



Hawkesbury City Council

ordinary meeting business paper

date of meeting: 27 June 2006

location: council chambers

time: 5:00 p.m.



mission statement

***"To create opportunities
for a variety of work
and lifestyle choices
in a healthy, natural
environment"***

How Council Operates

Hawkesbury City Council supports and encourages the involvement and participation of local residents in issues that affect the City.

The 12 Councillors who represent Hawkesbury City Council are elected at Local Government elections held every four years. Voting at these elections is compulsory for residents who are aged 18 years and over and who reside permanently in the City.

Ordinary Meetings of Council are held on the second Tuesday of each month, except January, and the last Tuesday of each month, except December. The meetings start at 5:00pm with a break from 7:00pm to 7:30pm and are scheduled to conclude by 11:00pm. These meetings are open to the public.

When a Special Meeting of Council is held it will usually start at 7:00pm. These meetings are also open to the public.

Meeting Procedure

The Mayor is Chairperson of the meeting.

The business paper contains the agenda and information on the issues to be dealt with at the meeting. Matters before the Council will be dealt with by an exception process. This involves Councillors advising the General Manager at least two hours before the meeting of those matters they wish to discuss. A list will then be prepared of all matters to be discussed and this will be publicly displayed in the Chambers. At the appropriate stage of the meeting, the Chairperson will move for all those matters not listed for discussion to be adopted. The meeting then will proceed to deal with each item listed for discussion and decision.

Public Participation

Members of the public can request to speak about a matter raised in the business paper for the Council meeting. You must register to speak prior to 3:00pm on the day of the meeting by contacting Council. You will need to complete an application form and lodge it with the General Manager by this time, where possible. The application form is available on the Council's website, from reception, at the meeting, by contacting the Manager Corporate Services and Governance on 4560 4426 or by email at lmifsud@hawkesbury.nsw.gov.au.

The Mayor will invite interested persons to address the Council when the matter is being considered. Speakers have a maximum of five minutes to present their views. If there are a large number of responses in a matter, they may be asked to organise for three representatives to address the Council.

A Point of Interest

Voting on matters for consideration is operated electronically. Councillors have in front of them both a "Yes" and a "No" button with which they cast their vote. The results of the vote are displayed on the electronic voting board above the Minute Clerk. This was an innovation in Australian Local Government pioneered by Hawkesbury City Council.

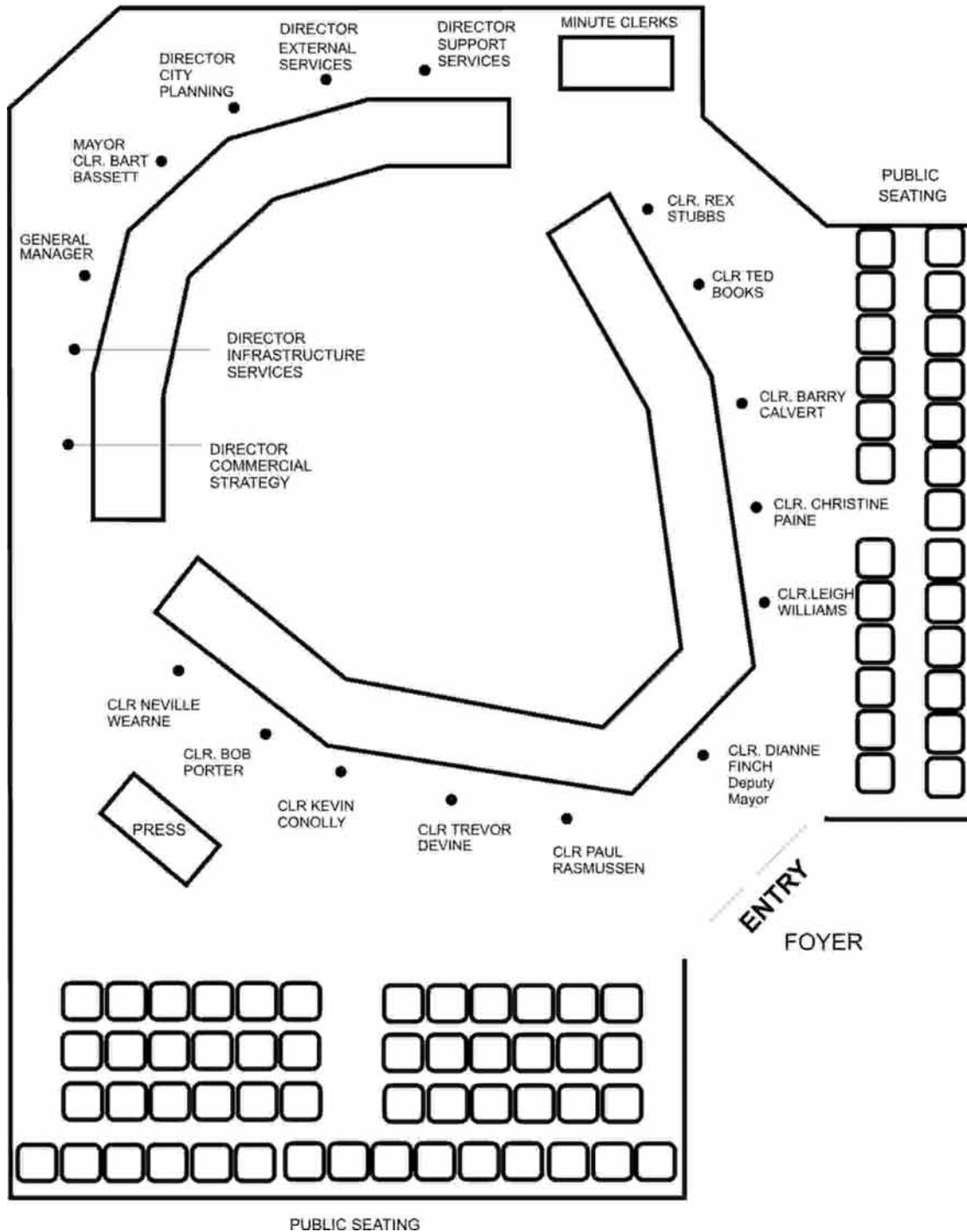
Website

Business Papers can be viewed on Council's website from noon on the Friday before each meeting. The website address is www.hawkesbury.nsw.gov.au.

Further Information

A guide to Council Meetings is available on the Council's website. If you require further information about meetings of Council, please contact the Manager, Corporate Services and Governance on, telephone 02 4560 4426.

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SECTION 4 - Reports for Determination

Item: 125 **CP - Subdivision - Two Lot Subdivision - Lot 1, DP817895 - 4 Langley Place, Richmond - DA0137/06 - (7037, 7038, 95498, 107)**

Development Information

Applicant: P S Graham & Associates
Applicants Rep: N/A
Owner: Mrs L Kukulovski & Mr S Kukulovski
Stat. Provisions: Hawkesbury Local Environmental Plan 1989
Hawkesbury Development Control Plan
Area: 1212 m²
Zone: Residential 2(a) under Hawkesbury Local Environmental Plan 1989
The proposed zone under draft Local Environmental Plan 1/01 – Amendment 130 is Housing.
Advertising: 7/3/2006 to 21/3/2006
Date Received: 1/3/2006

Key Issues:

- ◆ Character/Streetscape
- ◆ Amenity
- ◆ Privacy
- ◆ Loss of Property Value

Recommendation: Approval subject to Conditions.

REPORT:

Introduction

The application seeks approval for the subdivision of Lot 1 DP 817895 - No. 4 Langley Place, Richmond into two lots.

The matter is being reported to Council at the request of Councillor Devine.

This Report details the relevant matters. A full assessment of the proposal is on file.

The Proposal

The application involves the subdivision of the existing property into two (2) allotments:

Proposed Lot 11:

- area of 610.1m²;
- 18.69m frontage and 34.19m depth;
- will contain the existing two storey dwelling house sited on it; and
- access from Langley Place via an existing driveway.

Proposed Lot 12:

- area of 601.7m² (450.5m² excluding the access handle);

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- a width of approximately 18.7m and a varied depth of 18.73m to 29.62m; and
- access from Langley Place via an existing constructed driveway.

Statutory Situation

Hawkesbury Local Environmental Plan 1989 (HLEP 1989)

The land is zoned Residential 2(a) under Hawkesbury Local Environmental Plan 1989. The proposed development is permissible with development consent within the 2(a) zone.

Draft Amendment No. 130 to Hawkesbury Local Environmental Plan 1989

This amendment proposes to rezone the land to 'housing'. Subdivision is permitted with development consent within the 'housing' zone. The proposal is considered to be consistent with the objectives of this proposed zone.

Planning Assessment

Hawkesbury Development Control Plan - Subdivision Chapter

The following table provides an assessment of the proposal against the relevant rules of this Chapter:

Element	Rule	Provides	Complies
General			
Flora and Fauna Protection	a) Any subdivision proposal, which is likely to result in, any clearing of native vegetation or impact on any environmentally sensitive area is to be accompanied by a flora and fauna assessment report prepared by a suitably qualified person. This report is to primarily address the Eight Part Test pursuant to the Act (Section 5A), State Environmental Planning Policy 44 – Koala Habitat protection.	No vegetation to be removed	Yes
	b) Vegetation cover should be retained wherever practicable as it acts to stabilize soils, minimize runoff, acts as a pollutant trap along watercourses and is important as a habitat for native fauna.	No vegetation to be removed.	Yes
	c) Degraded areas are to be rehabilitated as part of the subdivision.	N/A	Yes
	d) Vegetation should be retained where it forms a link between other bush land areas.	N/A	Yes
	e) Vegetation, which is scenically and environmentally significant, should be retained.	N/A	Yes
	f) Vegetation, which adds to the soil stability of the land, should be retained.	No vegetation to be removed.	Yes
	g) All subdivision proposals should be designed so as to minimize fragmentation of bushland.	The subdivision will have not impact on bushland.	Yes
Visual Amenity	a) Building envelopes, access ways and road shall avoid ridge tops and steep slopes.	Development not located on ridge top or steep slope.	Yes
	b) Subdivision of escarpments, ridges and other visually interesting places should: • Be managed in such a way that the visual impact rising from development on newly	N/A	Yes

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Element	Rule	Provides	Complies
	created allotments is minimal; and Retain visually significant vegetation such as that found on ridge tops and other visually prominent locations. c) Development Applications for subdivision shall take into consideration the provisions of SREP No. 20 in relation to scenic quality.	Is consistent with relevant provisions of SREP No. 20.	Yes
Heritage	a) A subdivision proposal on land, which contains or is adjacent to an item of environmental heritage as defined in Schedule 1 of the Hawkesbury LEP should illustrate the means proposed to preserve and protect such items.	N/A	Yes
Utility Services	a) Underground power provided to all residential and industrial subdivisions. Where infill subdivision is proposed, the existing system, whether above or underground shall be maintained. b) All lots created are to have the provision of power. c) Where reticulated water is not available, a minimum storage of 100,000 litres must be provided. A minimum of 10,000 litres must be available during bush fire danger periods.	Infill subdivision N/A	Yes Yes Yes
Flooding, Landslip & Contaminated Land	a) Compliance with clause 25 of Hawkesbury Local Environmental Plan 1989. b) Access to the subdivision shall be located above the 1% AEP flood level. c) Where a subdivision proposal is on land identified as being potentially subject to landslip, the applicant shall engage a geotechnical consultant to prepare a report on the viability of subdivision the land and provide recommendations as to the siting and the type of buildings which could be permitted on the subject land. d) In the event the Council deems that there is the potential that land subject to a subdivision application is contaminated then the applicant shall engage a suitably qualified person to undertake a soil and ground water assessment. e) Contaminated Land shall be remediated prior to the issue of the Subdivision Certificate.	Located above 1:100 year level. N/A Not considered contaminated. N/A	Yes Yes Yes Yes Yes
Residential Subdivision			
Residential Local Street Design	a) The design specifications in Figure 1 are met. b) A minimum spacing of staggered junctions in a local street network should be 20 metres. c) The street network should be orientated where practical, to promote efficient solar access for dwellings as shown in Chapter 6 Part C (Energy Efficiency). d) Cul-de-sacs for residential roads should have minimum seal radii of 8.5 metres and boundary radii of 12.0 metres. e) Cul-de-sacs should not exceed 200 metres in length unless topographic constraints render other options impracticable. f) Off street parking shall be provided in cul-de-sacs	N/A N/A N/A N/A N/A N/A	Yes Yes Yes Yes Yes Yes

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Element	Rule	Provides	Complies
	at the rate of 1 space per lot.		
	g) Streets should be designed to allow for the provision of suitable and safe conditions for street trees.	N/A	Yes
Residential Access Way Design	a) Access ways should have a minimum width of 4 metres and sealed pavement of 2.5 metres.	Width of 4m; 2.5m seal and located min 4m from adjacent dwelling house windows	Yes
	b) Access ways should not serve more than 5 lots.		Yes
	c) Access ways should have a maximum grade of 25% (1:4) at any point.		Yes
	d) Where the access way is steep or fronts a local collector or higher order road (greater than 3,000 vehicles per day) or a high pedestrian area, access ways should be designed so that vehicles can be driven both onto and off the property in a forward direction.		Yes
	e) Where vehicles would otherwise have to reverse more than 50 metres, a turning area should be provided to enable the vehicles to enter and leave the site in a forward direction and reduce the need to reverse over long distances.		Yes
	f) Refer to Part D Chapter 1 Residential Development for further requirements regarding access ways should a subdivision be part of a residential development	See assessment below	Yes
Stormwater Management	a) Where site topography prevents discharge of storm water directly to the street gutter or a council controlled pipe system, inter allotment drainage provided to accept run off from all existing or future impervious areas on the subject land. The design and construction of the inter allotment drainage system should be in accordance with the requirements of the Australian Rainfall and Runoff (1987).	The subject land slopes to Langley Place.	Yes
	b) Where proposals require the creation of easements over downstream properties for drainage purposes, a letter of consent from the owner(s) of the downstream properties should be submitted with DAs.	N/A	Yes
	c) Stormwater piped in roads and through allotments in all residential subdivisions.		Yes
	d) For subdivision proposals comprising 5 lots or more or where Council deems it necessary, a soil and water management plan should be prepared by a properly qualified practitioner with the aim of minimizing erosion and maximizing the quality of any water leaving the site.	N/A	Yes
Lot Size and Shape	a) In calculating the area of a battle-axe or hatchet shaped allotment the access way is to be excluded. The area of an allotment effected by a "right of carriageway" or private road should also be excluded.		Yes
	b) Allotments should have a minimum width of 15 metres at the building line. Council may consider a lesser dimension but only as part of an integrated housing development.		Yes
	c) Lots should be able to accommodate a building		Yes

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Element	Rule	Provides	Complies
	envelope of 200m ² with a minimum dimension of 10 metres.		
	d) An allotment should not be less than 20 metres in depth to ensure there is some flexibility in the choice of housing design and siting as well as the availability of suitable space for other activities normally associates with a dwelling.	The boundary adjoining lot 15 is 18.73m in depth	No See discussion below
	e) Vegetation which adds significantly to the visual amenity of the locality and/or which is environmentally significant should be conserved in the design of the subdivision proposal.		Yes
	f) Lots should be designed to allow the construction of a dwelling with a maximum cut or fill of 1 metres from the natural ground level.		Yes

Variation

This rule requires that an allotment should not be less than 20 metres in depth to ensure there is some flexibility in the choice of housing design and siting as well as the availability of suitable space for other activities normally associates with a dwelling.

Applicants Justification

"The proprietor requested I retain a new G.I. shed on proposed lot 11 and as a consequence I bent the boundary reducing the south-western boundary of proposed lot 12 to be 18.73 metres. This is a shortage of 1.27 metres. This could be considered a special case as a 20 metre depth is available 2.3 metres northerly of this boundary. In this case the block has an average depth of 24.175 metres which I believe should provide flexibility in the choice of housing design and sighting and suitable space for other activities normally associated with a dwelling."

Comment

The boundary adjoining lot 15 is 18.73m in depth. Given that this is an irregular shaped block and by moving 2.5m into the block compliance is reached this minor variation is considered acceptable. The application demonstrates that this variation will have no adverse impact on the design and siting of a future dwelling house or the amount of private open space required.

Hawkesbury Development Control Plan - Residential Chapter

The following table provides an assessment of the proposed development against the relevant requirements of this Chapter.

Element	Rules	Provides	Complies
Height	(a) New buildings are to be constructed within the Building Height Plane for the relevant residential use. (Refer to Table 1). The Building Height Plane is to be adjusted for sloping sites to follow the natural ground level.	Can be achieved for any dwelling to be erected on new lot (Lot 12)	Yes
Setbacks	(a) For sites fronting main or arterial roads, buildings are to be set 10 metres back from the front boundary unless there are exceptional physical circumstances. The 10m setback commences after any road widening which may affect the subject land.		Yes

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Element	Rules	Provides	Complies
	(b) For sites fronting a local road buildings are to be set 7.5m back from the front boundary. In areas where there is prior development the established pattern is to be regarded as the standard setback. (c) For battleaxe blocks the general setback from the rear boundary of the property in front is to be 6 metres.	The existing dwelling house will be located on Lot 11 and is setback approximately 7m from Langley Place. This is considered satisfactory as the setback is existing Can be achieved for any dwelling house to be erected on the new vacant block.	Yes
Landscaped Areas	(a) All forms of residential development are to contain pervious soft landscaped areas to a total of 30% of the total site area. This may be calculated by adding together soft landscaped areas of private and common open space. Development proposals, where required, are to indicate the proportion of the total site area that is: - o total "soft" landscaped area; - o total ground level private open space; and - o total common open space	Can be achieved for each new lot.	Yes
Private Open Space	(a) Single dwelling houses and multi unit housing are to provide at least one area of private open space for each dwelling. (b) The total of private open space at ground level must be a minimum of 20% of the site area, regardless of permeability of the surface. This space must: • be capable of containing a rectangle 5 metres x 6 metres that has a slope less than 1:10; • not be comprised of any area with a dimension less than 4 metres; and • be exclusive of clothes drying areas, driveways, car parking and other utility areas. (c) Private open space shall not be located in the front boundary setback. (d) Any above ground level balcony or rooftop area designed for private open space must have minimum area of 10 square meters with a minimum dimension of 2 metres. This area is not included in the calculation for the provision of total private open space.	Can be achieved for any new dwelling house on the proposed vacant lot. Lot 11 requires 122m². 230m² of POS provided for the existing dwelling house. Lot 12 requires 120m². It has been demonstrated that 140m² of POS is available.	Yes Yes Yes Yes Yes Yes N/A
Access and Parking	(a) Driveways next to any side or rear boundary must have a landscape strip of at least 1 metre to separate them. (b) Shared driveways, access lanes and car parks	Current strip width of between 300mm and 700mm has been demonstrated. Existing driveway approximately 8m from dwelling house on adjoining property. Access located beside	No See discussion below

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Element	Rules	Provides	Complies
	must be setback a minimum of 1.5 metres from windows to main habitable rooms of dwellings. This standard does not apply if the floor level of the dwelling is at least 1 metres above the driveway.	garage of existing dwelling and closest window is approximately 4m away from the access lane.	Yes
(c)	All driveways must have a minimum width of 3 metres and must be sealed to prevent surface erosion.	Existing access/driveway to proposed lot 12 has a width of 4m, with a sealed width of 2.5m.	Yes
(d)	For development that contains more than 2 units driveways are to have a minimum driveway width of 6m from the layback/kerb line to 6m inside the property.		N/A
(e)	Garages and carports must not visually dominate the street façade, should occupy less than 50% of the building facade and must be compatible with the building design.	Existing	Yes
(f)	Uncovered car parking spaces and turning areas can be located within the front setback to the required building line provided that this area is dominated by landscaping and/or addresses established streetscape patterns.	None existing or proposed within front setback areas.	Yes
(g)	Where parking spaces are located at 90° to the driveway alignment the minimum driveway width adjacent to the space is to be 6.7m, increased as necessary to allow adequate maneuvering on site.	Can be achieved for Proposed Lot 12.	Yes
(h)	On site maneuvering areas shall be provided to allow entry and exit to the site in a forward direction (except for a single dwelling).	Not required	Yes
(i)	On site maneuvering areas shall be provided to allow entry and exit to and from all car spaces including garages, carports, uncovered spaces and visitor spaces by a single turning movement (except for a single dwelling).	Not required	Yes
(j)	Attached dual occupancies will be assessed on merits in relation to onsite maneuvering.		N/A
(k)	Where more than 3 units are served by an access or the access is greater than 30m long, a turning area shall be provided at or near the end of the access.	The access way to lot 12 is a total of 34m. There is adequate area to maneuver vehicles within this lot depending on the design and location of the future dwelling house.	Yes
(l)	On site maneuvering shall be based on the Austroads Standard 5.0m design vehicle. Templates for this standard are provided in the appendices. When using the templates a minimum of 150mm shall be provided between any fixed object and the extremities of the sweep paths.		Yes
(m)	All on site car spaces shall comply with the minimum dimensions set out in Part C Chapter 2 (Car Parking and Access). Where a space adjoins a wall, fence or other fixed structures, the width shall be increased as follows to allow adequate door opening: • on one side only to 3.2m	Can be achieved for any proposed dwelling to be located on Lot 12	Yes

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Element	Rules	Provides	Complies
	- on both sides to 3.8m (n) Refer to the following chapters for additional requirements: - Part C Chapter 2 - Carparking and Access - Part C Chapter 6 - Energy Efficiency - Part D Chapter 3 - Subdivision		Yes Yes N/A
Visual Amenity	(a) Where there is potential for loss of privacy the proposal should incorporate some of the techniques illustrated in the DCP. (b) Where there is no alternative to a window, it should be screened.	Can be achieved for any new dwelling house on Lot 12.	Yes Yes
Acoustic Privacy	(a) Acoustic privacy is to be considered at the design stage. (b) Site layouts should ensure parking areas, streets and shared driveways have a line of sight separation of at least 3 metres from bedroom windows. (c) A distance of at least 3 metres should separate openings of adjacent dwellings.	Can be achieved for any new dwelling house proposed for lot 12.	Yes Yes Yes
External Noise and Vibration	(a) A noise and vibration assessment must be undertaken by a suitably qualified noise consultant for any proposed residential development other than a single dwelling house located within 100 metres of the railway line or within Australian Noise Exposure Forecast (ANEF) 25 or greater. (b) Proposals must comply with the current Environment Protection Authority criteria and the current relevant Australian Standards for noise and vibration and quality assurance and incorporate appropriate mitigation measures.	The lot is not located within 100m of the railway line. The land is not located within an ANEF contour.	Yes Yes
Safety and Security	(a) Each dwelling is to be provided with direct and convenient pedestrian access to a private or public road. (b) Barriers to prevent movement between internal roof spaces of adjoining dwellings are required. (c) Elements to be incorporated in site and building design and include: - doorway/entry safety and surveillance to and from the footpath - illumination of public spaces including all pedestrian paths, shared areas, parking areas and building entries to the relevant Australian Standard. - Visibility to the street from the front of the development - Restricted access to the rear of the site.	Satisfactory. Satisfactory. Can be achieved for any development on Lot 12.	Yes N/A Yes

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Element	Rules	Provides	Complies
Cables	(a) The design, location and construction of utility services must satisfactorily meet the requirements of both the relevant servicing authority and Council.		Yes
Recycling, garbage and mail	(a) Collection areas must be integrated into the overall site and building design.	Satisfactory.	Yes

Variation

This Rule requires driveways adjacent to adjoining property boundaries, to be setback 1 metre to allow for landscaping. This requirement is imposed to reduce impacts on neighbouring properties in terms of privacy, noise and light.

Applicants Justification

"The sealed portion of the access way was constructed for a previous subdivision and is 2.5 metres wide. There is approximately 0.6 metres available between the northern boundary and the construction suitable for landscaping. The adjoining dwelling No. 2 on the north is 8.3 metres north of the common boundary making this a special case as noise and headlight glare would have minimal affect on that dwelling. A paling fence has been erected on this common boundary. The reduction of landscaping from one metre to 0.6 metres should not be significant under the circumstances."

Comment

The driveway exists and has a setback of between 300mm and 700mm from the adjoining boundary. The driveway is approximately 8m from the dwelling house on adjoining property and appropriate landscaping can be achieved within the setback area provided. It is therefore considered that there will be no adverse impacts resulting from the use of the driveway in its current location. Landscaping of the setback area will be required as a condition on consent.

Community Consultation

The application was notified in accordance with the requirements of Hawkesbury Development Control Plan - Notification Chapter. Eight submissions were received during the notification period; 7 submissions and 1 in support. In recent weeks, 5 additional submissions have been received, four of which are from previous respondents. The matters raised in the submissions, including those recently received, are discussed below:

1. Lot Sizes Not In Character With Area - Considered Medium Density. Prestige/Feel Of Neighbourhood - Large Blocks Averaging 1000m²

Comment

The average size of lots within Langley Place is 1000m², however, lots adjoining those in Langley Place are as small as 600m². It is considered that the resultant lots are in character and are consistent with the locality. Hawkesbury Local Environmental Plan 1989 permits the subdivision of land within the 2(a) zone into allotments of a minimum of 450m².

2. The character of the traditional residential development in the neighbourhood and streetscape is that of high quality, single dwellings with attractive, well-landscaped and maintained lawns and gardens. It is what may be considered by some to be a prestigious neighbourhood. The proposal would not protect and indeed would seriously detract from the traditional residential development.

Comment

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The impact of the proposed subdivision on the existing streetscape is negligible, given the driveway and cross over that will service the new lot already exists. Future development of the rear lot will have restricted views from the street. However, it is considered that landscaping along both sides of the driveway will further restrict this view and will be in keeping with the landscaped character of the locality. The applicant proposes to place a covenant on Proposed Lot 12 to permit only a single storey dwelling on the land. A single storey dwelling on this land will have minimal impact on the existing streetscape of Langley Place, and will be in keeping with the existing streetscape of Castlereagh Road. This area of Castlereagh Road consists of 1.8m solid fences. In most places, buildings have been constructed in close proximity to the Castlereagh Road boundary.

3. Loss of Sunlight (No. 5 Langley Place)

Comment

The proposed subdivision will have no impact on adjoining properties in terms of overshadowing. Future development of the new lot can be designed to minimise the impacts of overshadowing.

4. Type Of Dwelling To Be Erected On The New Lot

Comment

The resultant vacant lot can only be developed for a single dwelling house. The future dwelling house can be designed to be compatible with the character of the residential development of the locality and to minimise any adverse impacts on the adjoining properties. The applicant proposes to place a covenant on Proposed Lot 12 to permit only a single storey dwelling on the land. It is considered more appropriate to impose an 88b Restriction on the title of Proposed Lot 12 to only permit a single storey dwelling, as this type of restriction is enforceable. This will be a condition of consent.

5. Loss Of Privacy Resulting From Future Additional Dwelling

Comment

Future development of the new lot can be designed to minimise any impacts on the privacy of adjoining properties.

6. Loss Of Value Of Properties

Comment

No evidence has been submitted to demonstrate that the proposed development will result in a loss of property value in the locality.

7. Impact On Parking Arrangements In The Cul-De-Sac

Comment

The property is not located within the cul-de-sac head. Adequate area is available to provide visitor parking and manoeuvring within Proposed Lot 12, subject to the appropriate design of future development on the site. It is considered that no unreasonable impacts will result from the subdivision and the future development of Lot 12 in respect to traffic generation and parking within Langley Place.

8. Loss of views (No. 2 Langley Place)

Comment

The proposed subdivision will not result in the loss of views currently afforded adjoining neighbours. The erection of a single storey dwelling house on Proposed Lot 12 will not unreasonably restrict views from No. 2 Langley Place. The dwelling house located on this neighbouring property is two

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storeys. The views in question can only be seen from the first floor, as at ground level any views from the property are obstructed by 1.8m solid fencing.

9. Increased Noise Due To Traffic (No. 2 Langley Place)

Comment

Traffic generated by the future development of Lot 12 for a dwelling house is considered minor and will have no adverse impact on adjoining neighbour in terms of noise nuisance.

10. Clause 12(2) of Hawkesbury Local Environmental Plan, which states "*In respect of a subdivision under subclause (1) or (3), the area of any access handle for a hatchet shaped lot shall be excluded from the minimum area for that lot*", a respondent raises the following:

As the access handle cannot be added to increase the size of the allotment this is just 450sqm. There is no other land size in our area that is this small. In Langley Place they are all 1000sqm and larger. With the smaller blocks on Drift Road they are all 600sqm and larger.

Comment

Whilst numerically Proposed Lot 12 will have an area of 601.7m², the area available for residential development is 450.5m². As the lot is a battle-axe allotment, it is considered that there will be minimal impact on the streetscape and character of Langley Place as discussed previously. Whilst this may give the appearance of a higher density, it is noted that the adjoining property to the northeast has been developed and contains townhouses.

11. Clause 13(1) (b) of Hawkesbury Local Environmental Plan, which states:

"Nothing in this plan prohibits consent being granted for a subdivision of land by adjustment or relocation of common boundaries provided that no allotment becomes, as a consequence of the adjustment or relocation, capable of subdivision under this plan; and a respondent raises the following:

The other highlighted area deals with an adjustment of boundaries. This was the case with this subdivision as the access driveway was purchased from the owners of the battleaxe block behind. Because of the adjustment the allotment cannot become capable of subdivision under the plan.

Comment

The subject lot (Lot 1 DP 817895) was created by a subdivision approved by Council 21 February 1992 (SA 168/91). The Deposited Plan was registered 16 June 1992. The current provisions of Clause 13 - Subdivision by adjustment of boundaries was introduced via Amendment 121 to Hawkesbury Local Environmental Plan 1989, which was gazetted 18 May 2001. Prior to this time, the above stated provision was not a requirement.

12. Land and Environment Court Proceedings - HCC ats Tchadovitch - 15 Drift Road

This proceeding involved a multi unit housing development comprising of 5 two-storey townhouses.

a) The proposal is not consistent with Clause 9A of HLEP 1989 - objective (a)

Comment

Objective (a) of the 2(a) zone is to provide housing and associated facilities in locations of high amenity and accessibility.

In the Judgement, the Commissioner assessed amenity on the basis of the existing amenity of the locality, which is characterised:

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"by predominantly low-density housing, located on lots of about 700-800m², with generous boundary setbacks and significant landscaping. This creates a context of openness and building separation, which is complemented by the low-density houses on the rural 1(c) land opposite. I also accept this precinct is enhanced by the views to the mountain and over the flood plain. Together these factors contribute to a residential precinct having high amenity.

As clause 9 of the HLEP requires consistency with this objective, it seems to me that development should therefore be compatible with, or adhere to the same principles that create this high amenity."

Development within Langley Place is characterised by single dwelling houses located on lots of 1000m². Surrounding lots in Drift Road and Ivory Place have areas of approximately 600m² & 800m² respectively. Dwelling houses in these localities are predominantly characterised by individual design in a landscaped setting. The front building setbacks are generous, however many dwellings are built from boundary to boundary with minimal side setbacks.

The proposed subdivision, and future development for a dwelling house, is compatible with the existing amenity for the following reasons:

- The proposed lots sizes are consistent with lots within the locality;
- The street presentation of 4 Langley Place will remain unchanged as the driveway to the rear proposed lot and cross over exist and an existing dwelling house is located on the proposed front lot (Proposed Lot 11);
- Any future dwelling house on Proposed Lot 12 will not be visually predominant from Langley Place due to its location behind the existing dwelling houses;
- Any future dwelling house will not be inconsistent with the existing streetscape of Castlereagh Road in the locality.
- The proposed building envelop on Lot 12 is setback from boundaries in compliance with Hawkesbury Development Control Plan and is consistent with side boundary setbacks as dictated by existing development within Langley Place;
- No. 10 Ivory Place adjoins Proposed Lot 12 and has been developed for multi unit housing.

In respect to the accessibility of the land, the Commissioner concluded:

"...Insofar as the site is some 2 km from the town centre and public transport is limited, this may not be considered as a high standard of access under some circumstances. Nevertheless it is the level of accessibility that currently exists. Considering that the HLEP does allow some forms of residential development on this site, which presumably complies with this accessibility objective, I do not consider that the subject form of development should be rejected because of poor accessibility."

b) Proximity of building envelop to boundaries

With respect to the matter of side setbacks, the Commissioner states:

"Another critical element concerns the side and rear setbacks. Buildings No's 3, 4, 5 have a minimum side boundary setback of 1.4m to the neighbouring property No. 19. Reference to the landscaping plan, shows that this area is to contain a private steeping stone footpath and minimal landscaping. This will result in significantly more built area being observed along this common boundary, which is not characteristic of the neighbourhood. In this regard, the middle unit No 4 is two storeys, and its location reduces the outlook and amenity from No. 19. Then Unit No. 3 is oriented with a variable setback to its rear boundary of 4m – 6m, with its principal private open space area adjacent to No. 9 Victoria Avenue. In this regard, I accept Mr Adamson and the neighbours concerns that the reduced building setbacks reduce the amenity/privacy of their established, private open space areas, which includes some swimming pool."

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In this case, it is not the boundary setbacks alone that raised concern, it was the combination of the setbacks with the density of the development.

In respect to the subject development, one dwelling house will be erected on the resultant vacant lot and this dwelling will be approximately located in the building envelope designated on the plans. It is considered that the boundary setbacks of the building envelop area consistent with development in the locality.

- c) The site is located in a well-defined residential precinct, which has individually designed dwelling houses, set on large low-density lots in a landscaped setting. The proposal is not consistent with the precinct and the amenity it provides.

This matter has been discussed in (a) above.

Negotiation Meeting

A Negotiation Meeting in accordance with Council's Conflict Management Policy, was held on 24 May 2006 to allow respondents and the proponents the opportunity to discuss the proposal.

The meeting was attended by the respondents, the applicant and property owner as well as the Mayor and Councillors Finch and Devine.

The matters raised by the respondents for discussion included:

- Streetscape impact both Langley Place and Castlereagh Road.
- Loss of property values.
- Loss of amenity and privacy to No. 2 and No. 5 Langley Place.
- Parking and safety issues as well as increase in noise levels.
- Subdivision out of character with the area (lot sizes).
- Majority of the lots 1000m².

The meeting concluded with no consensus or agreed solutions to the above issues.

Conclusion

The proposal is consistent with the provisions of Hawkesbury Local Environmental Plan 1989 and the objectives of Hawkesbury Development Control Plan (DCP). The proposed development seeks two minor variations from the Rules of the DCP, which are considered acceptable in this instance.

The proposed development is not inconsistent with the Court Judgement in respect to Hawkesbury City Council ats Tchadovitch.

The matters raised by the respondents do not warrant refusal of the application.

Conformance to Strategic Plan

The proposal is deemed to conform with the objectives set out in Council's Strategic Plan i.e:

"Objective: "A prosperous community sustained by a diverse local economy that encourages innovation and enterprise to attract people to live, work and invest in the City."

"Sustainable and liveable communities that respect, preserve and manage the heritage, cultural and natural assets of the City."

Funding

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No impact on budget.

RECOMMENDATION:

That the application for a two-lot subdivision be approved subject to the conditions in the attached consent:

General

1. The development shall take place in accordance with the stamped plans, specifications and accompanying documentation submitted with the application except as modified by these further conditions.
2. The development shall comply with the Environmental Planning and Assessment Act, 1979 at all times.

Prior to Commencement of Works

3. Erosion and sediment control devices are to be installed and maintained at all times during site works and construction. The enclosed warning sign shall be affixed to the sediment fence/erosion control device.

During Construction

4. All necessary works being carried out to ensure that any natural water flow from adjoining properties is not impeded or diverted.
5. All civil construction works required by this consent shall be in accordance with Hawkesbury Development Control Plan appendix E Civil Works Specification.
6. Removal of the existing section of redundant concrete access way shown on P.S. Graham plan Ref S.14289.
7. The existing centrally located concrete driveway is to be extended for the full length of the access handle to proposed Lot 12. The extended driveway shall be a minimum width of 2.5 metres with widening as required to accommodate vehicle manoeuvring.

Prior to Issue of Subdivision Certificate

8. A Certificate from a telecommunications carrier confirming that provision has been made for services to the development shall be submitted to the Principal Certifying Authority.
9. A Section 73 Compliance Certificate under the Sydney Water Act 1994 must be obtained from Sydney Water Corporation.

Application must be made through an authorised Water Servicing Coordinator. Please refer to the Building Developing and Plumbing section of the web site www.sydneywater.com.au then refer to "Water Servicing Coordinator" under "Developing Your Land" or telephone 13 20 92 for assistance.

Following application a "Notice of Requirements" will advise of water and sewer infrastructure to be built and charges to be paid. Please make early contact with the Coordinator, since building of water/sewer infrastructure can be time consuming and may impact on other services and building, driveway or landscape design.

10. Written clearance from Integral Energy shall be submitted to the Principal Certifying Authority.
11. The setback area of the access way from the adjoining boundaries, including that to proposed Lot 11, shall be landscaped with a mixture of trees, shrubs and groundcover.

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12. Creation of a restriction on use of land pursuant to Section 88B of the Conveyancing Act prohibiting the erection of a dwelling house on lot 12, unless that dwelling house is single storey.
13. A plan of subdivision prepared to the requirements of the Land Titles Office, shall be submitted to Council, with four copies.
14. A Surveyor's Certificate stating that all existing buildings on the lots comply with the Building Code of Australia in relation to boundary setbacks shall be submitted.
15. A survey plan showing all existing services on the lots including septic tank and effluent disposal area, sewer connections, water connections and stormwater disposal shall be submitted. The plan shall demonstrate that there are no encroachments over remaining or proposed boundaries.
16. Payment of a Linen Release Fee of \$500.00. This amount is valid until 30 June 2006.
17. A Concept On Site Stormwater Detention Design in accordance with the Hawkesbury Development Control Plan, Appendix E Civil Works Specification Part 1 Design Specification is to be submitted.

The Design is to show details of the floor levels of the proposed and existing dwellings, the surface and invert levels of the stormwater pits and at the point of discharge into Hawkesbury City Council's stormwater system, the estimated permissible site discharge, the estimated Orifice Size, the estimated storage volume and method of detention for all storms from the 1 in 1 year storm event to the 1 in 100 year storm event are to be provided.

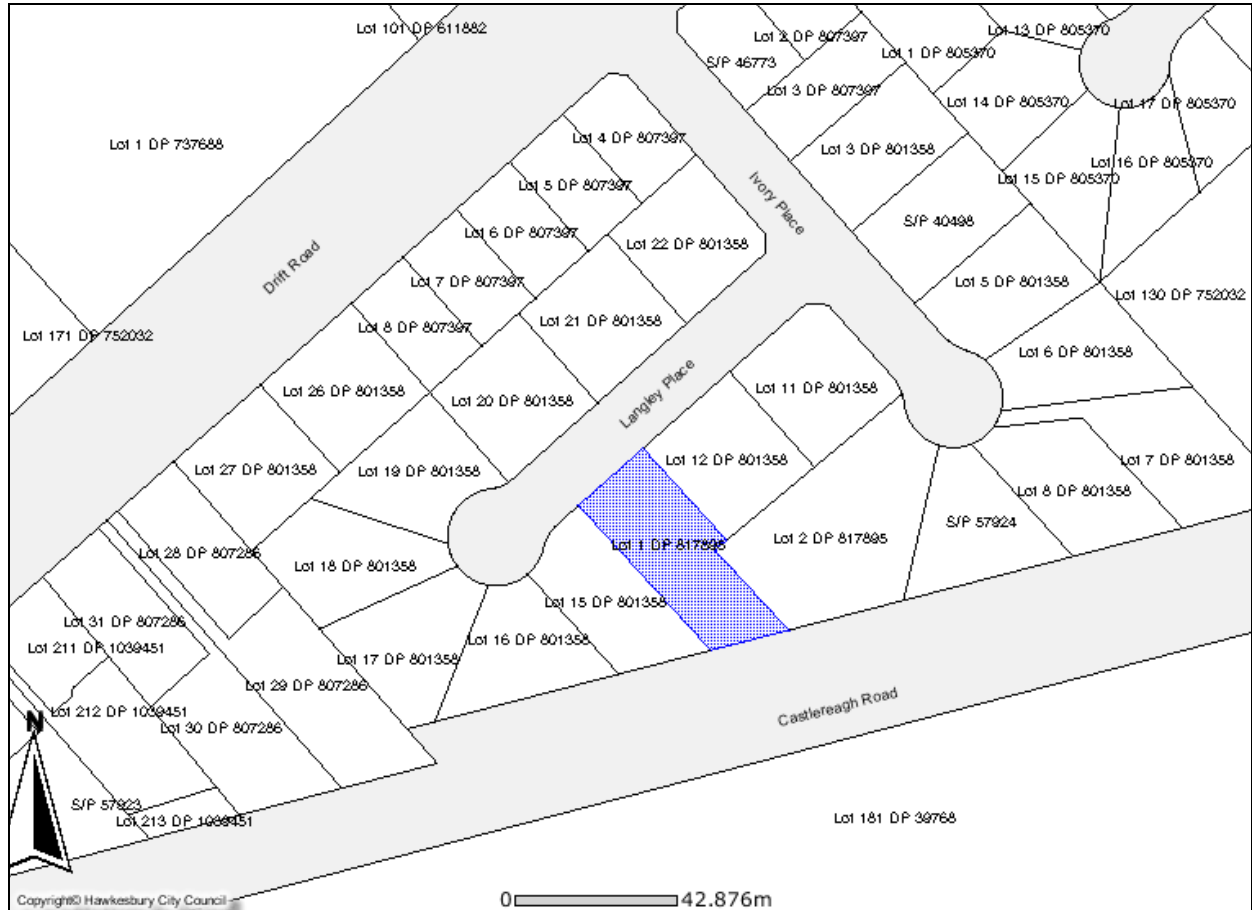
ATTACHMENTS:

AT - 1 Locality Plan

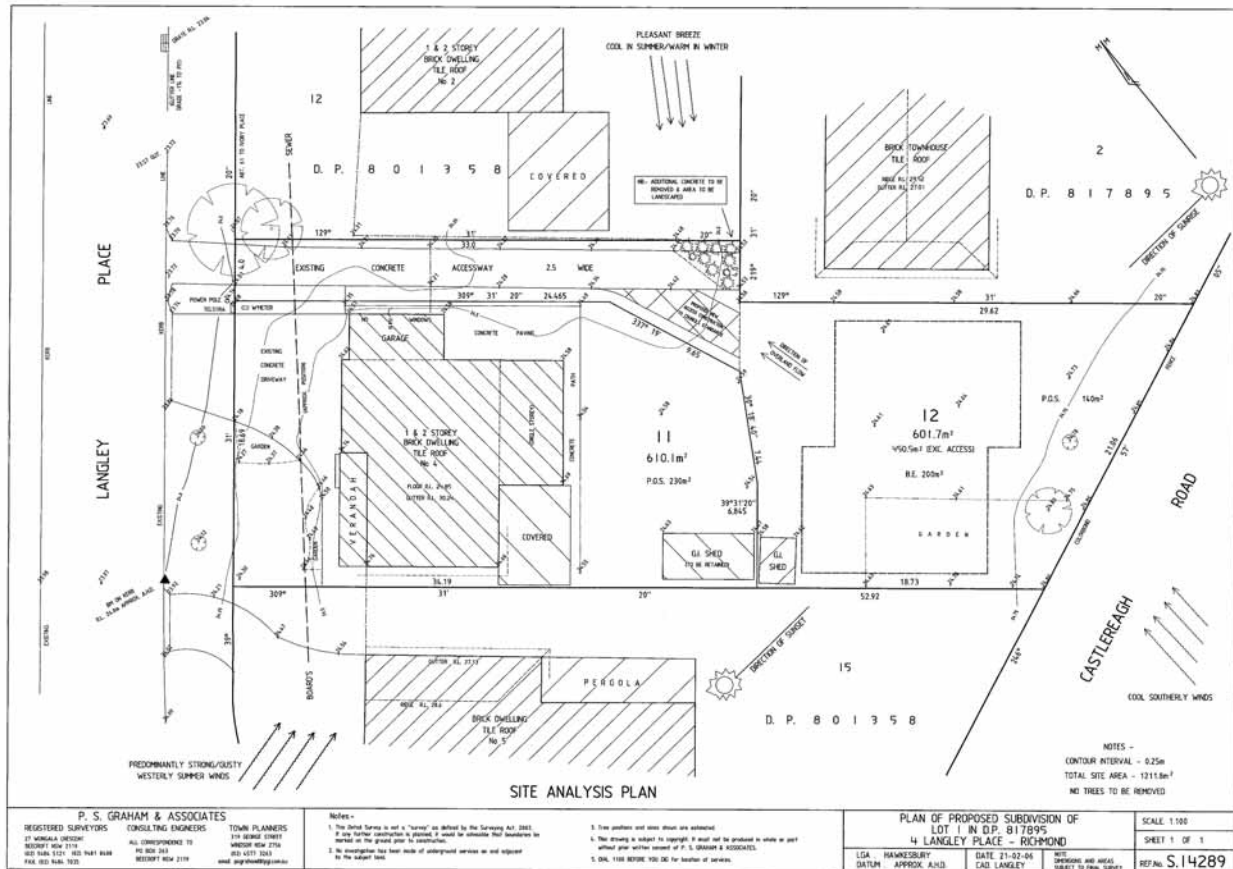
AT - 2 Subdivision Plan

AT - 1 Locality Plan

Lot 1 DP 817895, No. 4 Langley Place, Richmond



AT - 2 Subdivision Plan



oooO END OF REPORT Oooo

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Item: 132 **ES - South Windsor Family Centre - (95494, 79342)**

Previous Item: 82, Confidential Ordinary (11 April 2006)

REPORT:

This report has been prepared to advise Councillors of the outcomes of negotiations with Denning Constructions and the Ham Street Hall Management Committee to amend the design of the South Windsor Family Centre (SWFC) to enable this project to be finalised within budget.

Background

As previously reported to Council, tenders for the construction of the South Windsor Family Centre (SWFC) were called for in December 2005. The lowest complying tender submitted by Denning Constructions Pty. Ltd. exceeded the funds available for the construction of the Centre by \$383,000.

Council subsequently resolved (at its Ordinary meeting held on 11 April 2006) that:

1. *Council decline to accept any tender for the construction of the SWFC and, in accordance with Clauses 178(3)(e) of the Local Government (General) Regulation 2005 enter into negotiations with Denning Constructions Pty Ltd. with a view to reducing the floor space of South Windsor Family Centre and/or other such other items that would be required to lower the cost of construction to enable the project to be finalised within budget.*
2. *As required by Clause 178(4)(e) of the Local Government (General) Regulations 2005 the reason for Council's decision in 1. above is that it is necessary for the project to be completed within a specified funding level and it is more appropriate for that to be determined with an appropriate person/organisation as distinct from redesigning the preposed facility without being assured that subsequent tenders for the decision would fall within the available budget and Denning Constructions Pty Ltd are considered to be an appropriate body to enter into such negotiation with as they were the lowest tender for the original project.*
3. *The currently approved Development Application be amended to incorporate required changes.*
4. *Subject to the satisfactory completion of negotiations with Denning Constructions Pty. Ltd. for the construction of the South Windsor Family Centre approval be given for any necessary documents in association with the matter to be executed under Seal of Council.*
5. *Council notify the Management Committee of the Ham Street Hall of its intention to amend the design of the South Windsor Family Centre and to bring forward the sale of the Ham Street Hall. The Committee to be also advised of Council's intention to assist the current users of the Hall to relocate to an alternate Council facility.*
6. *Council provide an interim subsidy to not-for-profit user groups to meet any additional costs arising out of their relocation until such time as the South Windsor Family Centre can be occupied.*
7. *Subject to the rezoning of the site being gazetted, Council proceed with the sale of the Ham Street Hall site to facilitate the construction of the South Windsor Family Centre*

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within the time frame as scheduled within Council's Section 94 Developer Contributions Plan.

8. *The matter be further reported to Council detailing the outcomes of negotiations with Denning Constructions, the Ham Street Hall Management Committee, and user groups.*

Current Situation

Revised Costings

Council has been previously advised that the estimated cost of constructing the South Windsor Family Centre would be \$1.584M. The estimated costs has now been revised upwards by \$38,000 to \$1.622M. At the same time, in response to the continuing downturn in the building construction industry, the estimates for the Sec 94 Catchment 3 Community Facilities reserve had been revised downwards by \$13,000 (from \$617,000 to \$606,000). On the basis of these revised projections, the shortfall in available funding for the SWFC is estimated to be \$430,000.

Amended design

A number of amended design proposals for the SWFC were developed to try to achieve a reduction in the projected cost of the SWFC. The amended designs were required to provide for minimal variation to the core structural requirements of the SWFC to avoid the need to redesign the rooflines, foundations and structural members. This approach was undertaken to minimise further expenditure which may have been incurred as a result of a requirement to prepare new tender specifications and drawings and the re-tendering of the project (which would have added a further \$35,000 to \$40,000 to the cost of the Project).

The maximum area of floor space reduction which could reasonably be achieved was in the order of 150m² - which would reduce the cost of the SWFC by approximately \$280,000, still leaving a shortfall of \$150,000. After considering further options, Council staff determined that it would not be possible to achieve the required cost reductions without substantially impacting on the viability and functionality of the finished building. Under these circumstances, Council would be unable to deliver a reasonable community outcome for the project, nor meet the requirements of the funding agreements by which grant monies had been obtained for the project. Council may therefore have been required to incur considerable additional expense in the redesign and re-tender of the project and/or the return of grants totalling \$308,000.

Construction Timetable

The other element required to be considered in achieving an amended design for the SWFC (incorporating a small community hall), relates to the need to provide the total funding for the project 'upfront'. This would require the net proceeds of the sale of the Ham Street Hall site (estimated at \$275,000) to be available prior to the commencement of construction.

Council's resolution to sell the Ham Street Hall is dependent on the gazettal of Amendment 108 (the rezoning of the Ham Street Hall site). Amendment 108 has not yet been gazetted, although advice from the City Planning Directorate indicates that its gazettal is imminent. While the gazettal of the Ham Street hall site will enable the site to be sold, there will be a period of time to complete this process, and as a consequence a firm date for the commencement of construction cannot be finalised.

Council has recently received correspondence from the Department of Transport and Regional Services (DOTARS) seeking urgent advice as to the likely completion date for the Centre in accordance with the agreed milestones for the \$240,000 grant received from DOTARS. A variation to the funding agreement has been submitted by Council to seek an extension for the project. The variation has been approved, however DOTARS has indicated that Council will need to ensure that the construction of the SWFC proceeds without further delay and that construction needs to be substantially completed by the end of this calendar year. It is therefore critical that the project proceed without further delay.

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Summary.

The shortfall in available funding to construct the SWFC (as designed) is \$429,000. Amending the design of SWFC to deliver a project which can incorporate provision for a small community hall is constrained by the following factors:

- it is not possible to reduce the floor space of the SWFC to allow the retention of a community hall and associated facilities without substantially impacting on the viability and functionality of the Centre;
- the maximum floor space reduction which could be achieved would generate \$280,000 in savings still leaving a shortfall of \$150,000;
- the construction of the SWFC cannot commence until the proceeds of the sale of the Ham Street Hall Site are realised;
- the funding agreement with DOTARS requires that the SWFC be substantially completed by the end of the current calendar year.

Accordingly, to complete this project, it is recommended that Council pursue the option of constructing the SWFC through a combination of minor cost reductions, external funds and internal re-allocations. This option would preserve the integrity and functionality of the building and enable the project to be built without substantial variations to the original tender specifications. This option is based on expanding the functions and use of the SWFC to incorporate provision for a district disability and aged services centre. The expanded SWFC would operate as a co-located community services outlet.

Proposed Funding Strategy

A. Capital Construction Cost

The proposed funding strategy to raise the additional \$429,000 that will be required to complete the South Windsor Family Centre incorporates three elements:

(a) Construction Cost Reductions

Savings of \$62,000 can be realised from minor deletions to the Stage 2 construction (deletion of operable wall and timber floors to community hall)

(b) Partnering arrangements

Peppercorn Services Inc. - It is proposed that Council consider the possibility of entering into a partnering arrangement with Peppercorn Services Inc., whereby PS Inc. would contribute up to \$200,000 to the construction of the SWFC to purchase an 'exclusive use' entitlement to floor space within the Centre.

PS Inc. is Council's delegated managing agent for the planning, co-ordination and provision of services for older people and people with disabilities within the City of Hawkesbury. Since its inception, PS Inc. has demonstrated its capacity to attract funds to establish new services, and to operate effective and efficient community services on behalf of Council. The operating income of PS Inc. has tripled since 2000, and it is now responsible for assets valued at \$1.2M. PS Inc. is the largest non-government provider of non-residential disability and aged services within the City of Hawkesbury.

As previously reported to Council, PS Inc. has secured funds from the Department of Ageing Disability and Home Care to provide a Transition to Work Program for up to 24 young people with disabilities. PS Inc. has also lodged a tender to operate a Community Participation program to cater for up to 24 people with disabilities.

To accommodate these services, PS Inc. has lodged a DA to erect a demountable building adjacent to the community nursery at McGrath's Hill. However, the Board is willing to consider other options to

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accommodate these services. At the Board Meeting held on the 25 May, the Board approved an internal loan reserve of up to \$200,000 to facilitate the construction of a Life Skills Training Centre. The Board is also willing to enter into negotiations with Council with a view to possible 'purchasing' an exclusive use entitlement of up to 100m² of floor space within the SWFC. This proposal is being considered by the Board as it would provide the best outcomes for clients of its Life Skills Programs. The integration of the Life Skills program within a permanent, centrally located, purpose-built community facility was assessed as providing a more attractive and 'normalised' environment for these programs than the proposed demountable building to be located at McGrath's Hill. PS Inc. has sufficient reserves to provide an up-front contribution of \$200,000 and would recoup this internal loan by directing the current rent of \$21,000 per annum paid for the lease of a cottage in Richmond (which currently houses its Life Skills Program) to repay this internal loan).

The Right Connections Coalition. In March 2001, Council established 'RIGHT CONNECTIONS' coalition - a consortium of 17 health, family and early intervention services operating within the Hawkesbury LGA. Hawkesbury City Council is the co-ordinating lead agency for the Coalition. The 'RIGHT CONNECTIONS' coalition has attracted over \$230,000 in annual funding to establish and operate the Hawkesbury Family Co-op (an early intervention family worker project), the Jennibee Aboriginal Playgroup, the Riverside Caravan Park Outreach Project and the South Windsor Community Connections Project. These Council operated projects are based at the Stewart Street Early Intervention Centre at South Windsor.

The Coalition has recently been advised that its joint-tender (with Wesley Dalmar) under the Department of Community Services' Early Intervention Program has been successful. The Coalition will received an additional \$500,000 in annual funding to provide and operate early intervention services for vulnerable families. The Coalition's portfolio of early intervention services has outgrown its current premises at the Stewart Street Early Intervention Centre. The SWFC was designed to facilitate the re-location of some of the Coalition's existing services and to accommodate the newly funded services. It is proposed that \$61,000 (made up of additional establishment and fit-out grants which have been received by Council, together with a contribution of \$20,000 from the Hawkesbury Family Co-op) be earmarked as a contribution to the construction of the SWFC. This will facilitate the inclusion of purpose-built spaces for the use of these services.

These partnering arrangements represent an innovative alliance through which Council and funded community services can contribute funds to maximise the economic and social return to the community while also addressing the infrastructure requirements of an ageing population and the need to provide support services to vulnerable families.

Should Council, PS Inc. and the Right Connections Coalition agree to enter into a partnering arrangement, a formal lease agreement would need to be executed. The 5 x 5 year lease agreement would provide for PS Inc. and the Right Connections Coalition to occupy, on an exclusive use basis, floor space within the SWFC for a minimum period of ten years. The lease would also provide for access to shared-used spaces (Council has already executed similar lease arrangements, on a two-year renewable basis, with the tenants of Peppercorn Place).

(c) Amendment to the Sec 94 Contributions Plan

The current Sec 94 Contributions Plan incorporates provision for a \$1.5M extension to the Hawkesbury Seniors Centre (projected for completion in 2010-2011). It is proposed that the Plan be amended (in conjunction with the imminent review of the Plan) to allocate a minimum of \$110,000 of these funds as a contribution to the SWFC. These funds would see the SWFC become an annexe to the Hawkesbury Seniors Centre by providing a venue for programs directed at seniors (e.g. University of the Third Age learning centre, a Seniors Day Care Facility, an outlet for a Centre-Based Meals Program for Seniors, and a Seniors Gym). These activities would be conducted primarily within the remaining community hall space (72m²) which was intended to replace the Ham Street Hall. The reallocation of \$120,000 in District S94 contributions, together with the funds raised from the sale of the Ham Street Hall, would enable the hall and its associated facilities (kitchen, foyer, courtyard, verandah and meeting room) to be completed.

It is estimated that \$120,000 will be available within the S94 District Facilities Reserve for re-allocation to the SWFC. The proposal to re-allocate \$110,000 is considered to be appropriate given that they will be dedicated to the construction of a district community space to be accessed by senior residents. The

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provision of this space in South Windsor, will complement the district facilities currently operating at Richmond (Seniors Centre) and Windsor (Peppercorn Place) and the planned provision of similar facilities on the western side of the Hawkesbury River (North Richmond and Kurrajong). This integrated network of facilities will ensure that Council is in a position to meet the needs of its ageing population.

(d) Summary

The proposed funding strategy will reduce the total construction cost for the SWFC to \$1,559,845. The strategy will also raise the additional \$380,000 required to complete the SWFC (as indicated in the following table).

Estimated Total Construction Cost (revised)	\$ 1,621,845
Less net construction cost reduction and additions	\$ 62,000
Total Construction Cost (with reductions)	\$ 1,559,845

Funds available	
Section 94 (Catchment 3 Community Facilities Reserve)	\$ 606,000
Contribution from Peppercorn Services Inc.	\$ 200,000
Contribution from Hawkesbury Family Co-op	\$ 61,000
Sale of Ham Street Hall Site (indicative)	\$ 275,000
DOTARS Grant	\$ 240,000
DoCS Grant	\$ 68,000
Reallocation S94 District Facilities Reserve	\$ 110,000
TOTAL AVAILABLE FUNDS	\$1,600,000

B. Operating and Maintenance Costs

A financial model analysis has been prepared (Attachment 1) which outlines the projected operating and maintenance costs for the SWFC over the next ten years. The 2006/2007 projected operating cost for the SWFC is estimated to be \$39,661. This figure includes a 'sinking fund' to cover the costs of routine maintenance.

In order to minimise additional costs to Council for the operation of the South Windsor Family Centre, it is proposed that the SWFC be operated on the same basis as Peppercorn Place. Under this community management model, responsibility for the day-to-day care and control of Peppercorn Place has been delegated to Peppercorn Services Inc. Peppercorn Services levies a tenancy charge on tenants within the building (based on the square metres occupied by each tenant). The tenancy charges have been calculated to enable PS Inc. to meet 100% of the total operating costs of Peppercorn Place (including routine non-structural maintenance). This arrangement has been operating effectively since 2001.

It is proposed that a similar arrangement be put into place for the South Windsor Family Centre. The SWFC will house a suite of community services, which will attract a minimum of \$800,000 in grants and other income. The projected operating costs of the SWFC at \$39,661 represents 5% of this income stream. This level of impost cannot be considered onerous - particularly as tenants of the SWFC will not have to meet the cost of a commercial tenancy on the private rental market.

Financial Modelling: Best –vs- Worst Case Scenario

Operational - The model proposed for the operation of the SWFC will ensure that 100% of the operating and routine maintenance costs for the Centre will be met by tenants with no additional cost to Council. The assumption of a 100% cost recovery is reasonable in view of the experience of Peppercorn Place, which has been operating on a similar basis since 2001. A worse-case scenario would see Council required to cover a proportion of the operating costs of the SWFC - should tenants be unable to meet their respective tenancy charges. This would only occur if government funding for these services is withdrawn – this is considered to be unlikely given the growth in the early intervention and disability aged services sector. To further minimise the risk, a formal lease agreement will be executed with tenants. It should also be noted that the services which will occupy the SWFC are either directly or indirectly managed by Council.

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Capital – The best case scenario will see the SWFC delivered on time and within budget. The worst case scenario may see the construction costs escalate and/or sale of the Ham Street Hall deferred, subject to a lengthy delay, or alternatively not realise the estimated net return.

To cover the worst-case scenario, the construction costings include a \$25,000 contingency provision. It is also proposed to establish a \$275,000 'deferred works' interim reserve as outlined below. The interim reserve will set aside \$275,000 - made up of unbudgeted income (an Arts NSW salary subsidy grant) and deferred capital works, which will be available to cover any unforeseen shortfall, which may arise from the sale, or lack of sale of the Ham Street Hall site. The unbudgeted income would be released, and the deferred works reinstated to the capital works program following the successful sale of the Ham Street Hall site. If the sale does not occur these works will need to be reprioritised within the future works program.

Unbudgeted grant income	\$ 70,000
Kable Street Amenities Windsor (extensions)	\$ 20,000
Lower Portland Amenities (extensions)	\$ 40,000
Loder House Windsor	\$ 2,500
Wilberforce Offices (clean ducts + registers)	\$ 6,000
Admin Building (floors + ceilings)	\$ 59,000
Council Depot (replace gal. Gutters)	\$ 11,000
Admin Building (replace doors)	\$ 4,200
Seniors Centre (existing comp tripping breakers)	\$ 8,500
Admin Building (low reflective lighting, roof recoating)	\$ 18,000
Various Minor Works	\$ 35,800
Total additional income/deferred amount	\$275,000

Consultation with Ham Street Hall Management Committee

Council staff met with the chairperson of the Ham Street Hall Committee on 4 May to discuss Council's Resolution of 11 April 2006. The chairperson was advised of the need to amend the design of the SWFC which would impact on the size of the Hall which could be constructed in Stage 1 and of the possibility that the Hall may need to be sold prior to the completion of the SWFC and that as a consequence, the users of the Ham Street Hall would need to be relocated. The Chairperson was also advised that while Council would provide an interim subsidy to not-for-profit user groups to meet any additional costs arising out of their relocation, the same provision could not be applied to the for-profit dance studio operating within the Hall. The chairperson indicated she would relay this information to the committee. The committee has subsequently been contacted by Council staff and invited to address Council in relation to this matter.

Conformance to Strategic Plan

The proposal is deemed to conform with the objectives set out in Council's Strategic Plan i.e:

"A network of towns, villages and rural localities connected by well-maintained public and private infrastructure, which supports the social and economic development of the City."

Funding

The funding strategy outlined in the report (and Attachment) will ensure that 100% of the capital and operating costs of the South Windsor Family Centre can be met. The proposal also identified options to minimise Council's exposure to possible financial risks associated with the construction and operation of the South Windsor Family Centre.

RECOMMENDATION:

1. In view of the satisfactory completion of negotiations with Denning Constructions Pty. Ltd. for the construction of the South Windsor Family Centre, approval be given for any necessary documents in association with the matter to be executed under Seal of Council.

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2. Council proceed immediately to begin construction of the South Windsor Family Centre subject to required approvals for any Sec 96 modifications as may be required for the amended design of the South Windsor Family Centre.
3. Council advise the Board of Peppercorn Services Inc. and the Right Connections Coalition of its willingness to enter into a partnering arrangement to enable these agencies to purchase an 'exclusive use' entitlement to floor space within the South Windsor Family Centre (subject to the execution of a written partnership agreement).
4. Council begin negotiations with the Board of Peppercorn Services Inc. and the Right Connections Coalition to draft and execute a lease agreement to identify applicable tenancy arrangements and charges for the South Windsor Family Centre.
5. Council note the establishment of an interim reserve of \$275,000 to cover any unforeseen shortfall, which may arise from the sale, or lack of sale of the Ham Street Hall site.
6. Council approve the allocation of \$120,000 from the District Community Facilities Reserve (subject to the required amendment of the Sec 94 Contribution Plan) to facilitate the inclusion of provision for a Senior's Centre annexe within the South Windsor Family Centre.
7. Council advise the Ham Street Hall Management Committee of its intention to commence construction of the South Windsor Family Centre, and to reaffirm its commitment to assist user groups to relocate to an alternate Council Facility should the Ham Street Hall Site be sold prior to the completion of the South Windsor Family Centre.
8. Council to proceed with the sale of the Ham Street Hall site following the gazettal of Amendment 108.

ATTACHMENTS:

AT - 1 South Windsor Family Centre: Financial Model Analysis.

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AT - 1 South Windsor Family Centre: Financial Model Analysis.

FINANCIAL ANALYSIS - SOUTH WINDSOR FAMILY CENTRE

Scenario Summary				
		Base Case	Worst Case	Best Case
Changing Cells:				
Sale_Proceeds_Ham_St		\$0	\$0	\$275,000
Contribution_to_operating_costs		100%	80%	100%
Construction_Cost_Variation		2.50%	5.00%	0.00%
Result Cells:				
Average_Cost_Escalations__CostG		5.57%	5.57%	5.57%
Total_Operating_Costs		(\$383,150)	(\$383,150)	(\$383,150)
Net_Cashflow		(\$314,000)	(\$456,341)	\$0
Net_Present_Value		(\$294,836)	(\$399,280)	\$0
Average_Net_Cashflow_Out_In_p		(\$31,400)	(\$45,634)	\$0
Net_Cashflow_Out_In_Last_Year		\$0	(\$13,030)	\$0

 HAWKESBURY CITY COUNCIL SOUTH WINDSOR FAMILY CENTRE Statement of Cash Flows												
Best Case	2006/07 Year 0	2007/08 Year 1	2008/09 Year 2	2009/10 Year 3	2010/11 Year 4	2011/12 Year 5	2012/13 Year 6	2013/14 Year 7	2014/15 Year 8	2015/16 Year 9	2016/17 Year 10	TOTAL
CASH INFLOWS												
Capital												
S94 Catchment Reserve	\$606,000											\$606,000
DOTARS GRANT	\$240,000											\$240,000
DOCS GRANT	\$68,000											\$68,000
S94 District Reserve	\$110,000											\$110,000
Contribution Peppercom Services	\$200,000											\$200,000
Contribution Family Co-op	\$61,000											\$61,000
Sale of Ham Street	\$275,000											\$275,000
Sinking Fund - Building Refurbishments								\$9,500		\$34,446		\$43,946
Operating												
Fees & Charges												
Community Group Contributions		\$40,000	\$42,228	\$44,580	\$47,063	\$49,685	\$52,452	\$55,374	\$58,458	\$61,714	\$65,152	\$516,705
Total Cash Inflows	\$1,660,000	\$40,000	\$42,228	\$44,580	\$47,063	\$49,685	\$52,452	\$55,374	\$58,458	\$61,714	\$65,152	\$2,120,651
CASH OUTFLOWS												
Capital												
Building Construction Costs	(\$1,560,000)											(\$1,560,000)
Building refurbishment works								(\$9,500)				(\$9,500)
Building refurbishment works									(\$34,446)			(\$34,446)
Construction Cost Variation (+/-)												
Operating												
General operating		(\$29,661)	(\$31,313)	(\$33,057)	(\$34,899)	(\$36,842)	(\$38,895)	(\$41,061)	(\$43,340)	(\$45,763)	(\$48,311)	(\$383,150)
M&R		(\$4,000)	(\$4,223)	(\$4,458)	(\$4,706)	(\$4,968)	(\$5,245)	(\$5,537)	(\$5,846)	(\$6,171)	(\$6,515)	(\$51,671)
Sinking Fund		(\$6,339)	(\$6,602)	(\$6,865)	(\$7,138)	(\$7,421)	(\$7,714)	(\$8,017)	(\$8,330)	(\$8,653)	(\$8,985)	(\$81,885)
Borrowings												
Total Cash Outflows	(\$1,560,000)	(\$40,000)	(\$42,228)	(\$44,580)	(\$47,063)	(\$49,685)	(\$52,452)	(\$55,374)	(\$58,458)	(\$61,714)	(\$65,152)	(\$2,120,651)
NET CASHFLOW												
NET PRESENT VALUE												
Operating Cost Escalation			5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	

ORDINARY MEETING
Meeting Date: 27 June 2006



HAWKESBURY CITY COUNCIL
SOUTH WINDSOR FAMILY CENTRE

Statement of Cash Flows

Base Case	\$ 2006/07 Year 0	\$ 2007/08 Year 1	\$ 2008/09 Year 2	\$ 2009/10 Year 3	\$ 2010/11 Year 4	\$ 2011/12 Year 5	\$ 2012/13 Year 6	\$ 2013/14 Year 7	\$ 2014/15 Year 8	\$ 2015/16 Year 9	\$ 2016/17 Year 10	TOTAL \$
CASH INFLOWS												
Capital												
S94 Catchment Reserve	\$606,000											\$606,000
DOTARS GRANT	\$240,000											\$240,000
DOCS GRANT	\$68,000											\$68,000
S94 District Reserve	\$110,000											\$110,000
Contribution Peppercorn Services	\$200,000											\$200,000
Contribution Family Co-op	\$61,000											\$61,000
Sale of Ham Street												
Sinking Fund - Building Refurbishments								\$9,500		\$34,446		\$43,946
Operating												
Fees & Charges												
Community Group Contributions		\$40,000	\$42,228	\$44,580	\$47,063	\$49,685	\$52,452	\$55,374	\$58,458	\$61,714	\$65,152	\$516,705
Total Cash Inflows	\$1,285,000	\$40,000	\$42,228	\$44,580	\$47,063	\$49,685	\$52,452	\$64,874	\$58,458	\$96,160	\$65,152	\$1,846,651
CASH OUTFLOWS												
Capital												
Building Construction Costs	(\$1,560,000)											(\$1,560,000)
Building refurbishment works												
Building refurbishment works								(\$9,500)				(\$9,500)
Building refurbishment works									(\$34,446)			(\$34,446)
Construction Cost Variation (+/-)	(\$39,000)											
Operating												
General operating		(\$29,661)	(\$31,313)	(\$33,057)	(\$34,899)	(\$36,842)	(\$38,895)	(\$41,061)	(\$43,348)	(\$45,763)	(\$48,311)	(\$383,150)
M&R		(\$4,000)	(\$4,223)	(\$4,458)	(\$4,706)	(\$4,968)	(\$5,245)	(\$5,537)	(\$5,846)	(\$6,171)	(\$6,515)	(\$51,671)
Sinking Fund		(\$6,339)	(\$6,692)	(\$7,065)	(\$7,458)	(\$7,874)	(\$8,312)	(\$8,775)	(\$9,264)	(\$9,780)	(\$10,325)	(\$81,885)
Borrowings												
Total Cash Outflows	(\$1,599,000)	(\$40,000)	(\$42,228)	(\$44,580)	(\$47,063)	(\$49,685)	(\$52,452)	(\$64,874)	(\$58,458)	(\$96,160)	(\$65,152)	(\$2,120,651)
NET CASHFLOW	(\$314,000)											(\$314,000)
NET PRESENT VALUE	(\$294,836)											
Operating Cost Escalation			5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	

ORDINARY MEETING
Meeting Date: 27 June 2006

 HAWKESBURY CITY COUNCIL SOUTH WINDSOR FAMILY CENTRE Statement of Cash Flows												
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	TOTAL
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	\$
CASH INFLOWS												
Capital												
S94 Catchment Reserve	\$606,000											\$606,000
DOTARS GRANT	\$240,000											\$240,000
DOCS GRANT	\$68,000											\$68,000
S94 District Reserve	\$110,000											\$110,000
Contribution Peppersorn Services	\$200,000											\$200,000
Contribution Family Co-op	\$61,000											\$61,000
Sale of Ham Street												
Sinking Fund - Building Refurbishments								\$9,500		\$34,446		\$43,946
Operating												
Fees & Charges												
Community Group Contributions		\$32,000	\$33,782	\$35,664	\$37,651	\$39,748	\$41,962	\$44,299	\$46,766	\$49,371	\$52,121	\$413,364
Total Cash Inflows	\$1,285,000	\$32,000	\$33,782	\$35,664	\$37,651	\$39,748	\$41,962	\$44,299	\$46,766	\$49,371	\$52,121	\$1,742,310
CASH OUTFLOWS												
Capital												
Building Construction Costs	(\$1,560,000)											(\$1,560,000)
Building refurbishment works								(\$9,500)				(\$9,500)
Building refurbishment works									(\$34,446)			(\$34,446)
Construction Cost Variation (+/-)	(\$70,000)											
Operating												
General operating		(\$29,661)	(\$31,313)	(\$33,057)	(\$34,899)	(\$36,842)	(\$38,895)	(\$41,061)	(\$43,348)	(\$45,763)	(\$48,311)	(\$383,150)
MSR		(\$4,000)	(\$4,223)	(\$4,458)	(\$4,706)	(\$4,968)	(\$5,245)	(\$5,537)	(\$5,846)	(\$6,171)	(\$6,515)	(\$51,671)
Sinking Fund		(\$6,339)	(\$6,692)	(\$7,065)	(\$7,458)	(\$7,874)	(\$8,312)	(\$8,775)	(\$9,264)	(\$9,780)	(\$10,325)	(\$81,805)
Borrowings												
Total Cash Outflows	(\$1,638,000)	(\$40,000)	(\$42,228)	(\$44,580)	(\$47,063)	(\$49,685)	(\$52,452)	(\$54,874)	(\$56,458)	(\$58,190)	(\$59,152)	(\$2,120,051)
NET CASHFLOW	(\$353,000)	(\$8,000)	(\$8,446)	(\$8,916)	(\$9,413)	(\$9,937)	(\$10,490)	(\$11,075)	(\$11,692)	(\$12,343)	(\$13,030)	(\$486,341)
NET PRESENT VALUE	(\$300,280)											
Operating Cost Escalation			5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	5.57%	

Project Risk Assessment - South Windsor Family Centre									
Risk Category	Id No.	IDENTIFIED RISK	Likelihood (L)			Impact	Consequence (C)		Risk (R)
			Almost Certain	Likely	Possible	Unlikely			
Financial Risk	1.1	The sale of Ham Street will not proceed due to land use planning issues preventing disposal.			X		Major	Shortfall in project funding of \$275,000 for construction of the South Windsor Family Centre. Ham Street unable to be sold, resulting in excess community facilities.	High Identify list of carry forward capital works that can be deferred to fund the shortfall. Identify potential future usage for Ham Street Site.
	1.2	Contribution by community organisations towards operating and maintenance costs below 100%.			X		Major	Negative cash flow impact on Council resulting in increased operational costs which will need to be funded within existing budgetary constraints.	High Enter into binding contract agreement with Peppercom Inc as the management committee responsible for all outgoings including operating maintenance and sinking fund for future refurbishments.
	1.3	Agreement with Peppercom Inc regarding contribution for capital and management of centre is not reached.				X	Major	Shortfall in project funding of \$200,000 for construction of the South Windsor Family Centre.	High Enter into binding agreement with Peppercom Inc outlining terms and conditions of capital contribution including rent free period, space occupation etc.
	1.4	Capital construction costs will continue to increase if deferred.	X				Moderate	Project cost escalations will result in negative cash outflows and a shortfall in funding for construction of the project.	High Investigate possibility of staging the construction of the cost reducing the scope of the project to meet current funding levels.
	1.5	Additional S84 money will not be received to fund shortfall and S844 funds will not be available to be re-directed towards shortfall.	X				Moderate	Deferral of project will result in increased construction costs without matching increase in funds received from s84 as the plan has been superseded by s84A. S844 funds have already been allocated to other priority projects.	High Proceed with construction, within current funding levels.
	1.6	Operational and maintenance costs will increase if project is deferred.		X			Minor	Increase in existing operational and maintenance expenses expected as the condition of Ham Street hall deteriorates. Future refurbishment costs would be required for Ham St if the SWFC does not proceed.	Moderate Proceed with construction, within current funding levels and dispose of Ham Street.
	1.7	Potential revenue streams will be lost as a result of deferring the project.			X		Moderate	Council has been successful in obtaining grant funding of approximately \$0.8 million expected to increase to over \$1.2 million to provide family services within the LG area. To provide and house these services a suitable facility is required, which will result in the ability of the management committee to 100% fund any outgoings.	Moderate Proceed with construction, within current funding levels which will provide facilities to operate new family services program.
	1.8	Estimated constructions costs exceed budget allocation.		X			Moderate	Negative cash flow impact, increasing NPV of project and resulting in funding shortfall.	High Identify contingency funds to cover a 5% variation in construction costs.

0000 END OF REPORT 0000

ORDINARY MEETING

Meeting Date: 27 June 2006

Item: 139 **SS - Richmond School of Arts - Requested Assistance - (95496)**

Previous Item: 28, General Purpose Committee (1 June 2004)

REPORT:

Background

At the meeting of Council held on 9 September 2003, consideration was given to a report, in association with a request received from the Richmond Literary Institute Inc., for financial assistance from Council towards the design and installation of air conditioning at the Richmond School of Arts. This funding was requested to match funding sought by the Institute in an application to the NSW Ministry of the Arts under the Western Sydney Capital Infrastructure Program.

The report in this regard (Attachment 1) was submitted on the basis of Council providing an interest free loan of \$32,018 subject to the Institute being successful in their grant application.

Subsequently Council resolved as follows:

"That the Richmond Literary Institute Inc. be offered an interest free loan of \$32,018 (thirty two thousand and eighteen dollars) repayable over 6 (six) years for the purpose of funding half the costs of installing air-conditioning to the main auditorium of the Richmond School of Arts. A written agreement to be executed between Council and the Richmond Literary Institute Inc. covering the terms and repayment schedule of the loan."

The Institute was unsuccessful in its application that year and, in 2004, submitted a similar request for funding to enable it to lodge a further application under the NSW Ministry of the Arts Metropolitan Capital Works Program.

Once again a report was submitted to the General Purpose Committee (Attachment 2) on the basis of Council providing an interest free loan, subject to the Institute being successful in its grant application.

Subsequently Council on 8 June 2004 resolved, as follows, in connection with the later request:

"That:

- 1. The Richmond Literary Institute Inc. be offered an interest free loan of \$32,018 (thirty two thousand and eighteen dollars) repayable over 6 (six) years for the purpose of funding half the costs of installing air-conditioning to the main auditorium of the Richmond School of Arts.*
- 2. A written agreement be executed between Council and the Richmond Literary Institute Inc. covering the terms and repayment schedule of the loan."*

Once again the Institute was unsuccessful in its application for funding to the NSW Ministry for the Arts in 2004.

Current Position

The following letter dated 12 May 2006 has now been received from the Richmond Literary Institute Inc, advising that the Institute has now accumulated funds from its operations towards the cost of the air conditioning and inviting Council to reaffirm its previous advice, namely, the provision of an interest free loan of \$32,018 representing half the cost of the project:

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"I refer to the Institute's proposal dating from early 2003 to install Air Conditioning in the main auditorium of the Richmond School of Arts.

Following Hawkesbury City Council's resolution adopted at the ordinary meeting of 9 September, 2003 to make available an interest free loan of \$32,018 for half of the projects costs, several applications for further grant funding have been made and were unsuccessful.

Council further confirmed its offer in a resolution dated 8 June 2004. The focus since has been to accumulate funds from the Institute's operations to provide the corresponding other half.

The Institute advises that subject to the vagaries of a tender process it may well be in a position to proceed with the proposal. In order to undertake an update of the project design and costs, the Institute invites Council to reaffirm it's previous resolution.

The next stage would be to reassess the process to design and tender and report back to Council ..."

It is noted that the cost of the project, namely \$64,036 has not been adjusted since the initial submission in 2003 and, no doubt, there may be some change to the actual amount required for this purpose, given the passage of time, once specifications have been prepared and tenders called by the organisation.

In view of Council's current financial position and ongoing difficulties and the precedent that has been set and will continue to be set by the provision of interest free loans, it is considered that Council should not continue such a practice in the future.

Currently there are a number of interest free loan in existence as follows:

Organisation	Original Loan	Balance	Final Payment
Richmond Club Limited	\$80,000	\$40,000	18/03/2010
Hawkesbury District Tennis Association	\$24,000	\$18,000	08/10/2013
Hawkesbury Agricultural - Various Farmers	\$41,800	\$30,247	01/04/2011

Whilst the above loans, and any loan agreed to for the Richmond Literary Institute Inc., are provided to the organisations on an "interest free" basis, under new International Finance Reporting Standards the Council is required to amortise the cost of providing interest free, or below market value loans, to organisations and show the particular cost as a loss in the year the loan is provided.

In respect of current loans, calculations will need to be undertaken in respect of the 2005/2006 financial year to amortise the cost of providing the loans from their commencement date, and appropriate adjustments made for this year's financial statements, with the particular cost of the loans being shown as a loss in future financial years and funded from appropriate sources.

Should Council now agree to the request from the Richmond Literary Institute Inc., it will also be necessary for the particular cost of such a loan to be amortised each year and funded from the appropriate source, namely, the Community Donations Budget.

In addition, as provision has not been made in the 2006/2007 budget for the provision of the loan, as requested, if Council wished to consider this proposal it would be necessary to utilise Council's limited working funds, as there are no alternative internal reserves from which the loan could be funded.

Accordingly, in view of Council's current financial position, the fact that funds have not been provided for the purpose and in order not to set an ongoing precedent for these requests into the future it is considered

ORDINARY MEETING

Meeting Date: 27 June 2006

that the Institute should be advised that Council is no longer able to agree to making an interest free loan for the purpose requested.

It is also suggested that in order to avoid raising expectations for this type of facility being made available in the future Council should adopt a policy no longer providing interest free loans to external persons and/or organisations.

Conformance to Strategic Plan

The proposal is deemed to conform with the objectives set out in Council's Strategic Plan i.e:

"Strategy: Timely and accurate management of cash inflows and outflows."

Funding

Funds have not been provided for the requested purpose; if an interest free loan is made available it will need to be funded from working funds and the foregone interest funded.

RECOMMENDATION:

That:

1. The Richmond Literary Institute Inc. be advised that, unfortunately, Council is no longer able to agree to making an interest free loan available for the purpose requested.
2. As a matter of policy Council no longer make interest free loans available to external persons and/or organisations.

ATTACHMENTS:

- AT - 1** Item 147 - 9 September 2003: Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Western Sydney Capital Infrastructure Program.
- AT - 2** Item 28 - 1 June 2004: Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Metropolitan Capital Works Program.

ORDINARY MEETING

Meeting Date: 27 June 2006

AT - 1 Item 147 - 9 September 2003: Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Western Sydney Capital Infrastructure Program.**ORDINARY**

Meeting Date: 9 September, 2003

Item: 147

ITEM: 147 **Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Western Sydney Capital Infrastructure Program**

FILE NUMBER: 12419/CSV/ORI09NBX.C06

REPORT:

This report has been prepared to seek Council's approval for an interest-free loan to be made available to the Richmond Literary Institute Inc. to match grant funding being sought by the Institute for the installation of air-conditioning to the main auditorium of the Richmond School of Arts. The Literary Institute is intending to lodge an application to the Ministry of Arts under the Western Sydney Capital Infrastructure Program Arts for funds for this project.

The Western Sydney Capital Infrastructure Program provides grants towards the capital costs of buildings and other facilities for the arts and the cultural life of Western Sydney. The Program offers grants on a matching dollar-for-dollar basis to local government authorities or eligible arts organisations located in Greater Western Sydney.

The Literary Institute has identified a need to install air-conditioning to the main auditorium of the School of Arts to provide a more comfortable and appropriate venue for patrons. The provision of climate-controlled venues for theatre performances and other community arts events is increasingly demanded by arts patrons and is the generally accepted norm for these venues across Australia. The Richmond School of Arts is the principal community arts venue within the Hawkesbury and is regularly used by a range of community arts organisations and groups across the City.

The estimated costs of designing and installing an air conditioning system which is sympathetic to the heritage and historical integrity of the Richmond School of Arts is \$69,076 (sixty nine thousand and seventy six dollars) GST inclusive. The Literary Institute have indicated that they are in a position to fund the design of the system, at a cost of \$5,040 (five thousand and forty dollars) GST inclusive. This will leave a balance of \$64,036 (sixty four thousand and thirty-six dollars) GST inclusive for the installation of the system.

The Richmond Literary Institute Inc. is seeking an interest-free loan from Council of \$32,018 (thirty two thousand and eighteen dollars) representing half the installation costs of the air conditioning system - to be repaid over a 6 (six) year period. Council's favourable consideration of this request will enable the Institute to forward a funding application to the NSW Ministry of Arts for the balance of the funds required to install the system. The approval of the loan will allow the Institute to satisfy the requirement for matching dollar-for-dollar funding under the Western Sydney Capital Infrastructure Program.

The trustees of the Richmond School of Arts have maintained the building and have undertaken considerable restoration work from their own funds to ensure that residents of the Hawkesbury can continue to use and enjoy this well-preserved and historic venue (much as they have for the last 137 (one hundred and thirty seven) years since the opening of the School of Arts in 1866). In 1999, the Richmond Literary Institute Inc. contributed \$200,000 (two hundred thousand dollars) of its own funds to complete major restoration works to the School of Arts. At this time Council approved a \$25,000 (twenty-five thousand dollars) loan as a contribution to the costs of the restoration work to be repaid over a 10 (ten) year period. The loan was in fact repaid over 3 (three) years.

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ORDINARY

Meeting Date: 9 September, 2003

Item: 147

The Committee of the Richmond Literary Institute Inc. have indicated that they will generate sufficient net income to meet required loan repayments. In view of the demonstrated capacity of the Literary Institute to meet loan obligations in the past, the approval of a further loan of \$32,018 (thirty two thousand and eighteen dollars) would appear to carry little risk for Council.

RECOMMENDATION:

That the Richmond Literary Institute Inc. be offered an interest free loan of \$32,018 (thirty two thousand and eighteen dollars) repayable over 6 (six) years for the purpose of funding half the costs of installing air-conditioning to the main auditorium of the Richmond School of Arts. A written agreement to be executed between Council and the Richmond Literary Institute Inc. covering the terms and repayment schedule of the loan.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF ITEM 147 Oooo

ORDINARY MEETING

Meeting Date: 27 June 2006

AT - 2 Item 28 - 1 June 2004: Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Metropolitan Capital Works Program.

ORGANISATION AND RESOURCES

Meeting Date: 1 June 2004

Item: 28 **ORG C - Richmond School of Arts - Funding Application, NSW Ministry of the Arts, Metropolitan Capital Works Program (79341)**

Previous Item: 147, Ordinary (9 September 2003)

REPORT:

This report has been prepared to seek Council's approval for an interest-free loan to be made available to the Richmond Literary Institute Inc. to match grant funding being sought by the Institute for the installation of air-conditioning to the main auditorium of the Richmond School of Arts. The Literary Institute is intending to lodge an application to the Ministry of Arts under the Metropolitan Capital Works Program.

At its Ordinary Meeting of 9 September, 2003, Council resolved to offer an interest free loan of \$32,018 (thirty two thousand and eighteen dollars) repayable over 6 (six) years for the purpose of funding half the costs of installing air-conditioning to the main auditorium of the Richmond School of Arts. This loan facility was provided to assist the Richmond Literary Institute to submit an application to the NSW Ministry of Arts under its Western Sydney Capital Infrastructure Program.

The decision by Council to provide this loan, enabled the Institute to submit its application. Unfortunately, the funding application lodged by the Institute in September 2003 was unsuccessful, and Council was not required to proceed with a loan agreement. Following the advice of the unsuccessful grant, members of the institute held discussions with representatives of the Ministry for Arts who subsequently invited the Institute to lodge a further application under the Metropolitan Capital Works Program.

Council has once again received a request from the Richmond Literary Institute for an interest-free loan from Council of \$32,018 (thirty two thousand and eighteen dollars) representing half the installation costs of the air conditioning system - to be repaid over a 6 (six) year period. Council's favourable consideration of this request will enable the Institute to forward a new funding application to the NSW Ministry of Arts for the balance of the funds required to install the system. The approval of the loan will allow the Institute to satisfy the requirement for matching dollar-for-dollar funding under the Metropolitan Capital Works Program.

Below is the advice provided previously to Council (in September 2003) regarding the request from the Richmond Literary Institute for an interest free loan:

"The Literary Institute has long identified a need to install air-conditioning to the main auditorium of the School of Arts to provide a more comfortable and appropriate venue for patrons. The provision of climate-controlled venues for theatre performances and other community arts events is increasingly demanded by arts patrons and is the generally accepted norm for these venues across Australia. The Richmond School of Arts is the principal community arts venue within the Hawkesbury and is regularly used by a range of community arts organisations and groups across the City."

ORDINARY MEETING

Meeting Date: 27 June 2006

ORGANISATION AND RESOURCES

Meeting Date: 1 June 2004

The estimated costs of designing and installing an air conditioning system which is sympathetic to the heritage and historical integrity of the Richmond School of Arts is \$69,076 (sixty nine thousand and seventy six dollars) GST inclusive. The Literary Institute have indicated that they are in a position to fund the design of the system, at a cost of \$5,040 (five thousand and forty dollars) GST inclusive. This will leave a balance of \$64,036 (sixty four thousand and thirty-six dollars) GST inclusive for the installation of the system.

The Richmond Literary Institute Inc. the trustees of the Richmond School of Arts have maintained the building and have undertaken considerable restoration work from their own funds to ensure that residents of the Hawkesbury can continue to use and enjoy this well-preserved and historic venue (much as they have for the last 137 (one hundred and thirty seven) years since the opening of the School of Arts in 1866).

In 1999, the Richmond Literary Institute Inc. contributed \$200,000 (two hundred thousand dollars) of its own funds to complete major restoration works to the School of Arts. At this time Council approved a \$25,000 (twenty-five thousand dollars) loan as a contribution to the costs of the restoration work to be repaid over a 10 (ten) year period. The loan was in fact repaid over 3 (three) years.

The Committee of the Richmond Literary Institute Inc. have indicated that they will generate sufficient net income to meet required loan repayments. In view of the demonstrated capacity of the Literary Institute to meet loan obligations in the past, the approval of a further loan of \$32,018 (thirty two thousand and eighteen dollars) would appear to carry little risk for Council."

RECOMMENDATION:

That:

1. The Richmond Literary Institute Inc. be offered an interest free loan of \$32,018 (thirty two thousand and eighteen dollars) repayable over 6 (six) years for the purpose of funding half the costs of installing air-conditioning to the main auditorium of the Richmond School of Arts.
2. A written agreement be executed between Council and the Richmond Literary Institute Inc. covering the terms and repayment schedule of the loan.

ATTACHMENTS:

There are no supporting documents for this report.

000O END OF REPORT 0000

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ordinary
meeting

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