

# Draft Ribbon Hotel & Serviced Apartment Plan of Management

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## 1. INTRODUCTION

This Draft Plan of Management (**DPOM**) outlines the framework for the operation of the Hotel and Serviced Apartments proposed for the redevelopment of IMAX, Darling Harbour.

The preliminary focus of this DPOM is on:-

1. Identifying the method of operation of the hotel and serviced apartments, including notification to occupants during major events at Darling Harbour; and
2. The prevention of residential use.

The DPOM recognises that these operational matters are managed via a combination of physical/built form, legal structure and commercial imperatives and practice.

## 2. OPERATION LEGAL STRUCTURE

The operating structure of the Ribbon Hotel and Serviced Apartments is proposed as follows:

- Physical joint management of the building and lots will be controlled by a Building Management Statement (**BMS**) and Building Management Committee (**BMC**) that will have the right and responsibility to manage the building structure, including common areas. This will cover the hotel, serviced apartments, retail and car park components. A Building Manager will be appointed by the BMC under a Building Services Agreement. The Building Manager will have caretaking functions in respect of common areas and will be responsible for supervising the behaviour of occupants and enforcing building by-laws.
- The Management Lot will have the exclusive right to operate an on-site letting business known as Management and Letting Rights (**MLRs**).
- The Management Lot owner will most likely be the Hotel Lot owner.
- The Hotel/MLR Owner will most likely appoint a single Operator to manage the hotel, serviced apartments and car park, along with undertaking their caretaking responsibilities. The Operator will operate a 24 hour concierge.
- The Serviced Apartments and Hotel rooms will represent the combined room inventory and booking Serviced Apartments will be made available to guests in the same manner as Hotel rooms.
- **This structure effectively puts the Hotel Operator in charge of the entire building operation and all areas, excluding the retail tenancies.**

### **3. DISCOURAGING LONG TERM RESIDENTIAL USE OF SERVICED APARTMENTS**

There are a series of platforms that will promote the use of the Serviced Apartments as intended at the Ribbon:

1. Legal Structure
2. Commercial Imperatives
3. Physical Building Structure

#### **3.1 Legal Structure**

1. Zoning Restrictions - The zoning of the site does not allow for permanent residence.
2. Sale Contract Acknowledgements - In the event of individual ownership of Serviced Apartments, it is envisaged that the Contract for Sale (in respect of the head lease interest) will contain acknowledgements from the individual Serviced Apartment buyers that:
  - a. The Permitted Use of the subject lot is serviced apartment accommodation; and
  - b. The subject lot is part of a development in a vibrant city centre locality that is subject to a large number of cultural and community events that may result in significant noise, light emissions, vibration and temporary changes to access arrangements.
3. Lease Restrictions and Acknowledgements :-
  - a. It is envisaged that the SHFA Head Lease of the Serviced Apartments will contain restrictions on the Permitted Use, e.g. use of the Premises for serviced apartments. This lease will be registered on title, providing clear notice to any future purchasers of the Serviced Apartments use; and
  - b. Any Serviced Apartment Sublease to the MLR Owner is also proposed to include restrictions on Apartment Owner usage.
4. The Operator will have obligations under the Management Agreement with the Hotel/MLR Owner to operate the Serviced Apartments and Hotel in a manner consistent with the Plan of Management, as updated from time to time.
5. Refurbishment Clause - In the event of individual ownership of Serviced Apartments, the Serviced Apartment Subleases will include a clause to trigger refurbishment consistent with when the Hotel is refurbished. This Refurbishment Clause ensures holistic refurbishment of the asset during the 99 year lease term.

#### **3.2 Commercial and Practical Imperatives**

1. A single operator will most likely be appointed under a single Management Agreement to manage both the Hotel and Serviced Apartments and ancillary facilities, providing a strong ability to influence usage. The Operator will manage:
  - a. Reception
  - b. Car Parking

- c. Hotel Rooms
- d. Serviced Apartments
- e. Food and beverage facilities
- f. Conference facilities
- g. Pool, gym and other amenities

### **3.3 Building Structure**

- 1. The building structure encourages short-term use by a single Hotel Operator.
- 2. There is a single entrance and lobby, which services all guest.
- 3. All facilities will be available to either Hotel or Serviced Apartment guests.

## **4. MANAGEMENT OF ON-GOING OPERATION**

A detailed Plan of Management relating to the hotel and serviced apartment use of the building will be submitted to NSW Planning prior to an occupation certificate being issued. The Plan of Management will be consistent with the criteria stipulated in the Sydney Development Control Plan 2012 – 4.4.8 and any relevant requirements within the consent conditions.

Principles envisaged for incorporation as part of the detailed Plan of Management include:

### **4.1 Ensuring maximum occupancy requirements are not exceeded**

- a) No more than two adult people shall permanently occupy any bedroom and no bedroom shall contain more than two beds. This excludes children and children's beds, cots or bassinets.
- b) The total number of adults residing in one unit shall not exceed twice the number of approved bedrooms.

### **4.2 Ensuring appropriate management of the bar and function areas**

- a) Upholding the principles of Responsible Service of Alcohol.
- b) Monitoring and managing patron capacity to ensure maximum capacity is not exceeded.
- c) Appropriate public transport and car parking plans for functions and events.
- d) Ensuring patrons egress in a responsible manner, including opportunities to stagger entry and egress schedules.
- e) Complaints handling and management.

## **5. CARPARKING**

On-site car parking spaces, exclusive of service and visitor car spaces, will only be permitted for use by an occupant or tenant of the subject building.

Prior to an Occupation Certificate being issued, a documentary restrictive covenant is to be registered on the Title of the development site pursuant to Section 88E of the Conveyancing Act 1919, to the effect of the above car parking restriction on use.

## **6. PROCEDURAL ISSUES**

The Operator will notify occupants of all Serviced Apartments and Hotel rooms of major events at Darling Harbour.

These are unlikely to significantly impact short term occupants who expect noise, crowds and vibrancy at this location and STA product typology. In most cases, guests are likely to be observers and participants at the event, which contributes an additional rationale supporting STA as a good use for the location.