreement on a case by case basis. In circumstances where significant variation of applicable development standards is proposed consideration should be given to the preparation of a planning proposal to amend WLEP2012.-

The Council may negotiate a planning agreement with a developer/proponent in connection with any proposed application by the developer/proponent for an instrument change (e.g. rezoning application) or for development consent relating to any land in the Council's area. The Council may also negotiate a planning agreement in association with another Council or another authority where relevant. The negotiation of a planning agreement is at the absolute discretion of the Council.—

Council will not enter a planning agreement unless it is satisfied that the proposed development is acceptable on planning grounds having regard to the general heads of consideration set out in Section 4.15 of the Act. –Development that is unacceptable on planning grounds will not be given consent because of benefits offered by a developer. -It is noted that any exceptions to relevant development standards will be assessed in accordance with the provisions set out in cl.4.6 of WLEP 2012.

2.2 Principles underlying the use of planning agreements

The Council's use of planning agreements will be governed by the followingprinciples:

- Planning decisions will not be bought or sold through planning agreements.
- (b)b) The Council will not allow planning agreements to improperly fetter the exercise of its functions under the act, regulation or any other act or law.
- (e)c) The Council will not use planning agreements for any purpose other than a proper planning purpose.
- Development that is unacceptable on planning grounds will not be permitted because of planning benefits offered by developers that do not make the development acceptable in planning terms.
- (e)e) The Council will not seek benefits under a planning agreement that are wholly unrelated to particular development. Development contributions

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obtained from planning agreements relating to development in the Bondi Junction Precinct Areain an area will be applied inspent within the vicinity of the Bondi Junction Precinct Area and development contributions obtained from planning agreements relating to developments on the Bondi Beach Precinct Area will be applied in the Bondi Beach Precinct Areadevelopment it relates to.

- (#)1 The Council will not take into consideration planning agreements that are wholly unrelated to an application, nor will the Council give undue weight to a planning agreement.
- (g)g) The Council will not allow the interests of individuals or interest groups to outweigh the public interest when considering a proposed planning agreement.
- (h)h) The Council will not improperly rely on its position in order to extract unreasonable public benefits from developers under planning agreements.
- i) 2.3 —Planning agreements should not be used as a means of general revenue raising or to overcome revenue shortfalls.
- j) Planning agreements must be underpinned by proper strategic land use and infrastructure planning carried out on a regular basis and must address expected growth and the associated infrastructure demand.
- k) Strategic planning should ensure that development is supported by the infrastructure needed to meet the needs of the growing population.

The progression of a planning proposal or the approval of a development application should never be contingent on entering into a planning agreement.

2.3 What matters will the Council consider?

The matters that the Council may consider in any such negotiation may include, but not be limited to, the following:

- (a) Whether the planning agreement(s) meets the demands created by the development for new public infrastructure, amenities and services.
- (a)(b) If inclusions in the development meet specific planning objectives of the Council.
- (b)(c) If compensation is required for the loss of, or damage to, a public amenity, service, resource or asset caused by the development through its replacement, substitution, repair or regeneration.
- (e)(d) Rectification of an existing deficiency in the existing provision of public facilities in the Council's area is made.
- (d)(e) Whether recurrent funding of public facilities and/or public benefit is required or provided.
- (e)(f) The extent to which the Council needs to monitor the planning impacts of development.
- (f)(g) Whether planning benefits for the wider community accrue from the planning agreement.

In respect to the Bondi Junction Precinct Area and Bondi Beach Precinct Area the extent to which the development or an amendment to the Waverley Local Environmental Plan 2012 may result in a public benefit and or planning benefit in terms of the public works contemplated in various Council policies and plans for the Bondi Junction Precinct Area and Bondi Beach Precinct Area or

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as set out in Appendix 6.

The most important factor in deciding what planning obligations might be required as part of a planning agreement is the size of the development or resulting increase in land value from an amendment to the Waverley Local Environmental Plan 2012, but, However, other factors such as the location or the resulting type of development may be relevant. These will establish core information such as likely increases in population and demand for particular public services.

This information will help the Council as towith the determination of the development application/planning proposal and to prepare the planning agreement.

2.4 2.4 What will Council requireStrategic planning context

An important role for Planning Agreements is achieving specific land use planning outcomes with strategic and/or site-specific merit. A Planning Agreement should facilitate the provision of public facilities and amenity outcomes that advance the delivery of Council's corporate and strategic planning objectives and deliver valuable community benefits where appropriate. Long-term strategies including Waverley's Local Strategic Planning Statement (LSPS) and Waverley's Community Strategic Plan (2018-2029) (CSP) and delivery program are based on the outcomes of engagement with the community. The implementation of key aspects of some of these goals, the broader strategic directions and the delivery of key infrastructure areas can be directly or indirectly achieved through Planning Agreements.

The vision and goals established within Council's long-term strategic plans such as the CSP and LSPS flow through to be provided supporting plans that guide Council's medium and short-term priorities:

- Long Term Financial Plan (10 years)
- Delivery Program (4 years)
- Operational Plan (Annual)

Council's Local Strategic Planning Statement, supported by a number of environmental strategies and considers planning for growth in Waverley, including relevant supporting strategies which seek to identify the communities needs for infrastructure such as community facilitates, transport, open space, public domain and recreation infrastructure, capital works and infrastructure.

2.5 Types of public benefits to be delivered under planning agreements?

Existing growth levels place strain on existing Public benefits received through Planning Agreements contribute to Council's ability to deliver:

- a) infrastructure which cannot be met by identified within existing development contributions plans (s7.12 contributions and Council has identified a range of plan),
- infrastructure which either requires substantial upgrade or provision. The programs identified within Council's Strategic plans, e.g. commercial floor space in Appendix 6 address these village centres, affordable housing, and open space acquisition,
- c) infrastructure requirements with respect to required directly as a result of density increases experienced or expected from the Bondi Junction redevelopment of a site. e.g. due to changes in development controls arising from a Planning

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Proposal, and-Bondi Beach Precinct Areas.

d) Land identified in a strategic plan, policy, planning instrument, development control plan or contributions plan for a public purpose, dedication or acquisition.

Examples of public benefits described above are provided at Appendix 5. It is recognised that development contributions that facilitate works in addition to the works listed in Appendix 5 may be appropriate because negotiations for each proposed development will reflect the circumstances of each case and the needs created by the scale of proposed change. Consequently, Appendix 5 does not prevent development contributions being negotiated on a case by case basis, particularly where planning benefits are also involved.

It is to be noted that 10at a minimum 25% of all planning agreement contributions will form a monetary contribution to Waverley's Affordable Housing Program fund. There may be some circumstances where Council will allocate up to 100% of the monetary contribution to Waverley's Affordable Housing Program fund.

This policy allows for in-kind contributions to be made to Council in lieu of monetary contributions provided that these are consistent with the calculation methods outlined in Appendix 1 and 2. In-kind contributions could include for example affordable housing-or, commercial floor space dedicated in perpetuity to Council or public domain upgrades.-

Appendix 6 provides an outline of the potential works to which development contributions could be applied. It is also recognised that development contributions that facilitate works in addition to the works listed in Appendix 6 may be appropriate because negotiations for each proposed development will reflect the circumstances of each case and the needs created by the scale of proposed change.

Consequently, Appendix 6 does not prevent development contributions being negotiated on a case by case basis, particularly where planning benefits are also involved.

2.6 Recurrent charges

The Council may request developers/proponents, through a planning agreement, to make development contributions towards the recurrent costs of public facilities. Where the public facility primarily serves the development to which the planning agreement relates or neighbouring development, the arrangement for recurrent funding may be in perpetuity .-

Where the public facility or public benefit is intended to serve the wider community, the planning agreement may, where appropriate, only require the developer/proponent to make contributions towards the recurrent costs of the facility for a set period which will be negotiated according to the impact of the development.

2.7 Pooling of development contributions

Where a proposed planning agreement provides for a monetary contribution by the developer/proponent, the Council may seek to include a provision permitting money paid under the agreement to be pooled with money paid under other planning agreements and applied progressively for the different purposes under those agreements.

Pooling may be appropriate to allow public benefits, particularly essential



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infrastructure, to be provided in a fair and equitable way.

2.8 2.7 Do other development contributions apply?

Generally, the Council will not enter a planning agreement that excludes the application of $\mathfrak{s}7.11$ or $\mathfrak{s}7.12$ of the Act to development to which the agreement relates. This, however, is a matter for negotiation between the Council and a developer having regard to the particular circumstances of the case.

However, where the application of \$7.11 of the Act to development is not excluded by a planning agreement, the Council will generally not agree to a provision allowing benefits under the agreement to be taken into consideration in determining a development contribution under section 7.11.

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Part 3 - Negotiation Procedures and Probity

3.1 3.1 Introduction

The Council's negotiation system for planning agreements aims to be efficient, predictable, transparent and accountable. Council will seek to ensure that the final negotiation of planning agreements runs in parallel with applications for instrument changes or development applications so as not to unduly delay the approval.

Where possible Council will publicly notify a planning agreement in the same manner and at the same time as the application for the instrument change or the development application to which it relates.

Council's preference is therefore to have the planning agreement negotiated and documented before it is publicly notified as required by the Act and Regulation. It is also preferable that a planning agreement is negotiated before lodgement of the relevant application and that it accompanies the application on lodgement.

3.2 Steps in the negotiation process

The negotiation of a planning agreement will generally involve the following key steps which are outlined in Appendix $\frac{71}{2}$ and $\frac{2}{2}$:

Planning Proposals

- Prior to the lodgement of the relevant application by the developer/planning proposal-by the proponent, the Council and developer/proponent (and any other relevant person) will decide whether to negotiate a planning agreement. The initial point of contact to discuss a planning agreement with Council will be the Director of Waverley Futures.
- The parties will decide whether to appoint an independent person to facilitate or otherwise participate in the negotiations or aspects of it, and appoint such person.
- A timetable for negotiations and the protocols and work practices governing their negotiations will be agreed between the parties.
- The key issues for negotiation will be identified by the parties, and the negotiations over these issues will take place.
- If agreement is reached, the Council (and any other relevant party) will prepare the proposed planning agreement including the explanatory note, and provide a copy of it to the developer / proponent.
- The parties may undertake further negotiation on the specific terms of the proposed planning agreement as necessary.
- 7. Once agreement is reached on the terms of the proposed planning agreement, the developer/proponent may then make the development application/planning proposal to the Council accompanied by an offer to enter into such an agreement with specifics of the agreement set out in detail.
- 8. The Council will publicly exhibit the development application/planning proposal and planning agreement in accordance with the Act. The Council may approve the

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development application/planning proposal and set out the conditions for the agreement or, if an agreement has been executed, set out in the consent/determination the terms of the agreement.

Development applications

- Prior to the lodgement of the relevant development application, the applicant will
 decide whether to offer a planning agreement. The applicant should contact
 Council about how the benchmark rates (Appendix 1) apply to the subject
 development.
- The applicant submits the development application with a letter of offer to enter into a planning agreement.
- Development assessment staff independently undertake their assessment of the application.
- Should the development application be approved, Council officers will prepare the planning agreement for notification, reporting to Council and execution.

The parties may be required to undertake further negotiations and, hence, a number of the <u>above mentioned abovementioned</u> steps mentioned may need to be repeated as a result of the public notification process or its formal consideration by the Council in connection with the relevant application. For further information please see the flow chart set out in Appendix 7.

Note that all costs associated with the negotiation of a planning agreement, including the appointment of an independent person, are to be borne by the developer.

It is also noted that where the value of the development exceeds \$20 million the development application will be dealt with by the independent Sydney Planning Panel (SPP) or any other relevant planning authority.

3.3 3.3 Probity

Public probity is important to Waverley Council and it will ensure that the negotiation of any planning agreements is fair, transparent and is directed at achieving public benefits in an appropriate manner free of corruption.

In this regard, Council will:

- •a) Inform any applicant about Council values and business ethics specifically, about ethical behaviour appropriate to business dealings. -A copy of Council's Statement of Ethics Policy (as amended from time to time) is attached at Appendix 8.
- •b) Ensure that its communities understand the system and the Council's role specifically, how the planning agreements system operates and how Council will deal with developments/ planning proposals objectively.
- •c) Notify planning agreements to ensure they are open and transparent specifically, achieving maximum public awareness of the matters contained in a planning agreement(s) and the potential benefits of an agreement.
- d) Ensure appropriate delegations and separation of responsibilities in considering development applications/planning proposals that involve planning agreements – specifically, the need to ensure processes adequately.

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- address the level of risk of corruption of a process while at the same time being appropriate to the likely level of risk.-
- •e) Ensure that modifications to approved development should be subject to the same scrutiny as the original development application.
- Ensure that Councillors and Council staff understand their varied roles, some of which have potential to conflict.
- •g) Complete negotiations via written correspondence, rather than face-to-face meetings, to ensure that all discussions are clearly documented to ensure the highest level of transparency, accountability and record-keeping. This also allows timely consideration and resolution of any issues raised and facilitates carefully considered decision making by all parties.-
- •h) Take every step to ensure that conflicts of interest are ameliorated to the greatest extent possible – specifically, independent assessment by third parties where Council has an interest and not entering into any contractual arrangement which purport to guarantee outcomes that are subject to separate regulatory processes.

Apart from the above procedures, further procedures that will be implemented to address these matters may also include, but not be limited by, the following procedures:

- (a)a) The Councillors will not be involved in the face to face negotiation of the agreement but will ultimately execute the planning agreement as part of their duties as Councillors.
- (b)b) A Council officer with appropriate delegated authority will negotiate a planning agreement on behalf of the Council in accordance with this Policy.
- responsibility for providing advice on approvals, approving applications or ensuring compliance, do not have a role in the assessment of the commercial aspects of the agreement nor on the conditions of the planning agreement except where advice is required on matters relating to the conditions of consent for a particular proposal.
- The Council may involve an independent person(s) to facilitate or otherwise participate in the negotiations or aspects of it, particularly where this will lead to a better planning outcome.
- (e)e) The Council will ensure that all negotiations with a developer/proponent and their consultants are sufficiently separated and documented.
- (4)f)Where the Council has a commercial stake in development the subject of an agreement, it will take appropriate steps to ensure that it avoids a conflict of interest between its role as a planning authority and its commercial interest in the development.
- Where Council is the consent authority and an applicant has proposed to enter into a Planning Agreement, the development application must be determined by the Waverley Local Planning Panel (WLPP), the Sydney Planning Panel, or any other relevant planning authority.

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Part 4 - Notification and Exhibition

4.1 4.1 Public notification of planning agreements

In accordance with the Act, a planning agreement must be publicly notified and available for public inspection for a minimum period of 28 days. Notification generally involves a public notice in the Wentworth Courier, online at https://haveyoursay.waverley.nsw.gov.au/ and directly to the relevant precinct committee. The Council may decide to notify a planning agreement for a longer period or shorter period as permitted by the Act.

The Council will also notify the application to which a planning agreement relates in accordance with the Act.

4.2 4.2 Re-notification

The Council may publicly re-notify and make available for public inspection a proposed planning agreement and the application to which it relates if, in the Council's opinion, a material change is made to the terms of the agreement or the application after it has been previously publicly notified and inspected. Such a change may arise as a consequence of public submissions made in respect of the previous public notification and inspection of the agreement or the application, or their formal consideration by the Council, or for any other reason.

4.3 4.3 Public comment on planning agreements

The Council encourages the public to make submissions on planning agreements. This will allow the Council to better understand local needs and permit fine tuning of the planning obligations set out in any planning agreement.

In the case of development applications, whilst Council aims to advertise the planning agreement at the same time as the development application it may be advertised separately to the development application depending upon when an outcome is reached following negotiation.

In the case of planning proposals, it would be expected that the proponent would provide a detailed offer which would incorporate specifics as to the public benefit and an undertaking to pursue and enter into a negotiated planning agreement prior to gazettal notification.

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Planning Agreement Policy 2014 Planning Agreement Policy 2014 (Amendment No. 3)

Part 5 - Implementation and Conditions

5.1 5.1 Preparation of the planning agreement

The Council will prepare a planning agreement relating to a particular application for an instrument change or development application. The Council uses a standard form of planning agreement on which every planning agreement is based which reflects the policies and procedures set out in this document (refer Appendix 3). This planning agreement will include an explanatory note (refer Appendix 4).

The Council will require a planning agreement to make provision for payment by the developer of the Councils costs of and incidental to negotiating, preparing and entering into the agreement as well as administering and enforcing the agreement.

5.2 5.2 When is a planning agreement required to be entered into?

A planning agreement is entered into when it is signed by all of the parties. The Council will usually require a planning agreement to be entered into as a condition of granting development consent to the development to which the agreement relates or as part of the Gateway process for a planning proposal. However, a planning agreement can be entered into at any time after the agreement is publicly notified in accordance with the Act and Regulation.

5.3 5.3 When will planning obligations arise?

5.3.1 <u>5.3.1</u> Development Applications

The Council will generally require a planning agreement to provide that the developer's obligations in relation to securing the delivery of development contributions must be met prior to the issuing of any construction certificate related to the subject development application. Delivery of the development contribution may be prior to occupation certificate. As such CPL increases will generally be applied to the calculation of the development contribution.

5.3.2 5.3.2 Planning Proposals

There are a number of possible scenarios which are to be detailed in the terms of the planning agreement to ensure that the obligations of the agreement are fulfilled by the proponent of the planning proposal.

a) (a) Generally, the developer's obligations in relation to caveat and registration of the PA must be met as soon as possible after gateway determination and prior to gazettal notice, bank guarantee must be delivered to Council upon gazettal notice and delivery of the contribution (e.g. payment of monetary contribution), prior to the issuing of any construction certificate related to the subject development application otherwise, generally the delivery of the contribution will be upon gazettal notice.—

Note: there may be a significant time gap between the gazettal of the planning proposal and the issuing of a construction certificate for any subsequent development of the subject site. Timing must be a key consideration during the negotiation of the planning agreement terms. As such CPI increases will generally be applied to the calculation of the development contribution.

b) (b)—If the proponent of the planning proposal intends to sell the site it must immediately notify Council in writing. Generally, the proponent must meet the

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Planning Agre(Anent Policy 1014)
(Amendment No. 3)

obligations of the planning agreement, particularly the delivery of-developer contributions (e.g. payment of monetary contribution), on or before settlement of the sale of the land. Generally, this is to be secured through registration of the planning agreement, caveat against the title of the land and provision of bank guarantee as required under (a).

5.4 5.4 Implementation agreements

The Council may require an implementation agreement that provides for matters such as:

- (a) The timetable for provision of planning obligations under the planning agreement.
- (b) The design, technical specification and standard of any work required by the planning agreement to be undertaken by the developer.
- (c) The manner in which a work is to be handed over to the council.
 - (4)(c) The manner in which a material public benefit is to be made available for its public purpose in accordance with the planning agreement.

5.5 5.5 Monitoring and review of a planning agreement

The Council will continuously monitor the performance of the developer's/proponent's obligations under a planning agreement and report them in accordance with the Act.

5.6 5.6 Modification or discharge of obligations-

The Council may agree to a provision in a planning agreement permitting the developer's/proponent's obligations under the agreement to be modified or discharged in the following circumstances:

- (a)a) The developer's/proponent's obligations have been fully carried out in accordance with the agreement, or
- The development consent to which the agreement relates has lapsed, or
- The development consent to which the agreement relates has been modified to such an extent that the planning obligations may not be appropriate, or
- The performance of the planning agreement has been frustrated by an event or events beyond the reasonable control of the parties, or-
- (e)e) The developer/proponent has fully and completely assigned the developer's/proponent's interest under the agreement in accordance with its
- (f)f)Other material changes affecting the operation of the planning agreement have occurred, or-
- (g)g) The Council and the developer/proponent otherwise agree to the modification or discharge of the agreement.

Such a provision will require the modification or revocation of the planning agreement in accordance with the Act and Regulation.

5.7

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Planning Agreement Policy 2014 Planning Agreement Policy 2014 (Amendment No. 3)

5.7 Assignment and dealings by the developer/proponent

The Council will not generally permit the assignment of any or all of the developer's/proponent's rights or obligations under the agreement, nor will the Council permit any dealing in relation to any part or the whole of the land the subject of the agreement. However the Council may agree to an assignment when:

- (a)a) The developer/proponent has, at no cost to the Council, first procured the execution by the person with whom it is dealing of all necessary documents in favour of the Council by which that person agrees to be bound by the agreement as if they were a party to the original agreement, and
- (b)b) If the proposed dealing involves a mortgage, charge or other encumbrance in relation to the party's right, title and interest in the land, such documents provide for an agreement by the person to the effect that they, and any receiver appointed by them, will not enjoy rights greater than those of that party, and-
- (c)c) The party is not in breach of the Agreement.-

This does not affect the operation of any of other requirements of the agreement.

5.8 5.8 Provision of security under a planning agreement

The Council will generally require a planning agreement to make provision for security to cover the developer's/proponent's obligations under the agreement. A form of security will generally be an unconditional bank guarantee from an Australian Bank in favour of the Council to the full value of the developer's/proponent's obligations under the Agreement and on terms otherwise acceptable to the Council. An insurance bond may also be deemed acceptable. Other security will generally be required.

5.9 5.9 Registration of planning agreements

The Council may require a planning agreement to contain a provision requiring the developer/proponent to agree to registration of the agreement pursuant to s93H of the Act if the requirements of that section are satisfied.

5.10 5.10 Dispute resolution

The Council will require a planning agreement to provide for mediation of disputes between the parties to the agreement before the parties may exercise any other legal rights in relation to the dispute.

5.11 5.11 Methodology for valuing public benefits under a planning agreement

Subject to section 2.4, unless otherwise agreed in a particular case, public benefits will be valued as follows:

5.11.1 5.11.1 Provision of land or units for a public purpose

Where the benefit under a planning agreement is the provision of land for a public purpose, or units given to Council in perpetuity, the value of the benefit will be determined by an independent valuer who is experienced in valuing land in New South Wales (and who is acceptable to Council), on the basis of a scope of work which is prepared by Council. All costs of the independent valuer in carrying out such a valuation will be borne by the developer/proponent.

5.11.2

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5.11.2 Carrying out of works for a public purpose

Where the benefit under a planning agreement is the carrying out of works for a public purpose, the value of the benefit will be determined by an independent quantity surveyor (who is acceptable to Council), on the basis of the estimated value of the completed works being determined using the method that would ordinarily be adopted by a quantity surveyor. Council will prepare the scope of work for the independent quantity surveyor. All costs of the independent quantity surveyor in carrying out the work will be borne by the developer/proponent.

5.11.3 5.11.3 Other public benefit

Where the benefit under a planning agreement is the provision of public benefit other than under 5.11.1 or 5.11.2, Council and the Developer/proponent will negotiate the manner in which the benefit is to be valued for the purposes of the agreement.

5.12 5.12 How will the Council seek to determine the amount of Monetary Contribution that may be payable for Developments with FSR above clause 4.4 of WLEP (the WLEP Provisions)

The Council and the Developer will negotiate in this regard. Generally Generally, the value of 50% of the increase in net value to the development arising from an increase in FSR beyond WLEP 2012 provisions in clause 4.4 may be considered an appropriate contribution. A series of standardised development contribution rates have been developed to streamline negotiations and provide fairness, predictability and certainty to the community, Council and developers. These pre-scheduled development contribution rates apply to different suburbs in the Waverley LGA. These rates are located in Appendix 1 and will be applied to Development Applications. These rates will be updated annually.—

5.13 5.13 How will the Council seek to determine the amount of Monetary Contribution that may be payable for an amendment to the Waverley Local Environmental Plan 2012

E. Generally, the value of 50% of the net value from the planning proposal may be considered an appropriate contribution. The net value will be determined by an independent valuer who is experienced in valuing land in New South Wales (and who is acceptable to Council). All costs of the independent valuer in carrying out such a valuation will be borne by the proponent. The methodology used to determine the net value will generally be calculated by determining the Residual Land Value resulting from the planning proposal less the Base Case.

1

APPENDIX 1-VPA payable rates

The VPA payable rates per square metre for residential floor space are outlined in the following table. VPA payable rates have not been calculated for Bronte, Tamarama, Waverley or Queens Park as there have been few VPAs offered in these areas. If a VPA is offered in these suburbs, then it should be calculated based on the 'Average LGA' rate. For mixed use developments commercial office and retail benchmark rates should be used.-

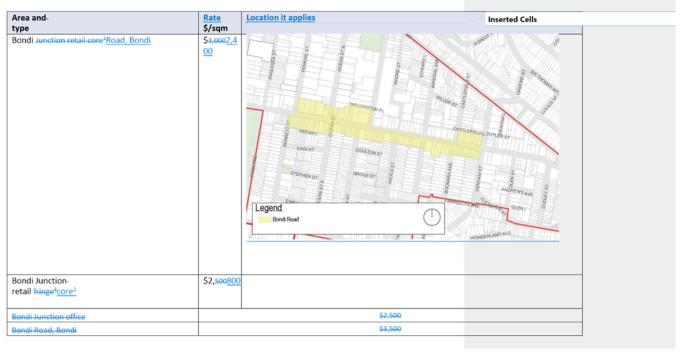
n.b. these rates will be updated on an annual basis based on sales prices.

RESIDENTIAL BENCHMARK RATES-

| Area and type | Rate \$/sqm |
|------------------------------------|--------------------|
| Bondi Junction | \$3,900 <u>700</u> |
| Bondi | \$3,700 |
| Bondi Beach | \$4,300 <u>000</u> |
| North Bondi | \$4,200 |
| Dover Heights, Rose Bay & Vaucluse | \$3,0002,800 |
| Rose BayAverage LGA | \$3,8202,800 |
| Vaucluse | \$2,800 |

n.b. these rates will be updated on an annual basis based on sales prices.

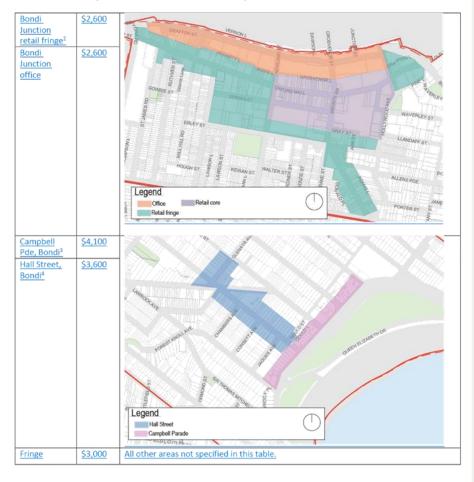
BENCHMARK RATES FOR OFFICOFFICE AND RETAIL IN MIXED USE DEVELOPMENTS



| Campbell Pde, Bondi ² | \$4 ,500 | |
|----------------------------------|---------------------|--|
| Hall-Street, Bondi ⁴ | \$ 3,900 | |
| Fringe | \$3,500 | |

- 1. Oxford Street between Newland and Adelaide St; Spring Street east of Newland St, Bronte Rd north of Ebley St; Waverley Mall-
- 2. Bronte Rd south of Ebley St; Oxford St west of Denison; Ebley St and elsewhere-
- 3. Between Beach Rd and Lamrock Ave.
- 4. Between O'Brien and Campbelll Parade.

n.b. these rates will be updated on an annual basis based on sales prices.



PRO RATA BENCHMARKS

Where a modification is sought to a development application to increase the floorspace in a mixed use development, the proportionate percentage of the commercial and residential floorspace in the overall development may be applied pro rata to calculating the monetary contribution,

For any other development type that is not residential or retail or office the following methodology

METHODOLOGY APPLYING TO OTHER DEVELOPMENT TYPES

There are two components that will make up the valuation. These are:

- 1. The valuation (end sale value) of the bonus (marginal) floor space; and
- Assessment of the marginal costs (to be deducted from the marginal revenue in order to calculate marginal profit);-

Component 1 must be done by fully qualified Valuers. It is recommended that two Valuers are appointed, one on behalf of Council and the other on behalf of the applicant. The adopted valuation figures is to be the average of the two valuations, where these valuations are reasonably close.

Component 2 must be done by fully qualified quantity surveyors (QS). It is recommended that two consultants are appointed, one on behalf of Council and the other on behalf of the applicant. The adopted cost estimates is to be the average of the two QS estimates, where these valuations are reasonably close.

The principles of valuation of the two components are detailed below:

1. Component 1 – Value of Floor Space Bonus-

1.1. The Valuer is to provide the end sale value of the bonus floor space. —This refers to the additional apartments plus their ancillary car parking spaces.—

1.1.

- 1.2. Where there was a bonus on the height of the building then the bonus apartments will be on the upper most levels of the building. Alternatively it may be on the levels immediately below the penthouse and sub-penthouse levels (given that a premium may be attached to the penthouse and sub-penthouse levels refer to example in Paragraph 1.6 below).
- 1.3. The marginal value (or value of the bonus floor space measured in dollars per square metre) should not be less than average value (the building's total value divided by total floor area)
- 1.4. The bonus floor space does not necessarily have to be identified in "whole" apartments. -lt-can be identified in fractions of apartments or even in square metres.

1.4

- 1.5. The valuation is to take into consideration the specification and quality of finish of the bonus apartments.
- 1.6. An acceptable method of measure is the difference between the total value of the apartments without the bonus floor space and the total value of the apartments with the bonus floor space.—

1.6.

In the example below a bonus floor space provides an additional increase in the internal leasable area of 14.9% through an increase of building height (one additional floor) plus a slight widening of the building. The result is an increase in the end value by 15.8%.

| Building | Without | Ronus | Floor | Snace |
|----------|---------|-------|-------|-------|

| Level | Sqm | \$/sqm | \$m |
|-------|-------|--------|------|
| | | | |
| 11 | 300 | 12,000 | 3.6 |
| 10 | 400 | 11,000 | 4.4 |
| 9 | 500 | 10,000 | 5.0 |
| 8 | 500 | 9,800 | 4.9 |
| 7 | 500 | 9,600 | 4.8 |
| 6 | 500 | 9,400 | 4.7 |
| 5 | 500 | 9,200 | 4.6 |
| 4 | 500 | 9,000 | 4.5 |
| 3 | 500 | 8,500 | 4.3 |
| 2 | 500 | 8,000 | 4.0 |
| 1 | 500 | 7,500 | 3.8 |
| TOTAL | 5,200 | | 48.5 |

Building With Bonus Floor Space

| Level | Sqm | \$/sqm | \$m |
|------------|-------|--------|-------|
| 12 | 300 | 12,000 | 3.6 |
| 11 | 425 | 11,000 | 4.7 |
| 10 | 525 | 10,200 | 5.4 |
| 9 | 525 | 10,000 | 5.3 |
| 8 | 525 | 9,800 | 5.1 |
| 7 | 525 | 9,600 | 5.0 |
| 6 | 525 | 9,400 | 4.9 |
| 5 | 525 | 9,200 | 4.8 |
| 4 | 525 | 9,000 | 4.7 |
| 3 | 525 | 8,500 | 4.5 |
| 2 | 525 | 8,000 | 4.2 |
| 1 | 525 | 7,500 | 3.9 |
| TOTAL | 5,975 | | 56.2 |
| Margin | 775 | | 7.7 |
| % Increase | 14.9% | | 15.8% |

| Building Without Bo | onus Floor | Space | | Building With Bonus F | loor Spa | ce | |
|----------------------------|------------|--------|------|-----------------------|----------|--------|-------|
| Level | Sqm | \$/sqm | \$m | Level | Sqm | \$/sqm | \$m |
| | | | | <u>12</u> | 300 | 12,000 | 3.6 |
| <u>11</u> | 300 | 12,000 | 3.6 | <u>11</u> | 425 | 11,000 | 4.7 |
| <u>10</u> | 400 | 11,000 | 4.4 | <u>10</u> | 525 | 10,200 | 5.4 |
| <u>9</u> | 500 | 10,000 | 5.0 | <u>9</u> | 525 | 10,000 | 5.3 |
| <u>8</u> | 500 | 9,800 | 4.9 | 8 | 525 | 9,800 | 5.1 |
| <u>7</u> | 500 | 9,600 | 4.8 | <u>7</u> | 525 | 9,600 | 5.0 |
| <u>6</u> | 500 | 9,400 | 4.7 | <u>6</u> | 525 | 9,400 | 4.9 |
| <u>5</u> | 500 | 9,200 | 4.6 | <u>5</u> | 525 | 9,200 | 4.8 |
| <u>4</u> | 500 | 9,000 | 4.5 | 4 | 525 | 9,000 | 4.7 |
| <u>3</u> | 500 | 8,500 | 4.3 | <u>3</u> | 525 | 8,500 | 4.5 |
| <u>2</u> | 500 | 8,000 | 4.0 | <u>2</u> | 525 | 8,000 | 4.2 |
| <u>1</u> | 500 | 7,500 | 3.8 | <u>1</u> | 525 | 7,500 | 3.9 |
| TOTAL | 5,200 | | 48.5 | TOTAL | 5,975 | | 56.2 |
| | | | | Margin | 775 | | 7.7 |
| | | | | % Increase | 14.9% | | 15.8% |
| | | | | | | | |

- 1.7. The marginal value shall be the actual price exchanged. Where the apartments have not been exchanged then the market value should be the listed or asking price. -If there are no listed or asking prices then the value shall be estimated by the Valuer based on market evidence.-
- 1.8. Market evidence should include any pre-sales in the building and/or recent sales and pre-sales of comparable apartments in other buildings in the locality.

1.8

- 1.9. The Valuer shall deduct (from the end value of the bonus floor space) GST at one eleventh of the gross end sale value and any other costs on sale such as sales commission and legal costs. Generally these costs will be no more than 3.0% of gross end sale value.
- 1.10. The result is the expected marginal net sale proceeds from the bonus floor space.

2. Component 2 - Marginal Cost to Design and Construct-

2.1. The QS shall provide an estimate of the marginal cost of construction relating to the bonus floor space and bonus car parking spaces. Generally, Council will not accept exaggerated costs that are significantly higher than the development cost indicated on the submitted _DA.

2.1.

- 2.2. This simplest method to calculate marginal cost is the pro-rata of the total building cost based on bonus floor space divided by total GFA plus a pro-rata of the car parking cost based on number of parking spaces allocated to the bonus units divided by total car parking spaces.
- 2.3. Various site costs including, but not limited to, landscaping, driveways, fencing and external works shall be excluded since these costs are not marginal.
- 2.4. The QS and/or Valuer shall then add the marginal design costs, application fees, marketing and advertising costs and other ancillary costs. Again this would be a pro-rata of total _costs. Evidence of these costs should be provided.-

PD/5.1/20.12- Attachment 2

- 2.5. The QS and/or Valuer shall then add the monetary contributions under Section 94A in relation to the bonus floorspace (if paid or is to be paid).
- 2.6. The QS and/or Valuer can then add finance and interest costs again using the pro-rata method.- The method for showing interest calculation must be provided using cash flow or other appropriate method of calculation.
- 2.7. Land cost and profit margins are not to be included as these are not marginal costs.
- 2.8. GST on costs is to be excluded since this will be returned to the developer in the form of input credits.
- 2.9. The result is the total estimated cost in delivering the marginal floor space.

The formula for calculating the profit from the bonus floor space is:

Marginal net sale proceeds less Marginal cost to Construct

The formula for calculating the profit from the bonus floor space is:

Marginal net sale proceeds less Marginal cost to Construct

50% of the profit from the bonus floor space is to be provided as a negotiated form of public benefit through a Planning Agreement.

APPENDIX 2-

Valuation Methodology for Planning Proposals under Waverley Council's Planning Agreement Policy 2014

There are two components that will make up the valuation. These are:-

1. The Base Case; and

2. Residual Land Value.-

Both components must be done by suitably qualified Valuers. It is recommended that two Valuers are appointed, one on behalf of Council and the other on behalf of the applicant. The costs of commissioning the Valuers should be shared between Council and the applicant. The adopted valuation figure is to be the average of the two valuations.-

The principles of valuation of the two components are detailed below:

1. Component 1 – Base Case

- 1.1. The Base Case is the value of the land under the current zoning (assuming in perpetuity). The value under the base case should be assessed on the site's highest and best use permissible under the current zoning. The highest and best use may, or may not be, the current use of the land.
- 1.2. The Valuer is required to test and determine the highest and best use of the land. The base case is to assume that the current zoning on the land and the development standards under the current instruments will remain in perpetuity. The planning proposal itself must not affect the base case.
- 1.3. Standard valuation practices shall apply and at least two methods of valuation should be used. Comparable sales should be one of the methods applied unless there is insufficient evidence. When using comparable sales evidence the Valuer must ensure that the sale prices are not affected by planning proposals or draft instruments that are not related to the base case or at least make reasonable allowances / adjustments.
- 1.4. If the subject site was sold recently then the purchase price can be adopted provided that the price was not inflated as a result of the planning proposal.

2. Component 2 - Residual Land Value

- 2.1. The Valuer shall estimate the value of the land under the planning proposal using the residual land valuation (RLV) method. The preferred method for calculating the RLV is discounted cash flow modelling using proprietary software like Estate Master DF or similar. A simple developer's profit model may be acceptable for small-scale single-staged developments.
- 2.2. The assumptions in the RLV calculations must be reasonable and based on industry averages.
- 2.3. If there are no listed or asking prices then the end sale values shall be estimated by the Valuer based on comparable market evidence.

- 2.4. Market evidence should include any recent pre-sales in the building and/or recent sales and pre-sales of comparable apartments in other buildings in the locality.
- 2.5. Estimated construction costs must be supported by a Quantity Surveyor's report. Construction contingency should be no greater than 5%. Soft costs may be included such as design costs, application fees, authority fees, development management, marketing and advertising and finance establishment costs.
- 2.6. In calculating the RLV the project start date should assume the land is zoned appropriately (i.e. the zone that is being proposed).
- 2.7. The RLV should exclude any discounting during the rezoning period as the payment under the VPA will not be made until occupation certificate. A typical development program_should be assumed that allows reasonable time for development approval, certification and construction. Council will not accept a program that appears conservative or pessimistic. The table below provides a suggested range of project lives for a single stage project. Any significant departure in project life requires supporting evidence.

| Construction Cost | Approvals and Documentation (months) | Construction (months) |
|-------------------|--------------------------------------|-----------------------|
| Under \$20m | 8-9 | 10-14 |
| \$20m to \$40m | 9-11 | 14-17 |
| Above \$40m | 10-12 | 18-20 |

- 2.8. It is recognised that these timeframes can vary and are impacted by building height and number of basement levels.
- 2.9. For a short single staged development a developer's profit or "back of envelope" method rather than a cash flow model may be acceptable. Using this method the RLV will be derived from the target profit/risk margin. If this method is used the interest should be calculated as follows:

2,9

Interest Cost = (Total Project Costs excluding land & GST) X (Interest Rate / 12) X (Months of Construction) X 50%.

2.10.The RLV model should preferably show both the development margin and Project Internal Rate of Return (IRR) on the cash flow before interest. Reasonable industry standard hurdle rates should be applied. Generally a target margin (on project costs) of 15% to 25% and a target IRR of 16% to 20% should apply but this depends upon the levels of market risk and other project risks.

The formula for calculating the net value from the planning proposal is:

Residual Land Value minus the Base Case

The formula for calculating the net value from the planning proposal is:

Residual Land Value minus the Base Case

50% of the net value from the planning proposal is to be provided as a negotiated form of public benefit through a Planning Agreement.

APPENDIX 3 (Clause 1.6) Planning Agreement Template

PARTIES

WAVERLEY COUNCIL of Cnr Paul Street and Bondi Road, Bondi Junction NSW 2022 (ABN 12 502 583 608 ("Council")

-AND

DEVELOPER NAME (A.C.N.ACN #) of Address ("Developer")

BACKGROUND/RECITALS

- A. The Developer is the registered proprietor of the Land.
- B. The Council is the local authority constituted under the Local Government Act 1993 and the planning and consent authority constituted under the Act.
- C. The On DATE the Developer has made (or caused to be made a) the Development Application to the Council for the Development Consent to carry out the Development on the Land.
- The Development Application was accompanied by an offer <u>dated DATE</u> by the Developer to enter into <u>a voluntary planning agreement</u> to make the Development Contribution to be applied <u>by the Council</u> towards the <u>a public purpose in accordance with Council</u>'s <u>Planning Agreement PolicyPublic Purpose</u> if <u>the Development Consent development consent</u> was granted.

E. The Development Consent was granted on DATE.

1

E.F. This Agreement is consistent with the Developer's offer referred to in Recital D.D.

OPERATIVE PROVISIONS:

1 PLANNING AGREEMENT UNDER THE ACT

The parties agree that this Agreement is a planning agreement governed by Section 7.4 and Subdivision 2 of Division 7.1 of Part 7 of the Act.

2 APPLICATION OF THIS AGREEMENT

This Agreement applies to the Land and to the Development proposed in the Development Application, as may be modified.

3 OPERATION OF THIS AGREEMENT

This Agreement shall take effect on and from the date of this Agreement. The parties must execute and enter into this Agreement as soon as possible after the Development Consent is grant and prior to any Construction Certificate issuing for the Development.

14 DEFINITIONS AND INTERPRETATION

4.1 Definitions

In this Agreement unless the context otherwise requires:

- "Act" means the Environmental Planning and Assessment Act 1979 (NSW):
- "Agreement" means this agreement;
- **Embank Guarantee** means an irrevocable and unconditional undertaking by a trading bank approved by the Council to pay the Development Contribution amount on demand without an expiry or end date and containing terms and conditions acceptable to Council and in accordance with clause 9 of this Agreement:
- "Business Day" means a day that is not a Saturday, Sunday or public holiday, on which banks are open for general services in Sydney, New South Wales;
- "Caveat Form" means an irrevocable authority to Waverley Council to register and maintain a caveat on the Land, in a form acceptable to Council and executed by the owner of the Land, or such other form of owner's consent to caveat as may be required by Council;
- "Certifying Authority" means any accredited private certifier including where appropriate, a Principal Certifying Authority (PCA) appointed or to _be _appointed _to_ certify the Development or any aspect of it;

2

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"Council" means Waverley Council and herein includes any local government authority with which that Waverley Council may merge or any other local government authority responsible for a local government area _ that _the Lot-Burdened Land _is _located _within; "Construction Certificate" means any construction certificate as referred to in s 6.4 of the Act in respect of the Development Consent:
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"Construction Certificate" means any construction certificate in respect of the Development
Consent:

-"Development" means the development the subject of the Development

Application and which is described in Itemitem 4 of the Schedule;

"Development Application" means the development application described referred to in temitem 3 of the Schedule;

"Development Consent" has means the same meaning as development consent granted in the Act and means Council's approval respect of the

Development Application described in Itemitem 3 of the Schedule;

"Development Contribution" means the amount of money referred to in | temitem | 5 of the Schedule | [NOTE: For monetary contributions]

"Development Contribution Date" means the time the Development Contribution is to be paid as specified to in Item-8item 7 of the Schedule; [NOTE: For monetary contributions] "GST" has the same meaning as in the GST Law;

"GST" has the same meaning as in the GST Law.

"GST Law" has the meaning given to that term in A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of the $GST_{v_{\lambda}^{*}}$

—"Land" means the land described in Hemittem 2 of the Schedule.

"Development Application" Occupation Certificate" means the application any occupation certificate as referred to in Hemittem 6.4 of the Schedule.

<u>"Development Consent"</u> means Council's approvalAct in respect of the Development Application.Consent;

"Party" means a party to this Agreement including their successors and assigns.
"Planning Proposal" means an application to amend the Waverley Local Environmental Plan
2012

"Proponent" means the party that is responsible for lodging a planning proposal with Council.

-"Public Purpose" for the purpose of this Agreement means the public purpose described in temittem 6 of the Scheduler.

"Registration Application" means an application for registration of this Agreement _as_ a planning agreement on the title of the Land pursuant to Section 93H7_6 of the Act _in a__ form approved by the Registrar Generals.

-"Schedule" means the schedule to this Agreement.

1.24.2 Interpretation

In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

- Headings _are inserted for convenience only _and do not affect the interpretation of this Agreement;
- (b) A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney, New South Wales;
- (c) If the day on which any act, matter or thing is to be done under this Agreement is not a business day, the act, matter or thing must be done on the next business day:
- (d) A reference in this Agreement to dollars or \$ means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars:
- (e) A reference in this Agreement to any law, legislation or legislative provision includes any statutory modification, amendment or reenactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;
- A reference in this Agreement to any agreement, Agreement or document is to that agreement, Agreement or document as amended, novated, supplemented or replaced;
- (g) A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement;
- An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency;
- (i) Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning;
- A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender denotes the other genders;
- (k) References to the word 'include' or 'including' are to be construed without limitation,"
- A reference to this Agreement includes the agreement recorded in this Agreement; and
- (m) A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns, and

21 PLANNING AGREEMENT UNDER THE ACT

The Parties to this Agreement agree that it is a planning agreement governed by Subdivision 2 of Division 7.1 of Part 7 of the Act.

31____APPLICATION OF THIS AGREEMENT

This Agreement applies to the LandAny schedules and the Development.

41 OPERATION OF THIS AGREEMENT

1.1 This Agreement does not take effect until the Development Consent is granted by the Council.

attachments form part of

 If they have not already done so the Parties must execute this Agreement as soon as possible after the Development Consent is granted and prior to any Construction Certificate issuing.

4.2

5

DEVELOPMENT CONTRIBUTION TO BE MADE UNDER THIS AGREEMENT

5

- 5.1 The Developer agrees to make, and the Council agrees to accept, the Development Contribution to be applied for the Public Purpose.
- 5.2 The Developer must pay the Development Contribution to the Council by bank cheque on or before the Development Contribution Date and time is essential in this respect. [NOTE: For monetary contributions]

6—APPLICATION OF THE DEVELOPMENT CONTRIBUTION

6.1

The Council will apply the Development Contribution towards the Public Purpose as soon as practicable.

7.___

7 APPLICATION OF SECTIONS 7S7.11 AND 7S7.12 OF THE ACT TO THE DEVELOPMENT

- 7.1 This Agreement does not exclude the application of Sections 7.11,-7.12 or 7.24 of the Act to the Development.-
- 7.2 The Development Contribution provided by the Developer will not be taken into consideration in determining any development contribution under Section 7.11 or 7.12 of the Act.

8 REGISTRATION OF THIS AGREEMENT

- 8.1 The Parties agree this Agreement is to be registered by the Registrar_General as provided for in section 7.6 of the Act.
- 8.2 The Developer warrants that it-hasthey have done everything necessary to enable this Agreement to be registered under section 7.6 of the Act.
- 8.3 Without limiting clause 8.2, the Developer warrants that it has they have

obtained the express written consent to the registration of this Agreement under section 7.6 of the Act from:

- (a) If this Agreement relates to land under the Real Property Act 1900, each person who has an estate or interest in the Land registered under that Act; or
- (b) If this Agreement relates to land not under the Real Property Act 1900, each person who is seized or in possessed of an estate or interest in the Land
- 8.4 PriorAs soon as possible after entering into this Agreement and in any event prior to the issue of a Construction Certificate, the Developer will at itstheir cost arrange and effect registration of this Agreement under 757.6 upon the title to the Land and as soon as possible following execution of this Agreementwill:
 - (a) deliver to the Council the _Registration _Application _in _registrable form_ noting the Council as applicant and executed by the Developero wner of the Land and any other person the subject of the warranty in clause 8.3;
 - (b) ledgeproduce or cause to ledgedbe produced the title deed with LPINSW Land Registry Services and advise Council of the production number or provide a copy of the CoRD Holder Consent as may be applicable;
 - (c) provide the Council with a cheque in favour of NSW Land & Property
 InformationRegistry Services, NSW for the registration fees for
 registration of this Agreement, or deliver funds electronically as Council
 may direct; and
 - (d) provide the Council with a cheque in favour of the Council for its reasonable costs, expenses and fees incurred or to be incurred in connection with the preparation of this Agreement and any documents, form or instrument _created__ or to be created in accordance with the provisions of this Agreement.
 - and take any other necessary action so as to ensure this Agreement is registered-on the title to the Land prior to the issue of a Construction Certificate. on the title to the Land prior to the issue of any Construction Certificate.
- 8.5 Upon compliance with clause 8.4 by _the Developer the Council will promptly lodge___ the Registration Application with the Registrar General.
- 8.6 The Parties will co-operate with each other to ensure that the Agreement is registered_by the Registrar General.
- 8.7 Upon payment of the Development Contribution or surrender of the Development Consent, the Developer _may _request in writing_ the _removal of _the _dealing _created_ by registration of the Agreement from the title to the Land. The Council will not withhold its consent to such removal, provided that the terms of this Agreement have been complied with and the Developer pays

| | all reasonable costs, expenses and fees of the Council relating to such | |
|---------------------|---|--|
| | removal. | |
| 8.8 | Should payment of the Development Contribution or surrender of the | |
| | Development Consent occur on or beforeupon the date of this Agreement | |
| | and prior to issue of a Construction Certificate, then there will be no obligation | |
| | to register this Agreement in _accordance _with this clause nor provide the | |
| | Bank Guarantee in accordance with clause 9.1. | |
| 8.9 | Upon registration of this Agreement by the Registrar General, this Agreement | |
| | is binding on, and is enforceable against the owner of the Land from time to | |
| | time as _if _each_ owner for the time being had entered into this Agreement. | |
| | | |
| 9 | BANK GUARANTEE | |
| 9.1 9.1 | _Provision of Bank Guarantee | |
| (a) On | the date | |
| | (a) Subject to clause 8.8, prior to the issue of this Agreement and before any | |
| | application for anya Construction Certificate, the Developer must | |
| | deliver to the Council a bank guarantee ("Bank Guarantee"), which | |
| | must be: | |
| | (i) in a form and from an institution approved by the Council; | |
| | (ii) irrevocable and unconditional; | |
| (ii) | (iii) with no expiry date; | |
| (iii) | | |
| ———(iv) | (iv) issued in favour of the Council; | |
| | (v) for an amount equivalent to the Development Contribution set out | |
| | in i tem 5 Item 6 of the Schedule; | |
| | (vi) (v)—drafted to cover all of the Developer's obligations under this Agreement; and | |
| (vi) | (vii) on the terms otherwise extinfectory to the Council and in a form and from an | |
| | (vii) on the terms otherwise satisfactory to the Council and in a form and from an institution approved by the Council. | |
| (b) —— | | |
| | (b) The Developer acknowledges that the Council enters into this | |
| | Agreement in consideration of the Developer providing the Bank | |
| | Guarantee as a security for the performance of all of the Developer's | |
| | obligations under this Agreement, including without limitation the | |
| | delivery of the Development Contribution to Council in accordance with | |
| | this Agreement. | |
| | | |
| 9.2 —Cal | ling on Bank Guarantee | |
| | | |

(c) The Council may call on the Bank Guarantee in the event that the Developer:

fails to make a payment of any part of the Monetary

Contributions Development Contribution in accordance with this

Agreement or any other amount payable under this Agreement by its due date for payment; or

(ii) breaches any other term or condition of this Agreement,-

and fails to remedy the relevant failure or breach within 7 days after the Council's notice.

(d) (b)—If the Council calls on the Bank Guarantee as a result of the Developer's failure to pay any amount due under this Agreement, then the Council will apply the amount received pursuant to its claim on the Bank Guarantee in satisfaction of towards the Developer's obligation to pay the relevant amount and will deduct that amount from the total amount payable under this Agreement. In those circumstances, the Developer will be required to pay to the Council any outstanding balance of the Development Contribution and other amounts payable under this Agreement.

9.2 9.3 Return of Bank Guarantee

Provided

<u>Subject to clause 9.2, provided</u> that the Developer has complied with its obligations under this Agreement-including payment, to <u>pay</u> the Development Contribution <u>or any other amount payable under this Agreement,</u> the Council will return the Bank Guarantee to the Developer.

10 REVIEW OF THE AGREEMENT

The Parties agree that, subject to section 7.5 of the Act,

40.1 Any amendment or review of this Agreement canshall be reviewed and amended at any time by mutual agreement in writing and in compliance with section 7.5 of the Act.

11 DISPUTE RESOLUTION

11.1 Notice of dispute

If 11.1—If any Dispute arises out of or in connection with this Agreement, the following procedure must be followed in order to resolve it:

(a) either party may give written notice of the dispute to the other party. A representative nominated by each party must meet within five (5) Business Days of receipt of that notice and attempt in good faith to resolve the dispute;

- (b) if the dispute is not resolved between the nominated representatives within ten (10)

 Business Days of receipt of the notice referred to in clause 11.1(a), then the dispute will be notified to the relevant divisional manager (or officer holding the equivalent position) of each party who must meet and attempt in good faith to resolve the dispute within five (5) Business Days of the date of receipt of that notice; and
- (c) if the dispute remains unresolved within ten (10) Business Days of receipt of the notice referred to in clause 11.1(b), notice will be given to the Chief Executive Officers (or officer holding an equivalent position) of each party who must meet and attempt in good faith to resolve the dispute within five (5) Business Days of the receipt of that notice.
- (d) For the purposes of this clause, a meeting may take place by telephone or other means of communication.
- 11.2 If the parties fail to resolve the dispute after following the procedures set out in clause 11.1, then they must agree on the appropriate method of alternative dispute resolution (which may include expert determination or mediation) within ten (10) Business Days of the date of the final meeting held in accordance with clause 11.1(c).
- 11.3 If the parties select expert determination as the method of resolving the dispute, the expert must act as an expert and not an arbitrator, his determination will be binding upon the parties unless otherwise agreed and his costs must be shared equally between the parties.
- 11.4 If the parties fail to agree on the appropriate method of alternative dispute resolution in accordance with clause 11.2, the dispute must be referred for mediation to a mediator nominated by the then current Chairman of the Australian Commercial Disputes Centre in Sydney (ACDC), or, if ACDC no longer exists, the chairman of a reputable commercial dispute resolution body, as agreed between the council and the Developer, or if same cannot agree, nominated by the Council. The role of the mediator is to assist in the resolution of the dispute and the mediator may not make a decision which is binding on the parties.
- 11.5 The costs associated with appointing the mediator under clause 11.4 must be shared equally between the parties.
 - a Party claims that a dispute has arisen under this Agreement ("Claimant"), it must give written notice to the other Party ("Respondent") stating the matters in dispute and designating as its representative a person to negotiate the dispute ("Claim Notice").

No Party may start Court proceedings (except for proceedings seeking interlocutory relief) in respect of a dispute unless it has first complied with this clause.

11.2 Response to notice

Within ten business days of receiving the Claim Notice, the Respondent must notify the Claimant of its representative to negotiate the dispute.

1.111.3 The nominated representative must:

- 11.4 Meet to discuss the matter in good faith within five business days after services by the Respondent of notice of its representatives;
 - (i) Use reasonable endeavours to settle or resolve the dispute within
 15 business days after they have met.

11.5 Further notice if not settled

If the dispute is not resolved within 15 business days after the nominated representatives have met, either Party may give to the other a written notice calling for determination of the dispute ("Dispute Notice") by mediation under clause 11.5 or by expert determination under clause 11.6.

11.6 Mediation

If a Party gives a Dispute Notice calling for the dispute to be mediated:

- (i) The Parties must agree to the terms of reference of the mediation within five business days of the receipt of the Dispute Notice (the terms shall include a requirement that the mediation rules and the Institute of Arbitrators and Mediators Australia (NSW Chapter) apply);
- (ii) The mediator will be agreed between the Parties, or failing agreement within five business days of receipt of the Dispute Notice, either Party may request the President of the Institute of Arbitrators and Mediators Australia (NSW Chapter) to appoint a mediator;
- (iii) The mediator appointed pursuant to this Clause 11.5 must;
 - (a) Have reasonable qualifications and practical experience in the area of disputes; and
 - (b) Have no interest or duty which conflicts or may conflict with his function as mediator, he being required to fully disclose any such interest or duty before his appointment;
- (iv) The mediator shall be required to undertake to keep confidential all matters coming to his knowledge by reason of his appointment and performance of his duties;
- (v) The Parties must within five business days of receipt of the Dispute Notice notify each other of their representatives who will be involved in the mediation.
- (vi) The Parties agree to be bound by a mediation settlement and may only initiate judicial proceedings in respect of a dispute which is the subject of a mediation settlement for the purpose of enforcing that mediation settlement.

(vii) In relation to costs and expenses

- (a) Each Party will bear their own professional and expert costs incurred in connection with the mediation; and
- (b) The cost for the mediator will be shared equally by the Parties unless the mediator determines a Party has engaged in vexatious or unconscionable behaviour in which case the mediator may require the full cost of the mediation to be borne by that Party.

11.7 Expert Determination

If the dispute is not resolved under clause 11.3 or 11.5 the dispute may, by agreement between the Parties, both acting reasonably having regard to the nature of the dispute, be resolved by expert determination, in which event:

- The dispute must be determined by an independent expert in the relevant field;
 - (a) Agreed upon and appointed jointly by the Council and the Developer; or
 - (b) In the event that no agreement is reached or appointment made within 30 business days, appointed on application of a Party by the then current President of the Law Society of New South Wales;
- (ii) The expert must be appointed in writing and terms of the appointment must not be inconsistent with this clause;
- (iii) The determination of the dispute by such expert will be made as an expert and not as an arbitrator and will be in writing and containing reasons for the determination;
- (iv) The expert will determine the rules of the conduct for the process, but must conduct the process in accordance with the rules of natural justice;
- (v) Each Party will bear its own costs in connection with the process and the determination by the expert together with an equal proportion of the expert's fees and costs; and
- (vi) Any determination made by an expert pursuant to this clause is final and binding upon the Parties except where the determination is in respect of, or relates to, termination or purported termination of this Agreement by any Party, in which event the expert is deemed to be giving a non-binding appraisal and any Party may commence litigation in relation to the dispute if it has not been resolved within 20 business days of the expert giving his or her decision.

11.8 Litigation

If the dispute is not finally resolved in accordance with this clause 11, either Party is at liberty to litigate the dispute.

11.9 Continue to Perform Obligations

Each Party must continue to perform its obligations under this Agreement, notwithstanding the existence of a dispute.

12 ENFORCEMENT

12.1

- 12.1 Nothing in this Agreement (including Clauses 10 and 11) prevents the Council from exercising any function under the Act-or any other Act or law relating to the enforcement of any aspect of this Agreement (including the breach of this Agreement by the Developer) or any matter to which this Agreement relates.
- 12.2 11.2 Until such time as the Development Contribution has been paid in full, an Occupation Certificate must not be issued and the Developer must:
 - (a) notify the Council in writing of the name and contact details of any
 Certifying Authority to which it has applied for an Occupation Certificate
 at the same time that such application is made;
 - (b) (b) at the time it lodges any application for an Occupation Certificate notify the Certifying Authority in writing of the existence and terms of this Agreement; and
 - (c) (e) procure and provide to Council a written acknowledgement from the
 Certifying Authority addressed to Council confirming that the Certifying
 Authority will not issue an Occupation Certificate until Council provides
 written confirmation that the Development ——Contribution has
 been paid; and
 - (d) (e)not rely on any Occupation Certificate in respect to the Development.

11.3

- 12.3 The Developer acknowledges and agrees that-
 - (a) the Land is charged with the payment to Council of the Development

 Contribution until the Development Contribution is paid in full to

 Council; [NOTE for monetary contributions]
 - (b) Council has a caveatable interest in the Land from the later of the date of the Development Consent and shall be entitled this Agreement until the Development Contribution and any other monies due to Council under this Agreement are paid in full to Council;
 - (c) Council has the right to lodge and maintain a caveat enagainst the title
 to the Land notifying Council's to notify of and protect its interest created
 by this Agreement (including the charge in (a), until the Development
 Contribution is and any other monies due to Council under this
 Agreement are paid in full—to Council;
 - (d) 13. unless the Development Contribution is paid to Council by the Developer upon entering into this Agreement, the Developer shall provide Council with the Caveat Form; and

(e) Upon payment of the Development Contribution or surrender of the Development Consent, the Developer may request in writing the removal of the caveat from the title to the Land. The Council will not withhold its consent to such removal, provided the Developer pays all reasonable costs, expenses and fees of the Council relating to such removal and has complied with all its obligations under this Agreement.

13 NOTICES

Any notice, consent, information, application or request that must or may be given or made to a Party under this Agreement is only _given or made if _it is _in_ writing and sent in one of the following ways:

- (a) delivered or posted to that Party at its address set out <u>below</u> in Item <u>98</u>
 of the Schedule;
- (b) faxed to that Party at its fax number set out below in Item 98 of the Schedule; or
- (c) emailed to that Party at its email _address _set _out _below in Item 98 of the Schedule.
- 13.2 13.2 If a Party gives the other Party 3 business daysdays' notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.
- 13.3 _____Any notice, consent, information, application or request is to be treated as given or made at the following time:
 - (a) $\frac{1}{100}$ it is delivered, when it is left at the relevant address;
 - (b) if it is sent by post, 2 business days after it is posted; and.
 - (c) if it is sent by fax, as soon as the sender receives from the sender's fax —machine a report of an error free transmission to the correct fax number.
- 13.4 13.4 If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day, after 5pm on that day in the place of the Party to whowhom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

14. APPROVALS AND CONSENT

Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given

under this Agreement in that Party's absolute discretion and subject to any conditions determined by the Party. A Party is not obliged to give its reasons for giving or withholding consent or for giving consent subject to conditions.

15 ASSIGNMENT AND DEALINGS

Until the Development Contribution is paid in full, the Developer cannot sell, transfer, assign, novate, charge, encumber or otherwise deal with the Land or attempt or purport to do so.

16 COSTS

16.

Council's costs of and incidental to the preparation and execution of this Agreement and any related documents and registration of same shall be borne by the Developer. The Developer shall be responsible to pay its own costs and any stamp duty arising from this Agreement or its preparation.

17 ENTIRE AGREEMENT

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

17. FURTHER ACTS

Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to affect, perfect or complete this Agreement and all transactions incidental to it.

18. GOVERNING LAW AND JURISDICTION

This Agreement is governed by the law of New South Wales. The Parties submit to the non-exclusive nonexclusive jurisdiction of its courts and courts of appeal from them. The Partieswill not object to the exercise of jurisdiction by those courts on any basis.

19 JOINT AND INDIVIDUAL LIABILITY AND BENEFITS

Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by 2 or more persons binds them jointly and each of them individually, and any benefit in favour of 2 or more persons is for the benefit of them jointly and each of them individually.

20 NON FETTER

The Developer acknowledges and agrees that:

- in addition to its obligations under this Agreement the Council is also responsible for the conduct and administration of local government in the Waverley Local Government Area;
- (b) this Agreement in no way affects Council's statutory obligations, functions or powers, including without limitation, its obligations, functions or powers in respect of the Development Application, Development Consent and any other approvals required in respect of the works to be carried out under the Development Consent;
- (a)(c) nothing which the Council does or fails to do under this Agreement will limit or otherwise affect the Developer's obligations under the Development Consent:
- (d) nothing which the Council does, fails to do or purports to do in performing the Council's statutory functions 20. or powers will constitute or amount to a breach of this Agreement.

21 REPRESENTATIONS AND WARRANTIES

The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

22 21. SEVERABILITY

If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or partypart of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

23 MODIFICATION

No modification of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

24 23. WAIVER

The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this agreement Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party. A wavierwaiver by a Party is only effective if it is in writing. A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

1 NON FETTER

- The Developer acknowledges and agrees that:
- (a) in addition to its obligations under this Agreement the Council is also responsible for the conduct and administration of local government in the Waverley Local Government Area;
- (b) this Agreement in no way affects Council's statutory obligations, functions or powers, including without limitation, its obligations, functions or powers in respect of the Development Application, Development Consent and any other approvals required in respect of the works to be carried out under the Development Consent;

(c) nothing which the Council does or fails to do under this Agreement will limit or otherwise affect the Developer's obligations under the Development Consent; and

(d) nothing which the Council does, fails to do or purports to do in performing the Council's statutory functions or powers will constitute or amount to a breach of this Agreement.

25 25. GOODS & SERVICES TAX-REPRESENTATIONS AND WARRANTIES

25.1 The Parties unless otherwise indicatedagree and acknowledge, all amounts payable by one party _to_ the other party in relation to a supply under this Agreement have been calculated exclusive of any GST which may be imposed on the supply.

25.2

25.2 If any supply made under this Agreement is, or becomes, subject to GST, the party to whom the supply is made ("Recipient") must pay to the party making the supply-("Supplier"), as consideration, in addition to any consideration payable or to be provided elsewhere in this Agreement, subject to issuing a Valid Tax Invoice, an _additional amount on account of GST, such amount to be calculated by multiplying the consideration by the applicable rate of GST.

25.3 Any amount in respect of GST payable under clause 2426.2 must

be paid to the Supplier immediately on receipt of the Valid Tax Invoice.

25.4 25.4 If any party is required to reimburse or indemnify the other party for a cost or expense ("Cost") incurred by the other party, the amount of that Cost for the purpose of this Agreement is the amount of the Cost incurred, less the amount of any credit for, or refund of, GST, which the party incurring the Cost is entitled to claim in respect of the Cost.

25.5 If GST is linked with the abolition or reduction of other taxes and charges, all amounts payable by the Recipient to the Supplier under this Agreement (excluding GST) must be reduced by the same proportion as the actual total costs of the Supplier (excluding GST) are reduced either directly as a result of the abolition or reduction of other taxes and charges payable by the Supplier or indirectly by way of any reduction in prices (excluding GST) charged to the Supplier. Both parties must also comply with Part VB of the Trade Practices Act 1974 (Cth).

26. _____COSTS

The Council's costs of an incidental to the preparation and execution of this Agreement and any related documents and registration of same must be borne by the Developer.

26 27. EXECUTION IN DUPLICATE TRIPLICATE

The Parties shall execute this Agreement in <u>duplicate triplicate</u> so as to provide one original signed by both parties—<u>and a further copy for registration of the Agreement under s7.6 of the Act.</u> This Agreement will be dated on the day of execution by all Parties.

SCHEDULE

| Item Number | Particulars/Description | Description | Inserted Cells |
|-------------|-------------------------|--------------------------------------|----------------|
| 1 | <u>Developer</u> | NAME (ACN #) | |
| 1 | Developer | NAME | |
| 2 | Land | (A.C.N. #) Street Address (Lot & DP) | |
| <u>3</u> | Development Application | DA # | |
| | | | |

| 2 | Davidanment (description) | Street Address (Lot&DP) |
|----------|---|------------------------------------|
| <u>4</u> | Development (description)Land | |
| <u>5</u> | Development Contribution | |
| 3 | | DA. # |
| | Public Purpose Development | |
| <u>6</u> | Application | |
| 7 | Development Contribution Date | e |
| _ | (Payment date for the | |
| | <u>Development Contribution</u>) | |
| 4 | <u>Developer Address</u> Development | |
| <u>8</u> | (description) | |
| | | |
| | Developer Fax | |
| 5 | Development Contribution Developer Email | |
| | | |
| | Council Address | CORNER PAUL STREET AND BONDI |
| | | ROAD, BONDI JUNCTION NSW 2022 |
| 6 | Public Purpose Council Fax | |
| | Council Fax | (02) 9387 1820 |
| 7 | Council Email Development- Contribution Date (Payment- date-for-the-Development- Contribution) | info@waverley.nsw.gov.au |
| 8 | Developer Address | |
| | Developer Fax | |
| | Developer Email | |
| | | |
| | Council Address | CORNER PAUL STREET AND BONDI ROAD, |
| | | BONDI JUNCTION NSW-2022 |
| | Council Fax | (02) 9387 1820 |
| | Council Email | info@waverley.nsw.gov.au |
| | | |
| | | |

| ROSS MCLEOD WAKEFIELD PAULA MASSELOS | CLR JOHN- | |
|---|---|---|
| General Manager | Mayor | |
| | | |
| | | |
| EXECUTED by | | |
| NAME_ (ACN #) | | |
| A.C.N. #) | | |
| nIn accordance with section 127 of the Co | prporations Act 2001——————————————————————————————————— | |
| | | |
| | | |
| | | |
| | | |
| NAME | NAME | - |
| Director—Secretary | Director | |
| lame of Director / Secretary: | Name of Director: | |

APPENDIX 4 Explanatory Note Template

Explanatory Note

(Clause 25E of the Environmental Planning and Assessment Regulation 2000)

[Note: To be completed upon finalisation of Planning Agreement]

Draft Planning Agreement

Under-s7.4ef-The purpose of this explanatory note is to provide a summary of the proposed planning agreement (PA) prepared jointly between Waverley Council and the Developer under s7.4 of the Environmental Planning and Assessment Act 1979 (the Act).

1—This explanatory note has been prepared as required by clause 25E of the Environmental Planning and Assessment Regulation 2000.

1 Parties:

Waverley Council (Council) and

(

Developer) (ACN #) of Address (Developer)

2 Description of Subject Landsubject land:

-

<u>Description of Proposed Change to Environmental Planning Instrument/Development:</u>
Application

1

- 4 Background:
- 5 Summary of Objectives, Nature and Effect of the Draft Planning Agreement:

Assessment of the Meritsmerits of the Draft Planning Agreement:

The Planning Purposes Served by the Draft Planning Agreement

How the Draft Planning Agreement promotes the Public Interest

How the Draft Planning Agreement Promotes the Objects of the Environmental Planning and Assessment Act, 1979 (EP&A Act)

How the Draft Planning Agreement Promotes the Public Interest

(a) How the Draft planning Agreement Promotes the Elements promotes elements of the Council's Chartercharter under section 8 of the Local Government Act, 1993

b) Whether the Draft Planning Agreement Conforms

Conformity with the Council's Capital Works Program

The impact of the Draft Planning Agreement on the Public or Any Section of the Public Other Matters

Signed and Dated by All Parties

APPENDIX 5
Bondi-Beach and Bondi Junction Precinct Area Maps

Whether the Agreement specifies that certain requirements of the Agreement must be complied with before a construction certificate, occupation certificate or subdivision certificate is issued

This explanatory note is not to be used to assist in construing the Planning Agreement

APPENDIX 6 Works for Types of public benefits delivered by Planning Agreements

Possible requirements:

The following is a list of possible requirements that the Council may have for planning agreements. They are not exhaustive and developers are encouraged to discuss these or other requirements that may be included in a planning agreement.

| | Project Cost- |
|--|---------------|
| Council Requirement | Estimate- |
| Bondi Junction Public Domain and Transport Infrastructure- | |
| Improvements | \$21,000,000 |
| Bondi Beach Public Domain Improvements | TBD |
| Contributions to the Waverley Affordable Housing Program | On going |

Note: 10% of all planning agreement contributions will form a monetary contribution to Waverley's Affordable Housing Program fund

APPENDIX 7 Flowchart of Planning Agreement Process for Development Applications

APPENDIX 8

Waverley Council Other examples of public benefits

<u>Detailed requirements for these public benefits can be found in Council's suite of environmental studies.</u>

- Affordable housing
- Dedicated land or floorspace for a public purpose
- Publicly accessible through site links
- Amenity upgrades in parks
- E-bike infrastructure (parking hubs/ev charging points)
- Publicly accessible recreation (e.g. tennis courts, indoor play, swimming) and youthfacilities
- Playful spaces
- Cultural Infrastructure music performance space / gallery / exhibition space / artist run initiative (ARI) space / spaces for artist residencies
- Open space acquisition opportunities identified in the Open Space and Recreation Strategy



Statement of Business Ethics

(as amended

LINKS TO COMMUNITY STRATEGIC PLAN & DELIVERY PROGRAM

Direction G1 – Inspiring community leadership is achieved through decision making processes that are open, transparent, corruption resistant and based on sound integrated planning.

Strategy G1a – Develop and maintain a framework of plans and policies that ensures open and transparent operations that facilitate equitable benefit sharing and progress towards sustainability.

AUTHOR: Michael Simmons

DEPARTMENT: Governance & Integrated Planning

DATE CREATED: August 2006

DATE REVISED: April 2014

DATE APPROVED BY EXECUTIVE TEAM:

DATE ADOPTED BY COUNCIL: 6 May 2014

NEXT REVIEW DATE: April 2016

TRIM FILE REF: A06/1397

Statement of Business Ethics

How we do business at Waverley

Our community expects high ethical standards in the provision of Council services and in everything else we do. How we manage our relationships is key to maintaining the community's trust and confidence. Council has set out an ethical framework in which it operates and what we expect from staff.

Our Statement of Business Ethics provides clear guidelines on what to expect from Waverley Council, our obligations and expected behaviours. These standards comply with the NSW Government guidelines for procurement and contracting.

Our principles and policies are an integral part of good business practice.

If at any time to-you feel that Council is not meeting its standards, please contact my office.

I encourage you to become familiar with our policies, and trust that this Statement helps you in your interactions with Council.

Athanasios (Arthur) Kyron General Manager

Kyraw

1. Who does this Business Ethics Statement refer to?

| We, us, our | Council's staff, councillors, contractors, subcontractors, consultants, delegates and (to the extent practicable) volunteers, as appropriate to the context |
|-----------------|--|
| Council's staff | Council's staff, contractors, subcontractors, consultants, delegates and (to the extent practicable) volunteers |
| You, your | People or organisations that deal or wish to deal with Council in business matters |
| Code of Conduct | Council's Code of Conduct and the Code of Conduct Procedure for Councillors & General Manager and the Code of Conduct Procedure for Staff, Delegates & Volunteers as it applies to Councillors, council staff, consultants, delegates and volunteers |

2. Why comply with a Business Ethics Statement?

When you comply with this Statement, you will find that doing business with Council is easier and more effective. You can be sure that you are not disadvantaged because we require others who deal with us to do the same.

By doing business ethically, you will also find it easier to deal with other government bodies because they have similar policies. Ethical practice makes good business sense.

On the other hand, corrupt or unethical behaviour can lead to significant legal, financial and reputational consequences for yourself and Council.

3. What are our Values?

Our values are set out in our Delivery Program and Operational Plan and apply to everything we do. We pride ourselves on bringing the following values alive in our daily activities:

Great Leadership

Great leadership is having the courage to make difficult decisions when they are for the benefit of the whole community and having the skills to engage our teams in providing quality service.

Great Customer Service

Great Customer Service is the willingness and ability to give priority to customers, delivering high quality services which meet their needs.

Respect for All

Respect for all is; treating each other and all members of the community in a friendly, fair and equitable way.

Working Ethically

Ethical behaviour is acting in ways that are consistent with the expectation of the organisation to be corruption free and transparent.

Working Together

Working Together is about everyone working in partnership (internally and with the community) to achieve common or shared goals.

Getting the Job Done Safely, Sustainably and On Time

Getting the job done means providing a service efficiently, effectively and in the safest possible manner within agreed timeframes and due regard for the environment.

4. What are our Key Business Principles?

Our Key Business Principles overlap with our Values, and target our relationships with suppliers.

Ethics

We have to comply with Council's Code of Conduct. This means we need to uphold high standards of conduct and ethics in everything we do for Council. We expect the private sector to apply similarly high standards when dealing with Council.

We will:

- act with integrity;
- avoid personal and professional conflicts;
- respect and follow the letter and spirit of Council's policies and procedures;
- use public resources effectively and efficiently;
- make decisions solely on merit; and
- give reasons for decisions (where appropriate).

Value for Money

We will always try to obtain the best possible value for money in any business arrangement. This does not simply mean the lowest or highest price.

Apart from initial and ongoing costs, we will normally consider other aspects such as your ability to provide suitable goods or services, quality, safety, environmental sustainability, reliability and timely performance.

STATEMENT OF BUSINESS ETHICS

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The lowest or highest bid may be the 'best value' if it meets the requirements we believe are needed.

Fairness

We will be fair by being objective, reasonable and evenhanded. This does not mean that we will always ask for competitive bids or that we will ask for bids from suppliers that have performed poorly in the past.

On the other hand, we will rarely deal exclusively with a particular supplier, and then only where we have strong reasons to do so.

Sometimes our decision will have a negative effect on a person or organisation, but that does not necessarily mean it is unfair.

We will only request business proposals (by tender or any other method) if we intend to award a contract. If we make a change to our request, we will advise all the affected bidders so that they can respond before a decision is made.

All of our business dealings are open and transparent, where legally appropriate, including the surrounding process. The exception is where we need to maintain confidentiality or protect privacy.

5. What should you expect from Council?

Council will ensure that all policies, procedures and practices related to approvals, tendering, contracting and the procurement of goods and services are consistent with best practice and the highest standards of ethical conduct. You should expect Council's staff and councillors to:

- act honestly, openly, fairly and ethically in all their dealings with you;
- be friendly, courteous, respectful and professional in their dealings with you;
- respect confidentiality of commercial information and privacy of individuals;
- prevent actual, potential or perceived conflicts of interest;
- comply with the law including legislation and regulations;
- comply with Council's policies and procedures including the Code of Conduct and purchasing policies;

- assess all business proposals objectively by considering only relevant factors;
- seek value for money;
- promote fair and open competition;
- protect privilege, confidentiality and privacy;
- respond promptly to reasonable requests for information;
- never request gifts or other benefits;
- decline gifts or other benefits for doing their job unless the
 gifts or benefits are nominal or token, or otherwise allowed
 under the Council's Code of Conduct. Please note that
 Waverley Council staff who have a financial delegation are
 prohibited from receiving gifts of any value; and
- clear probity standards are established.

6. What does Council expect from you?

We expect you to:

- act honestly, openly, fairly and ethically in all your dealings with Council and in all your dealings on behalf of Council;
- treat our customers in a friendly, courteous, respectful and professional way in all your dealings on behalf of Council;
- ensure that environmental sustainability is a key element of your business practice;
- respect confidentiality of commercial and Council information and privacy of individuals;
- prevent actual, potential or perceived conflicts of interest and declare these as soon as possible if they occur;
- comply with the law including legislation and regulations;
- provide working conditions for your employees that comply with industrial relations laws and regulations;
- not be involved in the exploitation of child labour;
- uphold Equal Employment Opportunity principals;
- comply with this Statement and Council's other policies and procedures including the Code of Conduct, purchasing policies, secondary employment and post-separation employment policies;
- provide value for money;
- protect privilege, confidentiality and privacy;
- respond promptly to reasonable requests for information;

STATEMENT OF BUSINESS ETHICS

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- respect the fact that Council's staff and councillors must comply with this Statement and Council's other policies and procedures;
- ensure that you do not offer, and refuse requests for, gifts
 or benefits to Council's staff or councillors for doing their
 job, unless you are offering gifts or benefits that are
 nominal or token or otherwise allowed under the Code of
 Conduct;
- ensure that you do not lobby or seek to influence Council's staff or councillors while business proposals are being considered;
- ensure that you are not involved in collusive practices including attempting to influence or pressure Council's staff or councillors to perform their public duties improperly;
- obtain Council's consent before discussing Council's business with the media;
- assist Council to prevent unethical practices in our business relationships;
- advise the General Manager if you believe any person has breached the law, this Statement or Council's other policies and procedures.

If you are employed/contracted by us, you must ensure that in your dealings with members of the public, you:

- comply with the values and meet the standards set out in this Statement and in council's codes and policies;
- act reasonably and professionally at all times;
- provide information about how they can make a complaint about you or your operations and how their complaint will be dealt with including how we will be advised of the complaint and its resolution.

7. Why you need to comply

All of Council's providers of goods and services are required to comply with this statement. The principles of this Statement are consistent with the ethical requirements of other public sector agencies. Therefore you must be careful when you deal with us, because we are public officials.

Council will not tolerate corrupt conduct in any form, such as trying to influence the outcome of a tender. Council's standard tendering invitations, for example, state that any action or contact that may be considered as an attempt to

influence a decision of Council's staff or councillors will automatically disqualify the relevant tender.

People and businesses who engage in corrupt conduct are committing a crime. Penalties for certain acts under the Independent Commission Against Corruption Act 1988 and the Crimes Act 1900 can include imprisonment.

Non-compliance with the requirements of this Statement resulting in demonstrated corrupt or unethical conduct could lead to:

- · Termination of contracts
- Loss of future work
- Loss of reputation
- Investigation for corruption
- · Matters being referred for criminal investigation
- Disqualification of tender

8. Additional information to assist you

Gifts or other benefits

Council awards contracts and determines applications based solely on merit. Gifts must NOT be given in connection with any prospective business dealings and Council officials are not permitted to ask for any reward or incentive for doing their job.

The acceptance of gifts of a token value by Councillors and staff is permitted in certain circumstances. All gifts accepted and all offers of gifts whether token or not are required to be disclosed and are required to be recorded in Council's Gift Register. Waverley Council staff that have a financial delegation are prohibited from receiving gifts of any value.

References to 'gifts' normally include other benefits or cash.

Gifts or benefits to Council's staff and Councillors that have a
nominal or token value and do not create a sense of
obligation, may be acceptable. Cash is never acceptable. All
gifts must be declared and entered in Council's gift register.

Council's Code of Conduct contains further information.

Communication

You must communicate with us clearly and directly at all_times, and account for all communications. This will ensure

that there is a minimal risk of appearing to influence Council's staff or councillors inappropriately.

Confidentiality

All Council information is considered confidential and cannot be disclosed unless Council has agreed otherwise in writing, or the information is public knowledge, or the law requires it to be disclosed.

Conflict of Interest

Council's staff and councillors must disclose any actual, potential or perceived conflict between their personal interests and their professional duties. This includes both pecuniary and non-pecuniary interests and is equally important.

Sponsorship

From time) to time, Council seeks financial or in-kind sponsorship from the private sector to support Council's activities or events. Council also regularly provides sponsorships or grants to community organisations for their activities or events.

Council has a Sponsorships, Grants and Donations Policy that sets out the procedures and considerations that apply in these situations. Sponsorships, grants or donations must not interfere with Council's ability to carry out its functions, and the process of seeking and providing sponsorships, grants and donations must be open and transparent.

<u>Contractors, Sub-Contractors, Consultants and Delegates</u>

You must ensure that any person who is engaged in your work for Council complies with this Statement. This applies to all delegates including your staff, contractors, subcontractors, consultants and any other persons or organisations. We must ensure that any person who acts for Council complies with this Statement.

All delegates of Council must also comply with Council's Code of Conduct for Staff, Delegates and Volunteers.

Secondary and Post-Separation Employment

Council's staff members have a duty to maintain public trust.

If a Council staff member works as an employee outside Council, this is called 'secondary employment'. Running a business or acting as a consultant is also considered 'secondary employment', even if the staff member is not strictly an employee in the other business.

STATEMENT OF BUSINESS ETHICS

The General Manager can prohibit Council's staff from secondary employment where there is, or might be, a conflict of interest.

Council's staff must apply for the General Manager's approval of secondary employment if there is a risk of conflict of interest.

Council's staff must not use their access to commercially sensitive information they gain at Council to assist them into secondary employment or into new employment, business or consultancy after they leave Council. This includes detailed knowledge of Council policies, procedures, practices and information unless these are public knowledge.

Council's staff must also not allow themselves or their work to be influenced by plans for, or offers of, new employment, business or consultancy.

Council's Code of Conduct contains further information.

Intellectual Property

You must respect Council's intellectual property and Council must respect your intellectual property. Access, licence or use must be agreed in writing.

Use of Resources

Council's resources must only be used for official purposes.

Council's Code of Conduct contains further information.

Political Donations

The law requires that persons who have a financial interest in, or have made a submission in relation to a Development application or a planning instrument, must disclose certain information about political donations and other gifts. This is a mandatory requirement if a donation or gift has been made to a Councillor or council employee within the previous two years of the application or submission.

Reporting Unethical Behaviour

Council is committed to promoting ethical behaviour. Reports of unethical behaviour, fraud, corruption, maladministration or waste can be made to the General Manager or Council's Public Officer on 02 9369 8000.

External reports can be made to the:

 Independent Commission Against Corruption
 02 8281 5999

 NSW Ombudsman
 02 9286 1000

 NSW Department of Local Government
 02 4428 4100

STATEMENT OF BUSINESS ETHICS

Public officials, including Council's staff and councillors, who report corrupt conduct, maladministration or serious waste of public funds can be protected by the *Protected Disclosures Act 1994*. This Act protects public officials disclosing corruption related matters from reprisal or detrimental action and ensures that disclosures are properly investigated and dealt with.

9. Who should you contact?

If you have questions or comments concerning this Statement, or have information on suspected corruption, maladministration or serious waste of funds, please contact the General Manager's office by letter, phone, fax or email. The details are below.

If you would like a copy of Council's Code of Conduct for Staff, Code of Conduct for Councillors or Sponsorships, Grants and Donations Policy, visit www.waverley.nsw.gov.au or contact our Public Officer.

| FOR MORE INFORMATION OR TO OBTAIN COUNCIL POLICIES | TO REPORT CORRUPTION, MALADMINISTRATION OR WASTE |
|--|--|
| CONTACT The Public Officer, Waverley Council | CONTACT The General Manager, Waverley Council |
| PHONE 9369 8000 | PHONE 9369 8000 |
| FAX 9369 1820 | FAX 9369 1820 |
| ONLINE www.waverley.nsw.gov.au | ADDRESS PO BOX 9, BONDI JUNCTION NSW 1355 |
| EMAIL info@waverley.nsw.gov.au | EMAIL info@waverley.nsw.gov.au |

STATEMENT OF BUSINESS ETHICS



Draft Waverley Affordable Housing Contributions Scheme

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1. Strategic context and background

1.1. Background

Section 7.32 of the Act requires an affordable housing contributions scheme in order to impose a condition requiring land or contributions for affordable housing.

The Waverley Affordable Housing Needs Analysis (Appendix A) demonstrates the need to increase the supply of affordable rental housing in Waverley Local Government Area (LGA). Without provision of more affordable forms of housing, the market will to continue to produce more expensive housing in the area, so that housing will only be affordable to households on relatively high incomes. The flow on effect is that existing lower income groups would need to move out of the area, and new lower income households may be prevented from finding housing in the local area.

The Waverley LGA is undergoing significant change from projected population growth and redevelopment pressures. These changes combined with access to the eastern beaches, significant open spaces, Bondi Junction rail interchange, commercial and retail centre makes the area an attractive place to live, work and visit. This will continue to place upward pressure on property values beyond the means of lower income households to purchase or rent in the area.

1.2. Introduction

The Waverley Affordable Housing Contributions Scheme (herein referred to as the Scheme) aims to ensure that lower income households continue to live and work locally within the Waverley LGA, to facilitate a socially diverse and inclusive community.

Current approach

Waverley's current approach to collecting affordable housing contributions is under Waverley's Planning Agreement Policy 2014. This Policy has been successfully utilised to negotiate and draft planning agreements accompanying Development Applications seeking a Clause 4.6 variation to Clause 4.4 Floor space ratio for additional floorspace. Waverley has had a longstanding commitment to the provision of affordable housing where every planning agreement contribution allocates 10% of funds towards affordable housing. Amendment 3 to the Policy seeks to increase this to a minimum of 25%.

The NSW Government released a Ministerial Direction requiring that Councils who wish to require land or contributions for affordable housing through a voluntary planning agreement must have an affordable housing contributions scheme. Council wishes to continue allocating planning agreement funds to affordable housing and hence the preparation of this Scheme.

Proposed approach

Under State Environmental Planning Policy 70 – Affordable Housing (Revised Schemes) (SEPP 70) all Councils in NSW were made eligible to start collecting affordable housing contributions where there is uplift in the planning controls, an identified local housing need (Appendix A) and where it is viable.

Council has adopted the Local Housing Strategy which does not propose any rezoning in the LGA. This is because it was determined that existing housing capacity under current controls would deliver the appropriate housing supply to meet housing targets. Notwithstanding, the Local Housing Strategy identified a strong need for affordable housing in the Waverley LGA and indicated that new market

housing was not addressing this need but exacerbating it by often reducing existing affordable housing. To this end, there is a clear case for intervention, in the form of an affordable housing contribution, to ensure that new housing delivery is contributing to the delivery of affordable housing. The LHS recommended a percentage range of 1-3% contribution on all new residential apartment development and 10-15% contribution on sites receiving uplift. It was identified that a specific percentage of 1% on all new residential apartment development and 10% on sites receiving uplift would be an appropriate starting point. It is envisaged that this rate will increase in the future.

Furthermore, Council also receives unsolicited spot rezonings from private industry. The subject scheme will give Council the legislative backing to require affordable housing contributions of 10% from proponents that are granted uplift through the planning proposal process.

1.3. Aim of this scheme

The aim of the Scheme is to deliver affordable housing resulting from contributions in the Waverley LGA. The scheme aims to:

- Support a socially diverse community
- Capture value attributed to individual landowners through uplift granted by the planning system for the public purpose of affordable housing
- Expand Council's existing affordable housing portfolio

1.4. Where does the scheme apply?

The Scheme applies to the whole Waverley Local Government Area.

1.5. What types of development does the scheme apply to?

Residential apartment development and mixed-use development excluding employment generating only development and development for the primary purpose of social housing and affordable rental housing.

1.6. Overview of affordable housing need in Waverley

Affordable housing refers to a spectrum of housing options including social housing, affordable rental housing, and certain types of market housing. There are few opportunities in Waverley to access affordable housing. Unaffordability has been a growing issue over the last two decades as household income-to-house price ratio has increased from 4:1 in 1994 to 12:1 in 2016. At present, Waverley is severely unaffordable. Waverley's rent for all dwellings is 1.3 times higher than the Sydney average. As a result, 30% of all renting households are in rental stress and, most strikingly, 85% of low-income households are in rental stress.

The current forms of affordable housing supply are not going to meet the relevant demand. Waverley has the fifth lowest key worker population in Sydney. Where key workers are on a very low, low and moderate income, this is contributing to overall demand for affordable housing. To meet the base demand, 11% of total dwelling stock needs to be affordable. Projecting this to 2036, this equates to an additional 600 affordable rental dwellings, or approx. 30 affordable rental dwellings per annum. Proposed affordable housing targets of 1% on all new development and 10% on development receiving uplift, while not meeting all underlying demand, will provide a pathway to increasing affordable housing in the LGA. Furthermore, to retain the current proportion (2%) and ensure no further net loss of social housing, 90 social housing units should be delivered by 2036. Whilst Council can continue to advocate for this, the state government owns and manages social housing.

The current sources of affordable housing are from what is approved under the ARHSEPP, Waverley Council's Affordable Housing program and what's available in the market. The current supply of affordable rental housing is only meeting 57% of demand and 43% of households in rental stress are not going to have their housing needs met in the current housing climate.

1.7. Legislative basis for affordable housing contributions

Residential development and mixed-use development excluding dwelling houses (a building containing only one dwelling) and employment generating only development within the Waverley LGA is subject to the collection of contributions for affordable housing under Section 7.32 Clause 1 of the Act because:

- State Environmental Planning Policy 70 Affordable Housing (Revised Schemes) (SEPP 70) is applied to the whole state. It allows Councils to collect affordable housing contributions where there is an identified need for affordable housing in the area. Appendix A provides additional analysis for affordable housing in the LGA.
- Redevelopment in the LGA will reduce the availability of affordable housing by increasing demand for affordable housing while also increasing the cost of housing.

1.8. Relationship to other affordable housing provisions in the LGA

Where an applicant seeks to utilise the bonus provisions of the Affordable Rental Housing State Environmental Planning Policy 2009, this contributions plan does not apply.

1.9. Affordable housing principles

The Waverley affordable housing principles are:

- Affordable housing must be provided and managed in Waverley so that a socially diverse residential population representative of all income groups is available in Waverley,
- Affordable housing must be rented to tenants whose gross household incomes fall within the following ranges of percentages of the median household income for the time being for the Sydney Statistical Division according to the Australian Bureau of Statistics:
 - Very low income household less than 50%
 - Low income household 50% or more, but less than 80%
 - Moderate income household 80-120%
 - and at rents that do not exceed a benchmark of 30% of their actual household income, and
- Dwellings provided for affordable housing must be managed so as to maintain their continued use for affordable housing,
- Rental income from affordable housing received by or on behalf of the Council, after deduction
 of normal landlord's expenses (including management and maintenance costs and all rates and
 taxes payable in connection with the dwellings), must be used for the purpose of improving or
 replacing affordable housing or for providing additional affordable housing in Waverley or for
 research and policy development for housing and affordable housing purposes, and
- Affordable housing must consist of dwellings constructed to a standard that, in the opinion of
 the consent authority, is consistent with other dwellings within the development, especially in
 terms of internal fittings and finishes, solar access and privacy.

2. Affordable housing contributions

2.1. Voluntary Planning Agreements

The Planning agreement policy 2014 requires that at a minimum 25% of all VPA contributions go to affordable housing. In some circumstances, this may be higher.

2.2. Monetary contribution rates in the LEP

The levy will be calculated as a percentage across the whole development in accordance with the market value of residential floorspace around the time of the development. These rates are outlined in the table below and will be updated on a regular basis in line with current market conditions. This Affordable Housing Contributions Scheme will be referenced in the Waverley LEP (or via a VPA before such time that the LEP is updated to reference this scheme).

- A levy of 1% applying to all new residential apartment development
- A levy 10% applying to sites receiving uplift through planning controls.

Table 1. Suburb revenues to calculate the affordable housing contribution.

| Gross realisation \$/sqm | |
|--------------------------|----------|
| Rose Bay | \$14,000 |
| Bronte | \$21,000 |
| Waverley | \$14,000 |
| Dover Heights | \$14,000 |
| Bondi | \$18,500 |
| Vaucluse | \$14,000 |
| Bondi Beach | \$20,000 |
| Bondi Junction | \$18,500 |
| Tamarama | \$21,000 |
| North Bondi | \$19,500 |
| Queens Park | \$17,000 |

2.2.1. Dedication of dwellings

Council's preference is for monetary contributions. However, where the opportunity arises that the monetary contribution is equal to that of a whole unit (at least 50 sqm), this could be dedicated to Council.

2.3. Development that is exempt from the affordable housing contribution scheme

Residential development that is not apartments or employment generating only developments and development for the primary purpose of social housing and affordable rental housing.

2.4. Conditions of consent for affordable housing

Where the total floor area to be dedicated as affordable housing is less than the amount equivalent to a unit at least 50sqm or where the proposed dwellings are considered not appropriate for the purpose of affordable housing (subject to Council approval), an equivalent monetary contribution that would otherwise be required will be sought in accordance with the rate, outlined in section 2.1.

Where an in-lieu contribution is being made the condition of consent is to contain but not be limited to, the following information:

- The monetary contribution required in accordance with the rates as specified under 2.1 of this plan:
- The total floor area of the development used for residential purposes that was used in the calculations;
- A requirement that the condition be satisfied (to Council's approval) prior to the issue of a construction certificate.

3. Administration and implementation

3.1. How to make a contribution

Payment of contributions will be by unendorsed bank cheque to the Council prior to issue of any construction certificate. In circumstances where no construction certificate is required, payment is required prior to commencement of use/occupation.

3.2. Processes for the distribution and management of funds

Contributions resulting from in-kind or monetary contributions are to be provided in accordance with the following criteria:

- Affordable housing is to be dedicated to the Council
- Contributions are to be pooled and managed by the Council until such time as there is sufficient funding available to develop and/or acquire new affordable housing
- Affordable housing units are owned by the Council and managed by an eligible community housing provider
- Affordable housing is rented to low and moderate income households at 30 per cent of gross household income
- All rent received after deduction of management and maintenance costs will be reinvested back into Council's Affordable Housing Program to be used for the purpose of improving, replacing or providing additional affordable rental housing in Waverley LGA, and
- Affordable housing is designed and constructed to a standard which, in the opinion of Council, is consistent with other dwellings within the same development, that is, they are not differentiated (internally and externally) as affordable housing compared with the design of other housing.

3.3. Tenant eligibility criteria¹

In order to be eligible to participate in the WAHP, successful applicants must be able to substantiate compliance with the following criteria:

- a) The average household gross annual income, which includes all people in the household aged eighteen (18) years and older, taken over the last two (2) years prior to application to WAHP much fall within the following ranges of percentages of the median household income from the Waverley Statistical Division according to the Australian Bureau of Statistics:
 - Low 0% 80% (the precise income amount will vary annually)
 - Medium 0% 120% (the precise income amount will vary annually)
- b) Must be able to demonstrate a connectedness to the Waverley LGA area meaning a tenant must be living in the Council LGA currently and for the past three (3) years; or if not living the Waverley Council LGA, have lived in the area for at least five (5) years in the previous ten (10) years;
- Must not own assets or property which could reasonably be expected to be used to solve their housing needs;
- d) Employees, or immediate relatives of employees of the Waverley Council and the Affordable Housing Manager ("AHM");
- e) Must not be already living in secure medium and long term subsidized social housing the Eastern Suburbs including the Local Government Area of Waverley, Woollahra, Randwick, Botany and City of Sydney at the time of application submission;
- f) Prior to accepting potential tenants on the waiting list, their eligibility needs to be confirmed through:
 - proof of income, through documentation such as income tax returns, social security documentation, declaration of all assets etc, and
 - proof of connection with the Waverley area, through evidence of current and past phone/power bills and/or current and past rent receipts.

Interviews are conducted with applicants in order to verify compliance with eligibility criteria; and

g) Prior to placement of anyone from the waiting list in a dwelling, the income and connectedness criteria, lack of secure accommodation are to be verified.

Applicants no longer meeting the criteria should be removed from the waiting list.

3.4. How tenants are assessed and allocated homes

WAHP properties are allocated to approved tenants as per the following:

- a) properties will be advertised. Advertisements for properties will clearly stipulate all eligibility criteria; applicants who fulfil the eligibility criteria will be short listed;
- b) eligible applicants whose household numbers are appropriate to the available property size will be further short listed; and
- c) all eligible potential tenants will enter a ballot which will be drawn.

¹ This tenant eligibility criteria is from the Waverley Affordable Housing Program Policy 2007 (Amendment 1). This policy will be updated from time to time and should be referred to.

Three (3) years is the maximum period available to any tenant in the WAHP. Shorter periods of tenure may be negotiated for privately owned rent capped properties. Previous tenants unsuccessful at the ballot will be advised of new similar properties coming into the WAHP by way of letter from the respective AHM for twelve (12) months only. It is noted, there will be no succession or transfer of tenure. The AHM should inform prospective tenants of all possible conditions of tenure.

3.5. Monitoring and review of scheme

Council will regularly review this policy and the manner in which it operates. As necessary, amendments and other changes may be required to ensure the policy operates in the way that Council intends.



Draft Waverley Affordable Housing Contributions Scheme

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1. Strategic context and background

1.1. Background

Section 7.32 of the Act requires an affordable housing contributions scheme in order to impose a condition requiring land or contributions for affordable housing.

The Waverley Affordable Housing Needs Analysis (Appendix A) demonstrates the need to increase the supply of affordable rental housing in Waverley Local Government Area (LGA). Without provision of more affordable forms of housing, the market will to continue to produce more expensive housing in the area, so that housing will only be affordable to households on relatively high incomes. The flow on effect is that existing lower income groups would need to move out of the area, and new lower income households may be prevented from finding housing in the local area.

The Waverley LGA is undergoing significant change from projected population growth and redevelopment pressures. These changes combined with access to the eastern beaches, significant open spaces, Bondi Junction rail interchange, commercial and retail centre makes the area an attractive place to live, work and visit. This will continue to place upward pressure on property values beyond the means of lower income households to purchase or rent in the area.

1.2. Introduction

The Waverley Affordable Housing Contributions Scheme (herein referred to as the Scheme) aims to ensure that lower income households continue to live and work locally within the Waverley LGA, to facilitate a socially diverse and inclusive community.

Current approach

Waverley's current approach to collecting affordable housing contributions is under Waverley's Planning Agreement Policy 2014. This Policy has been successfully utilised to negotiate and draft planning agreements accompanying Development Applications seeking a Clause 4.6 variation to Clause 4.4 Floor space ratio for additional floorspace. Waverley has had a longstanding commitment to the provision of affordable housing where every planning agreement contribution allocates 10% of funds towards affordable housing. Amendment 3 to the Policy seeks to increase this to a minimum of 25%.

The NSW Government released a Ministerial Direction requiring that Councils who wish to require land or contributions for affordable housing through a voluntary planning agreement must have an affordable housing contributions scheme. Council wishes to continue allocating planning agreement funds to affordable housing and hence the preparation of this Scheme.

Proposed approach

Under State Environmental Planning Policy 70 – Affordable Housing (Revised Schemes) (SEPP 70) all Councils in NSW were made eligible to start collecting affordable housing contributions where there is uplift in the planning controls, an identified local housing need (Appendix A) and where it is viable.

Council has adopted the Local Housing Strategy which does not propose any rezoning in the LGA. This is because it was determined that existing housing capacity under current controls would deliver the appropriate housing supply to meet housing targets. Notwithstanding, the Local Housing Strategy identified a strong need for affordable housing in the Waverley LGA and indicated that new market

housing was not addressing this need but exacerbating it by often reducing existing affordable housing. To this end, there is a clear case for intervention, in the form of an affordable housing contribution, to ensure that new housing delivery is contributing to the delivery of affordable housing. The LHS recommended a percentage range of 1-3% contribution on all new residential apartment development and 10-15% contribution on sites receiving uplift. It was identified that a specific percentage of 1% on all new residential apartment development and 10% on sites receiving uplift would be more appropriate compared to a range, as a test of industry acceptance. It is envisaged that this rate will increase in the future.

Furthermore, Council also receives unsolicited spot rezonings from private industry. The subject scheme will give Council the legislative backing to require affordable housing contributions of 10% from proponents that are granted uplift through the planning proposal process.

1.3. Aim of this scheme

The aim of the Scheme is to deliver affordable housing resulting from contributions in the Waverley LGA. The scheme aims to:

- Support a socially diverse community
- Capture value attributed to individual landowners through uplift granted by the planning system for the public purpose of affordable housing
- Expand Council's existing affordable housing portfolio

1.4. Where does the scheme apply?

The Scheme applies to the whole Waverley Local Government Area.

1.5. What types of development does the scheme apply to?

Residential apartment development and mixed-use development excluding employment generating only development and development for the primary purpose of social housing and affordable rental housing.

1.6. Overview of affordable housing need in Waverley

Affordable housing refers to a spectrum of housing options including social housing, affordable rental housing, and certain types of market housing. There are few opportunities in Waverley to access affordable housing. Unaffordability has been a growing issue over the last two decades as household income-to-house price ratio has increased from 4:1 in 1994 to 12:1 in 2016. At present, Waverley is severely unaffordable. Waverley's rent for all dwellings is 1.3 times higher than the Sydney average. As a result, 30% of all renting households are in rental stress and, most strikingly, 85% of low-income households are in rental stress.

The current forms of affordable housing supply are not going to meet the relevant demand. Waverley has the fifth lowest key worker population in Sydney. Where key workers are on a very low, low and moderate income, this is contributing to overall demand for affordable housing. To meet the base demand, 11% of total dwelling stock needs to be affordable. Projecting this to 2036, this equates to an additional 600 affordable rental dwellings, or approx. 30 affordable rental dwellings per annum. Proposed affordable housing targets of 1% on all new development and 10% on development receiving uplift, while not meeting all underlying demand, will provide a pathway to increasing affordable housing in the LGA. Furthermore, to retain the current proportion (2%) and ensure no further net loss of social housing, 90 social housing units should be delivered by 2036. Whilst Council can continue to advocate for this, the state government owns and manages social housing.

The current sources of affordable housing are from what is approved under the ARHSEPP, Waverley Council's Affordable Housing program and what's available in the market. The current supply of affordable rental housing is only meeting 57% of demand and 43% of households in rental stress are not going to have their housing needs met in the current housing climate.

1.7. Legislative basis for affordable housing contributions

Residential development and mixed-use development excluding dwelling houses (a building containing only one dwelling) and employment generating only development within the Waverley LGA is subject to the collection of contributions for affordable housing under Section 7.32 Clause 1 of the Act because:

- State Environmental Planning Policy 70 Affordable Housing (Revised Schemes) (SEPP 70) is applied to the whole state. It allows Councils to collect affordable housing contributions where there is an identified need for affordable housing in the area. Appendix A provides additional analysis for affordable housing in the LGA.
- Redevelopment in the LGA will reduce the availability of affordable housing by increasing demand for affordable housing while also increasing the cost of housing.

1.8. Relationship to other affordable housing provisions in the LGA

Where an applicant seeks to utilise the bonus provisions of the Affordable Rental Housing State Environmental Planning Policy 2009, this contributions plan does not apply.

1.9. Affordable housing principles

The Waverley affordable housing principles are:

- Affordable housing must be provided and managed in Waverley so that a socially diverse residential population representative of all income groups is available in Waverley,
- Affordable housing must be rented to tenants whose gross household incomes fall within the following ranges of percentages of the median household income for the time being for the Sydney Statistical Division according to the Australian Bureau of Statistics:
 - Very low income household less than 50%
 - Low income household 50% or more, but less than 80%
 - Moderate income household 80-120%
 - and at rents that do not exceed a benchmark of 30% of their actual household income, and
- Dwellings provided for affordable housing must be managed so as to maintain their continued use for affordable housing,
- Rental income from affordable housing received by or on behalf of the Council, after deduction
 of normal landlord's expenses (including management and maintenance costs and all rates and
 taxes payable in connection with the dwellings), must be used for the purpose of improving or
 replacing affordable housing or for providing additional affordable housing in Waverley or for
 research and policy development for housing and affordable housing purposes, and
- Affordable housing must consist of dwellings constructed to a standard that, in the opinion of
 the consent authority, is consistent with other dwellings within the development, especially in
 terms of internal fittings and finishes, solar access and privacy.

2. Affordable housing contributions

2.1. Voluntary Planning Agreements

The Planning agreement policy 2014 requires that at a minimum 25% of all VPA contributions go to affordable housing. In some circumstances, this may be higher.

2.2. Monetary contribution rates in the LEP

The levy will be calculated as a percentage across the whole development in accordance with the market value of residential floorspace around the time of the development. These rates are outlined in the table below and will be updated on a regular basis in line with current market conditions. This Affordable Housing Contributions Scheme will be referenced in the Waverley LEP (or via a VPA before such time that the LEP is updated to reference this scheme).

- A levy of 1% applying to all new residential apartment development
- A levy 10% applying to sites receiving uplift through planning controls.

Table 1. Suburb revenues to calculate the affordable housing contribution.

| Gross realisation \$/sqm | | |
|--------------------------|----------|--|
| Rose Bay | \$14,000 | |
| Bronte | \$21,000 | |
| Waverley | \$14,000 | |
| Dover Heights | \$14,000 | |
| Bondi | \$18,500 | |
| Vaucluse | \$14,000 | |
| Bondi Beach | \$20,000 | |
| Bondi Junction | \$18,500 | |
| Tamarama | \$21,000 | |
| North Bondi | \$19,500 | |
| Queens Park | \$17,000 | |

2.2.1. Dedication of dwellings

Council's preference is for monetary contributions. However, where the opportunity arises that the monetary contribution is equal to that of a whole unit (at least 50 sqm), this could be dedicated to Council.

2.3. Development that is exempt from the affordable housing contribution scheme

Residential development that is not apartments or employment generating only developments and developments and developments and development for the primary purpose of social housing and affordable rental housing.

2.4. Conditions of consent for affordable housing

Where the total floor area to be dedicated as affordable housing is less than the amount equivalent to a unit at least 50sqm or where the proposed dwellings are considered not appropriate for the purpose of affordable housing (subject to Council approval), an equivalent monetary contribution that would otherwise be required will be sought in accordance with the rate, outlined in section 2.1.

Where an in-lieu contribution is being made the condition of consent is to contain but not be limited to, the following information:

- The monetary contribution required in accordance with the rates as specified under 2.1 of this plan;
- The total floor area of the development used for residential purposes that was used in the calculations;
- A requirement that the condition be satisfied (to Council's approval) prior to the issue of a construction certificate.

3. Administration and implementation

3.1. How to make a contribution

Payment of contributions will be by unendorsed bank cheque to the Council prior to issue of any construction certificate. In circumstances where no construction certificate is required, payment is required prior to commencement of use/occupation.

3.2. Processes for the distribution and management of funds

Contributions resulting from in-kind or monetary contributions are to be provided in accordance with the following criteria:

- Affordable housing is to be dedicated to the Council
- Contributions are to be pooled and managed by the Council until such time as there is sufficient funding available to develop and/or acquire new affordable housing
- Affordable housing units are owned by the Council and managed by an eligible community housing provider
- Affordable housing is rented to low and moderate income households at 30 per cent of gross household income
- All rent received after deduction of management and maintenance costs will be reinvested back into Council's Affordable Housing Program to be used for the purpose of improving, replacing or providing additional affordable rental housing in Waverley LGA, and
- Affordable housing is designed and constructed to a standard which, in the opinion of Council, is consistent with other dwellings within the same development, that is, they are not differentiated (internally and externally) as affordable housing compared with the design of other housing.

3.3. Tenant eligibility criteria¹

In order to be eligible to participate in the WAHP, successful applicants must be able to substantiate compliance with the following criteria:

- a) The average household gross annual income, which includes all people in the household aged eighteen (18) years and older, taken over the last two (2) years prior to application to WAHP much fall within the following ranges of percentages of the median household income from the Waverley Statistical Division according to the Australian Bureau of Statistics:
 - Low 0% 80% (the precise income amount will vary annually)
 - Medium 0% 120% (the precise income amount will vary annually)
- b) Must be able to demonstrate a connectedness to the Waverley LGA area meaning a tenant must be living in the Council LGA currently and for the past three (3) years; or if not living the Waverley Council LGA, have lived in the area for at least five (5) years in the previous ten (10) years;
- c) Must not own assets or property which could reasonably be expected to be used to solve their housing needs;
- d) Employees, or immediate relatives of employees of the Waverley Council and the Affordable Housing Manager ("AHM");
- e) Must not be already living in secure medium and long term subsidized social housing the Eastern Suburbs including the Local Government Area of Waverley, Woollahra, Randwick, Botany and City of Sydney at the time of application submission;
- f) Prior to accepting potential tenants on the waiting list, their eligibility needs to be confirmed through:
 - proof of income, through documentation such as income tax returns, social security documentation, declaration of all assets etc, and
 - proof of connection with the Waverley area, through evidence of current and past phone/power bills and/or current and past rent receipts.

Interviews are conducted with applicants in order to verify compliance with eligibility criteria; and

g) Prior to placement of anyone from the waiting list in a dwelling, the income and connectedness criteria, lack of secure accommodation are to be verified.

Applicants no longer meeting the criteria should be removed from the waiting list.

3.4. How tenants are assessed and allocated homes

WAHP properties are allocated to approved tenants as per the following:

- a) properties will be advertised. Advertisements for properties will clearly stipulate all eligibility criteria; applicants who fulfil the eligibility criteria will be short listed;
- b) eligible applicants whose household numbers are appropriate to the available property size will be further short listed; and
- c) all eligible potential tenants will enter a ballot which will be drawn.

¹ This tenant eligibility criteria is from the Waverley Affordable Housing Program Policy 2007 (Amendment 1). This policy will be updated from time to time and should be referred to.

Three (3) years is the maximum period available to any tenant in the WAHP. Shorter periods of tenure may be negotiated for privately owned rent capped properties. Previous tenants unsuccessful at the ballot will be advised of new similar properties coming into the WAHP by way of letter from the respective AHM for twelve (12) months only. It is noted, there will be no succession or transfer of tenure. The AHM should inform prospective tenants of all possible conditions of tenure.

3.5. Monitoring and review of scheme

Council will regularly review this policy and the manner in which it operates. As necessary, amendments and other changes may be required to ensure the policy operates in the way that Council intends.

WAVERLEY

REPORT PD/5.2/20.12

Subject: Emission Reduction and Water Conservation Targets

TRIM No: A20/0266

Author: Suzanne Dunford, Manager, Sustainability and Resilience

Director: Peter Monks, Director, Planning, Environment and Regulatory



That Council notes the achievement of emission reduction and water management targets for Council operations and assets for 2019–2020 financial year.

1. Executive Summary

As part of its overall environmental strategy, Council has committed to reduce greenhouse gas emissions from Council operations:

- By 30% by 2020, and by 70% by 2030 (based on 2003-04 levels).
- Achieving no increase in mains water consumption by 2030 (based on 2005–06 levels).

Council has successfully met emission reduction and water management targets for 2019–20.

Council's emissions dropped by 28% last financial year due to reduced energy usage at our buildings and street lighting, and through the Power Purchase Agreement (PPA) of renewable energy through the PEERS contract. It is calculated that the sustainable energy program has avoided 22% of electricity costs since the baseline year, delivering over \$260,000 in cost savings every year since 2013. Attention is being focused on achieving emissions reduction in fleet operations.

Mains water use has decreased by 9%, resulting in cost savings of \$80,000 for the year. As part of its conservation approach, Council maintains an extensive recycled water network which harvests, treats and supplies water for non-potable purposes, delivering 70 megalitres last financial year.

2. Introduction/Background

In October 2019, a Sustainable Resource Management Committee was established to provide strategic direction and leadership across Council operations for resource use by ensuring best practice management, departmental accountability and delivery of Council's environmental targets. The Committee meets quarterly to discuss water, energy and fuel use projects across Council and progress cost effective approaches. This report has been prepared following the Annual meeting on 10 September 2020.

As part of its overall environmental strategy, Council has committed to reduce greenhouse gas emissions from Council operations:

- By 30% by 2020, and by 70% by 2030 (based on 2003–04 levels).
- Achieving no increase in mains water consumption by 2030 (based on 2005–06 levels).

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With a target of carbon neutrality by 2050, recently strengthen commitments to address climate change and rapidly evolving policy developments and new technologies coming online, meeting our commitments requires coordinated and concentrated efforts across multiple assets and teams to optimise energy, fleet and water management.

3. Relevant Council Resolutions

| Meeting and date | Item No. | Resolution |
|------------------|--------------|---|
| Council | CM/8.6/19.12 | EXTRACT |
| 10 December 2019 | | That Council: |
| | | 1. Declares that we are in a State of Climate and Biodiversity Emergency that requires urgent action by all levels of government, that human induced climate change and biodiversity loss represents existential threats to human civilisation, other species and the life-supporting capacity of air, water, soil, and ecosystems, and that it is still possible to prevent the most catastrophic economic, social and environmental impacts if, and only if, societies take Emergency Action. |
| | | |
| Council | CM/8.3/20.04 | That Council: |
| 21 April 2020 | | Notes the recent Climate Emergency Summit conducted in Melbourne on 14–15 February 2020. |
| | | 2. Recognises, as per the November 2019 Council resolution, that climate change now constitutes a global emergency. |
| | | 3. Recognises the 2019–20 Australian bushfires as being linked to climate change. |
| | | 4. Understands that climate change and its solutions will have profound implications for Australia, its people and its lands. |
| | | 5. Recognises that Indigenous knowledge and leadership have a significant and important role to play in helping address climate change. |
| | | 6. Becomes a signatory to the Safe Climate Declaration. |

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4. Discussion

Sustainable energy

Council's emissions dropped by 28% last financial year due to reduced energy usage at our buildings and street lighting, and through the Power Purchase Agreement (PPA) of renewable energy through the PEERS contract.



Figure 1. Council GHG emissions from 2015–2020, with and without the renewables PPA.

Ongoing emission reductions from buildings are achieved through improved operational efficiency and rooftop solar panels at our most energy intensive sites, generating approximately 20% of Council's annual electricity consumption. LED lighting upgrades completed in July 2019 at our six largest sites, have reduced energy consumption by an average of 20% compared to the same time in the three previous years. It is calculated that the sustainable energy program has avoided 22% of electricity costs since the baseline year, delivering over \$260,000 in cost savings every year since 2013.

■ Emissions - Scope 1 (t CO2-e) ■ Net Emissions - Scope 2 (t CO2-e) ■ Emissions - Scope 3 (t CO2-e)

Fleet

Council's fleet generates around 26% of Council's greenhouse gas emissions. As reported to Council on 18 August 2020, there are numerous opportunities to pursue fleet emission reductions, including Pool Vehicle fleet reduction and integration of electric vehicles into the remaining pool fleet and the preferred vehicle

list for lease back and trialling emerging alternative technologies for all vehicles, including for heavy waste collection fleet.

Sustainable water

Due to a severe drought, metropolitan Sydney was under water restrictions for the duration of the last financial year. Extreme conditions in the first part of the year led to increased water use at Waverley Park for irrigation and Tamarama amenities during summer. A dramatic decrease in water use was recorded in Q3 and Q4, which corresponds with a significant increase in rainfall and reduced demand in amenities due to COVID-19. Mains water use has decreased by 9%, resulting in cost savings of \$80,000 for the year.

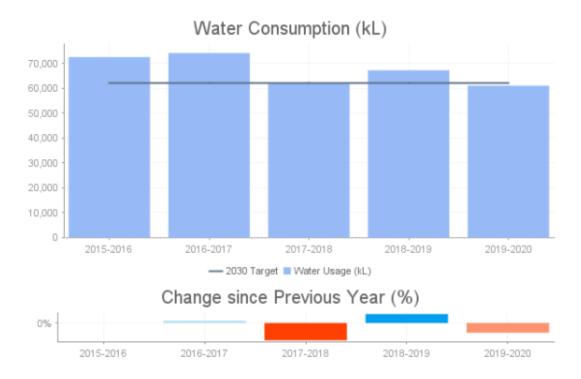


Figure 2. Water consumption.

This decrease in mains water consumption can be attributed to a new smart irrigation control system across Open Space and Parks locations, using predictive watering, which adjusts watering time and volume based on both forecast and actual rainfall. Also performing well is Council's real time leak detection system, which allows for rapid identification of uncontrolled water losses, to enable fast location and repair of leaks on council assets and facilities.

To further offset mains water consumption, Council maintains an extensive recycled water network which harvests, treats and supplies water for non-potable purposes, delivering 70 megalitres last financial year. Although a 25% decrease on the previous year, due to reduced demand at beach amenities during COVID-19 restrictions and increased rainfall in Q3 and Q4, our recycled water systems delivered a cost saving of \$91,000 for the year (cost of potable water equivalent minus scheduled recycled water system maintenance costs).

5. Financial impact statement/Time frame/Consultation

Council spends around \$1 million on electricity and gas charges annually, \$350,000 on water charges and \$570,000 on fleet fuel costs. Improved energy, water and fleet efficiencies will result in financial savings to Council and enable Council to meet environmental targets.

6. Conclusion

Council has successfully met emission reduction and water management targets for 2019–20. Improving operational and resource efficiencies not only delivers environmental benefits but delivers ongoing cost savings. Council's ambitious environmental targets remain challenging, given increasing temperature trends and forecast population and development.

Meeting community expectation for greener public spaces without increasing water usage will require maximising use of recycled water and ensuring best practice irrigation and management of living infrastructure and all water use projects, going forward.

Emerging climate policies and new technologies will complement our efforts to address excess electricity usage and capture financial benefits, including rebates from state and federal governments.

7. Attachments

Nil.

REPORT PD/5.3/20.12

Subject: 100% Renewable Energy Target

TRIM No: A02/0131

Author: Nicola Saltman, Senior Environment Officer

Director: Peter Monks, Director, Planning, Environment and Regulatory



RECOMMENDATION:

That Council:

- 1. Adopts a 100% renewable energy target for Council by 2030 for Council's utility energy purchases.
- 2. Does not install any new gas appliances or fittings on Council assets beyond those already designed and approved and that, where possible, current gas appliances and fittings be phased out when requiring replacement in favour of efficient electrical appliances leading up to 2030.
- 3. Amends the current Waverley Environmental Action Plan (EAP) to include this target, with relevant actions detailed in the 2022 EAP revision.

1. Introduction/Background

In December 2019, Council received a petition from Climate Action Sydney Eastern Suburbs (CASES) containing 540 signatures mostly from residents of the Waverley local government area requesting Council set a target of 100% renewable energy by 2030. The petition states:

'CASES requests Waverley Council sets a target of 100% renewable energy by 2030. We the undersigned call on our local council, Waverley, to address the current climate emergency as a matter of utmost importance. We request that Waverley Council:

- Publicly declares a climate emergency as the rest of the world is doing.
- Sets in train actions for satisfying a 100% renewable energy target by 2030.
- Works with the community to achieve this goal in Waverley.
- Works through Local Government Association to put pressure on both the State and Federal governments to commit to a national goal of 100% renewable energy.'

Council currently purchases approximate 30% of our electricity from a Moree solar farm through a Power Purchase Agreement. This is part of an electricity agreement procured through SSROC. In 2022, SSROC will look to procure renewable electricity for the approximate 70% component of electricity not currently supplied by the Moree solar farm.

2. Relevant Council Resolutions

| Meeting and date | Minute No. | Decision | |
|-----------------------------|--------------|--|--|
| Council 10 December 2019 | CM/7.4/19.12 | That Council refers the petition requesting Council to set a target of 100% renewable energy by 2030 to the Director, Planning, Environment and Regulatory, for appropriate action, and a report come back to Council. | |
| Council 10 December 2019 | CM/8.6/19.12 | EXTRACT | |
| | | Declares that we are in a State of Climate and Biodiversity Emergency that requires urgent action by all levels of government, that human induced climate change and biodiversity loss represents existential threats to human civilisation, other species and the life-supporting capacity of air, water, soil, and ecosystems, and that it is still possible to prevent the most catastrophic economic, social and environmental impacts if, and only if, societies take Emergency Action. | |
| | | | |
| Council 21 April 2020 | CM/8.3/20.04 | That Council: Notes the recent Climate Emergency Summit conducted in Melbourne on 14–15 February 2020. | |
| | | Recognises, as per the November 2019 Council resolution, that climate change now constitutes a global emergency. | |
| | | 3. Recognises the 2019–20 Australian bushfires as being linked to climate change. | |
| | | 4. Understands that climate change and its solutions will have profound implications for Australia, its people and its lands. | |
| | | 5. Recognises that Indigenous knowledge and leadership have a significant and important role to play in helping address climate change. | |
| | | 6. Becomes a signatory to the Safe Climate Declaration. | |

3. Discussion

Council has long been deeply committed to addressing climate change with ambitious targets for carbon emission reductions for both Council operations and the community in the Community Strategic Plan (2018–2029) and the Environment Action Plan (2018-2030). Current targets include:

- 70% reduction in Council greenhouse gas emissions (2003–04) levels by 2030.
- 70% reduction in Community greenhouse gas emissions (2003–04) levels by 2030.
- Carbon neutral by 2050.

Recent deliberations have further bolstered Council's commitment in relation to these targets, including as a signatory to the Climate and Biodiversity Emergency Declaration (April and December 2019) and the Safe Climate Declaration (April 2020). These commitments will require actions to rapidly progress to zero emissions and immediate reductions in reliance on fossil fuels.

Specific renewable energy actions Council has taken to date include:

- Installation of solar power systems on 10 solar-feasible Council sites.
- Currently sourcing 30% of our electricity use with renewable energy via an offsite Power Purchase Agreement (PPA) with Moree Solar Farm, coordinated through the Program for Energy and Environmental Risk Solutions (PEERS) project, managed by SSROC.

These activities combined with energy efficiency upgrades (to Council facilities and streetlighting) has meant that we are a high performing Council in emission reductions, having achieved our 2020 target of 30% emission reductions (5494 tonnes of CO2) one year early.

Figure 1 shows Council's greenhouse gas emissions over time from 2015 to 2020. The second graph, which includes the PPA shows Council's scope 1, 2 and 3 emissions dropped by 28% last financial year, largely due to purchasing electricity from the Moree Solar Farm.



Figure 1. Council GHG emissions from 2015–2020, with and without the renewables PPA.

2016-2017

2015-2016

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2017-2018

■ Emissions - Scope 1 (t CO2-e) ■ Net Emissions - Scope 2 (t CO2-e) ■ Emissions - Scope 3 (t CO2-e)

2018-2019

2019-2020

A 100% renewable energy target by 2030—which has been adopted by other local governments in NSW, including Randwick, City of Sydney, Broken Hill, Coffs Harbour, Inner west and Byron Shire—would strongly align with community aspirations and existing Council initiatives to efficiently meet our next Council emission reduction target (70% on 2003–04 baseline) of 2355 tCO2 (in advance of the 2030 timeframe).

The bulk of this 100% renewable energy target is likely to be attainable cost-effectively through Council procuring 100% renewable electricity, via the PEERS contract. This assumes the PEERS project is successful in its next approach to the market.

Greenhouse gas emissions from natural gas such as for cooking and heating makes up only 0.7% of Council's total emissions. If the recommendation of this report is accepted, no new gas fixtures will be installed, and gas fittings and appliances will be replaced by 2030 where feasible when they reach their end of life. This will transition all Council's utility energy needs to be met by renewable sources at that time.

Ensuring continued effort on energy efficiency improvements must remain a key part of Council actions, particularly as the electricity grid becomes 'greener' with large scale renewables set to come on-line in NSW.

Increasing renewable energy uptake in our community ultimately relies on decisions of individual ratepayers, residents and local businesses, therefore setting a community 100% renewable target is not considered viable, as it is outside Council's sphere of control. In addition, our existing 70% emissions reduction target for the community by 2030 is in line with the Paris Climate Accord.

Emissions from Council's fleet currently make up around 23% of Council's total greenhouse gas emissions. Further analysis is required to understand the cost implications of transitioning our fleet and plant to a wholly electric fleet. There is currently a large range of cost forecasts for electric vehicles, particularly for heavy vehicles such as garbage trucks. While it is possible that passenger vehicles will be cost competitive with internal combustion engines (ICE) in 2030, an analysis of this using real costs after Council purchases a number of electric vehicles in 2021 will be undertaken as part of the preparation of the next Environmental Action Plan. Council's Fleet team is also working on initiatives to reduce the size of Council's fleet.

Gas is used at only seven sites in Waverley mainly for cooking and water heating. It is roughly estimated that the conversion of these fittings and appliances will cost less than \$40,000 to shift to electricity, such as through heat pump water heaters and induction stove tops. This cost will be able to be mainly met through current maintenance budgets and once undertaken there will be cost savings from using higher efficiency electrical appliances. The recommendation also notes that gas fittings are included as part of the cooking appliances at Bondi Pavilion and the proposed recommendation does not seek to alter this now.

4. Financial impact statement/Time frame/Consultation

Should a target for 100% renewable energy by 2030 be adopted, the main impact will be in cost changes to Council's electricity contract. Given that the price of renewables is cheaper than grid electricity in Council's current Power Purchase Agreement, the majority of new electricity generation in the Australian Energy Market (AEM) will be renewable, and industry forecasts that it is likely that the electricity price of purchasing 100% renewables in 2030 will be around the same price or cheaper than the standard grid electricity price.

There will be an initial cost of approximately \$40,000 in converting Council's mains natural gas appliances, although this is likely to have a short payback period and result in overall long-term savings for Council. It is proposed to undertake these appliance updates only when equipment requires replacement and where this is feasible, so this would average out at only \$4,000 per annum.

5. Conclusion

Adopting this target for Council operations would align with existing commitments and achievements of Council targets. It can be achieved through extending our procurement of renewable energy to 100% through an updated Power Purchase Agreement and transitioning to efficient electrical appliances.

6. Attachments

Nil.

REPORT PD/5.4/20.12

Subject: Draft Waverley Heritage Assessment - Independent Expert

Panel

TRIM No: A18/0646

Author: Anne McGoverne, Strategic Planner (Heritage)

Director: Peter Monks, Director, Planning, Environment and Regulatory

RECOMMENDATION:

That Council appoints the following panel members to the Independent Expert Panel that will assist with assessing the public feedback on the draft Waverley Heritage Assessment:

1. Heritage specialist members:

- (a) Dr Roy Lumby (Tanner Kibble Denton).
- (b) Kate Denny (Lucas Stapleton Johnson and Partners Pty Ltd).
- (c) Anita Panov and Andrew Scott (Panovscott Architects).
- (d) Sharon Veale (CEO Godden Mackay Logan).

2. Community representative members:

- (a) Steven Thomson.
- (b) Sylvia Hrovatin.
- (c) Louise Mitchell.
- (d) Patrick Flanagan.

1. Executive Summary

Over the past 18 months, Council has conducted a review of the local government area's heritage with a view to updating its Local Environment Plan Schedule 5 Environmental Heritage list. A draft Heritage Assessment (the Assessment) was unanimously endorsed by Council on 5 May 2020.

The six-week public exhibition period for the draft Assessment on Council's Have Your Say webpage began on 30 July 2020. It was extended to allow additional time for public comments and closed on 25 October 2020.

As part of the public feedback process, members of the public were asked to nominate if they wished to apply to be a community representative on an Independent Expert Panel that is to be convened to help assess public feedback on the draft Assessment.



The Independent Expert Panel process was noted in the report to Council on 5 May 2020, when the draft Assessment was endorsed:

'Once this Assessment has been endorsed by Council, it will be publicly exhibited, with the purpose of obtaining feedback from the community and key stakeholders. If recommendations in the Assessment are contested, a panel of independent experts with a community representative will be convened by Council. The panel will assist in assessing and deliberating the final items and HCAs for inclusion in an updated Schedule 5 list. Their comments will be considered for incorporation into an updated Assessment for the purposes of informing a Planning Proposal with the intention of amending the LEP. The proposed heritage list embraces history, character and context – the cornerstones of what makes Waverley unique.'

2. Background

Pending the endorsement of the Panel members, the Independent Expert Panel will be convened, consisting of:

- Two heritage experts with demonstrated expertise and knowledge of the Waverley area chosen from a pool.
- One member of the public chosen from a pool of four, rotated depending on potential conflicts of interest.

Members of the public who wished to register their expression of interest (EOI) in nominating for the Independent Expert Panel did so during public exhibition of the draft Assessment via the online Have Your Say link or via letter to the General Manager. It was also advertised in the Wentworth Courier and on Council's social media outlets. The EOI period followed the same timeframe as the public exhibition.

A list of potential community representatives was compiled from the EOI public feedback and nomination. The criteria for selection was prepared based on the questions included on the Have Your Say webpage. These included:

- What is your interest in how conservation affects your area?
- Have you been on a Waverley Council panel before?
- What is your interest in local history? Please provide example/s.
- Do you have any questions about your potential involvement in being a panel member?

Selection of community members

An in-house selection panel was convened to assess the applications from community members who expressed interest in being on the Independent Expert Panel. The officers on the selection panel were:

- George Bramis, Executive Manager, Urban Planning, Policy and Strategy.
- Tim Williams, Manager, Urban Design and Heritage.
- Anne McGoverne, Strategic Planner (Heritage).
- Libby McKenzie, Communications and Engagement Manager.

Criteria for selection of community members

Applications from community members for the panel were assessed using the following criteria and weightings:

- Interest in conservation locally.
- Demonstrated interest in local history.
- experience on panels or committees.

Selection of heritage specialists

EOI letters were sent to heritage specialists on Council's preferred supplier list using Council's request for quotes process. They were also asked to provide a list of suitable personnel available to attend Independent Expert Panel meetings.

3. Relevant Council Resolutions

| Meeting and date | Item No. | Resolution | | |
|-----------------------|-----------------|---|--|--|
| Council 5 May 2020 | CM/7.4/20.05(1) | That Council: 1. Publicly exhibits the Waverley Heritage Assessment attached to this report, including the additional work being done to extend the Charing | | |
| | | Cross Urban Conservation Area, for a period of 42 days, including notifying the owners of each property that is proposed for listing. | | |
| | | 2. Extends the Charing Cross Urban Conservation Area proposed boundary to include the area bounded by Carrington Road, John Street, Henry Street (both sides of the street) and Victoria Road, and prepares a heritage inventory form reflecting this change prior to being exhibited. | | |
| | | 3. Undertakes additional research to establish a more detailed record of Aboriginal associations with the area, with a focus on understanding how Aboriginal people used (and use) Waverley as a place, building on the information already included in the Waverley Aboriginal Cultural Heritage Study | | |

4. Discussion

The Independent Expert Panel will review nominated heritage items where there are conflicting views; for example, between the public and Council officers. Council heritage staff will attend the meetings and provide support to the Panel. Discussion will be minuted and a final summary of all meetings will be provided to Council, detailing which heritage items will be recommended to be included or excluded from the draft Heritage Assessment.

Assessments by panel members will be based on the Heritage Office's seven criteria for assessing heritage significance and decisions will be made on the day of the hearing. Panel recommendations will not be final—Councillors will be advised where there have been contested opinions over an item's inclusion in a future report scheduled for March 2021, which will seek adoption of the Waverley Heritage Assessment.

The Panel will assess written submissions from members of the public provided during the Have Your Say public consultation process where that public feedback is in conflict with council officers' advice. It will also consider information provided by Council officers regarding the decision-making process undertaken during the draft Heritage Assessment.

It is not proposed that members of the public address the Panel in person. This is because the Panel is a peer review of recommendations in Council officers' draft Heritage Assessment to ensure objectivity in the

assessment process. It is not a forum that duplicates Council or the role of Councillors. Members of the public will be able to address Councillors directly regarding the Heritage Assessment when the document is presented for adoption.

Panel members will be required to comply with the provisions of the Council's Code of Conduct and any other policy applicable to the panel's proper functioning

Recommended heritage specialist panel members

Four noted heritage specialist firms were approached for expressions of interest for participation in the Independent Expert Panel process. They provided quotes and the names of experienced personnel available to attend. These included, in order of preference:

• Dr Roy Lumby (Tanner Kibble Denton)

Recent work: Bondi Pavilion Conservation Management Plan Author of the City of Sydney Modern Movement Study

Kate Denny (Lucas Stapleton Johnson and Partners Pty Ltd)

Recent work: Bronte House Conservation Management Plan

Anita Panov and Andrew Scott (Panovscott Architects)

Recent work: Bronte Beach Amenities Block

Sharon Veale (CEO – Godden Mackay Logan)

Recommended community members

The following community representative members recommended for appointment:

- Steven Thomson.
- Sylvia Hrovatin.
- Louise Mitchell.
- Patrick Flanagan.

5. Financial impact statement/Time frame/Consultation

It is proposed that the Independent Expert Panel will meet in February 2021, given the holiday period. A budget of \$5,000 is projected for expert heritage consultants' fees.

6. Conclusion

The Independent Expert Panel has been designed to meet public expectations that heritage assessments and proposals made by Council officers as part of the draft Heritage Assessment process meet the standards of external heritage professionals. The panel provides an expert, independent second opinion where there is conflict between residents and Council officers views. The Panel is to act as a peer review, rather than a hearing for members of the public as this duplicates the role of Council. Only written submissions that conflict with Council officers' opinions are intended to be reviewed. The Panel will provide community confidence in the fairness and professionalism of the process surrounding the draft Heritage Assessment.

The suggested heritage specialists for the Independent Expert Panel are all highly regarded award-winning members of the architecture and heritage assessment community. The Panel's community members have been chosen via a self-nomination EOI process as part of the public consultation on the draft Heritage Assessment. They have been assessed based on the answers provided to questions involving engagement with Waverley's history, interest (or not) in conservation and previous experience. It aims to represent a wide range of community opinions on the subject of heritage.

7. Attachments

Nil.

REPORT PD/5.5/20.12

Subject: Tourism Advisory Panel

TRIM No: A18/0767

Author: Jessica Manifold, Tourism and Business Co-ordinator

Director: Peter Monks, Director, Planning, Environment and Regulatory



RECOMMENDATION:

That Council:

- 1. Establishes a Tourism Advisory Panel, in accordance with the Sustainable Visitation Strategy 2024, for a trial period of 12 months from February 2021.
- 2. Notes the draft Tourism Advisory Panel Charter attached to the report.
- 3. Appoints the members to the Tourism Advisory Panel as set out in Table 1 of the report for the period of the trial.
- 4. Appoints the reserve members to the Tourism Advisory Panel as set out in Table 2 of the report for the period of the trial.
- 5. Officers report back to Council at the conclusion of the trial.

1. Executive Summary

Waverley's Sustainable Visitation Strategy 2024 (SVS) was adopted to achieve a balance between the needs of residents, businesses and visitors, to sustain our local economy and to improve our local environment. The formation of a local tourism stakeholder group is outlined as a key project deliverable within the adopted SVS.

The Tourism Advisory Panel (TAP) will comprise community, business and local tourism experts, supported by Council's Economic Development team. The Panel will be advisory-only and participation is on a voluntary basis, with a time limit of 12 months. An expression of interest was publicly advertised in October 2020, with proposed Panel members recommended and noted within the discussion section below.

Pending the approval of the recommendations contained in this report, it is envisioned this Panel will be piloted for a 12-month period beginning February 2021. The Panel will meet quarterly or more often, depending on matters as they arise. An evaluation of the efficiency of this Panel will be reported to Council at the end of this period in early 2022.

2. Introduction/Background

Council demonstrated its commitment to sustainable tourism through the adoption of the SVS in 2019. This strategy represents a framework to establish a sustainable approach to the management of tourism in Waverley over five years. The Panel represents the delivery of the third action within the Strategy's Governance priority.

Waverley has attracted and maintained strong organic visitation levels over the past decade, with figures reaching 2.7 million in 2018 (DNSW). The steady volume of visitation has placed both pressure on local amenity and stress on Waverley residents. Presently and conversely, COVID-19 has threatened Waverley's local tourism businesses and jobs market, highlighting the vulnerability of our local economy in the absence of strong tourism performance. Current projections suggest Waverley will lose over \$250 million in international visitor spend for 2020 (Waverley Tourism Monitor – Year ending December 2019; see Attachment 2).

3. Relevant Council Resolutions

| Meeting and date | Item No. | Resolution | |
|---|-----------------------|--|--|
| Meeting and date Strategic Planning and Development Committee 5 March 2019 | Item No. PD/5.1/19.03 | Resolution That Council adopts the Waverley Sustainable Visitation Strategy 2019-2024 attached to this report, subject to the following amendment: 1. On page 10 of the Strategy (page 26 of the agenda), at the start of the section entitled 'Getting the Balance Right' replace the first sentence with: 'This strategy represents Waverley's second step, after the production of a Draft Destination Management Plan in 2017/2018, towards proactive tourism management of the LGA.' | |
| | | productive todarism management of the Edvi. | |

4. Discussion

The success of the SVS 2024 will rely on collaboration and consensus from industry, community and government. The purpose of the TAP is to gather key stakeholders to provide input and advice on projects outlined and committed to within the SVS. As an outcome, project plans and business cases will be developed with, and informed by, key stakeholders from the outset, providing essential project insights prior to Council commitment.

The main objectives of this Panel are to provide:

- Input and advice on current local challenges under each of the strategic priorities within the SVS.
- Insights into leveraging opportunities, so that desired outcomes can be achieved.
- Input into business case development.
- Input into the coordination and delivery of projects where needed.
- Input into the marketing and promotion of Waverley as a visitor destination.
- Support when required to apply for Sustainable Destination Certification.

Refer to the draft Charter attached for details (Attachment 1).

The Panel will also be able to provide a useful link to the tourism sector in the post-COVID context.

Upon receipt of all submissions, the Economic Development team reviewed the expressions of interest in to ensure a broad range of expertise was achieved to balance the business, resident and industry representation. The Panel will remain small, with two representatives from each of these category bases.

As this is a small, voluntary and non-decision-making stakeholder panel, applicants were simply requested to provide detail on why they would like to be part of the panel and were provided with the draft Panel

Charter, in addition to a copy of the SVS. Candidates that noted capabilities and interest in the following topics were favoured in this initial selection process:

- Displaying knowledge of sustainable tourism.
- Noting Council's SVS.
- Have strong community engagement capabilities.

First selection candidates were followed up with a call to discuss the Panel in more detail, expectations and to highlight the proposed next steps. All remaining applicants will be contacted after a decision on this matter is resolved by Council. It is recommended these applicants (if agreeable) are appointed as reserve members for the Panel should any member step down throughout the year.

Table 1. First selection TAP members.

| Amy Lynch | Bondi and Districts Chamber of Commerce | |
|---|---|--|
| | representative | |
| Charlotte Prouse | Tourism adviser (Destination Marketing Store) | |
| Jessica Williams | Tourism adviser (Google) | |
| Brenda Miley (shared with Craig Wachholz) | Business (Let's Go Surfing) | |
| Sonja Debeljuh (shared with Chris Williams) | Business (Bondi Beach Radio) | |
| Peter Adam | Resident | |
| Jason Luke | Resident | |
| Assigned Staff: | Waverley Council | |
| Jessica Manifold (Tourism Coordinator) | | |
| Suzanne Dunford (Resilience Manager) | | |

Table 2. Reserve TAP members.

| Jemma Carlton | Resident |
|------------------|-----------------|
| Simon Ellis | Resident |
| Jennifer Gorrie | Business |
| Jennifer Soicher | Business |
| Jiaying Chen | Resident |
| Andrea Vale | Resident |
| Sam O'Conner | Resident |
| Brian O'Farrell | Business |
| Lisa Bottazzo | Tourism adviser |

The draft Tourism Advisory Charter will be presented to the Panel at its first meeting for discussion and further development. On that basis, Council is asked to note the Charter at the current time.

5. Financial impact statement/Time frame/Consultation

The TAP expression of interest form was made available online via Council's website, with promotional material distributed through all Council newsletters and social media channels. Direct appeals were made to key stakeholder groups such as the local Chamber of Commerce, Precincts and Councillors. Council received 20 applications over the 21-day period.

Pending approval of the recommendations contained in this report, it is proposed that the TAP will meet in February 2021, given the holiday period.

It is envisaged meetings will be held initially online and then moving to face-to-face when it is safe to do so. Participation on this panel is voluntary; there will be some minor support costs, with a budget of \$1,000 provided for 2021.

6. Conclusion

The SVS 2024 has highlighted the need for a local tourism stakeholder group to ensure all tourism projects are developed with and supported by key stakeholders.

COVID-19 has presented a health and economic crisis with impacts on our local tourism economy. Having guidance from a range of stakeholders will assist greatly in the post COVID-19 tourism recovery Piloting a TAP at this point will aid this and also support and expedite projects planned over the coming year. An evaluation of the efficiency of this Panel will be submitted at the end of this period.

7. Attachments

- 1. Tourism Advisory Panel (TAP) Draft Charter 😃
- 2. Waverley Tourism Monitor Year ending December 2019 J





Waverley Council

Tourism Advisory Panel – Draft Charter



Background

Waverley Council has demonstrated its commitment to sustainable tourism through the adoption of the Waverley Sustainable Visitation Strategy 2024 (SVS) in 2019. This strategy represents a framework and direction to commence the sustainable management of tourism in Waverley for 5 years.

Over the last decade, there has been significant growth in visitor numbers in Waverley, with recent figures reaching 2.7 Million (2018, DNSW). Heavy visitation has placed pressure on local amenity and highlighted the need for a holistic approach to tourism management.

The SVS looks to the principles of sustainable destination management, using the Global Sustainable Tourism Council's Destination Framework, as a compass to best practice. In this way, Waverley can prioritise the maintenance and protection of its environment, landscape and heritage, whilst welcoming and sharing it with visitors.

It is envisioned that key stakeholders can improve the governance of local tourism by providing input into SVS project priorities.

Purpose

The success of the SVS will rely on a level of collaboration from industry, community and government. The purpose of the Tourism Advisory Panel is to gather key stakeholders from these sectors to provide input and advice on projects outlined and committed to within the SVS.

As an outcome, project plans and business cases will be developed with, and informed by, key community stakeholders from the outset, providing essential project insights prior to Council commitment.

Objectives

To act as an advisory panel to Council providing informed discussions and advice surrounding the strategic priorities and actions outlined in the SVS. In particular, the Advisory Panel will provide:

- advice on local challenges under each of the strategic priorities;
- guidance on leveraging opportunities, so that desired outcomes can be achieved through projects outlined in the SVS;
- input into business case development;
- input into the coordination and delivery of projects where needed;
- input into the marketing and promotion of Bondi as a sustainable destination;
- support when required to apply for Sustainable Destination Certification.

Membership

The Global Sustainable Tourism Council's Sustainable Destination Framework focuses on four key sustainability disciplines, including; sustainable management; socio-economic sustainability, cultural sustainability and environmental sustainability.

To correlate with these disciplines; Council is eager to recruit candidates from the following areas:

- Council's Sustainability and Cultural Programs teams.
- Members of precinct groups that are involved in local sustainability projects.
- Chamber of Commerce.
- Local businesses, especially those with eco-tourism interests or certification.
- Local environmental groups and charities.

Criteria for Membership

- · Community members must reside in the area.
- Business members must represent a business in the area.
- All members must have the ability to take a broad approach to tourism issues.
- Must be available to attend meetings.

Meetings

- Meetings will be held at a minimum of four times per year.
- The Panel provides advice on SVS projects only and meetings are not open to the public.
- This charter recognises that additional meetings may be required outside the regular meetings if needed.

Considerations

Matters that may be considered by the Advisory Panel include, but are not limited to the following:

- Input into project briefs and plans.
- Research into project feasibility with respective groups.
- Possible community engagement on key projects for example the Visitor Information Centre.
- Training with the Global Sustainable Tourism Council.
- Advice on project alignment with the Global Sustainable Tourism Council's Destination Criteria.
- Support with Global Sustainable Tourism Council's Destination Certification process.

Protocol & Procedures

- Council's Tourism Coordinator will Chair all Advisory Panel meetings.
- Agenda items for each meeting will be consistent with the purpose and objectives outlined in this document. Meeting agendas will be made available one week prior to meeting date.
- Panel members may request relevant issues or topics to be discussed at meetings. Topics will need to be noted with the Chair 48 hours prior to agenda release.
- Members may nominate one representative to attend the meeting in their absence. The Chair must be given notice of this 48 hours prior to the meeting.
- All meetings will be held at a Council venue, convenient to all members.
- Meeting minutes will be available within one week of the meeting held.
- Any Information that is confidential or sensitive in nature will be presented as such and noted within minutes.

Declarations of Pecuniary or significant nonpecuniary interests

A member or invited expert stakeholder who has a pecuniary* or significant non-pecuniary interest in any matter with which the Panel is concerned and who is present at a meeting of the Panel at which the matter is being considered, must disclose the interest to the meeting as soon as practicable. For more detailed information please refer to Waverley Council's Code of Conduct.

Committee Review

A review of the Committee will be undertaken in March 2022.

Glossary

*Pecuniary interest: an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person.



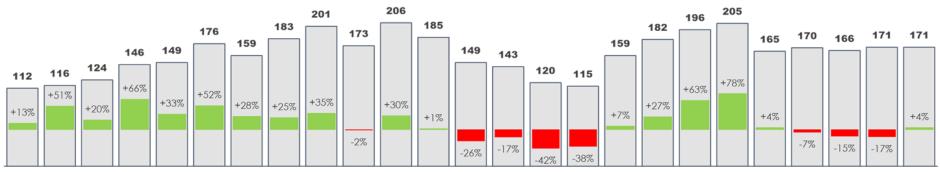
Year ending December 2019

DOMESTIC OVERNIGHT VISITORS - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- 171,000 domestic overnight visitors. Very similar to calendar 2017 and 2018 but lower than 2015 and 2016.
- The year-on-year (YOY) change of +4% is not statistically significant. Whilst this does not rule out a change caution should be applied particularly in public reporting. It is suggested the phase "similar to last year" is used.
- The 'Benchmark 1 group' of SA2's (refer definition page 1) was up 8% YOY. As with Waverley, this change was not statistically significant
- The Sydney-Haymarket-Rocks SA2 rose 11% YOY. This change was statistically significant and is associated with the first calendar year with in excess of 6 million domestic overnight visitors. Northern Beaches LGA was a statistically significant 29% higher YOY. Blue Mountains LGA's 13% increase was not statistically significant.
- From a Sydney Tourism Region perspective, the market continued it's very strong run. Visitor volume was up 14% YOY bringing the total to a record-breaking 12.7 million visitors. This represents the 7th consecutive double-digit YOY increase.

Expenditure estimate: If it is assumed that expenditure per visitor per night was the same as it was over the four years ending December 2018, domestic overnight visitors spent \$106m (gross) in Waverley LGA in the latest period.

Waverley Domestic Overnight Visitors (000) & Year-on-Year % Change



Dec 13 Mar 14 Jun 14 Sep 14 Dec 14 Mar 15 Jun 15 Sep 15 Dec 15 Mar 16 Jun 16 Sep 16 Dec 16 Mar 17 Jun 17 Sep 17 Dec 17 Mar 18 Jun 18 Sep 18 Dec 18 Mar 19 Jun 19 Sep 19 Dec 19 Year ending



NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated.

ADDITIONAL NOTES: Given the events unfolding in 2020, it is likely that domestic overnight visitors will take on added importance for Waverley - in at least the short term and potentially the medium term. This will definitely be the case whilst international travel restrictions remain in place. It may include a greater number of holiday/leisure visitors as well as increased demand for appropriate business meeting spaces given a potential reduction in interstate trips for this purpose.

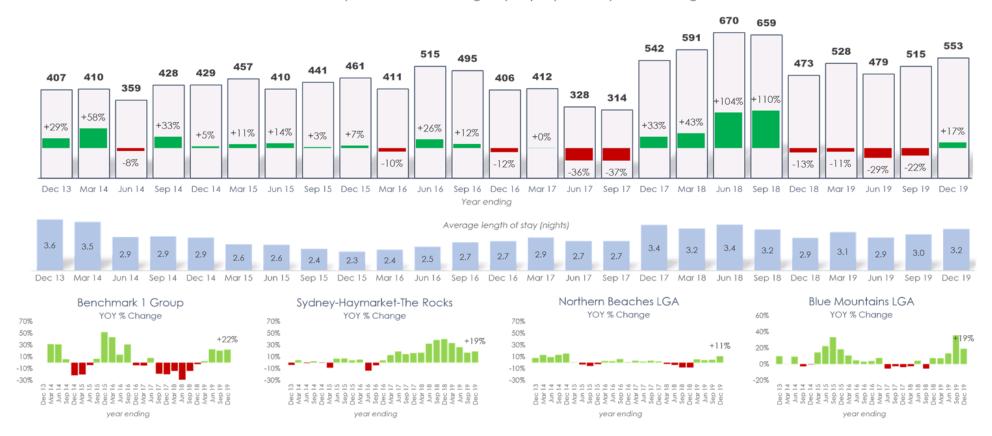
SOURCE: Tourism Posegrich Australia (TPA): National Visitor Suprey, Unpublished data extracted under licence by Peter Valeria, Copyagrite remains with TPA

Year ending December 2019

DOMESTIC VISITOR NIGHTS - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- Domestic overnight visitors spent 553,000 nights in the Waverly LGA during the latest period.
- This was on paper at least 17% higher than calendar 2018. This percentage change, however, is not statistically significant. Whilst this does not rule out an increase it is recommended that caution be applied in terms of its internal consideration and in any reporting. Appropriate phrases to use in this case include: "results for the year are promising with signs that nights volume is back up over the half million mark".
- The average length of stay during the latest period was 3.2 nights. Whilst not the longest in the Monitor it is greater than all calendar years apart from 2017 and further suggests that average length of stay has moved out of the 2-3 nights zone as was the case from YE June 2014 to YE September 2017.
- All comparison areas with the exception of the Northern Beaches LGA showed year-on-year increases broadly similar with Waverley's. The Northern Beaches LGA has clearly been 'below market' for the past three periods. The cause is not obvious.
- From a broader perspective, domestic overnight visitors spend 35.0 million nights in the Sydney Region in the latest period at an average length of stay of 2.8 nights. This visitor nights volume was 18% up on calendar 2018 a new record for the region.

Waverley Domestic Visitor Nights (000) & year-on-year % change



NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated.

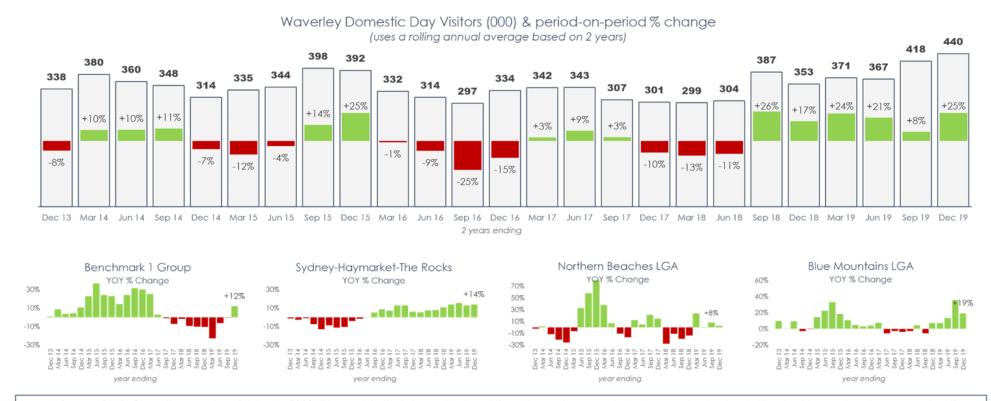
SOURCE Tourism Research Australia (TRA): National Visitor Survey. Unpublished data extracted under licence by Peter Valeria. Conswrite remains with TRA

Based on the annual average for the two years ending December 2019

DOMESTIC DAY VISITORS - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- Waverley LGA hosted an estimated 440,000 domestic day visitors in the period ending December 2019. This represents a new record.
- The latest estimate was 25% higher than the period ending December 2018. This percentage change is statistically significant when a relaxed test is used. It is recommended that references to the change are along the lines of: "latest results suggest an increase".
- That caution aside, the latest estimate extends what appears clear to be a strong period of growth commencing the period ending September 2018.
- This growth period is absent from the Benchmark 1 Group over recent periods but is reflected in other comparison destinations. This is particularly the case for the Sydney-Haymarket-Rocks SA2 which has not seen a negative result since the period ending March 2016.
- From a broader perspective, an annual average of 25.3 million domestic day visits were hosted by the Sydney Region in the latest period. This was a 17% increase on the same period ending December 2018.

Expenditure estimate: If it is assumed that expenditure per visit was the same as it was over the four years ending December 2018 (i.e. \$90), domestic day visitors spent an average \$37m p.a. (gross) in Waverley LGA in the latest period.



ADDITIONAL NOTES: Given the events unfolding in 2020, it is possible that domestic day visitors play an increased role in Waverley tourism in the short to medium term as such visitors take 'advantage' of Bondi Beach without the international visitation that it is renowned for.

NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated.

COLIRCE: Tourism Research Australia (TRA): National Visitor Survey. Unnublished data extracted under licence by Peter Valeria. Conswrite remains with TRA

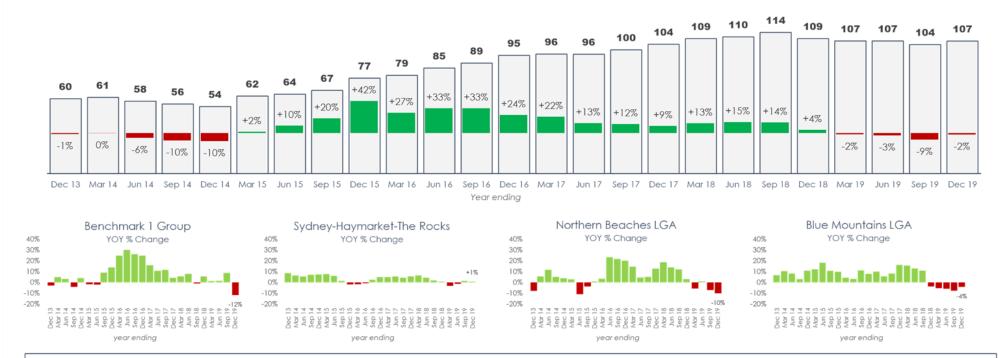
Year ending December 2019

INTERNATIONAL OVERNIGHT VISITORS - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- Waverley LGA hosted an estimated 107,000 international overnight visitors in calendar 2019 (i.e. those who stayed at least one night in Waverley LGA)
- This was almost identical to calendar 2018 and very similar to volumes recorded over recent periods.
- The latest estimate was 2% lower on paper lower calendar 2018. This percentage change is not statistically significant.
- That caution aside, the latest movement appears to extend a run of negative changes.
- All four comparison areas with the exception of the Sydney-Haymarket-Rocks SA2 (SHR) reported year-on-year decreases. SHR's +1% indicates a stalled market in that area. What is clear is that the international market was in decline well before the bushfires and the Covid-related travel restrictions.
- From a broader perspective, international overnight visitors in the Sydney Region in calendar 2019 were virtually identical to calendar 2018.

Expenditure estimate: If it is assumed that expenditure per visitor per night was the same as it was over the four years ending December 2018, international overnight visitors spent \$239 million (gross) in Waverley LGA in calendar 2019.

Waverley International Overnight Visitors (000) & year-on-year % change



ADDITIONAL NOTES: The absence of a large portion of an estimated \$238m expenditure in Waverley in 2020 will clearly have serious negative effects for the Waverley economy. This emphasises the urgency of ensuring market share gains in the domestic market.

NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated.

SOURCE: Tourism Research Australia (TRA); International Visitor Survey. Unpublished data extracted under licence by Peter Valerio. Copywrite remains with TRA.

Year ending December 2019

INTERNATIONAL VISITOR NIGHTS - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- International visitors spent an estimated 2.8 million nights in the Waverley LGA during calendar 2019.
- This was 11% lower than calendar 2018 but caution should be applied given this change fails standard and relaxed statistical significance tests.
- Average length of stay in Waverley LGA during 2019 was 26.7 nights. Whilst this was marginally lower than the 29.4 nights in 2018, it is similar to a number of periods in the Monitor.
- All four comparison areas with the exception of the Sydney-Haymarket-Rocks SA2 (SHR) reported year-on-year decreases. SHR's +7% was only the second year-on-year (YOY) increase after an extended period of negative results.
- International visitor nights volume in the Sydney Region in 2019 was 1% higher than 2018. This was the lowest YOY percentage change in the Monitor time series.

Waverley International Visitor Nights(m) & year-on-year % change



NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated

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Year ending December 2019

INTERNATIONAL DAY VISITORS TO BONDI

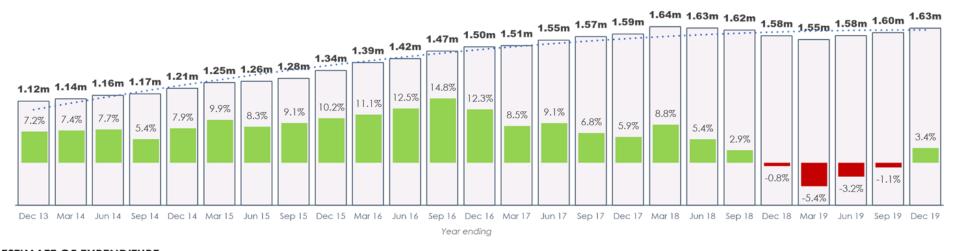
Estimation method

The International Visitor Survey (IVS) includes a supplementary section related to 'Places visited'. Unlike the bulk of the IVS, the Places Visited section is not limited to those who stay overnight in a location - it captures survey respondents who indicate they have visited a place (in this case 'Bondi') irrespective of whether or not they stay overnight. If it is assumed that the vast majority of international overnight visitors in the Waverley LGA will visit Bondi at some stage during their stay, international day visitors to Bondi can be estimated by subtracting the overnight estimate for a given period from the total respondents who indicated they visited Bondi during the same period. For example, in the calendar year 2019, 1.74m international visitors indicated they visited Bondi. In the same period, 107,000 indicated they stayed at least one night in Waverley LGA. Subtracting 107,000 from 1.74 million = 1.63 million international day visitors.

INTERNATIONAL DAY VISITORS TO BONDI - KEY POINTS FOR LATEST YEAR ENDING PERIOD

- An estimated 1.63 million international day visitors visited Bondi during calendar 2019.
- This is 3.4% more than in calendar 2018 (statistical significance estimate is not available.
- Whilst this represents a modest 'recovery' following four consecutive year-on-year percentage changes, it is clearly well below the growth rates experienced over the
 majority of the Monitor time series.
- Looking at the overall series, it appears the Bondi international day visitor market 'stalled' in the first half of 2018.
- Clearly, given the events unfolding in 2020, international day visitor volume to Bondi will be a small fraction of previous visitation levels.

Estimated International Day Visitors to Bondi (m) & year-on-year % change



ESTIMATE OF EXPENDITURE

There are no expenditure estimates for the visitors shown in this chart. In lieu of these, and given the size of this market, it is suggested that an estimate is used as opposed to ignoring the expenditure. For the purpose of this estimate, it is suggested that 50% of the average spend per night over the four years ending December 2018 is used (therefore $\$84 \times 50\% = \41). Based on this as a per day estimate, international day visitors to Bondi spent \$67m during their visit in 2019.

NOTE: All data, and changes between data points, are subject to sample survey error. Consult the author to confirm statistical significance of changes if not stated.

SOURCE: Tourism Passarch Australia (TPA): International Visitor Survey. Unnublished data extracted under licence by Pater Valeria. Conswrite remains with TPA

REPORT PD/5.6/20.12

Subject: Mackenzies Bay Dogs Off-leash Trial - Consultation

Outcomes

TRIM No: A20/0275

Author: Alexandra Jobin, Recreation and Landscape Planner

Director: Emily Scott, Director, Community, Assets and Operations



RECOMMENDATION:

That Council:

- 1. Notes the outcomes of the community consultation as mainly supporting an off-leash dog area at Mackenzies Bay.
- 2. Endorses Option 3 outlined in the report, including:
 - (a) Maintaining the dog prohibition at Mackenzies Bay.
 - (b) Installing new signage.
 - (c) Increasing ranger surveillance of the area, while monitoring work health and safety processes.
 - (d) Launching an education campaign to inform the community about the dog prohibition.
- 3. Officers investigate the opportunity to provide an off-leash dog area with water play at Barracluff Park to address the shortage of off-leash areas in the Bondi Basin.

1. Executive Summary

Consultation on a potential timed off-leash dog trial at Mackenzies Bay was undertaken in August and September 2020. A total of 527 people provided feedback: 471 responded to the survey on Council's Have Your Say page and 56 provided comments by email. Of these, 436 respondents supported the trial (83%) and 88 respondents were against (17%). Refer to the attached consultation summary report (Attachment 2).

Based on consultation outcomes and on advice provided in the Council report dated 2 June 2020, three options are presented in this report for Council consideration. These are a timed off-leash dog trial, an untimed off-leash dog trial and maintaining the existing dog prohibition.

For reasons outlined in this report, officers recommend maintaining the existing dog prohibition (Option 3).

2. Introduction/Background

Mackenzies Bay is a small rocky inlet located near a dense residential area just south of Marks Park and approximately 100 metres north of Tamarama Beach. Refer to the attached map (Attachment 1) for a site analysis.

Mackenzies Bay is located within NSW Department of Primary Industries (DPI) Intertidal Protected Area (IPA) that extends from Bondi Icebergs to Tamarama Beach. The Bondi IPA is one of 14 areas established in 1993 to protect important intertidal communities' biodiversity and environments (both intertidal and marine). This is shown in Figure 1.

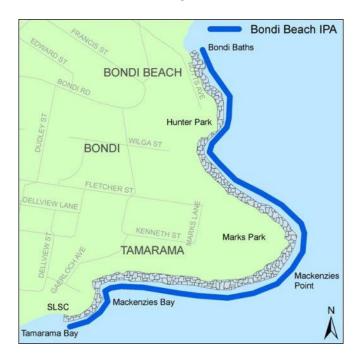


Figure 1: Bondi IPA (source: NSW Department of Primary Industries, 2020, Intertidal Protected Areas. Retrieved from <<u>dpi.nsw.gov.au/fishing/closures/ipa</u>>.

According to Council's *Biodiversity Action Plan – Remnant Sites 2014-2020*, Mackenzies Bay and surrounding cliffs also are home to large patches of remnant vegetation. All remnants consist of low growing sedge/herb/grassland communities and include two of the largest remnant vegetation patches on the Waverley cliff tops. Routine audits of remnant vegetation condition as assessed in *Councils Biodiversity Action Plan* indicate that remnant vegetation has reduced significantly in recent years. However, original soil remains and presents an opportunity to regenerate the vegetation. This area has been a focus of Council's ecological restoration work since 2014.

Mackenzies Bay is also an important resting and nesting spot for birds along the coastline. Birdlife Australia 2020 field data shows that Superb Fairy-wrens and New Holland Honeyeaters were sighted at Mackenzies Bay. Council officers have reported frequent sightings of breeding pairs of Fairy-wrens in this location. The Crested Tern and Greater and Pied Cormorant are also sighted nearby.

To protect the biodiversity of this area, dogs have been prohibited in MacKenzies Bay for a number of years. Despite this prohibition, disruptive dog behaviour and adverse impacts from dogs remain an ongoing problem. This includes digging vegetation, trampling vegetation, uncollected dog faeces that alter soil nutrients and affect water quality, and chasing local and migratory birds.

In February 2020, community members presented Council with a *change.org* petition calling for Mackenzies Bay to be made an official off-leash dog area. This was debated in a Council meeting and led to a Council resolution on 18 February 2020 (CM/8.7/20.02) to investigate the suitability of Mackenzies Bay as a potential off-leash dog area.

A report on the matter was presented to Council on 2 June 2020. The report found that Mackenzies Bay was an unsuitable location for an off-leash dog area due to the potentially significant impacts on the Intertidal Protect Area, local flora and fauna, and on other users, safety risks due to the presence of rocks

and hazardous surf, and due to accessibility issues and site constraints. The report recommended that Council maintain the off-leash dog prohibition and that this be enforced.

Following the presentation of the 2 June report, Council moved to undertake community consultation to assess interest in a timed off-leash dog trial for Mackenzies Bay. This report discusses the three available three options for Council's consideration based on findings from the 2 June report and on consultation outcomes.

3. Relevant Council Resolutions

| Meeting and date | Item No. | Resolution | |
|------------------|--------------|--|--|
| Council | CM/7.4/20.06 | That Council: | |
| 2 June 2020 | | Continues to prohibit dogs at Mackenzies Bay. | |
| | | Replaces the entrance sign and relocates it to the top of the Mackenzies Bay stairs. | |
| | | Continues assessing the suitability of other potential off-leash dog areas. | |
| | | 4. Undertakes community consultation for a trial of a timed off-leash dog beach at Mackenzies Bay, with a further report to come back to Council following the consultation. | |
| Council | CM/8.7/20.02 | That Council: | |
| 18 February 2020 | | Investigates that Mackenzies Bay, Tamarama, be a daily off-leash dog area. | |
| | | Officers prepare a report for Council to consider public exhibition/community consultation of any proposal. | |
| | | 3. Notes that Mackenzies Bay includes a 'pop-up beach', as it changes from a rocky inlet to a sandy beach, and back, due to environmental factors. | |
| | | 4. Notes that residents have used Mackenzies Bay over many years for exercising their dogs even though it is designated as 'dogs prohibited'. | |
| | | 5. Notes that there is a community change.org petition that has over 600 names supporting that dogs be permitted at Mackenzies Bay (at the time when the motion was lodged with Council on 14 January 2020). | |
| | | 6. Notes that there is a community change.org petition that has around 1,200 names supporting that dogs be permitted at Mackenzies Bay. | |

4. Discussion

There are three options regarding how and whether to proceed with an off-leash dog trial at Mackenzies Bay. The options are described below.

Option 1 – Timed off-leash dog trial

Most survey respondents (83%) generally supported an off-leash dog trial at Mackenzies Bay. The main reason survey respondents supported the trial was because they believe there is an inadequate provision of off-leash dog areas, particularly off-leash dog beaches. Several respondents also said the trial should proceed as it would align the permitted use of Mackenzies Bay with its current actual use.

Considerations regarding Option 1 are described below.

Times, dates and duration

Off-leash dog times between be 4.30 pm to 8.30 am provides some balance between off-leash dog and non-dog uses, whereas an off-leash time from 3 pm to 10 am prioritises dogs over other uses.

Should Council wish to proceed with a timed off-leash dog trial, it would be advisable to proceed with the trial for two months from mid-December 2020 to mid-February 2021. This period would span both the Christmas and school holiday period and the non-holiday period, providing Council with a relatively good understanding of how successful the trial would be during on- and off-peak times in summer.

Physical components

Key components for off-leash areas according to the South Australian Dog and Cat Management Board's 2013 *Unleashed: A Guide to Successful Dog Parks* include, but are not limited to, fencing, gates, paths, fountains, bins, signage and seating. While dog areas do not need to include all core infrastructure and essential amenities listed in the report, it would be impossible for Council to provide most infrastructure and amenities due to site constraints such as the topographical characteristics of Mackenzies Bay, the value of coastline views and the tidal range. Infrastructure cannot be provided too close to the water's edge as it would deteriorate quickly, be damaged by king tides/storm surges, and could wash away contributing to water pollution.

According to Royal Haskoning DHV's 2019 *Bondi Park Amenities Coastal Risk Report*, the maximum water runup level along the NSW coast is of 7 metres Australian Height Datum (AHD), with surges up to 9 metres AHD observed at Bondi during storms. The bottom of the Mackenzies Bay stairs is located at approximately 5 metres AHD. It is therefore impossible to install bins or fencing at the bottom of the Mackenzies Bay stairs as they would certainly be impacted by tides during storm events.

Boundary of off-leash dog area

Dogs should be prohibited from accessing the rock platform to promote safety, safeguard the use of the rockpools for young families, prevent dogs from accessing Tamarama Beach and to limit community conflict (refer to attached map for rockpools and access route to Tamarama).

Survey and email responses clearly conveyed that families with young children highly value the rockpools located on the rock platform, as it is less hazardous than nearby Mackenzies Bay and Tamarama Beach. The potential risk of co-locating activities involving children and dogs was also outlined in the Council report dated 2 June 2020.

Impact on the environment

Mackenzies Bay is in the Bondi IPA where seashore animals benefit from a special type of protection. It is also an important resting spot along the coastline for birds.

There is a small parcel of remnant vegetation at Mackenzies Bay. This parcel of vegetation has reduced significantly over the years. However, as the original soil remains, there is an opportunity to regenerate the remnant vegetation. In recent years Council has also planted native plants at Mackenzies Bay. The impacts of off-leash dogs on the Mackenzies Bay environment is currently significant. They include reduced water quality due to dog faeces, and impacts on native fauna, particularly seashore mammals, small birds in the vegetation and coastal birds on the rocks, and on native and planted flora.

Survey and email responses demonstrated that the community strongly values the environment. Some respondents expressed concern regarding the impact off-leash dogs currently have on the local environment and how this would be exacerbated should an off-leash dog trial proceed.

Should off-leash dogs be permitted, Council must be aware that very little will be possible to mitigate the impact of off-leash dogs on the environment as site constraints prevent the installation of infrastructure.

Enforcement of off-leash times

Several respondents noted that off-leash times are not respected at other areas and expressed concern that the same would occur at Mackenzies Bay. For this reason, many respondents supported an increased presence of rangers at Mackenzies Bay to enforce off-leash times should the trial proceed. Several respondents expressed concern that this would not occur as there is limited enforcement of the dog prohibition currently in place.

Mackenzies Bay isn't readily accessible as the stairs from the Coastal Walk lead onto large rocks that are often wet and slippery. Rangers stated in consultation that these conditions limit their ability to enforce the existing dog prohibition due to work health and safety concerns. Should the trial proceed, Council rangers would be required to review their work health and safety processes to enable enforcement.

Recommendation

For the reasons outlined above, officers do not recommend Option 1.

Option 2 – Untimed off-leash trial

While an untimed off-leash dog trial was not proposed during consultation, several nominated an 'other' preferred time for an off-leash trial. Most of these 'other' responses called for an untimed trial.

The considerations and implications of an untimed off-leash trial are largely the same as those listed under Option 1. The main differences between Options 1 and 2 are that, if off-leash dogs are always permitted, the usage of the bay by other users would likely decline and environmental impacts would be exacerbated.

Recommendation

For reasons outlined above, officers do not recommend Option 2.

Option 3 – Maintaining dog prohibition

While most respondents supported an off-leash dog trial at Mackenzies Bay, 88 people did not support a trial. These respondents raised valid concerns regarding environmental impacts, community conflicts and enforcement matters (summarised above) which Council must consider.

Maintaining the dog prohibition is the recommended option as:

- Council cannot provide the necessary off-leash dog facilities and infrastructure at Mackenzies Bay.
- The area is not universally accessible.
- Council should not encourage people to use the bay as it is a hazardous location due to the
 presence of large and slippery rocks (some submerged), strong currents, strong waves, and is
 unsupervised. Were Mackenzies Bay to become an official off-leash area, it would have to be
 promoted as such on Council's website. This would likely lead to an increased usage of the area by
 dog owners and their pets. Given the hazardous nature of Mackenzies Bay as outlined the Coastal
 Risk and Safety Signage Report, actively encouraging a greater number of people to come here
 would likely lead to greater safety risks.
- There will be greater negative environmental impacts. Mackenzies Bay is a fragile and protected environment that dogs are already negatively impacting despite prohibition. This impact will be exacerbated should a trial proceed and could lead to a permanent negative change.
- There are existing accounts of conflict between dog-owners, dogs and other users despite the
 current prohibition. This conflict will be exacerbated should a trial proceed and could lead to
 deterioration of community cohesion, loss of use of Mackenzies Bay for those uncomfortable
 around dogs, and potential dog-related injuries.

To address the concerns caused by current prohibited activity, greater enforcement and education activity would be required under this option. The main benefits of proceeding with this option on that basis would be the reclaimed and enhanced use of Mackenzies Bay for people who feel uncomfortable around dogs and protection of the environment. There are many off-leash dogs currently using Mackenzies Bay despite the dog prohibition and these dogs have a negative impact on the local environment. This is due to dogs' disruptive behaviour, such as chasing birds and digging vegetation for example, and due to the presence of faeces that alter the nutrient of the soil and affect water quality.

Removing dogs from Mackenzies Bay would mitigate the risk of birds losing a nesting area and important stepping-stone for movement along the coastline. It would also improve water quality and native flora as less faeces and urine would enter the water and the soil. Benefits for vegetation would also come from reduced digging and trampling by dogs.

Should Council decide to proceed with Option 3, the main issues would be the local dog-owning community's disappointment and frustration—particularly for those who are longstanding users of Mackenzies Bay, and enforcement of the prohibition on an ongoing basis.

Recommendation

For reasons outlined above, officers recommend Option 3.

Catering for the preferences of dog-owners

While the officers strongly support the foregoing analysis and recommendations, that is not to say that the calls of respondents, particularly dog owners, for greater off-leash dog areas are without merit. On the contrary, Waverley's draft Open Space and Recreation Strategy identifies a shortfall of off-leash areas in the Bondi Basin north of Mackenzies Bay. This correlates with community feedback where most respondents who supported the trial stated that there was an under-provision of off-leash areas.

As outlined above, Mackenzies Bay is considered unsuitable for an off-leash area. However, Council should explore options for further off-leash facilities. Barracluff Park is being investigated as a potentially suitable location. This investigation will also consider the inclusion of dog water-play features.

Barracluff Park is located approximately 2.3 km north of Mackenzies Bay where there is the under-provision of off-leash areas. Dog owners who currently use Mackenzies Bay could also use an off-leash area at

Barracluff Park. Two off-leash areas are currently available closer to Mackenzies Bay at Bronte Park (750 metres away) and Marks Park (350 metres away).

Council will continue to consider suitable locations to provide new off-leash dog areas.

5. Financial impact statement/Time frame/Consultation

Table 5 presents the cost, proposed timeframe and consultation method for each option described above.

Table 5. Cost, time frame and consultation by option

| Option | Cost | Timeframe | Consultation |
|---|--|--|---|
| Option 1 and 2: Timed off-leash dog trial/ Untimed off- leash trial | Increased ranger presence Dog bag dispensers: \$400 Fencing around remnant vegetation: \$6,000-\$10,000 Signage: \$4,380 Education campaign: \$4,000 | Two months from mid- December 2020 to mid- February 2021 | Number of community complaints lodged and fines issued Condition of vegetation at Mackenzies Bay Simple surveys |
| Option 3: Maintaining dog prohibition | Education campaign: \$4,000Increased ranger presence | Immediate and ongoing | N/A – no further consultation required |

6. Conclusion

Most survey and emails respondents supported proceeding with a timed off-leash dog area at Mackenzies Bay. The main reasons respondents opposed the trial were due to user conflict, increase in dog faeces and urine, and the negative impact dogs would have on the environment.

Based on the outcomes of this consultation and on advice provided in the Council report dated 2 June 2020, Council must decide between three options. It is recommended that Council proceed with option 3, maintain the dog prohibition. Council should install new signage and launch an education campaign as soon as feasibly possible, and rangers should increase surveillance immediately while modifying work health and safety processes.

As identified in Council's draft Open Space and Recreation Strategy, there is considered to be a gap in the provision of off-leash dog areas in the northern portion of the LGA. There is an investigation into Barracluff Park as a potentially suitable location to provide an off-leash dog area. This investigation will consider the opportunity to provide dog water-play. This is likely to present a more suitable alternative to Mackenzies Bay. Unlike Mackenzies Bay, Barracluff Park would be accessible, essential infrastructure and amenities would be more easily provided here, separation between user groups would be more easily managed, and environmental impacts would be less severe.

7. Attachments

- 1. Site analysis map <u>J</u>
- 2. Consultation summary report U



Legend

 Proposed off-leash boundary should trial proceed

Mean high water mark and start of intertidal protected area



Contours at 1m intervals



Remnant vegetation



Pedestrian access

Project Title: Mackenzies Bay off-leash dog area proposal consultation

Drawing Name: Site location and features

Drawing No: Sk 1

Date: 18/11/20

Drawn by: A Jobin

Source: Nearmap







Mackenzies Bay – Timed off-leash dog trial

CONSULTATION SUMMARY REPORT
ALEXANDRA JOBIN

Waverley Council acknowledges the Bidjigal and Gadigal people, who traditionally occupied the Sydney Coast and we acknowledge all Aboriginal and Torres Strait Islander Elders both past and present.

Contents

| Executive summary | |
|--|----|
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Appendix A — Clippings from communications channels

Appendix B — Online survey

Appendix C — Email submissions

Appendix D – Dogs off-leash Have Your Say survey responses

Executive summary

Mackenzies Bay is a small rocky inlet located south of Marks Park and north of Tamarama Beach in the Bondi Intertidal Protected Area (IPA) and is an important resting spot for birds. Remnant vegetation is also present here.

The main users of Mackenzies Bay are surfers and off-leash dogs and their owners. It is becoming increasingly popular with swimmers and sunbakers, particularly when a beach appears. While dogs are prohibited at Mackenzies Bay, as they are at all Waverley beaches, Mackenzies Bay is known by locals as an un-official dog beach.

Following a *change.org* petition calling for Mackenzies Bay to be made an official off-leash dog area and an report was presented to Council in June 2020 finding that the site was unsuitable for this type of use, Council moved to undertake community consultation to gauge interest in a timed off-leash dog trial for Mackenzies Bay.

Consultation was undertaken in August and September 2020, a total of 527 community members provided feedback on the proposal for a timed off-leash dog trial at Mackenzies Bay. Of these, 471 responded to the survey on Council's Have Your Say page and 56 provided comments by email. Nearly all respondents (524) indicated whether they were for or against the trial. Of these, 436 respondents were for the trial (83%) and 88 respondents were against (17%).

For the survey's multiple choice questions, the most popular responses were:

- The most popular selected time for an off-leash dog trial was from 3pm to 10am.
- Of those who indicated how frequently they visit Mackenzies Bay, 50% said they visited two to three times per month followed by 42% who said they visited daily or most days of the week.
- According to survey responses, the most common reason to visit Mackenzies Bay is as part of the Coastal Walk (69% of survey respondents) followed by for dog walking (67%).

Respondents supportive of the trial raised 10 recurring themes in open text and long form responses. In order of recurrence, these themes were:

- Provision gap of off-leash dog areas
- Alignment of proposal with current use
- Social benefits for both dogs and owners
- Responsible dog ownership
- Mackenzies Bay as an appropriate location for an off-leash dog area
- Support for a trial with controls
- · Prioritisation of dog use
- Need for dog bags and bins
- Support of untimed off-leash dog usage
- Support of timed off-leash dog usage.

Respondents opposed to the trial raised 14 recurring themes in open text and long form responses. In order of recurrence, these themes were:

- User conflict
- Dog faeces and urine
- Negative impact on fauna and flora
- Safety concerns for all users
- · Safety concerns for children
- Existing off-leash areas available elsewhere
- Poor owner surveillance
- Negative impact on water quality
- Disrespect of times
- Size of Mackenzies Bay is too small for the proposal

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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- Dog fights
- Lack of boundaries
- Impact on parking and traffic
- Expanding demand for off-leash dog areas.

Based on the outcomes of this consultation and on advice provided in the Council report dated 2 June 2020, three options are presented for Council's consideration:

- Option 1: Timed off-leash dog trial This option would align with the position of most consultation respondents. However, several challenges must be considered when deliberating this option. These challenges mainly relate to:
 - The inability to deliver most core infrastructure and essential amenities required in off-leash dog areas due to site characteristics
 - The inability to effectively contain dogs from accessing Tamarama Beach and the rockpools located between Tamarama Beach and Mackenzies Bay
 - The impact off-leash dogs currently have on the Mackenzies Bay environment, which will be exacerbated
 if dogs are permitted
 - The need and ability of Council rangers to enforce off-leash times.
- Option 2: Untimed off-leash trial While an untimed off-leash dog trial was not proposed as part of this community consultation, approximately 30% of survey respondents who indicated their preferred time called for an untimed off-leash dog trial. The considerations and implications of an untimed off-leash dog trial at Mackenzies Bay are largely the same as those listed under option 1 (timed off-leash trial). The main differences relate to usage of Mackenzies Bay by non-dog owners, the involvement of rangers, and the potential impact on the environment.
- Option 3: Maintaining dog prohibition While most respondents supported an off-leash dog trial at Mackenzies Bay, many did not. These respondents raised valid concerns which Council must consider. The main benefits of proceeding with this option would be the reclaimed or enhanced use of Mackenzies Bay for people who feel uncomfortable around dogs, and the positive environmental impacts of removing dogs from the area. The main issues to consider under this option would be the local dog-owning community's disappointment and frustration particularly for those who are longstanding users of Mackenzies Bay, and enforcement of the prohibition on an ongoing basis.

Background

Mackenzies Bay is a small rocky inlet located near a dense residential area just south of Marks Park and approximately 100m north of Tamarama Beach. When a beach appears, which happens as a result of seasonal changes and other environmental factors, the bay experiences a significant increase in the number of users. When present, the beach is 50m long at most, making it one of the smallest beaches in NSW. The bay is accessible via stairs leading down from the Coastal Walk. Access requires visitors to be 'sure-footed' and is not suitable for everyone.

Mackenzies Bay is located in the Bondi IPA where seashore animals benefit from a special type of protection. Mackenzies Bay is also an important resting and nesting spot for birds along the coastline and includes planted and remnant vegetation.

The main users of Mackenzies Bay are surfers and off-leash dogs and their owners. It is becoming increasingly popular with swimmers and sunbakers, particularly when a beach appears.

While dogs are prohibited at Mackenzies Bay, as they are at all Waverley beaches whether on- or off-leash, Mackenzies Bay has been known by locals as an un-official dog beach for years.

In February 2020, community members presented Council with a *change.org* petition calling for Mackenzies Bay to be made an official off-leash dog area. This was debated in a Council meeting and led to a Council resolution on 18 February 2020 (CM/8.7/20.02) to investigate the suitability of Mackenzies Bay as a potential off-leash dog area.

A report on the matter was presented to Council on 2 June 2020. The report found that Mackenzies Bay was an unsuitable location for an off-leash dog area due to the potentially significant impacts on the local environment and on other users, and due to accessibility issues and site constraints. The report's main recommendation was for Waverley Council to maintain the off-leash dog prohibition and that this be enforced in conjunction with an education campaign.

Following the presentation of the 2 June report, Council moved to undertake community consultation to assess interest in a timed off-leash dog trial for Mackenzies Bay. This report summarises the community consultation outcomes and presents three options for Council's consideration.



Figure 1 Mackenzies Bay without sand

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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Approach

Community consultation ran from 7 August to 20 September 2020. As consultation was during COVID-19 restrictions, face to face engagement was not possible.

The engagement approach focused on the online survey available on the Have Your Say project page. This was deemed to be the best way to reach the whole community. The Have Your Say page and survey launched on 7 August and generated high interest.

Consultation objectives were to:

- understand the different points of view within the community
- ascertain whether an off-leash dog trial is widely supported in the Waverley community (specifically for residents near Mackenzies Bay)
- listen to ideas and feedback regarding how a trial might proceed.

Engagement methodology

The primary engagement method was the online survey with supplementary information to raise awareness and encourage participation in the project.

The engagement process aligned with Waverley Council's adapted IAP2 model for community engagement and is summarised in Table 1.

Table 1 Community consultation methodology

| Method | nod Overview | | Response | |
|---|--|---------------------------------------|--|--|
| Have Your Say website | Councils Have Your Say website had a dedicated page for the project. | 7 August—20 September 2020 | 2,400 total visits 877 'informed' visitors (downloaded a document or viewed an image) | |
| Online survey | 10-question online survey | 7 August—20 September 2020 | 471 survey responses | |
| Long form submissions (via email to openspace@wave rley.nsw.gov.au) | This included all submission sent outside of the Have Your Say survey, primarily direct emails sent to openspace@waverley.nsw.gov.au | 7 August—20 September 2020 | 56 submissions | |
| Flyer drop | Flyers were dropped to approximately 2,000 residences near Mackenzies Bay | Completed around 26 August 2020 | | |
| Media release | Media release posted on Council's website. | Made live 17 August 2020 | | |
| Social media posts | Facebook & Twitter: Encouraged people to complete the survey | 16 August 2020 | Reach: 25,822 Engagements: 557 | |
| Advertising | Half page ad in The Beast | September edition | | |
| Council | Waverley Weekly x 4 | 20, 27 August, | 36 clicks to Have Your | |

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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| Enewsletters | Engagement eNnewsletter | 3, 10 June and 17 September 2020 11 August 2020 | Say 1,500 subscribers 3,583 subscribers |
|-------------------------|--|--|---|
| Stakeholder outreach | Direct emails and notifications to targeted stakeholders | 7 August—20 September | |

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Detailed results

A total of 527 community members provided feedback on the proposal for a timed off-leash dog trial at Mackenzies Bay. Of these, 471 responded to the survey on Council's Have Your Say page and 56 provided comments by email. A copy of the survey questions is attached to this report.

Nearly all respondents (524) indicated whether they were for or against the trial. Of these, 436 respondents were for the trial (83%) and 88 respondents were against (17%). This is shown in Figure 2.

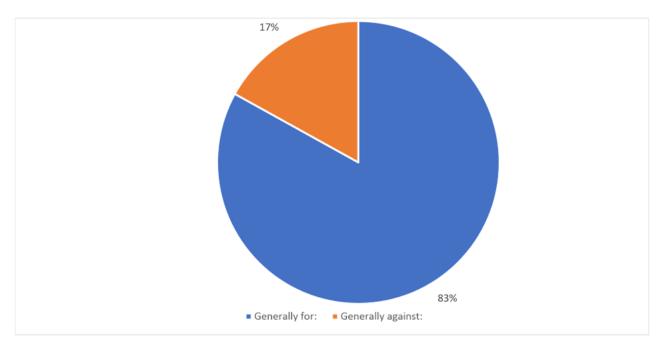


Figure 2 Breakdown of respondents for and against the trial – Survey and emails

Respondent place of residence and general position

Respondents were asked to indicate their suburb of residence when completing the survey. Some email respondents also indicated where they resided. Locations of respondents' residence were divided into three categories:

- immediate locals (reside near Mackenzies Bay, which we've defined as the suburbs Bronte, Tamarama and Bondi)
- broader locals (reside within the wider Waverley LGA)
- outside the Waverley LGA or unspecified.

The breakdown of respondents by location is identified in Table 2.

Table 2 Breakdown of respondents' place of residence

| % of respondents | Number of respondents | Suburb breakdown |
|------------------|-----------------------|---|
| 36% | 191 | Immediate local = Tamarama, Bronte, Bondi |
| 32% | 173 | Broad local = within Waverley LGA |
| 31% | 165 | Outside LGA & Unspecified |

As shown in Table 3, we further analysed immediate and broader local residents' position generally for or against an off-leash dog trial at Mackenzies Bay.

 ${\tt Consultation\ Summary\ Report-Mackenzies\ Bay\ timed\ off-leash\ dog\ trial}$

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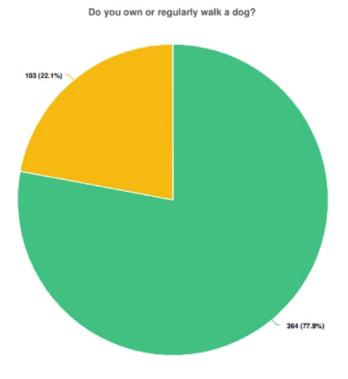
Table 3 Immediate and broader local residents' position

| % of respondents | Number of respondents | Position |
|------------------|-----------------------|-------------|
| Immediate local | | |
| 73% | 141 | For |
| 25% | 49 | Against |
| 0.5% | 1 | Unspecified |
| Broad local | | |
| 89% | 154 | For |
| 10% | 18 | Against |
| 0.6% | 1 | Unspecified |

Own or regularly walk dog

As shown in Figure 3, most survey respondents own or regularly walk a dog. Of these, 350 were supportive of a trial and 12 were not.

Of those respondents who do not own a dog, 54 were supportive of the trial, and 49 were not.





Optional question (467 response(s), 4 skipped) Question type: Radio Button Question

Figure 3 Own or regularly walk a dog – survey respondents

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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Preferred times

Of those who indicated a preferred time for an off-leash dog trial at Mackenzies Bay, most (63% - 460 survey respondents) supported 3pm-10am as being the preferred off-leash time. This is shown in Figure 4 below. Respondents could select as many options as applicable for them.

Respondents were invited to specify their reason for selecting specific options. Table 4 summarises the key themes for each time period.

Table 4 Key themse for preferred time

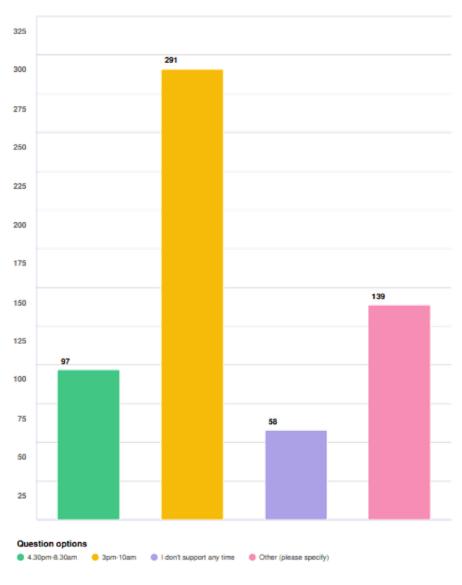
| Option | Key themes |
|---------------|--|
| 3pm—10am | This was the most preferred option by respondents. |
| | The main reasons for selecting this option were that it was the longest time period available. It allowed for flexibility and suited their needs for work and school schedules, and they felt it provided a fair balance of for different users (those with dogs and those who wanted to swim without dogs). It was important for these users that any time considered was sympathetic to the daylight hours in both summer and winter, so allowed for year-round use. |
| | Respondents felt that this option would be the best way to reduce congestion in the area. Many of the respondents also highlighted they would prefer it be a 24/7 off-leash area. |
| 4.30pm—8.30am | The people who selected this option highlighted that this option suited their needs and allowed for flexibility. Most respondents who selected this option, also selected 3pm—10am. |
| Other | The majority of respondents who selected 'Other' suggested that Mackenzies Bay become a permanent (24 hours, 7 days a week) dogs off-leash area. This was also reflected in responses from those who selected the 3pm—10am option — the longer time the better. Other respondents suggested several different time options, such as just during the day e.g. 9am—5pm, or a mixture of before work/school and after work/school times e.g. 5—7am and again at |
| | 6pm—8pm. Flexibility for dog owners was raised as an important issue, as was being considerate of daylight hours, people's work schedules, water safety (e.g. Being considerate of high tides), and congestion (the long the time period, the less congested it would be as people wouldn't be rushing to go with their dogs during the specific time periods) |

The key themes for those who selected 'I don't support any time' are discussed in the thematic analysis later in this report.

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Optional question (460 response(s), 11 skipped)

Figure 4 Preferred off-leash dog time – Survey

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Current frequency of visits and reason for visits

Of those who indicated how often they visit Mackenzies Bay, most (50% - 233 survey respondents) said they visited two to three times per month, followed by 42% (194 survey respondents) who said they visited daily or most days of the week. This is shown in Figure 5.



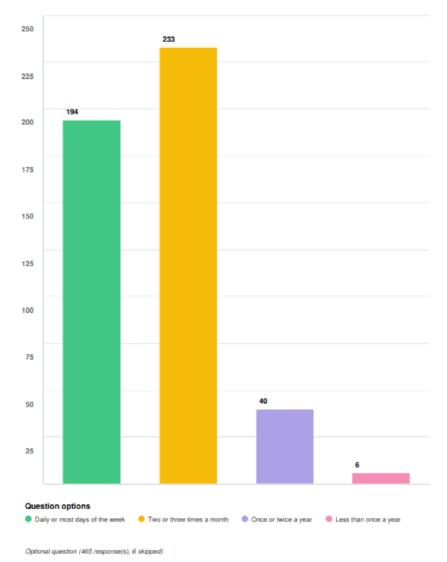


Figure 5 Frequency of visit - Survey

The most common reason to visit Mackenzies Bay is as part of the Coastal Walk (69% - 323 survey respondents) followed by for dog walking (67% - 313 survey respondents). These are shown alongside other common activities in Figure 6. The most common response from those who selected 'Other' was to take photos and to swim/surf.

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350 323 313 325 300 275 250 231 225 200 175 151 150 120 125 100 75 50 25 Question options Surfing Sun bathing Exercise As part of the Coastal Walk Other (please specify) Sculpture by the Sea Optional question (469 response(s), 2 skipped) Question type: Checkbox Question

Why do you visit Mackenzies Bay?

Figure 6 Reason for visits to Mackenzies Bay - Survey

Supported a trial

Respondents supportive of the trial raised 10 recurring themes. In the survey, these were raised under question 10. These themes are summarised below:

- **Provision gap**: Approximately 73 respondents (64 surveys and 9 emails) stated that there is a provision gap that justifies the need for the trial.
 - Some respondents stated that the provision gap is for off-leash dog areas in general and others specified that the provision gap is for off-leash dog beaches specifically.
 - Some respondents specified that this provision gap exists in Waverley LGA while others said it is in the Eastern Suburbs, in Sydney or along the coast more broadly.
 - Some respondents raised that dogs enjoy swimming, that owners like swimming with their dogs and that

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- few places allow for these activities to happen together.
- Some respondents stated that there is a high rate of dog ownership in Waverley LGA and in the Eastern Suburbs more broadly, particularly in the context of Covid-19 when dog ownership has increased.
 Respondents said that this warrants an increased provision of off-leash dog areas. Respondents also raised that many people feel like dogs are family members.
- Some raised that the nearest off-leash dog beach for Waverley LGA residents is in Rose Bay. These
 respondents stated that this beach is far for them to travel to, particularly for those who rely on public
 transport in which dogs are not allowed.
- Alignment with existing use: Approximately 31 respondents (27 surveys and 4 emails) stated that the trial should proceed as it would align the permitted use of Mackenzies Bay with the longstanding actual use of the area.
 - Some respondents said that a trial is not needed as the current use could be viewed as a successful trial.
 - Some supported the trial as it would provide dog owners and non-dog owners alike with clarity on what to expect at Mackenzies Bay. In other words, dog owners would feel more comfortable knowing they were not breaking any rules and non-dog owners would know to expect the presence of off-leash dogs.
- Social benefits for both dogs and owners: Approximately 31 respondents (28 surveys and 3 emails) stated that off-leash dog areas create social benefits for both dogs and their owners, and that dogs in general lead to social benefit for people.
 - Some respondents stated that pets contribute to improved mental health.
 - Some respondents said that Mackenzies Bay provides an opportunity for dog owners to meet other community members, which enhances social cohesion, mental health and well-being.
 - O Some respondents said that an off-leash dog area at Mackenzies Bay would help with dogs' socialisation.
 - Some respondents said an off-leash dog area at Mackenzies Bay would help improve owners' and dogs' physical health as here they could both exercise together, namely by swimming.
 - Some respondents said that more off-leash dog areas are needed to increase the opportunity for dogs and their owners to spend time together outdoors, which respondents said decreases dog and owner anxiety and improves their mental health.
 - O Some respondents said that community members who cannot own a dog sometimes go to Mackenzies Bay and off-leash dog areas to observe or interact with dogs, which provides them with a sense of joy.
- Responsible owners: Approximately 26 respondents (23 surveys and 3 email) stated that most dog owners are responsible people.
 - o Respondents mainly said that dog owners are generally responsible and pick up after their dogs.
 - Some respondents mentioned that most dog owners try minimising the impact of their dogs on other users and on the environment.
 - Some respondents said that a trial would allow Council and other users to witness that dog owners are responsible people.
 - Some respondents stated that dog owners keep each other accountable and that this would likely be heightened during and off-leash dog trial to increase the likelihood of it subsequently being officialised.
- Appropriate location: Approximately 25 respondents (19 surveys and 6 emails) believed that Mackenzies Bay
 is an appropriate location for an off-leash dog area.
 - Some respondents specified that it is an appropriate location as it is removed from the Coastal Walk and crowds in general, thereby limiting the impact on other users.
 - Some respondents stated that one of the characteristics making it an appropriate location is because it is difficult to access. It can be implied that respondents believe this contributes to making it an appropriate location as it is presumably less desirable and accessible for some users.
 - Some respondents believed that Mackenzies Bay is an appropriate location as most users are dogs and their owners and there are few other users, such as swimmers and sunbakers, particularly in the early morning and late afternoon. Some specified that there are few other users as the water is too hazardous and because few people 'accidentally' come across the bay.
 - O Some specified that it is an appropriate location as it is rarely a beach.

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- For trial with controls: Approximately 25 respondents (19 surveys and 6 emails) supported an off-leash dog trial provided there are controls.
 - Several respondents said that the trial should proceed under the condition that owners pick up after their dogs.
 - Several respondents said it would be important for there to be an increased presence of rangers. Rangers should enforce the off-leash dog times and should educate the community on responsible dog ownership.
 - Several respondents supported issuing fines to owners who do not respect times and particularly to those who do not pick up after their dogs. Some supported higher fines than those that are currently issued.
 - Should the trial proceed, several respondents said there should be clear signage regarding appropriate use of the area. Respondents suggested that signage include:
 - permissible times
 - reminders to pick up after dogs
 - information on appropriate behaviour, such as owners needing to monitor their dogs even when off-leash to prevent user conflict, safety issues and impact on the environment
 - a notice stating that only non-aggressive and trained dogs are allowed off-leash.
 - Some supported the trial as, by allowing dogs, Council would have greater usage oversight.
 - Some respondents said that, should the trial proceed, the area where dogs are allowed should be clearly
 delimited and access to certain locations should be restricted. Respondents suggested that dogs should
 not access Gaerloch Avenue, Tamarama Beach and the rock pools between Tamarama Beach and
 Mackenzies Bay.
 - One respondent said that all dogs should be registered and should be wearing a harness even when offleash.



Figure 7 Existing signage at Mackenzies Bay

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- Prioritised dog use: Approximately 20 respondents (16 surveys and 4 emails) said that dogs should be prioritised over other users at Mackenzies Bay.
 - Respondents who raised this theme mainly stated that there are several beaches for humans, but none
 or very few for dogs. They stated that dogs and their owners should be prioritised as a user group at
 Mackenzies Bay as other users can attend other beaches if they do not like dogs.
 - O Similarly to the theme 'alignment with existing use', some respondents said that most existing users are dog owners or dog lovers and that those who do not like dogs can use other beaches.
- Need for dog bags and bins: Approximately 19 respondents (15 surveys and 4 emails) stated that dog bags and bins would be required at Mackenzies Bay should the trial proceed.
 - Respondents said the availability of dog bags and bins would encourage owners to pick up after their dogs.
 - O Several specified that a bin would be required at the bottom of the stairs.
 - Some respondents specified that bins would need to be regularly emptied and dog bags regularly refilled.
- Support of untimed usage: Approximately 17 people (16 survey and 1 email) expressed their support for
 untimed off-leash dog usage of Mackenzies Bay. This is further discussed in Table 4 of this report and in the
 section dedicated to preferred times.
 - Of these respondents, many stated general support for untimed usage of Mackenzies Bay.
 - Some respondents said there should be untimed usage off-leash dogs at Mackenzies Bay to allow dog owners to come at a time that suits them.
 - Some respondents said that dedicated off-leash times may not align with tides, which could prevent dog
 owners from safely using the bay when off-leash dogs are permitted.
 - One respondent stated that there would be overcrowding if dog owners could only come during specific times, which could potentially be dangerous.
 - One person said that dog owners who come at different times during the day would be concerned about being fined if dogs were to only be allowed during specific times.
 - One person said that after-dark off-leash hours were unsuitable for Mackenzies Bay due to the uneven terrain and that dogs should therefore be allowed anytime during the day.
 - One person said timed usage causes confusion and anxiety for dog owners.
- Support of timed usage: Approximately 14 respondents (8 survey and 6 email) expressed their support for timed off-leash dog usage of Mackenzies Bay. This is further discussed in Table 4 of this report and in the section dedicated to preferred times.
 - Of these respondents, many stated general support for a timed trial.
 - o Some specified proposed times for an off-leash dog trial. Proposed times included:
 - 5pm-8am
 - 6pm-10am
 - 6am-8am and 6pm-8pm
 - 4pm-10am.
 - To minimise user conflict and to prioritise people, some respondents specified that off-leash times should be when there are few non-dog owning users. In accordance with this, some respondents said that off-leash times should vary based on seasons to adapt to preferred usage times of non-dog owners.
 - One person said that commercial dog walkers should not be allowed to use Mackenzies Bay during certain times.

Approximately 88 respondents (76 survey and 12 email) expressed their general support for a trial at Mackenzies Bay and some made additional comments. Some of these comments included:

- Some respondents said off-leash dog areas help reduce disruptive dog noises (such as barking) in residential areas as dogs can spend more time out with their owners.
- Some requested that the off-leash trial be extended to other areas, including:
 - Bondi Beach
 - o the grassy area behind Bondi Pavilion

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- o the grassy area near the Bondi Beach car park exit
- South Bondi Beach, namely the grassy area at the south of the beach
- Bondi flat rock
- o Tamarama Beach
- Barracluff Park
- the Coastal Walk.
- Some respondents requested bubblers for dogs.

Did not support a trial

Respondents opposed to the trial raised 14 recurring themes. In the survey, these were raised under questions 2 and 3. These themes are summarised below:

- User conflict: Approximately 48 respondents (36 surveys and 12 emails) stated that there are existing user
 conflicts at Mackenzies Bay between dogs and owners and other users, or expressed concern that there
 would be user conflict should the trial proceed.
 - Several respondents reported existing user conflict at Mackenzies Bay involving dog owners.
 Respondents said that dog owners:
 - do not prevent their dogs from disturbing other users
 - prioritise the enjoyment of their dogs over other users' enjoyment
 - are rude towards other users
 - state that their dogs are entitled to use Mackenzies Bay
 - state that the bay is known as an off-leash dog area and other users should have known what to expect.
 - Several respondents reported existing user conflict involving off-leash dogs at Mackenzies Bay, particularly when there is sand, despite the existing dog prohibition. Respondents reported disruptive dog behaviour that affect people's capacity to enjoy Mackenzies Bay, including dogs barking, approaching other users, sniffing and licking, stealing food, throwing sand, running over people and towels, bumping into people and occasionally knocking people over. Respondents expressed concern that this would be exacerbated should off-leash dogs be permitted.
 - Several respondents stated that there is a large resident and visitor population around Mackenzies Bay and that Waverley LGA has a high population density. Respondents said it was therefore inappropriate to have an off-leash dog area here. Respondents said that off-leash dog areas should be provided in places with a lower population density and with lower resident and visitor usage.
 - Several respondents said that they previously used Mackenzies Bay and have started avoiding the area due to the growing number of off-leash dogs. This includes reports that the number of families with young children using Mackenzies Bay has been declining as the number of off-leash dogs has been increasing.
 - Some respondents said they would like to use the area, but feel alienated due to the presence of offleash dogs. Some respondents said they would start avoiding the area should off-leash dogs be permitted.
 - Several respondents discussed the conflict with dogs on the rock platform between Mackenzies Bay and Tamarama Beach, particularly in the rockpools. Conflict here appears to be particularly pronounced as respondents stated that this is a popular area for families with young children who do not feel comfortable using Tamarama Beach or Mackenzies Bay due to hazardous conditions. This is linked to the theme focused on the negative impact of dogs on water quality.
 - Several respondents said that the presence of dog faeces and urine currently affect their use and enjoyment of Mackenzies Bay and other off-leash areas. Respondents expressed concern that this issue would be exacerbated should off-leash dogs are permitted. This is linked to the theme focused on dog faeces and urine.
 - Respondents stated that Council should prioritise the use and enjoyment of Mackenzies Bay for people over dogs.
 - Some respondents reported increasing user conflict at Marks Park since the introduction of off-leash dog

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- times. Respondents reported that dog owners do not respect off-leash times and that dogs wander into the children's play area. Respondents expressed concern that the same would happen at nearby Mackenzies Bay should off-leash dogs be permitted there.
- As mentioned above, several respondents reported existing user conflict between dogs and their owners and other users at Mackenzies Bay, particularly in the rockpools. Some respondents observed existing community tensions and expressed concern that these would grow should off-leash dogs be permitted, which would negatively impact on community cohesion.



Figure 8 People swimming and sunbaking at Mackenzies Bay in April 2020

- Dog faeces and urine: Approximately 42 respondents (25 surveys and 17 emails) expressed concerns
 regarding current issues with dog faeces and urine at Mackenzies Bay and that this issue would be
 exacerbated during an off-leash dog trial.
 - Several respondents reported these existing issues, including on the rocks between Mackenzies Bay and Tamarama which is a popular bathing spot for families. Respondents said that faeces left at Mackenzies Bay and on the nearby rock platform had a significant impact on their ability to use and enjoy the bay. This is linked to the theme focused on the negative impact of dogs on water quality and the theme focused on user conflict.
 - Some respondents said that the current issue with dog faeces at Mackenzies Bay is related to the fact
 that owners do not always have visibility over their off-leash dogs, particularly if owners are swimming or
 sunbaking. This is linked to the theme discussing concerns over inadequate surveillance of dogs.
 - O Some respondents stated that the likelihood of owners not picking up after their dogs in off-leash areas is higher compared to areas where dogs are allowed on-leash.
 - Several respondents commented on other off-leash dog areas which they stated had significant issues related to dog faeces and urine. For example, several respondents identified what they believe is a severe issue at Marks Park and some also commented on Bronte Park, both of which are nearby timed off-leash dog areas. Some respondents also said that bins in off-leash dog areas, such as Marks Park and

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- Raleigh Reserve, frequently overflow with dog bags. Respondents expressed concern that the faeces and urine issues would be replicated at Mackenzies Bay should the trial proceed.
- Several respondents said that dog faeces and urine have an adverse impact on the environment and that Mackenzies Bay's environment is fragile. This is linked to the theme dedicated to the discussion on the negative impact of dogs on the environment.
- Some respondents said that they regularly found dog faeces at Tamarama Beach and that they believe
 this occurs due to dogs accessing the beach via Mackenzies Bay. This is linked to the theme discussing
 the lack of boundaries at Mackenzies Bay.
- Some respondents said that providing dog bags and bins has a limited impact on the reduction of dog
 waste in off-leash areas as some owners would continue not picking up after their dogs.
- o Some respondents expressed concern over the adverse impact dog waste has on human health.
- Negative impact on fauna and flora: Approximately 41 respondents (32 surveys and 9 emails) expressed
 concern regarding the negative impact off-leash dogs currently have on the local environment and that this
 impact would be exacerbated during an off-leash dog trial.
 - Several respondents said that allowing off-leash dogs at Mackenzies Bay would lead to loss of habitat for local wildlife who already suffer from reduced habitat. Respondents were particularly concerned about the impact on coastal birds. Other mentions included lizards and insects.
 - Several respondents said that some dog owners do not pick up after their dogs and that faeces have a negative impact on the environment. This is linked to the theme focused on dog faeces and urine.
 - Several respondents expressed concern regarding the impact of off-leash dogs on local vegetation, both planted and remnant. Some respondents mentioned Council's efforts to regenerate coastal vegetation and that off-leash dogs would undermine these efforts.
 - Some respondents noted that off-leash dogs had heavily impacted the natural environment at Bronte Park and expressed concern that the same would occur at Mackenzies Bay.
 - Some respondents expressed concern regarding the impact of off-leash dogs on marine life. Some raised that Mackenzies Bay is located within a protected area. For example, respondents mentioned the impact of off-leash dogs on frogs.
 - o Some respondents said that off-leash dogs would contribute to erosion.
 - Some respondents said that even a trial of off-leash dogs would have permanent impacts on the environment.
 - Some respondents said they had witnessed owners not attempting to restrain their dogs as they chased or attacked birds at Mackenzies Bay and elsewhere. Some respondents said that some owners encourage their dogs to chase birds.
 - Some respondents said that plastic dog bags and other litter left at Mackenzies Bay contribute to the deterioration of the environment.
- Safety all: Approximately 32 respondents (23 surveys and 9 emails) expressed concern regarding people's safety should an off-leash dog trial proceed at Mackenzies Bay.
 - Some respondents said that owners do not recognise when their dogs pose a threat to other users.
 - Some respondents reported existing safety issues involving dogs and other users' safety at Mackenzies Bay and other nearby locations. Some respondents reported being tripped by running dogs, chased by dogs, nearly knocked over the cliff edge due to a dog jumping onto them, and experienced other aggressive dog behaviour that made them feel unsafe. One respondent reported nearly being injured when an owner threw a large stick for their dog to chase nearly hit the respondent in the face as they were swimming.
 - Some respondents said that dog owners do not monitor their dogs appropriately in off-leash areas, which poses a safety risk to other users.
 - O Some respondents reported fearing dogs, particularly when they are off-leash. Some said this fear was due to a past dog attack and due to unpredictable dog behaviour.
 - Some respondents said that excitable and aggressive dogs pose a greater risk at Mackenzies Bay due to the slippery and uneven rocks.
 - Some respondents said that off-leash dogs would pose a safety risk for those who are allergic to dogs.
 - One respondent said they believe there are more dog attacks than those officially reported.

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- Existing off-leash areas elsewhere: Approximately 25 respondents (16 surveys and 9 emails) did not support
 an off-leash dog area at Mackenzies Bay as there are existing off-leash areas elsewhere, including near the
 bay.
 - Of those who raised this theme, nearly all stated that off-leash dogs were already permitted at nearby Marks Park and that the provision of an off-leash dog area at Mackenzies Bay was therefore unnecessary.
 Some respondents also stated that there was a second off-leash dog area nearby at Bronte Park.
 - Some respondents stated that there is an existing off-leash dog beach in Rose Bay, which is relatively near.
 - Some respondents stated that the existing number of off-leash dog areas is adequate.
- Safety children: Approximately 24 respondents (14 surveys and 7 emails) expressed concern for children's safety should an off-leash dog trial proceed at Mackenzies Bay.
 - Respondents expressed general concern for children's safety around dogs, particularly off-leash dogs.
 Respondents feared dogs might bite or attack children, which could cause significant injuries or death.
 - O Some respondents mentioned that safety risks for children would be higher at Mackenzies Bay due to the small size of the area. This is linked to the specific theme regarding the small size of the bay.
 - Some respondents mentioned that children had been or could be caught in dog fights. This is linked to the theme specific to dog fights.
 - Some respondents said that their children were afraid of dogs and said there were existing issues with dogs scaring children at Mackenzies Bay, particularly in the rockpools located between the bay and Tamarama Beach. This is linked to the theme about the negative impact of dogs on water quality.
 - Some respondents reported being ignored or aggressively spoken to by dog owners after asking them to keep their dogs away from children at Mackenzies Bay and in other locations, such as the off-leash dog beach in Rose Bay. This is related to the theme specifically about user conflict.
 - O Some respondents stated that they had lost use of Marks Park following the introduction of off-leash times and were concerned a similar situation would occur at and near Mackenzies Bay should a trial proceed. Some respondents reported that dog owners do not respect off-leash times at Marks Park and that dogs at Marks Park venture around and into the play equipment. One respondent said that their child was bitten at Marks Park during on-leash time.
- Poor owner surveillance: Approximately 23 respondents (13 surveys and 10 emails) stated that there is poor surveillance of off-leash dogs, particularly at Mackenzies Bay.
 - Several respondents said that there was poor surveillance of off-leash dogs at Mackenzies Bay as dog
 owners are often swimming or sunbaking. Respondents said that, as a result, dog owners do not have
 adequate control over their dogs and frequently do not see when they need to pick up after their dog.
 This is linked to the theme focussed on dog faeces and urine.
 - Some respondents said that dog owners do not appreciate that they must keep their dogs under control even when they are off-leash.
- Negative impact on water quality: Approximately 21 respondents (10 surveys and 11 emails) stated that offleash dogs would have a negative impact on water quality at Mackenzies Bay.
 - Several respondents noted that off-leash dogs currently access the rockpools located between Mackenzies Bay and Tamarama Beach. This area is highly used by families with young children. Respondents said that they are becoming uncomfortable using this area with children as off-leash dogs have increasingly been coming into the rockpools. Respondents are concerned about children safety as well as water quality. This is linked to the themes dedicated to children safety, user conflict, and faeces and urine.
 - Respondents expressed concern that dog faeces and urine would wash into the water. Many were concerned about the impacts this could have on swimmers' and surfers' health.
 - Some respondents stated that they swim at Mackenzies Bay and expressed concern about dogs swimming too for hygiene and safety reasons.

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- Disrespect of times: Approximately 18 respondents (16 surveys and 2 emails) expressed concern that dog
 owners would not respect dedicated off-leash times at Mackenzies Bay.
 - Some respondents said that once off-leash dogs are permitted in an area, dog owners use the space at all times regardless of whether there are dedicated off-leash times or not.
 - Some respondents expect dog owners would consciously attend Mackenzies Bay outside of off-leash times and claim confusion if they were to be disciplined.
 - Some respondents said that off-leash times are not respected at Bronte Park and Marks Park, and likewise off-leash times would not be respected at Mackenzies Bay.
 - Some respondents said that Council does not currently enforce times at other off-leash dog areas in the LGA and would therefore be unlikely to enforce times at Mackenzies Bay. Some respondents said that Council does not enforce off-leash dog regulations due to inadequate resourcing. One respondent was advised that rangers could not enforce regulations for work health and safety reasons.
 - Some respondents said that other users of Mackenzies Bay would be alienated from the area because dog owners would disrespect off-leash times and Council would not actively enforce those times. This theme is linked to the theme focused on user conflict.
- Size too small: Approximately 14 respondents (9 surveys and 5 emails) said Mackenzies Bay is too small to allow off-leash dogs.
 - Most respondents said that Mackenzies Bay is too small for off-leash dogs and other users to enjoy together and that off-leash dogs would therefore have a negative impact on other users. Respondents also mentioned that priority should be granted to other users, particularly in a high-density area with high visitation rates like Waverley. This is linked to the theme about user conflict.
 - One respondent said that successful off-leash dog areas must provide more space than what is available at Mackenzies Bay.
 - One respondent said there would be an increase in dog fights due to the small size of the bay. This is linked to the theme focused on dog fights.
 - One respondent said that an off-leash dog trial would attract more people to Mackenzies Bay, which would lead to overcrowding as Mackenzies Bay is small. The respondent said overcrowding was particularly undesirable during a pandemic as it could lead to a spike in Covid-19 community transmissions.
- **Dog fights:** Approximately 13 respondents (7 surveys and 6 emails) mentioned dog fights when discussing their opposition to an off-leash dog trial.
 - o Some respondents reported witnessing dog fights at Mackenzies Bay.
 - o Some respondents reported frequent dog fights at Marks Park.
 - Some respondents commented that dog fights make adults uncomfortable and pose a safety risk to children. Safety risks to children is further discussed under its dedicated theme.
 - One respondent said that larger dogs can pose a risk to smaller dogs and that large and small dogs should therefore have their own dedicated times in off-leash areas.
 - One respondent said that the number of dogs at Mackenzies Bay would increase during a trial, which would increase the risk of dog fights.
- Lack of boundaries: Approximately 8 respondents (6 surveys and 2 emails) expressed concern over permitting
 off-leash dogs at Mackenzies Bay due to the lack of boundaries in this location.
 - Respondents said it would be difficult to contain off-leash dogs at Mackenzies Bay as there are no boundaries controlling where they could access.
 - Due to the lack of boundaries, some respondents reported that off-leash dogs currently access
 Tamarama Beach via Mackenzies Bay. For this reason, one respondent reported regularly finding faeces
 on the Tamarama Beach volleyball courts. Respondents expressed concern that the number of dogs
 accessing Tamarama Beach would increase if off-leash dogs were permitted at Mackenzies Bay.
 - Some respondents said that signage showing where off-leash dogs are permitted may not adequately control where dogs go. For example, some respondents said that at Rodney Reserve dog owners disregard the sign indicating the boundary where dogs are permitted and that dogs regularly wander onto the sports field. Similarly, some respondents said that dogs regularly wander into the playground at

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Marks Park despite signage. Respondents expressed concern that a similar situation would occur at Mackenzies Bay, particularly because current dog owners ignore the existing signage indicating the prohibition of off-leash dogs at the bay.

- Impact on parking and traffic: Approximately 7 respondents (2 surveys and 5 emails) said allowing off-leash dogs at Mackenzies Bay would lead to parking and traffic issues in surrounding areas.
 - Respondents stated that there is an existing shortage of parking spaces near Mackenzies Bay. Respondents said that permitting off-leash dogs at Mackenzies Bay would attract dog owners from outside the local area who would come to Mackenzies Bay by car, which would aggravate the existing shortage of parking spots.
 - Respondents noted that the number of cars in the area surrounding Marks Park had increased since offleash dogs were permitted. Respondents were concerned that this would occur near Mackenzies Bay should off-leash dogs be permitted.
- Expanding demand: Approximately 6 respondents (3 surveys and 3 emails) expressed concern over dog owners' expanding demand for off-leash dog areas.
 - Respondents expressed concern that dog owners would advocate for an increasing amount of locations to allow off-leash dogs. For example, respondents expressed concern that dog owners would advocate for Bondi Beach and Tamarama Beach to allow off-leash dogs.
 - Should off-leash dogs be permitted at Mackenzies Bay, one respondent expressed concern that dog
 owners would allow their off-leash dogs to walk along the Coastal Walk as Bronte Park, Marks Park and
 Mackenzies Bay would be three nearby locations along the Coastal Walk where off-leash dogs would be
 permitted.

Approximately 26 respondents (19 surveys and 7 emails) expressed their general opposition to the trial and made other comments in opposition to the off-leash dog trial. Some of these comments included:

- Some respondents expressed general opposition to dogs being off-leash on beaches.
- Some respondents called for enforcement of the current dog prohibition. One respondent praised rangers' enforcement of off-leash dogs.
- Some respondents said that Council should replace existing signs indicating the prohibition of dogs. One respondent noted that there were no dog bags at Mackenzies Bay and that signage was lost in a recent storm.
- Some respondents said that by permitting off-leash dogs, Council would be condoning prohibited behaviour.
- Some respondents stated that this part of the coast has strong heritage values and that it is currently negatively impacted by the presence of dogs.

Implication for Mackenzies Bay

Three options have emerged from the consultation outcomes regarding how and whether to proceed with an off-leash dog trial at Mackenzies Bay. These options are to proceed with a timed off-leash trial, proceed with an untimed trial, or maintain the existing dog prohibition.

A discussion on the implication of each option is described below.

Option 1: Timed off-leash dog trial

Most survey respondents (83%) generally supported an off-leash dog trial at Mackenzies Bay. The main reason survey respondents supported the trial was because they did not my believe there is an adequate provision of off-leash dog areas available to them, particularly off-leash dog beaches. Several respondents also said the trial should proceed as it would align the permitted use of Mackenzies Bay with its current actual use.

Considerations regarding option 1 are described below.

Times, dates and duration

While some respondents supported off-leash times that would prioritise human use of Mackenzies Bay, most respondents supported times that would maximise off-leash dog use.

If non-dog use were to be prioritised, the preferred off-leash dog times would be 4.30pm to 8.30am.

If off-leash dog use were to be prioritised, the preferred off-leash dog times would be 3pm to 10am.

Should Council wish to proceed with a timed off-leash dog trial, it would be advisable to proceed with the trial for two months from mid-December 2020 to mid-February 2021. This period would span both the Christmas and school holiday period and the 'normal' non-holiday period, providing Council with a relatively good understanding of how successful the trial would be during on- and off-peak times in summer.

Physical components

Key components for an off-leash dog area according to the South Australian Dog and Cat Management Board's 2013 *Unleashed: A Guide to Successful Dog Parks* are:

- · Core infrastructure
 - Perimeter fencing
 - Entry gates / doggy airlock (two gates per entry)
 - Service (maintenance) gates
 - Pathways (internal and external)
 - o Ground surfaces (e.g. grass, mulch, gravel, sand, concrete)
 - Landscaping (e.g. vegetation, screen planting, mounding).
- Essential amenities
 - Drinking water fountains (including plumbing and drainage)
 - Bins and bag dispensers
 - Shelter
 - Seating
 - Signage.

Due to the topographical characteristics of Mackenzies Bay, the tidal range and due to the important heritage values of this portion of the coastline, Council would be unable to provide most core infrastructure and essential amenities listed above. For example:

 Providing perimeter fencing and gates would be unfeasible for neither a trial nor a permanent off-leash dog area at Mackenzies Bay due to the rocky terrain.

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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- Fencing and gates would also limit public circulation and would have a negative visual impact for users of the Coastal Walk, and possibly for users of other nearby locations.
- Appropriate plumbing is unavailable in Mackenzies Bay, which would prevent the installation of a water fountain.
- Both those who support and oppose the trial expressed concern regarding dog faeces at Mackenzies Bay. A bin is currently located on the Coastal Walk at the top of the stairs, however several respondents supported installing a bin at the bottom of the stairs for ease of access. Respondents also specified that the bins should be regularly emptied to prevent them from overflowing as has been observed in other off-leash dog areas. Providing a bin at the bottom of the stairs would not be feasible due to accessibility constraints: the Public Place Cleansing team cannot bring shuttle bins up and down the steep stairs giving onto uneven and slippery rocks multiple times as day as this would present a work health and safety risk.
- Further, infrastructure cannot be provided too close to the water's edge as it would deteriorate quickly, would be damaged in king tides / storm surge and wash away contributing to water pollution. Therefore, it is not possible to install bins or fencing at the bottom of the stairs which access Mackenzies Bay.



Figure 9 Existing bin at top of Mackenzies Bay stairs

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Signage would be of the utmost importance should the trial proceed. This was also raised by several respondents. Signage should include clear information regarding:

- The time when off-leash dogs are permitted
- Information on responsible dog ownership, such as reminders to pick up after dogs, preventing dogs from
 disturbing the natural environment (e.g. chasing bird and digging up vegetation) and limiting impact on other
 users
- What to do to remain safe at Mackenzies Bay and what to do if dogs get caught in a wave or current
- · Where dogs are permitted during off-leash times.

Boundary of off-leash dog area

To promote safety, safeguard the use of the rockpools for young families, prevent dogs from accessing Tamarama Beach and to limit community conflict off-leash dogs should be prevented from accessing the rock platform should a trial proceed.

Survey and email responses clearly conveyed that families with young children highly value the rockpools located here as it is less hazardous than nearby Mackenzies Bay and Tamarama Beach. Some families with children have also expressed concern over interactions between their children and dogs, and some have reported conflicts when parents have asked dog owners to keep dogs away from children.

The potential risk of co-locating activities involving children and dogs was also outlined in the Council report dated 2 June 2020 and in *Unleashed: A Guide to Successful Dog Parks*.

Due to topographical and tidal constraints described above, installing perimeter fencing to contain off-leash dogs will be impossible as will installing signage around the perimeter to identify the boundaries of where dogs are allowed. The only option to identify where off-leash dogs would be permitted would be by installing prominent signage at the top and the bottom of the stairs before the high water mark. There will be a pronounced need for strict ranger enforcement of regulations considering the limited opportunities to identify boundaries.

Impact on the environment

As noted in the background information and in the Council report dated 2 June 2020, Mackenzies Bay is located in the Bondi IPA where seashore animals benefit from a special type of protection. It is also an important resting spot along the coastline for birds. In 2019, with Superb Fairy-Wrens reportedly are found nesting at Mackenzies Bay.

There is a small parcel of remnant vegetation, mainly native marine grass, at Mackenzies Bay. This parcel of vegetation has reduced significantly over the years. However, as the original soil remains, there is an opportunity to regenerate the remnant vegetation. In recent years Council has planted native plants at Mackenzies Bay.

From an analysis of Mackenzies Bay and the impacts of off-leash dogs on the environment, described in the Council report dated 2 June 2020, impacts include:

- Negative impact of dog faeces on water quality
- Negative impact of off-leash dogs on native fauna, particularly seashore mammals, small birds in the vegetation and coastal birds on the rocks that use the area consistently.
 - As mentioned above, seashore mammals benefit from a special type of protection in the Bondi IPA and in IPAs in general. Council stakeholders indicated that dog movement and natural predatory behaviour would have a negative impact on the marine biodiversity of Mackenzies Bay, including on invertebrates and marine algae.
 - Council stakeholders stated that off-leash dogs regularly chase birds and that these birds will learn to
 avoid Mackenzies Bay. As a result, birds will lose a nesting spot and an important stepping stone for bird
 movement along the coast, which could severely disrupt birds' ability to travel along the coast.

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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 Negative impact on native and planted flora due to trampling by dogs and dog owners and due to the alteration of soil nutrient caused by dog faeces.

Survey and email responses demonstrated that the community strongly values the environment. Some respondents expressed concern regarding the impact off-leash dogs currently have on the local environment, including on water quality, and how this would be exacerbated should an off-leash dog trial proceed.

Should off-leash dogs be permitted, Council must be aware that little will be doable to mitigate the potential impact of off-leash dogs on the environment – particularly on water quality and fauna. Mitigation measures at Council's disposal include installing fencing around vegetation (particularly remnant vegetation and soil) to prevent dog access, installing signage asking dog owners to prevent dogs from disturbing the environment, and launching an education campaign on how to minimise the impact of dogs on the environment. However, signage and education campaigns are not able to prevent an impact to the environment.

Enforcement of off-leash times

Several respondents noted that off-leash times are not respected at other areas and expressed concern that the same would occur at Mackenzies Bay. For this reason, many respondents supported an increased presence of rangers at Mackenzies Bay to enforce off-leash times should the trial proceed. However, several respondents also expressed concern that this would not occur considering limited enforcement of the dog prohibition currently in place.

Mackenzies Bay isn't readily accessible as the stairs from the Coastal Walk give onto large rocks that are often wet and slippery. As noted in the Council report dated 2 June 2020, rangers stated in consultation that these conditions limit their ability to enforce the existing off-leash dog prohibition due to work health and safety concerns. Should the trial proceed, Council rangers would be required to review their management of work health and safety processes to enable enforcement of off-leash dog times at Mackenzies Bay.

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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Figure 10 Mackenzies Bay stairs leading onto rocks

Measures of success

Measures of success to assess whether the potential off-leash dog trial were successful could include:

- Number of community complaints lodged with Council
- Number of fines issued to community members due to disrespect of off-leash times or not picking up after dogs
- Condition of vegetation at Mackenzies Bay
- Pulse survey that users can access while at the site by scanning a QR code
- Simple survey following the end of the trial asking whether community members thought the trial was successful whether they would like a permanent timed off-leash area at Mackenzies Bay.

 ${\tt Consultation\,Summary\,Report-Mackenzies\,Bay\,timed\,off-leash\,dog\,trial}$

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Option 2: Untimed off-leash trial

As shown in Figure 4, while an untimed off-leash dog trial was not proposed as part of this community consultation, 139 survey respondents (30% of respondents who indicated their preferred time) nominated an 'other' preferred time for an off-leash trial. Most of these 'other' responses called for an untimed off-leash dog trial.

The considerations and implications of an untimed off-leash dog trial at Mackenzies Bay are largely the same as those listed under option 1 (timed off-leash trial). The main differences relate to usage of Mackenzies Bay by non-dog owners, the involvement of rangers, and the potential impact on the environment.

Potential impact on non-dog owners

The main difference between options 1 and 2 is that if off-leash dogs are permitted at all times, it is likely that usage of Mackenzies Bay by other users would decline.

As mentioned in the thematic analysis of survey and email responses opposed to the trial, several respondents expressed safety concerns regarding dogs or disliked being around dogs. For these reasons, some respondents said they avoided Mackenzies Bay due to the existing usage of dogs and others said they would avoid the bay if the trial proceeded.

Non-dog owners could increasingly avoid Mackenzies Bay during a timed off-leash trial (option 1), though there is also a chance that non-dog owner usage could potentially increase during times when off-leash dogs are not permitted (provided these times are enforced). However, should an untimed off-leash trial proceed (option 2), there would be an even greater risk of alienating existing and potential non-dog owners who would then lose use of Mackenzies Bay.

Involvement of rangers

Rangers may have less involvement in an untimed off-leash dog trial compared to a timed trial as they would not be required to monitor times when dogs are not allowed. This could alleviate some of the rangers' work health and safety concerns related to accessibility to Mackenzies Bay.

Some level of ranger presence would nonetheless be required to promote responsible dog ownership, such as picking up after dogs.

Potential impact on the environment

The potential impact of off-leash dogs on the Mackenzies Bay environment is described under option 1. There is a risk that allowing untimed access to Mackenzies Bay would have an even greater impact on the local environment as dogs would be spending more time in the area.

Option 3: Maintaining dog prohibition

While most respondents supported an off-leash dog trial at Mackenzies Bay, 88 people (17% of all respondents) did not support a trial. These respondents raised valid concerns (summarised above) which Council must consider.

One of the main benefits of proceeding with this option would be the reclaimed or enhanced use of Mackenzies Bay for people who feel uncomfortable around dogs. Those who will most benefit from maintaining and enforcing dog prohibition will be users who are afraid of dogs or users with young children who currently avoid Mackenzies Bay due to the presence of dogs.

Needless to say, that dog owners who currently use the area for activities such as sunbaking and swimming would not lose the use of Mackenzies Bay for those activities should the dog prohibition be maintained. They would simply lose the unauthorised use of Mackenzies Bay as an area to exercise their dogs.

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The other main benefit of maintaining and enforcing the dog prohibition at Mackenzies Bay will be for the environment. As described in the background section of this report and confirmed through consultation responses, there are many off-leash dogs currently using Mackenzies Bay despite the dog prohibition and these dogs have a negative impact on the local fauna, flora and water quality. This is due to dogs' disruptive behaviour, such as chasing birds and digging vegetation for example, and due to the presence of faeces that alter the nutrient of the soil and affect water quality.

Removing dogs from Mackenzies Bay would mitigate the risk of birds losing Mackenzies Bay as a nesting area important stepping stone for movement along the coastline. It would also improve water quality and native flora as less faeces and urine would enter the water and the soil. Benefits for vegetation would also come from reduced digging and trampling by dogs.

Installing fencing around remnant vegetation as recommended for options 1 and 2 would also help protect flora under option 3 while dog owners adjust to enforcement of the dog prohibition. However, there would be a lesser need for this fencing in the long-term as rule enforcement increases and dog owner behaviour changes.

Should Council decide to proceed with option 3, the main issues to consider would the local dog-owning community's disappointment and frustration – particularly for those who are longstanding users of Mackenzies Bay, and enforcement of the prohibition on an ongoing basis. These two main issues are discussed below.

Community disappointment frustration

As demonstrated by the high number of responses we have received during this consultation, there is an active and vocal community of dog owners in Waverley LGA and in the Eastern Suburbs more broadly. This point in itself is not sufficient reason to proceed with an off-leash dog trial or a permanent off-leash dog area at Mackenzies Bay. However, this indicates that there will likely be strong community disappointment and frustration should a trial not proceed after this consultation period.

The consultation regarding a proposed off-leash dog area may have raised dog owners' hopes that a new off-leash area would soon become available. Proceeding with option 3 would likely lead to disappointment for these people. For dog owners who have been using Mackenzies Bay as an off-leash dog area despite the prohibition on dogs, proceeding with option 3 would mean loss of public open space that dog owners and their pets can share.

Should the prohibition on dogs at Mackenzies Bay be maintained, it will be essential to communicate the reasons for proceeding with this option with clarity and, more importantly, empathy. This can be done through material uploaded to the Have Your Say page and through an education campaign.

Enforcement of dog prohibition

As mentioned above, dog owners will likely be sensitive to increased enforcement of dog prohibition. It would therefore be preferable for early enforcement to focus on community education and issuing warnings rather than fines. After a few months of soft enforcement or after an initial warning for individuals, rangers should begin normal enforcement of dog prohibition rules including issuing fines.

Due to the long history of ongoing use of Mackenzies Bay as an off-leash dog area, local dog owners will likely attempt to continue using the area as such despite dog prohibitions being maintained. An education campaign is unlikely to lead to behaviour change for these users.

If it were decided that dogs should continue being prohibited from Mackenzies Bay, this should be enforced by Council rangers. Rangers would be required to continue managing work health and safety processes in relation to site accessibility to enable safe and regular enforcement.

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Conclusion

Most survey and emails respondents supported proceeding with a timed off-leash dog area at Mackenzies Bay, namely due to perceived shortage of off-leash dog areas and to align permitted use of Mackenzies Bay with its actual use.

However, 17 respondents did not support the trial, namely due to user conflict, increase in dog faeces and urine, and the negative impact dogs would have on the environment. The negative impact off-leash dogs currently have on Mackenzies Bay environment would be exacerbated during a trial however short.

The decision whether to proceed with an off-leash dog trial at Mackenzies Bay is therefore not straightforward.

Based on the outcomes of this consultation and on advice provided in the Council report dated 2 June 2020, Council must decide between three options:

- Option 1: Timed off-leash dog trial
- Option 2: Untimed off-leash trial
- Option 3: Maintaining dog prohibition.

Should Council select option 1 or 2, site preparations should be undertaken imminently to allow for a trial to proceed from mid-December 2020.

Should Council select option 3, Council should install new signage and launch an education campaign as soon as feasibly possible, and rangers should increase surveillance immediately while monitoring work health and safety processes. Based on the site constraints outlined in this report and previous Council reports, it is recommended that Mackenzies Bay is not a suitable location as a dog off-leash are due to the impact on the environmental values of the bay, conflict with other users of the bay, treacherous surf conditions and location being unable to provide adequate facilities such as access paths, bins, seating or fencing.

Consultation Summary Report – Mackenzies Bay timed off-leash dog trial

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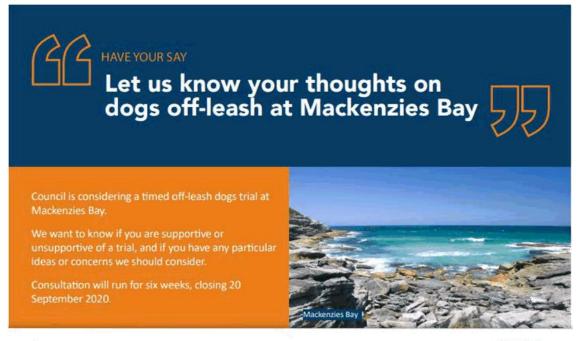
Appendix A — Clippings from communications channels

Flyer distributed to local residents + distribution map





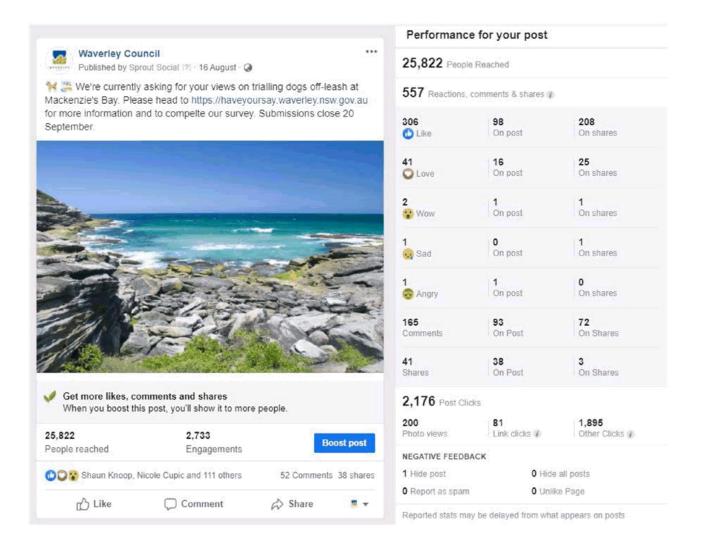
Print advertising in The Beast





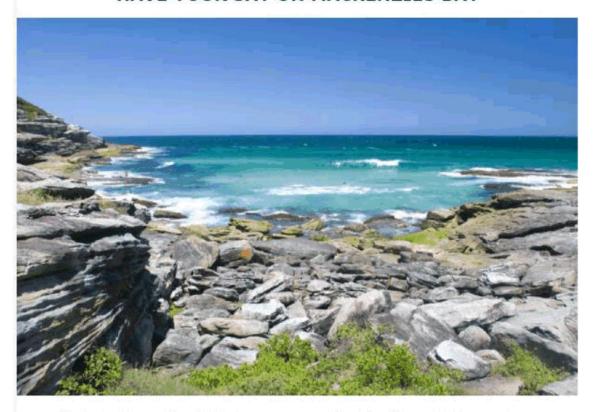


Social media posts



Enewsletters (Waverley Weekly and Have Your Say Engagement enews)





Are you supportive or unsupportive of a timed dogs off-leash trial at Mackenzies Bay? Your feedback will help Council determine whether to go ahead with a trial. <u>Our online survey closes this Sunday 20 September.</u>

Other projects currently open for feedback:

- the concept design for conserving and upgrading Bondi Surf Club
- a draft Planning Agreement for 82–84 Curlewis Street, Bondi Beach
- · the draft Heritage Assessment
- your pick for the book that should be awarded this year's <u>People's Choice Prize as part of</u> the Mark & Evette Moran Nib Award

MORE PROJECTS

HAVE YOUR SAY



Register online at <u>haveyoursay.waverley.nsw.gov.au</u> to be the first to hear of upcoming engagement projects and to let us know your ideas, feedback and views on Council's projects.

Current projects on consultation:

- the potential for a timed trial of dogs off-leash at Mackenzies Bay
- · the concept design for conserving and upgrading Bondi Surf Club
- a draft Planning Agreement for 82-84 Curlewis Street, Bondi Beach
- · the draft Heritage Assessment
- your pick for the book that should be awarded this year's <u>People's Choice Prize as part of</u> the Mark & Evette Moran Nib Award

HAVE YOUR SAY



Dogs off leash at Mackenzies Bay

We're inviting the community to have its say about allowing dogs at Mackenzies Bay, Tamarama. Currently, Council does not allow dogs at any of Waverley's beaches and ocean pools though for years dog owners have used the coastal inlet to take their animals off-leash.

Our consultation into dogs off-leash at Mackenzies Bay is now open until 20 September here. The consultation aims to see whether a dog off-leash area at the location is widely supported by the community, most specifically Tamarama residents. Find-out-more-here.

Appendix B — Online Survey

Timed Dogs Off-leash at Mackenzies Bay

Have Your Say Waverley

Feedback on timed dogs off-leash trial at Mackenzies Bay

| Do you support trialling a timed dogs off-leash trial at Mackenzies Bay? | | | | |
|--|--|--|--|--|
| (Choose any one option) | | | | |
| Yes | | | | |
| □ No | | | | |
| Answer this question only if you have chosen No for Do you support trialling a timed dogs off-leash trial at Mackenzies Bay? | | | | |
| Why are you unsupportive of a timed dog off-leash area at Mackenzies Bay? | | | | |
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| | | | | |
| What time period was led you are far to trial door off leach (Collect all that coult) | | | | |
| What time period would you prefer to trial dogs off-leash? (select all that apply) | | | | |
| (Choose all that apply) | | | | |
| 4.30pm-8.30am | | | | |
| 3pm-10am | | | | |
| ☐ I don't support any time ☐ Other (please specify) | | | | |
| Cities (piease specify) | | | | |
| Why did you select this time period? | | | | |
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Timed Dogs Off-leash at Mackenzies Bay

Have Your Say Waverley

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| hoose all that apply) | |
|--|---|
| Daily or most days of the wee | ek |
| Two or three times a month | |
| Once or twice a year | |
| Less than once a year | |
| Less man once a year | |
| Why do you visit Mackenzies E | Bay? |
| Choose all that apply) | |
| Dog walking | |
| Surfing | |
| Sun bathing | |
| Exercise | |
| As part of the Coastal Walk | |
| Picnic or social gathering | |
| Sculpture by the Sea | |
| Other (please specify) | |
| Do you own or regularly walk a | dog? |
| Choose any one option) | |
| Yes | |
| □ No | |
| | |
| Where do you currently walk yo | ou dog(s)? |
| | |
| Answer this question only if you h | nave chosen Yes for Do you own or regularly walk a dog? |
| Answer this question only if you h | nave chosen Yes for Do you own or regularly walk a dog? |
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| Answer this question only if you h | nave chosen Yes for Do you own or regularly walk a dog? |
| Answer this question only if you he Generally, what time do you wa | nave chosen Yes for Do you own or regularly walk a dog? |
| Answer this question only if you had generally, what time do you wanged that apply) Before 6am 6am - 9am | nave chosen Yes for Do you own or regularly walk a dog? |
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| Answer this question only if you he Generally, what time do you wa (Choose all that apply) Before 6am 6am - 9am 9am - 12pm 12pm - 3pm 3pm - 6pm 6pm - 10pm After 10pm | nave chosen Yes for Do you own or regularly walk a dog? alk your dog(s)? |
| Answer this question only if you he Generally, what time do you wa (Choose all that apply) Before 6am 6am - 9am 9am - 12pm 12pm - 3pm 3pm - 6pm 6pm - 10pm After 10pm | nave chosen Yes for Do you own or regularly walk a dog? alk your dog(s)? |
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REPORT PD/5.7/20.12

Subject: Bondi Pavilion Restoration and Conservation Project -

Quarterly Update

TRIM No: A15/0272

Author: Matt Henderson, Senior Project Manager

Director: Emily Scott, Director, Community, Assets and Operations



RECOMMENDATION:

That Council:

- 1. Receives and notes the report on the Bondi Pavilion Restoration and Conservation Project.
- 2. Notes the progress of the development of the Bondi Story Room concept.

1. Executive Summary

Construction works on the Bondi Pavilion Restoration and Conservation Project commenced in July 2020. Significant progress has been made and work is proceeding as per the program.

This report meets Office of Local Government reporting requirements in respect of major capital projects.

2. Introduction/Background

The Bondi Pavilion Restoration and Conservation project development application (DA) was lodged on 3 April 2019 and subsequently approved on 19 December 2019. After a competitive open tender process, Buildcorp were appointed as the head contractor in July 2020 and commenced construction works on 13 July 2020.

3. Relevant Council Resolutions

Nil.

4. Discussion

Construction/program

Construction works have been broken up into four separable portions. The separable portion descriptions are as follows:

- 1. Separable Portion 1 (SP1) Demolition works (in progress)
 - (a) Commenced on 13 July 2020.
- 2. Separable Portion 2 (SP2) Main construction works (commence after SP1)
 - (a) Commences upon issue of a notice to proceed from Council.
- 3. Separable Portion 3 (SP3) Commercial tenancy work (tenancy shell 1 and 2)
 - (a) Commences upon issue of a notice to proceed from Council.

- 4. Separable Portion 4 (SP4) Surfish Tenancy Works
 - (a) Obligation to provide temporary utilities to tenancy.
 - (b) Continued operations clause.
 - (c) Handover of cold shell from Council to new tenant for tenant works (which requires a tenant to procure its own DA)
 - (d) Commences upon issue of a notice to proceed from Council.

Buildcorp are currently completing works within Separable Portion 1 with a summary provided below:

SP1 - Demolition works to date

- Commenced upon satisfaction of site access conditions.
- A and B class hoarding installation complete.
- Amphitheatre demolition including removal of contaminated soil 95%.
- Internal strip-out 95%, ceilings exposed for timber inspection.
- Services isolation ongoing.
- Demolition of 'The Bucket List' complete.
- Existing signage removed.
- Demolition of Area 1 double height Pavilion stairs complete.
- Stripping of Area 1 Theatre area underway.
- North Pavilion hazardous material removal underway.

Upcoming construction activities

- Scaffold to main Pavilion building.
- Temporary works to complete structural demolition.
- Heritage window prototype.
- Façade restoration samples ongoing.
- Ongoing removal of asbestos and lead dust contaminated material.
- Preparation of the installation of masonry lintels.
- Preparation of the installation of structural steel to atrium and north east pavilion.
- Preparation of underpinning and strip footings

A detailed construction program is attached to this report (Attachment 1).

Work health and safety

- Internal safety audits are completed on a weekly basis by the head contractor.
- External safety audits are undertaken intermittently by an external safety auditor. To date, a total of two external safety audits have been completed. Buildcorp has scored 99% in both safety audits. Reports are provided to Council's WHS team.

Communications

Council has a designated communications officer who provides regular updates to the community in relation to the progression of the works through online platforms and direct correspondence. There is also a designated email address <pavilionconsultation@waverley.nsw.gov.au> that has been advertised for community members to directly contact Council in relation to any questions or concerns.

Additionally, Buildcorp, in collaboration with Council, releases a monthly stakeholder communications report. The October report is attached to this report (Attachment 2).

Green Star

The Green Star Building Council of Australia (GBCA) has confirmed that the round one Green Star submission was successful, and the project is eligible to achieve a 5-star green star rating. The next step is to compile detailed documentation to submit to GBCA for a round two submission. It is envisaged that the round two submission will be submitted towards the end of the project.

Bondi Story Room

The Bondi Story Room was a recommendation by the Bondi Pavilion Community Stakeholder committee intended to be a heritage space celebrating local history and cultural significance. The Bondi Story Room will detail Bondi's diverse heritage through showcasing many local stories of national or international significance. These include indigenous history and the birth of surf and surf life-saving culture. Since July 2020, Tonkin Zulaikha Greer Architects and Council have been working with consultants Grumpy Sailor on the format and technical requirements of the Bondi Story Room. This process has included a briefing to synthesise and consider existing community consultation from 2016-2019, as well as concept development and design refinement. The format of the Bondi Story Room was presented to Councillors at a Councillor workshop on 10 November.

5. Financial impact statement/Time frame/Consultation

The budget for the Bondi Pavilion Restoration and Conservation Project is from project code C0006 Long Term Financial Plan (LTFP), the LTFP allocation for the building works and the Bondi Plan of Management (POM) landscape works LTFP allocation for the associated external landscape and public domain works.

LTFP 5.2 includes a budget of \$34,500,000 for the Bondi Pavilion Restoration and Conservation Project building works and \$5,200,000 for the associated external landscape and public domain works. It is worth noting that the total budget includes construction, including contingency and consultancy costs.

A breakdown of head contractor and head consultant costs have been provided below:

Head contractor fees

| • | Contract sum | \$32,388,299.00 |
|---|---------------------------------------|-------------------|
| • | Contingency | \$4,850,734.00 |
| • | Contingency remaining | \$4,440,981.62 |
| • | Variations approved to date | \$409,752.38 |
| • | Variations rejected/withdrawn to date | \$298,252.51 |
| • | Percentage of contract | 7.35% (completed) |

The contractor's variations approved to date are related to latent conditions or unforeseen site conditions that could not have been anticipated at the time of tender. The latent conditions include hazardous material (HAZMAT) removal, contaminated soil removal and decontamination, lead dust removal etc.

Head consultant fees (construction phase)

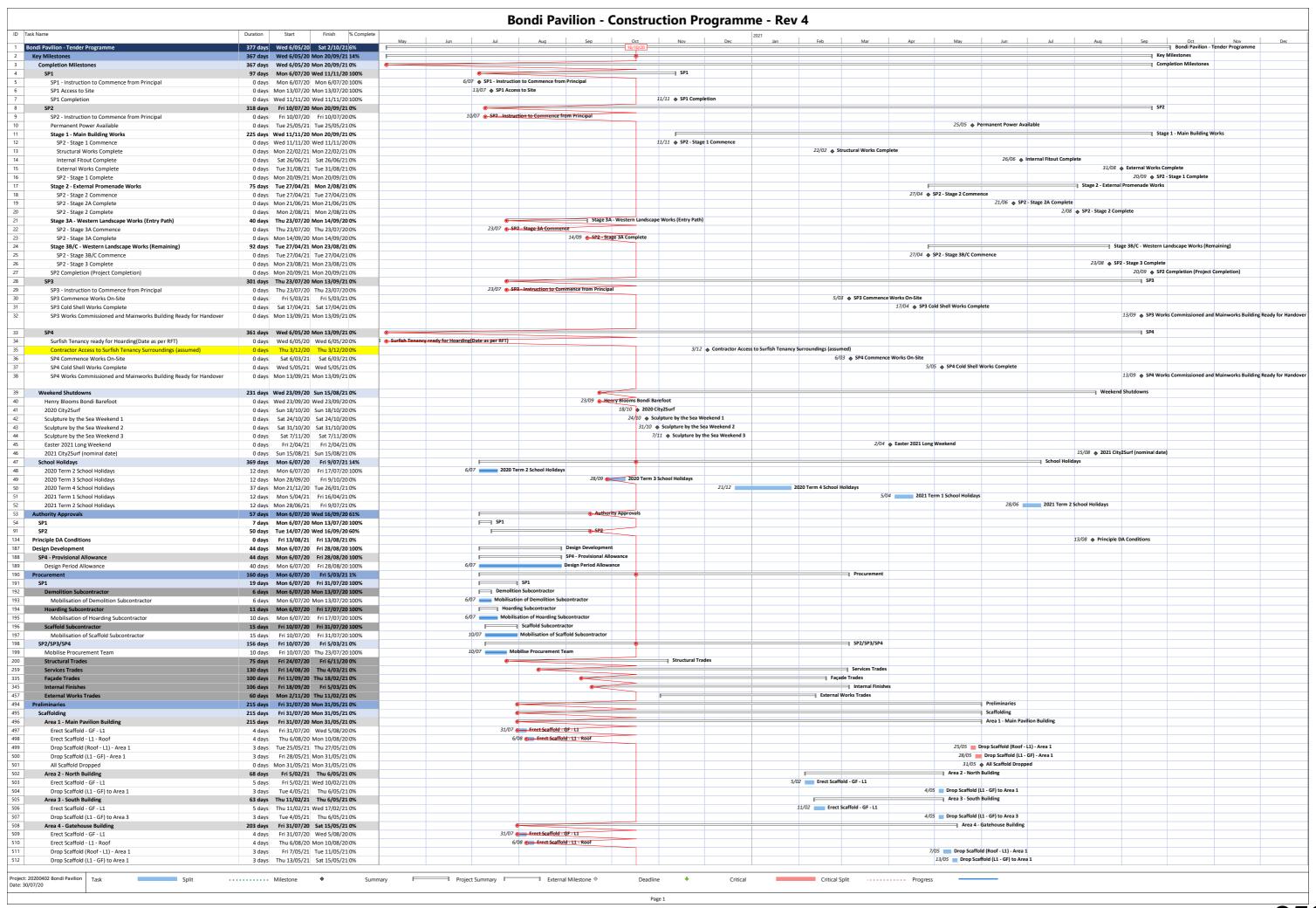
| Contract sum (construction phase only) | \$955,637.50 |
|--|--------------|
| Contingency | \$344,362.50 |
| Contingency remaining | \$100,000.00 |
| Variations approved to date | \$244,362.50 |
| Variations rejected/withdrawn to date | \$0 |

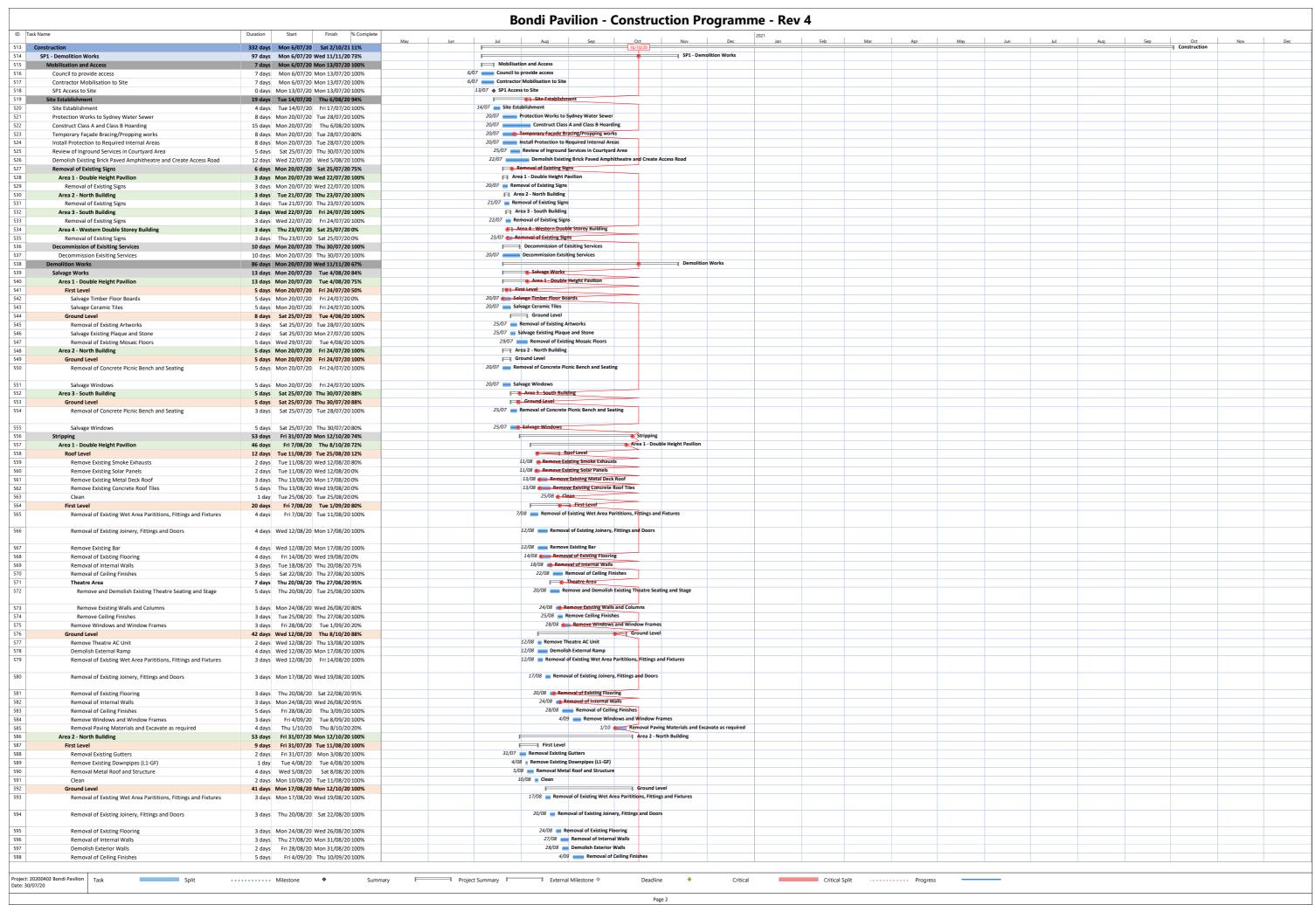
6. Conclusion

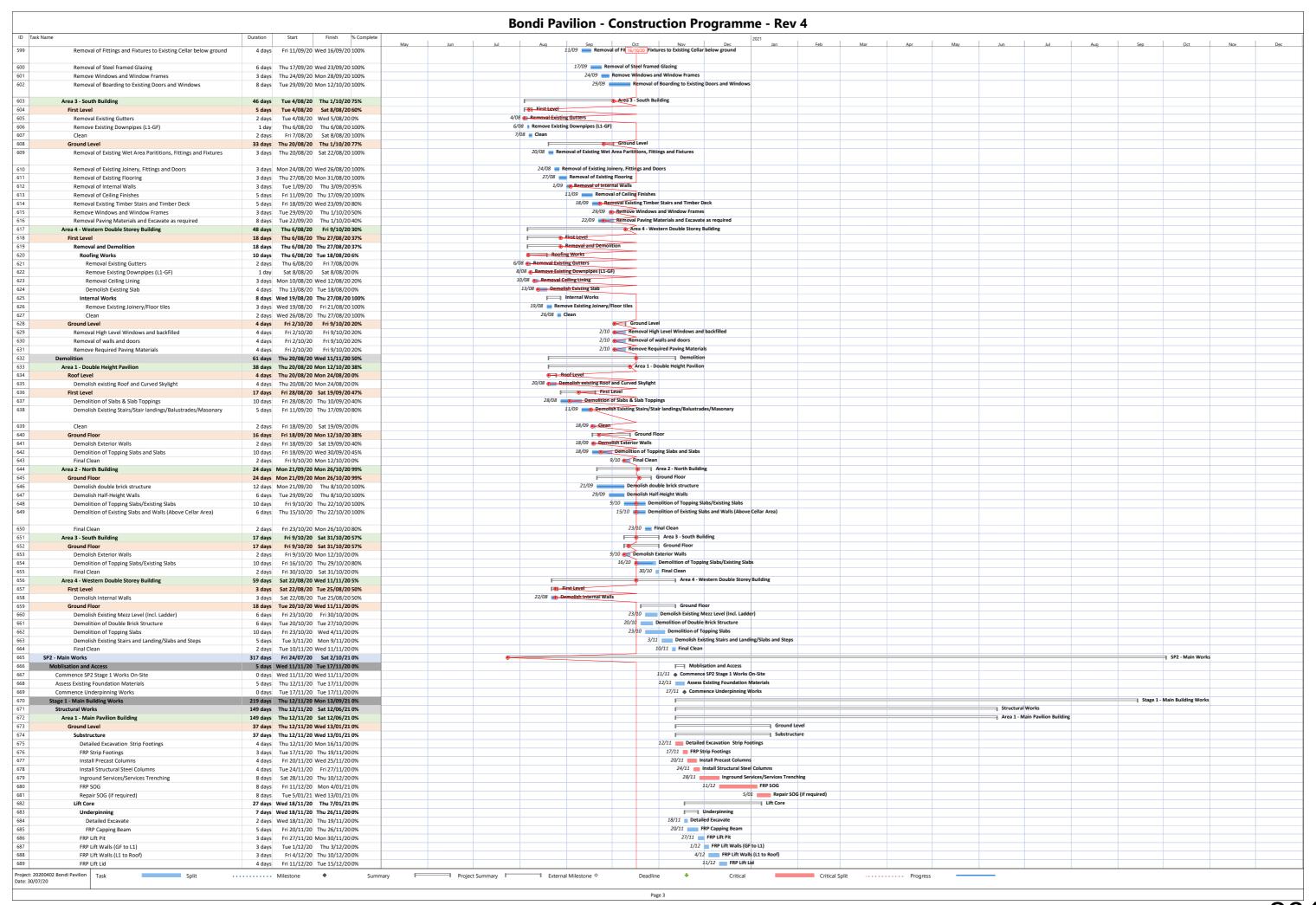
The next quarterly report will be submitted at the March 2021 Operation and Community Services Committee meeting.

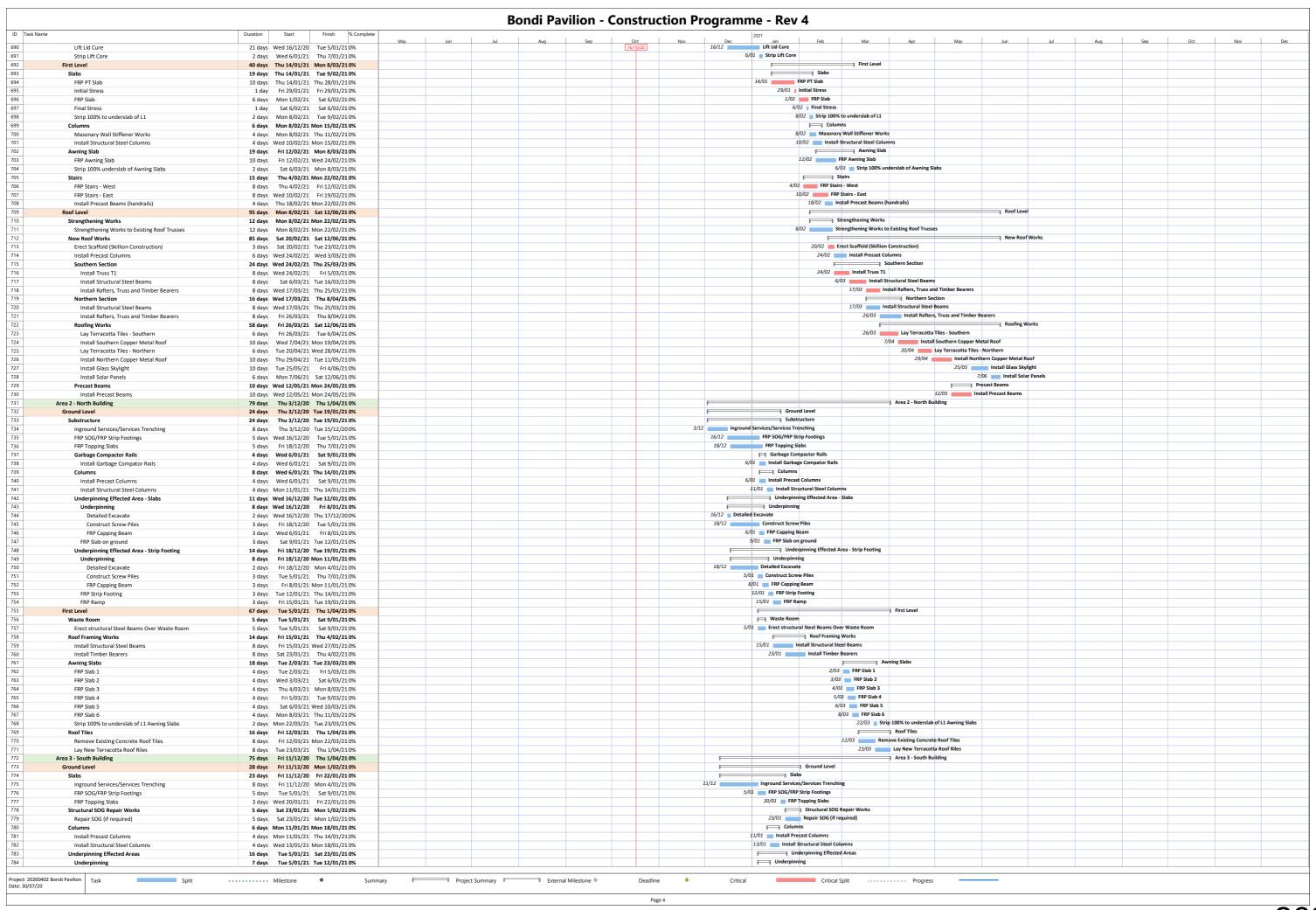
7. Attachments

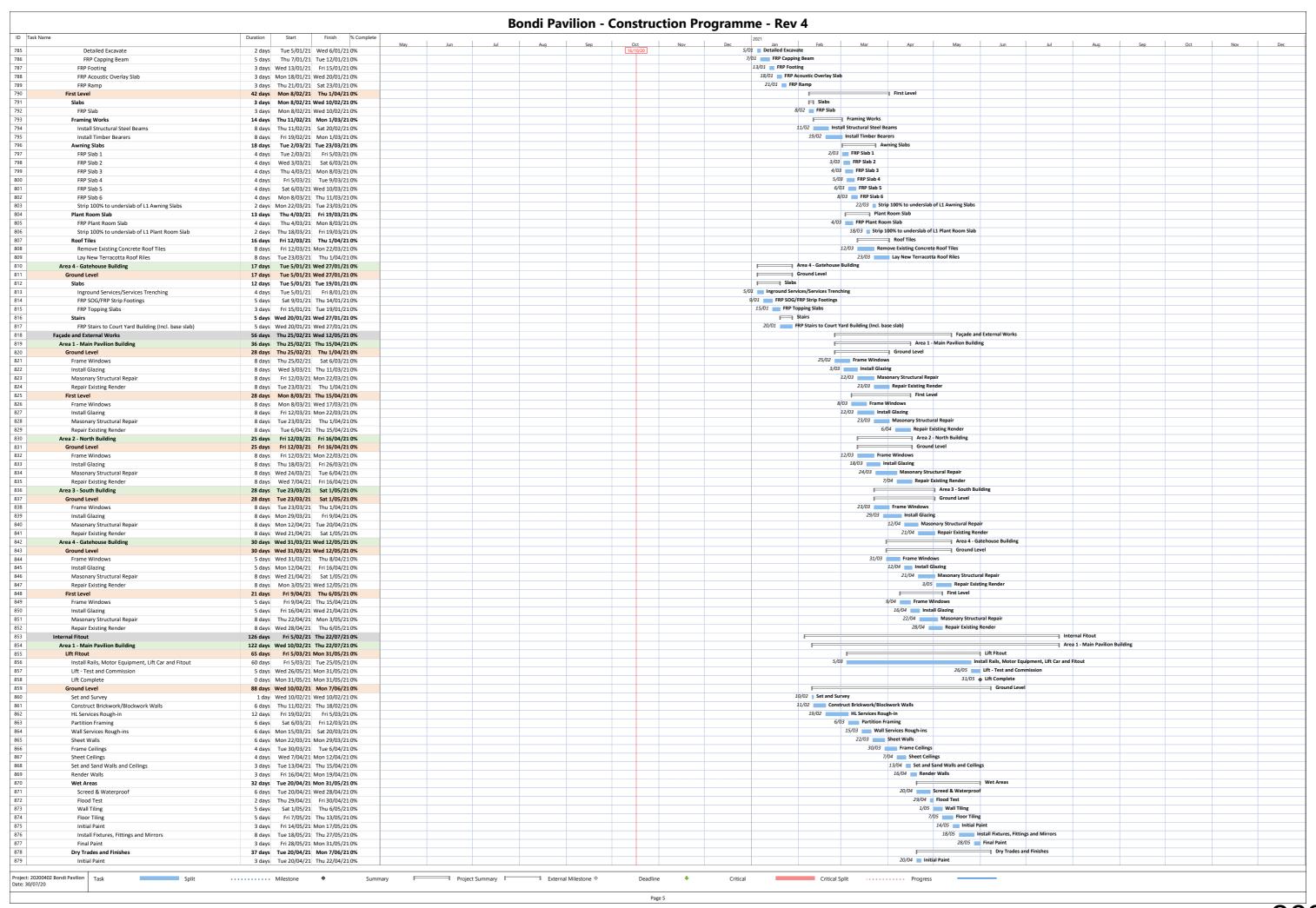
- 1. Construction program <u>J</u>
- 2. Monthly community update October 😃

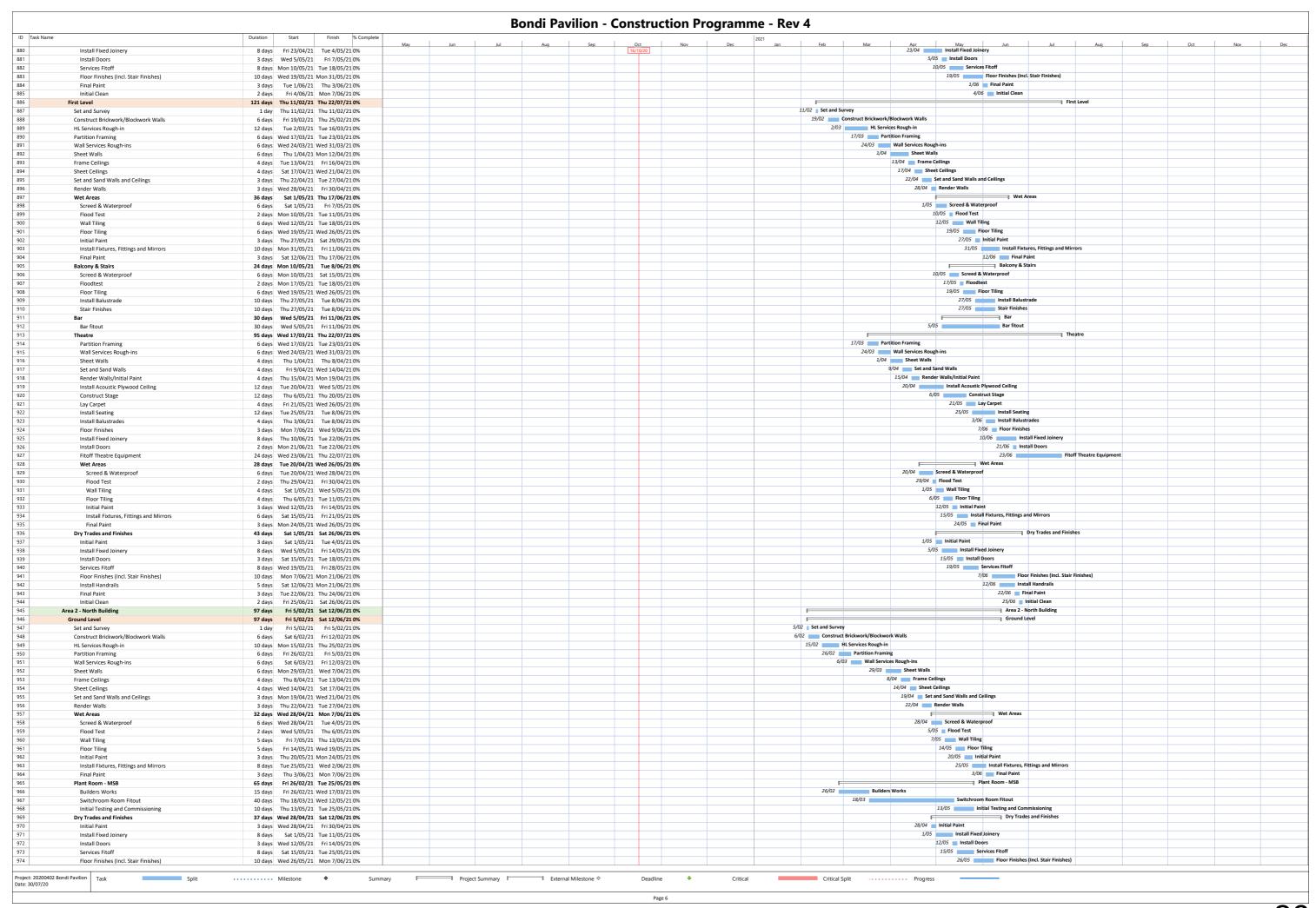


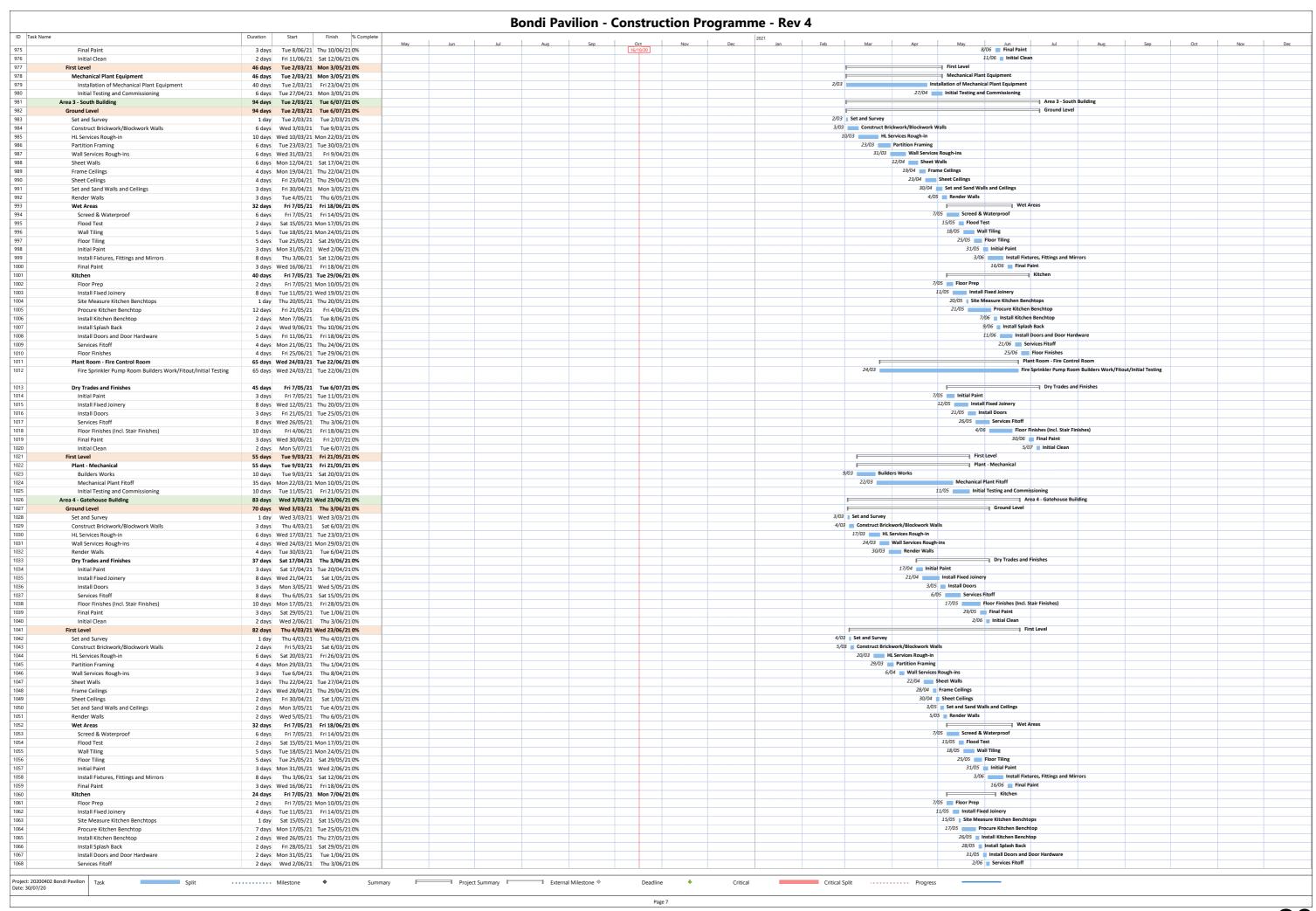


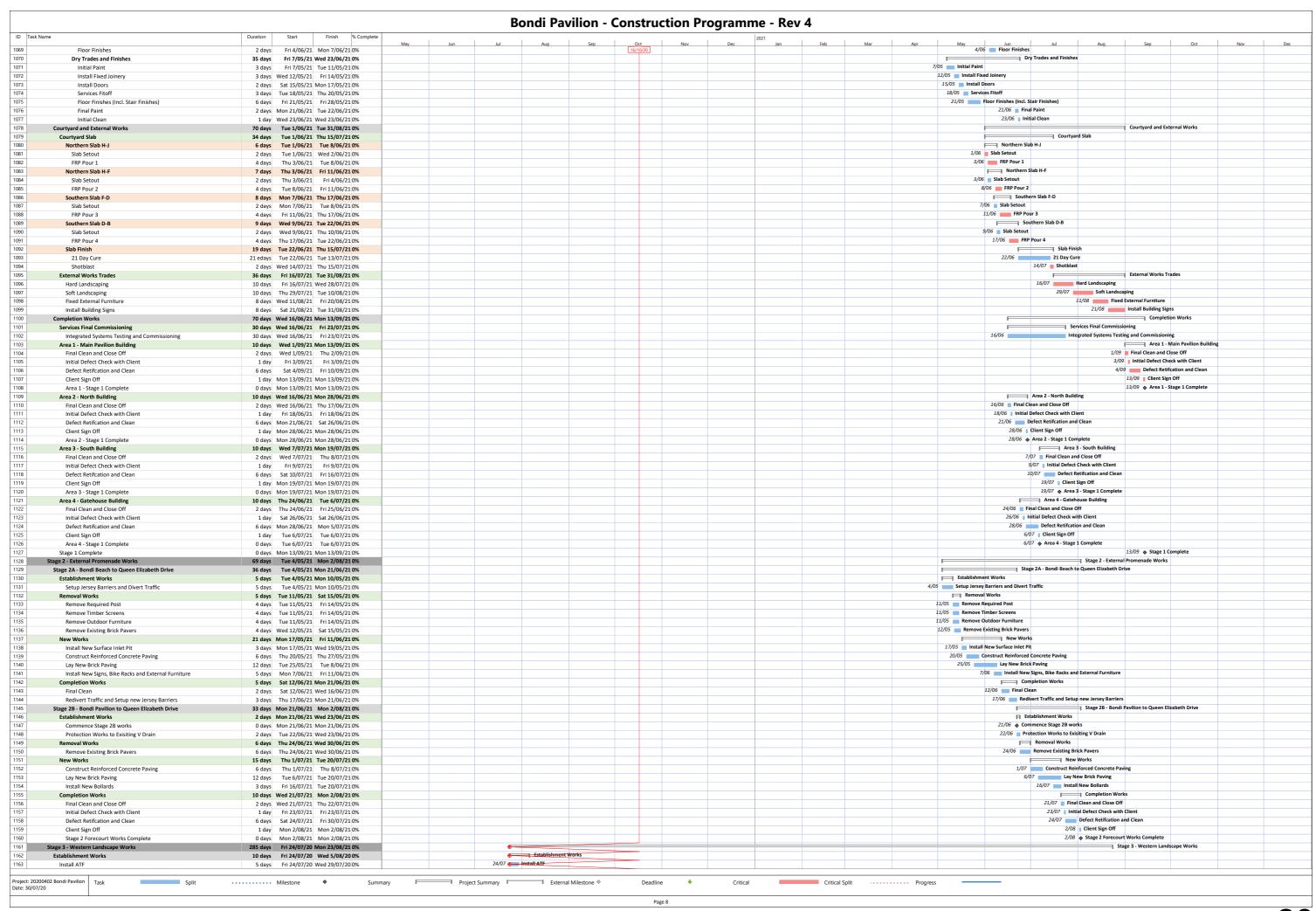


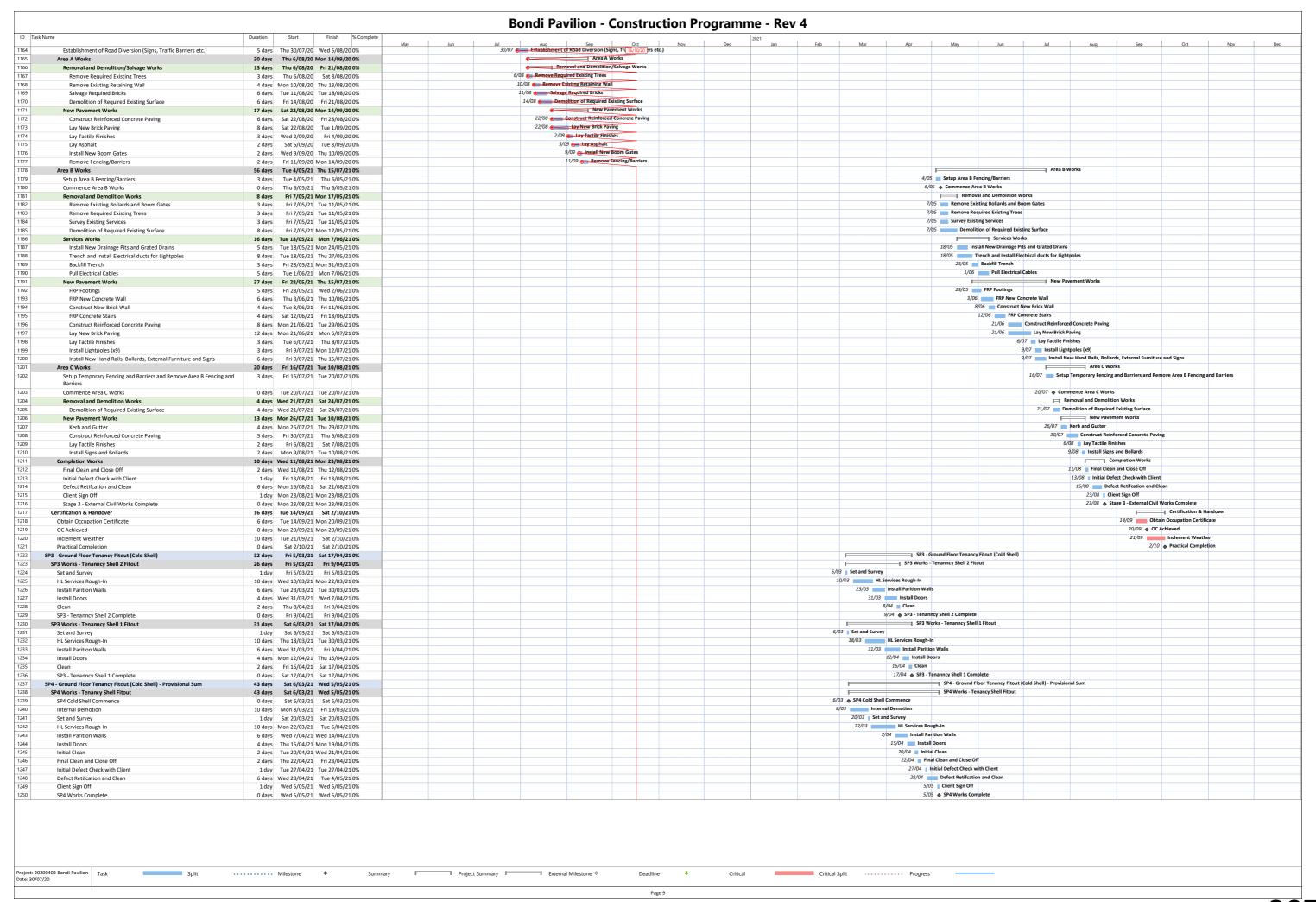












13th October 2020

BONDI PAVILION RESTORATION AND CONSERVATION PROJECT





Bondi Pavilion Project – Buildcorp Stakeholder Communication

Bondi Pavilion – Upcoming Works

Upcoming Works

- Commence existing lift shaft structural demolition
- Commence heritage salvage works to remove heritage windows and doors
- Commence structural steel installation to enable structural demolition
- Continue underpinning & foundation works to enable structural demolition
- Commence strip out works in the Gatehouse



Bondi Pavilion Project – Buildcorp Stakeholder Communication







Bondi Pavilion Project - Buildcorp Stakeholder Communication

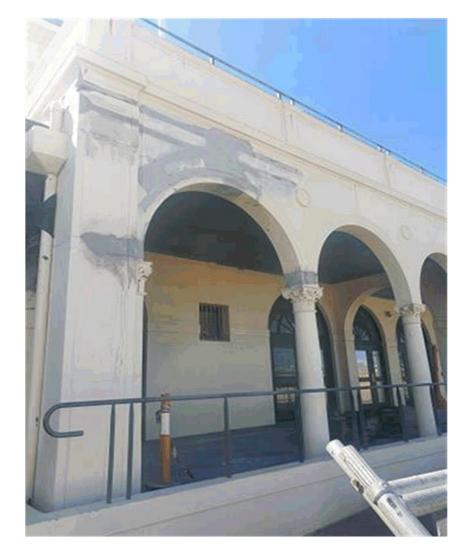






Bondi Pavilion Project - Buildcorp Stakeholder Communication

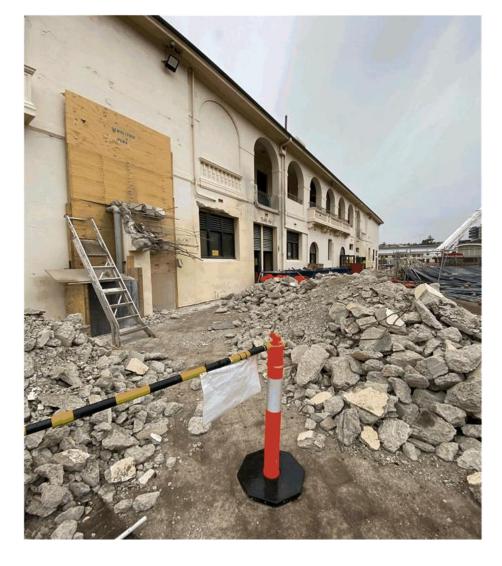






Bondi Pavilion Project – Buildcorp Stakeholder Communication







Bondi Pavilion Project - Buildcorp Stakeholder Communication







Bondi Pavilion Project - Buildcorp Stakeholder Communication



PD/5.7/20.12- Attachment 2

Bondi Pavilion – Completed Works

- Completed high level service removal in the Theatre
- Removal of ceilings in the Northern Wing
- Demolition of slabs for underpinning works
- Demolition of Atrium
- Demolition of existing ground floor amenities
- Prototypes of façade remediation



Bondi Pavilion Project – Buildcorp Stakeholder Communication

Bondi Pavilion



Bondi Pavilion Project – Buildcorp Stakeholder Communication

