

RELEVANT INFORMATION FOR THE CENTRAL SYDNEY PLANNING COMMITTEE

FILE: X001004 **DATE:** 09 September 2015
TO: Members of the Central Sydney Planning Committee
FROM: Graham Jahn, Director City Planning, Development and Transport
SUBJECT: Information Relevant To Item 13 - Planning Proposal: Heritage Floor
Space Amendments to Sydney Local Environmental Plan 2012 – At
Central Sydney Planning Committee - 10 September 2015

Alternative Recommendation

It is resolved that:

- (A) the Central Sydney Planning Committee approve *Planning Proposal: Heritage Floor Space amendments to Sydney Local Environmental Plan 2012*, shown at Attachment A to the subject report, for submission to the Minister for Planning with a request for a Gateway Determination;
- (B) the Central Sydney Planning Committee approve *Planning Proposal: Heritage Floor Space amendments to Sydney Local Environmental Plan 2012*, shown at Attachment A, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) the Central Sydney Planning Committee note **the following recommended changes** to the recommendation to Council's Planning and Development Committee on 8 September 2015 that authority be delegated to the Chief Executive Officer to develop **an the details of the Draft Alternative Heritage Floor Space Allocation Scheme in accordance with the following principles as follows:**
 - (i) the developer is to demonstrate that they have made genuine **and ongoing** efforts to obtain Heritage Floor Space and have been unable to do so;
 - (ii) the developer agrees to obtain the Heritage Floor Space by a specified date following the commencement of construction or, alternatively, pay a monetary contribution equal to the market value of the Heritage Floor Space, plus an uplift amount towards a heritage conservation fund to be established by Council;
 - (iii) the developer is to provide a bank guarantee to Council for an amount equal to the current market value of the Heritage Floor Space required plus an uplift amount;

- (iv) the amount of the payment required if the Heritage Floor Space has not been allocated by the specified date will be set at a level intended to discourage the use of this option, **and the payment is only to be made if ongoing attempts to purchase Heritage Floor Space have not been successful** rather than Heritage Floor Space allocation; and
 - (v) any funds obtained under the scheme will be directed towards heritage conservation works;
- (D) the Central Sydney Planning Committee note **the following recommended changes** to the recommendation to Council's Planning and Development Committee on 8 September 2015 that authority be delegated to the Chief Executive Officer to exhibit a **the detailed Draft Alternative Heritage Floor Space Allocation Scheme** at the same time as the Planning Proposal;
- (E) authority be delegated to the Chief Executive Officer to make any minor variations to *Planning Proposal: Heritage Floor Space amendments to Sydney Local Environmental Plan 2012*, following the receipt of the Gateway Determination; and
- (F) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 8 September 2015 that Council seek authority from the Secretary of the Department of Planning and Environment to exercise delegation of the Minister for Planning of all the functions under section 59 of the *Environmental Planning and Assessment Act 1979* to make the local environmental plan to put into effect *Planning Proposal: Heritage Floor Space amendments to Sydney Local Environmental Plan 2012*.

Background

The intent of the proposed amendments to resolutions C and D is to ensure that the Planning Proposal can proceed to exhibition as soon as possible and is not delayed by a further report to Council on the *Draft Alternative Heritage Floor Space Allocation Scheme*. The proposed amendments also further clarify that the proponent's efforts to purchase Heritage Floor Space must be ongoing.

As soon as it goes on exhibition the Planning Proposal will be a matter for consideration in the assessment of a development application under section 79C of the *Environmental Planning and Assessment Act 1979*. The detailed *Draft Alternative Heritage Floor Space Allocation Scheme* will also need to be on public exhibition to enable the Planning Proposal to be a matter for consideration for any development application or request to amend a development application.

The subject report addresses concerns about the current shortage of Heritage Floor Space on the market and consequent delays to major projects. It proposes amendments to *Sydney Local Environmental Plan 2012* to address this issue and sets out the key elements of an *Alternative Heritage Floor Space Scheme* that will allow the consent authority to defer Heritage Floor Space allocation until after construction commences or, in the event that Heritage Floor Space cannot be obtained, to replace it with a monetary payment for the purpose of heritage conservation works.

The policy issue is covered in the current report and the key elements of the proposed Scheme are set out in recommendations C (i) to (v). As the details of how the Scheme will operate are largely of a procedural nature it is appropriate to delegate their detailed development to the Chief Executive Officer. In agreeing to the principles set out in resolution C, the Council will have clearly expressed its policy position and the *Draft Alternative Heritage Floor Space Allocation Scheme* will be able to be applied once it and the Planning Proposal are on public exhibition.

At the meeting of the Planning and Development Committee on 8 September 2015, Mr John Freeman commented on the proposed changes to the Heritage Floor Space system and subsequently circulated to Councillors a paper setting out a different scheme envisioning Heritage Floor Space as a financial derivative with Council actively managing the market. Council staff do not recommend this approach.

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Approved



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