

Ribbon Hotel

Plan of Management

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1. INTRODUCTION

This Plan of Management (**POM**) outlines the framework for the operation of the hotel proposed for the redevelopment of IMAX, Darling Harbour.

The preliminary focus of this POM is on:-

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

The POM 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 hotel 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, 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 owner will have the exclusive right to operate an on-site letting business known as Management and Letting Rights (**MLRs**).
- The management lot owner will be the hotel lot owner.
- The hotel/MLR owner will appoint a single operator to manage the hotel and car park, along with undertaking their caretaking responsibilities. The operator will operate a 24 hour concierge.
- The hotel will represent a combined inventory of 3 different accommodation types being rooms, suites and apartments and these 3 accommodation types will be made available to guests in the same manner. All rooms will be the same size whereas the suites and apartments will be of varying size.
- **This structure effectively puts the hotel operator in charge of the entire building operation and all areas, excluding the retail tenancies.**

3. PREVENTION OF RESIDENTIAL USE IN APARTMENT ACCOMMODATION TYPE

There are a series of platforms that will promote the use of the 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 residential use.
2. Sale Contract Acknowledgements - In the event of individual ownership of the apartments, the Contract for Sale (in respect of the head lease interest) will contain acknowledgements from the individual apartment buyers that:
 - a. The Permitted Use of the subject lot is serviced apartment or hotel accommodation;
 - b. Residential use is prohibited; and
 - c. 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. The SHFA Head Lease of the apartments will contain restrictions on the Permitted Use, e.g. use of the Premises for serviced apartments or hotel accommodation as well as prohibitions on residential use. This lease will be registered on title, providing clear notice to any future purchasers of the apartments use; and
 - b. Any apartment Sublease to the MLR owner will include restrictions on apartment owner usage and prohibition on residential use.
4. The operator will have obligations under the Management Agreement with the hotel/MLR owner to operate the rooms, suites and apartments 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 the apartments, the 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 be appointed under a single Management Agreement to manage both the hotel, rooms, suites and apartments and ancillary facilities, providing a strong ability to influence usage. The operator will manage:

- a. Reception
- b. Car Parking
- c. Hotel Rooms
- d. Hotel Suites
- e. Hotel Apartments
- f. Food and beverage facilities
- g. Conference facilities
- h. Pools, 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 guests.
3. All facilities will be available to all guests.

4. MANAGEMENT OF ON-GOING OPERATION

A Detailed Plan of Management relating to the hotel 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 rooms, suites and apartments 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.