

Resolution of Council

27 June 2022

Item 15.1

Reforming the Non-Rateable Heritage Floor Space (HFS) Scheme

The original motion was moved by Councillor Jarrett, seconded by Councillor Chan.

It is resolved that:

(A) Council note:

- (i) the Heritage Floor Space (HFS) scheme is currently governed by the Sydney Local Environment Plan 2012 (LEP) and the Sydney Development Control Plan 2012 (DCP);
- (ii) both the LEP and the DCP were constructed to achieve the objects of the *Environmental Planning and Assessment Act 1979* which include:
 - (a) promoting the orderly and economic use and development of land;
 - (a) promoting the sustainable management of built and cultural heritage; and
 - (b) promoting the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants;
- (iii) the objective of the HFS scheme governed by clause 6.10 of the Sydney LEP is ‘to provide an incentive for the conservation and on-going maintenance of heritage buildings within Central Sydney’;
- (iv) within the LEP, there is no distinction drawn regarding the formula and amount of HFS to be awarded to rateable and non-rateable buildings;
- (v) clause 5.1.6.3 of the DCP provides the current working formula for HFS whereby the maximum HFS awarded to rateable and non-rateable buildings is governed by two separate and distinct formulas;

- (vi) many landowners of non-rateable buildings are charitable and not-for-profit organisations such as synagogues and churches who are heavily reliant on funding conservation works from their membership fees and donations;
 - (vii) the current DCP formulas could provide a disincentive for not-for-profit organisations from seeking an award under the HFS scheme, however their buildings are often highly significant and more costly to maintain because of their unique construction and rarity;
 - (viii) while there has been a lack of applications for HFS awards over the past 25 years made by non-rateable buildings, in 2015, Council amended the scheme to allow rateable and non-rateable landowners to apply for a HFS award again after 25 years following a previous HFS award;
 - (ix) City staff have met with representatives of religious organisations who own buildings within our Local Government Area about concerns relating to the HFS formula for non-rateable buildings; and
 - (x) City staff are reviewing the HFS formulae as part of the LEP and DCP review and will report back to Council; and
- (B) the Chief Executive Officer be requested to:
- (i) provide an explanation for the different formulae applied to calculate the HFS award for rateable and non-rateable buildings via a CEO Update; and
 - (ii) provide an update on the City's review of the HFS formula for non-rateable buildings in the DCP as a part of the review of the LEP and DCP via a CEO Update or report back to Council, as appropriate.

The amended motion was carried unanimously.

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