

Attachment J Development Contributions

The Sydney Opera House (SOH) wishes to make the following submission in respect of development contributions to formally request that development contributions are waived for the proposed works.

Section 61 of the *City of Sydney Act 1988* enables the consent authority to impose a condition requiring payment of a levy to the City of Sydney (the City), equivalent to 1% of the cost of the development. Such a condition is equivalent to, but imposed in lieu of, a condition under Section 7.11 of the *Environmental Planning and Assessment Act 1979*. Based on a Capital Investment Value (CIV) of \$115,337,788 the required contribution payment for SOH would be \$1,153,378.

This levy is supported by the Central Sydney Development Contributions Plan 2013 (the Plan). SOH submits that there are two reasons why the Plan should not apply:

1. The works themselves are entirely consistent with achieving the objectives of the Plan and should therefore be exempted; or in the alternative
2. The works to be commissioned, and other works which have already been commissioned, can properly be considered as works-in-kind under the Plan, the value of which far exceeds the contributions which would otherwise be required under the Plan.

Consistency with objectives of the Plan

The stated purpose of the Plan is to “*fund public facilities, amenities and services to meet the needs of the growing residential and workforce population within Central Sydney.*”

The Opera House is operated and maintained on behalf of the NSW Government and the people of NSW by the Sydney Opera House Trust. It is a non-for-profit entity, which relies on government grants, donations, corporate sponsorship and self-generated revenue to maintain the precinct and provide cultural experiences, performances and events for the local and international communities. The current use of the site and the proposed improvements are of an inherently public nature, providing cultural, educational, and economic benefits to the community.

The principal objective of the Concert Hall and Creative Learning Centre project, as part of the Renewal Program, is to maximise the Opera House's economic and cultural contribution to Sydney, NSW, and Australia as the nation's premier tourist attraction and one of the world's pre-eminent performing arts centres. The project will deliver accessibility and technical enhancements to the Concert Hall for both patrons and performers, and will re-purpose existing non-public space within the Opera House for a new Creative Learning Centre that will benefit the community.

The project does not result in any intensification of visitation or patronage to the Sydney Opera House, and will not have any impact on demand for City of Sydney facilities, amenities and services. Rather, the proposed works will support the growing needs of the population within central Sydney contemplated by the Plan. Furthermore, some or all of the works themselves are explicitly contemplated in the exemption table at Section 2, including that it is not-for-profit development, adaptive re-use of heritage elements, and includes energy and water saving measures.

Works with material public benefit commissioned by Sydney Opera House

In addition to the above, we note that the SOH will commission through the works the subject of this application, or already has commissioned significant capital works that meet the City's definition of works having material public benefit under the Plan. Such works can be considered as alternatives to the levy, as noted in Section 2.5 of the Plan.

The SOH submits that all of the works can be considered as having a material public benefit in this regard. In the alternative, SOH also submits that specific examples below which total \$21m, are far in excess of the \$1.15m that would otherwise be required to be contributed under the Plan.

Community Facility - the Creative Learning Centre

The new Creative Learning Centre, which forms part of the SSD application, will provide a new dedicated space to house the Opera House's Children, Families and Creative Learning Program. This component of the project will cost \$5.4 million (as per the Revised Project CIV in Attachment G).

For the first time, the Opera House will have a dedicated space for a range of tailor made programs that support educational and public programming engagement. Students, carers, families, and education professionals will have the opportunity to experiment, respond to art, make art, build and learn in a building that embodies creativity and innovation. The space will enable deep engagement for participants to learn and collaborate in ways that foster creativity, problem-solving and innovative-thinking.

This project adapts existing heritage office spaces in the building's north-western corner to maximise public enjoyment of the Opera House – a public asset – and enable artists, resident arts companies and creative-learning specialists to inspire the community.

The Opera House provides Creative Learning programs to students from across Sydney, NSW and Australia, with a combination of workshops and free events. Many of the programs relate directly to school curriculum and provide accredited professional teacher training opportunities.

The Opera House's Children, Families and Creative Learning Programs are not-for-profit, made possible through reinvestment from the SOH's revenue generating areas, government support and philanthropic contributions. The capital cost of the project is fully funded by the NSW Government and will not be recovered from users of the space. Around half of the program is provided free of charge. Some elements such as teacher professional development, holiday workshops, and installation performances are ticketed to recover some of the operational costs.

Public Domain Improvement

Funded by the NSW Government, SOH is undertaking (as exempt development significant) public domain improvements at the site entry and under the monumental steps valued at \$15.6m. These works are being carried out on lands which are the subject of the Plan, and are majority funded through capital grants from NSW Government.

Site Entry Project

Earlier this year, the Opera House commenced the Site Entry project. Carried out in collaboration with the City and PNSW, these works will improve the safety and accessibility of the public domain spaces within the City, PNSW and SOH lands providing new bollards to protect visitors, improving traffic and pedestrian flows, and removing unnecessary steps that are safety hazards and impede equitable access. The works will permit the removal of unsightly temporary infrastructure currently located in the area.

Under the Steps

In 2016, with the opening of the underground loading dock, SOH ceased all public vehicular traffic on the forecourt, removing over 1,000 heavy vehicle movements from the Forecourt and broadwalks each week.

This significantly improved safety and pedestrian flow across the site and enhanced visitors' use and appreciation of the public open spaces around the building.

SOH has recently extended these improvements to include the area under the Monumental Steps, which historically was paved with bitumen and also used for vehicular traffic. SOH is currently re-paving the area to remove intrusive bitumen surfacing and provide a level area free of steps. On its completion, the area will become one of few undercover public domain areas in the precinct (and in central Sydney generally) where the public can visit and rest, protected from hot or inclement weather.