

Bondi Pavilion Commercial Review

Prepared for Waverley Council

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urbis

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Executive Summary

This report investigates the reconfiguration options for Bondi Pavilion to enhance its future sustainability. The primary focus is on commercial revenue generation whilst acknowledging community uses, cultural uses, heritage sensitivities and structural limitations.

Two options are provided. Option A was conceived as a lower capital cost upgrade and Option B is the more unconstrained reconfiguration option. As advised by Council staff both options retain the theatre use.

Similar themes apply to both options; relocating Council offices, relocating and expanding toilets, utilising the foyer area, utilisation of the courtyards and entry and commercialising the upper level for functions, events and dining.

The rationale for such changes include:

Council offices: there is an opportunity cost of locating non-essential Council staff in prime beachfront retail location. Council staff can be relocated to existing Council space (at little to no cost) or new leased space at a significant discount to the estimated Pavilion lease rate.

Toilets: the need for expanding toilet and change facilities came through strongly in the Plan Of Management and our stakeholder consultation. We believe the optimal location for toilets and change rooms are where the pottery and art studios are currently. The current toilets at the south western corner can be upgraded, expanded and given better access both internally and externally.

Foyer: the foyer area will be enlarged, decluttered and given a more airy feel by “lifting the skirt” that surrounds the planter box. Access through from the rear of the Pavilion will be substantially widened to be more inviting. The foyer area becomes a multi-purpose space of a community, cultural and commercial nature.

Entry: the Pavilion has significant natural assets of a potential grand entrance arch and massive unused courtyards. These items should be put to good use. The bandstand should be reconfigured as an entryway from Campbell Parade. The existing amphitheatre should be removed (as per POM) so that pedestrians flow from the entry arch to the main building entrance on a slight gradient.

Courtyards: the courtyards catered for the essential use when the Pavilion was first conceptualised - the change sheds. Technology and sensibilities have long since rendered this use redundant. The western courtyard will provide all weather functionality for community events, markets and the like. The eastern courtyard is bathed sunlight year round. The beautification of the eastern courtyard could be by way of a native garden that could also include kids play areas (wet or dry). The garden will enhance the Pavilion generally and assist other tenancies that enjoy views of it.

Upper level: the existing theatre use is incorporated into both options. It is noted that keeping the theatre in this location will be a significant impediment to commercial arrangements both as to income generation and operationally. The upstairs commercial uses include dining, functions and events. Critical to optimising the revenue will be improvement of view lines including replacement of the balcony balustrade on the beachfront side.

An order of magnitude of the capital costs and incremental commercial revenue of each option are:

	OPTION A	OPTION B
Capital cost	\$16.3m	\$20.0m
Incremental revenue pa	\$0.7m	\$1.2m
Construction duration	9 – 12 months	9 – 12 months

We believe that the options provided will allow most existing uses to continue (possibly requiring rescheduling). Moreover, there should options to expand community use activities given the all weather courtyard and significant foyer areas. Cultural uses such as the art gallery and theatre have been retained. The most contentious heritage issues are glazing and the beachfront balcony balustrade. The commercial success of the upper level will rely upon improved beach and ocean views. Option B addresses the making good of elements that are not sympathetic to the heritage of the building (Bucket List and 2000 additions). This may provide a trade-off in terms of the above two issues.

As this is a Commercial Review, rather than a detailed commercial feasibility study, it is the first conceptual stage of investigation. We provide concept plans but emphasise that uses and areas proposed are conceptual and will require significant resolution. These are to be treated as more block planning diagrams. That is, the next stage of investigation, after approval to proceed, needs to include a detailed investigation of the commercial asset mix and market testing at the appropriate time (and taking into account lease expiries). This is a "risk gateway" approach to minimise risk and minimise spend until appropriate. Notwithstanding this the options provided have been arrived at cognisant of the structural constraints of the building, that is the layout is in keeping with the structure.

Our stakeholder consultation revealed that Bondi Pavilion is a microcosm of its own; it seems to be largely independent of Campbell Parade and its realms. [REDACTED]

The tenancy mix is the critical factor for an asset as large as the Pavilion. The reconfigured areas will provide for significantly more commercial use. It is important that a detailed study is conducted to optimise the tenancy mix. [REDACTED]

A critical element in terms of any redevelopment will be for Council to embrace potential commercial tenants to inform the base build. It is important not to second guess the market in terms of what is commercially desirable. Based on our experience this can be a difficult task for a public sector entity.

In light of this, the proposed key immediate next steps, prior to undertaking a detailed Business Case, include:

- Consider and decide on the preferred Option or elements of options for further investigation;
- Market testing of the preferred option / options elements with potential tenants; and
- Preparation of the Principal's Project Requirements (PPR) to procure design consultants.

1 Introduction

Waverley Municipal Council (Council) has requested Urbis SIS to undertake a commercially focussed review for the potential reconfiguration of Bondi Pavilion (Pavilion). It is understood by Council, many residents and visitors alike that the Pavilion is in need of a refresh given that the last major holistic upgrade was 40 years ago.

Despite the acknowledged need for refurbishment and the importance of maintaining the heritage value, community uses and cultural significance of the Pavilion, impediments to change remain including budget constraints, debate as to uses and community resistance to change and the political issues it evokes.

1.1 BACKGROUND

Since its beginnings in the late 1920s the Pavilion has been an important part of the community fabric. Set in one of Australia's most visually spectacular and recognisable locations, the Pavilion represents beach culture - one of the core themes of Australia in its first two centuries.

It is however almost 100 years since the Commission of Inquiry into the development of the Pavilion and tastes, culture, technology and demographics have changed substantially since that time.

Accordingly, it is clear that relevant and popular uses will change over time. The most evident example of this is that half of the area of the Pavilion, as first constructed, was its core use as change sheds. Given changes in technology of swimwear and changing social attitudes this function is almost completely redundant. Now, the past principal use of the Pavilion is largely given over to an asphalt basketball court and car park and a barren semi-grassed area with little to no amenity whilst the central internal areas are now dominated by toilets, change rooms and a planter box.

1.2 PROJECT OBJECTIVES & TASKS

1.2.1 OBJECTIVES

This aim of this study is to focus on the Pavilion from a commercial point of view to assist Council identify opportunities and strategies for the ongoing financial sustainability of what is an iconic and significant asset. The commercial assessment study also needs to recognise sensitive cultural, community and heritage aspects and ensure they are appropriately balanced.

The key objectives of this study are to:

1. Identify opportunities for increased income generation at Bondi Pavilion in order to
 - a. better support building improvements and maintenance in the long term; and
 - b. support continued use of the building for a mix of cultural, community and commercial uses.
2. Consider options and opportunities including:
 - a. Additional tenancy or tenancies, on long term or pop up basis
 - b. Increased revenue generation from meeting room hire such as corporate events and meetings
 - c. Any other opportunities for increased revenue generation.
3. Ensure that analysis of opportunities includes consideration of:
 - a. any changes to broad layout or building required
 - b. impact on other uses of Bondi Pavilion, especially cultural and community use

c. enhancement of historical and cultural significance of the Pavilion and setting

4. Provide a report which analyses opportunities for income generation and provides a basis for the commissioning of an architectural study and business case.

1.2.2 TASKS & METHODOLOGY

The project methodology has been prepared with close reference to the above key project objectives. Council's task list is presented below followed by a detailed description of the methodology that was undertaken during this study to achieve the project objectives.

1.2.3 OVERVIEW



This Draft Report represents the first activity in Task 8. Upon receipt of feedback from Council, this Draft Report will be finalised and a Final Report provided.

2 Pavilion Context

Bondi Park, Bondi Beach and Bondi Pavilion form a recreation precinct in Sydney's eastern suburbs of remarkable beauty. The precinct has enormous local, regional, national and international significance.

Bondi Park occupies approximately 16.5 hectares of land which forms a natural amphitheatre around Bondi Bay. The land is principally a Crown Reserve, which was dedicated for the purposes of public recreation in January 1938. Waverley Council was appointed trustee to care for, control and manage the reserve on behalf of the then NSW Minister of Lands.

As an open space area, Bondi Beach has a colourful history characterised by continual change in response to pressure for various recreational and social needs. In many ways the Park, Beach and Pavilion have led the evolution of what we now identify with as the quintessential Australian beach experience.

Nevertheless, the pressures placed on the Park and Pavilion has also meant that, at times, these recreational facilities have not necessarily met the expectations of all users.

FIGURE 1 – PAVILION CONTEXT WITHIN THE PARK AND BEACH



2.1 THE PAVILION

The Pavilion was designed primarily by Leith C. McCredie of Robertson and Marks Architects, in the Mediterranean/Georgian revival style. It consists of a central double storey structure fronted by a single storey arched colonnade and flanked by single-storey wings with either end having two internal courtyards surrounded by colonnaded walls. Provision was made for an auditorium in the centre of the western wall. The walls are of cement rendered masonry, the floors are of reinforced concrete and timber, the roof is timber with concrete roof tiles and the windows and doors are timber framed and glazed.

FIGURE 2 – HISTORIC PHOTO FROM ABOVE CAMPBELL PDE



Today, the Bondi Pavilion's activities include ceramics classes, music classes, dance classes, films and concerts. Cultural activities include local theatre performances (the the Resident Theatre Group) and the art gallery that showcases local art on a fortnightly basis. Many of the spaces within the Pavilion are available for hire to both commercial users, community groups and the general public. The Pavilion also includes commercial activities including a casual restaurant, cafés, souvenir shop and the Bondi Surf School.

The Pavilion also provides change rooms, toilets and lockers for beach goers. Council has offices within the ground floor of the Pavilion. The courtyard, representing half of the Pavilion footprint, is largely unused.

In the year 2000, music and recording studios and the High Tide room were added to the western courtyard.

FIGURE 3 – CONTEMPORARY PHOTO FROM BONDY BAY



2.1.1 ASPECT AND CLIMATE

The Pavilion faces almost due south and as such is very exposed to southerly winds.

Whilst winter has fewer rain days and when sunny can be beautiful, inclement weather in winter and the sea temperature causes very significant seasonality of visitation to the Pavilion.

Notwithstanding the building orientation, we have been requested by Council for the purposes of this report to assume the Pavilion beachfront façade is due east. Hence, we refer to the southern wing as occupied by Let's

Go Surfing and Council, the northern wing as occupied by the Bucket List etc, the southern courtyard where the basketball court is and the northern courtyard where the grassed area is located.

2.1.2 GETTING TO THE PAVILION

Bondi Beach and the Pavilion are accessible by numerous modes of transport. The results of the Bondi Park User Survey 2012 show that most people who visit the Park, Beach and Pavilion walk and otherwise travel by bus, car, motorbike or bicycle.

Waverley is serviced by a comprehensive and popular public transport system with regular trains to Bondi Junction and buses to Bondi Beach.

A number of tour operators visit Bondi Park and Beach daily. Tourist coach parking is located along the northern section of Campbell Parade and accommodates up to 9 coaches. Coaches generally stop for short periods, typically under 30 minutes.

There are 5 taxi stands along Campbell Parade servicing the Bondi Beach Town Centre, Bondi Park, Beach and Pavilion.

On-Street metered parking is available on surrounding streets. Waverley Council operates the Bondi Park Car Park located on Queen Elizabeth Drive and Park Drive at Bondi Beach. The car park has 483 parking bays and 4 disabled parking bays. This car park is open 24 hours a day, 7 days a week.

Additionally, metered parking is located on Park Drive which has a capacity for 143 car parking spaces and 2 disabled spaces.

3 Uses and Condition

3.1 HISTORICAL USES

By way of background we provide the historical uses that have prompted ideas as to uses that could be supported by the Pavilion.

In summary the historical uses included:

- Tea room
- Restaurant and cabaret
- Bar
- Turkish baths (including tepidarium and frigidarium)
- Ballroom
- Concert hall
- Outdoor theatre
- Outdoor cinema
- Retail
- Gym
- Day spa
- Amusement parlour
- Red Cross
- US officers' club during WW2

3.2 CURRENT USES

Figures 4 and 5 show the current floor plans. In summary, current uses include:

3.2.1 GROUND LEVEL

- Three café and dining outlets (one of which is licenced)
- Council staff offices
- Surf school office
- Information counter
- Art gallery operated by Council
- Change rooms, toilets and lockers
- A community (painting and pottery) facility is located in the north (narrow) wing

- Other areas in the north wing are used for storage
- The additions to the ground floor of the Pavilion undertaken in the 2000s include rehearsal space, dance space facilities and soundproofed recording studios

3.2.2 UPPER LEVEL

- the Resident Theatre Group leases over half the upper floor area
- The rights to the bar operations are exclusively leased (included above) to the Resident Theatre Group primarily for use during performances
- The remaining upstairs areas include three rooms the largest and only useful room is the Seagull room which was historically the Esplanade dining room
- These rooms are used for community purposes including baby gym, baby ballet, fitness classes, dance and other community style uses. Council offers function hire of the upstairs (for weddings etc). Any liquor requirements need to be provided by the Resident Theatre Group as licensee.
- Another important element of the Pavilion is community events including City 2 Surf, Sydney Tango Festival, Bondi Yoga, Sydney Peace Festival, NYE/Xmas and Flickerfest.

3.2.3 GROUNDS

The grounds have changed substantially over the history of the Pavilion. The grounds' court yards were substantially utilised for the changing "sheds" which were removed long ago.

Today the Pavilion's interior comprise grass, dirt, bindii and bitumen paved areas mainly used for car and truck parking.

The courtyard uses include:

- Car and truck parking
- Outdoor theatre
- Amphitheatre
- Markets
- Basketball court

FIGURE 4 – CURRENT USES – LEVEL ONE

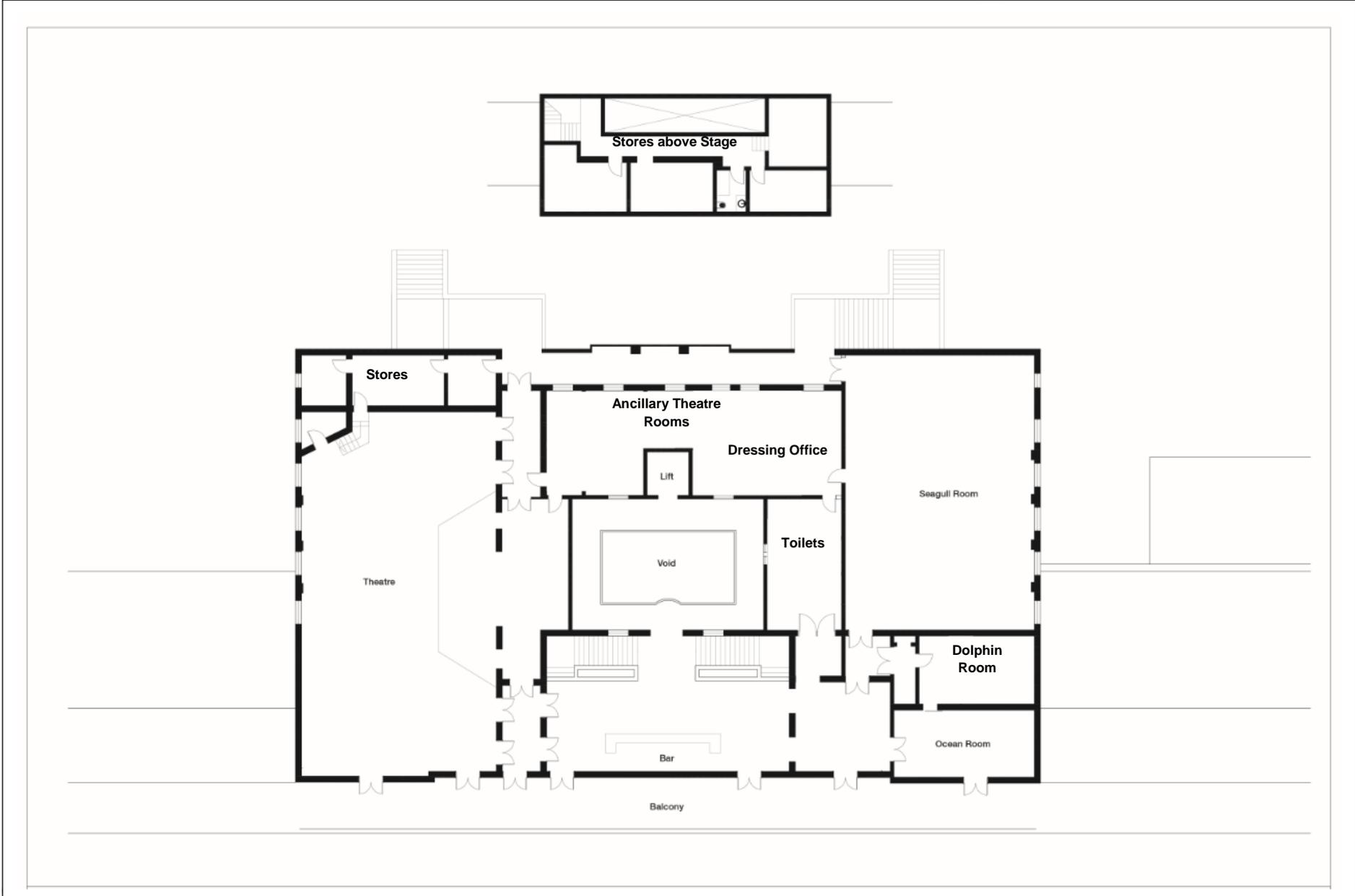
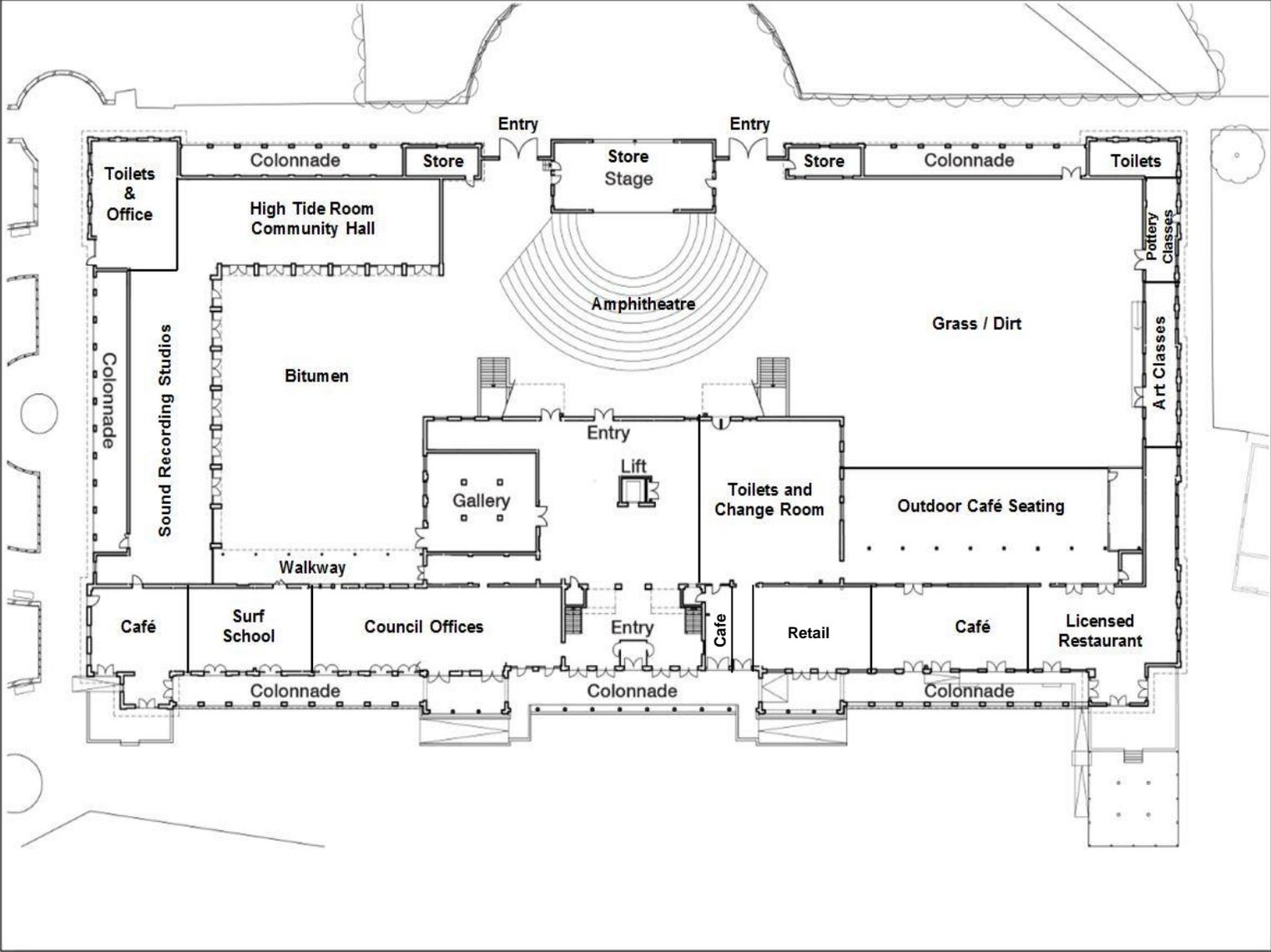


FIGURE 5 – CURRENT USES – GROUND FLOOR



3.3 STRUCTURE AND CONDITION ASSESSMENT

From visual inspection the bulk of the structure is a column framework, intersecting beams with a truss structure to support the roof areas.

Infill panels were observed, where accessible, to be brickwork supported on the slab or supporting beams.

The effect of this type of structural construction is that the internal walls are largely non-structural. A number of the internal walls appear to be there for fire separation reasons and it is likely that these could be rationalised as part of the current review of the fire regulations.

It is understood that the balcony area facing the ocean has had concrete cancer treated, a new waterproofing membrane installed and a new wearing slab provided. It was noted that there are no movement joints, the absence of which will promote cracking in this vulnerable area. In itself this is outside the brief of this report. If however this area is to be modified, it is suggested the issue of movement be revisited. There are proprietary systems available that can assist in resolving this issue, for example those produced by Latham Australia.

There are many areas which cracks can be seen, such as those in the balustrading facing the internal auditorium and some lintels which are showing signs of concrete cancer, which will need repairing. They are however not significant for the purposes of this report. We understand that the Pavilion maintenance regime and budget is severely restricted. Items of repair are addressed as necessary and there is no preventative maintenance plan.

Fire safety has also had an impact over the years at the Pavilion with many fire door installations to ensure fire "compartmentalisation". This has the effect of interfering with circulation and useful room layouts. A more holistic approach is required to better configure the building.

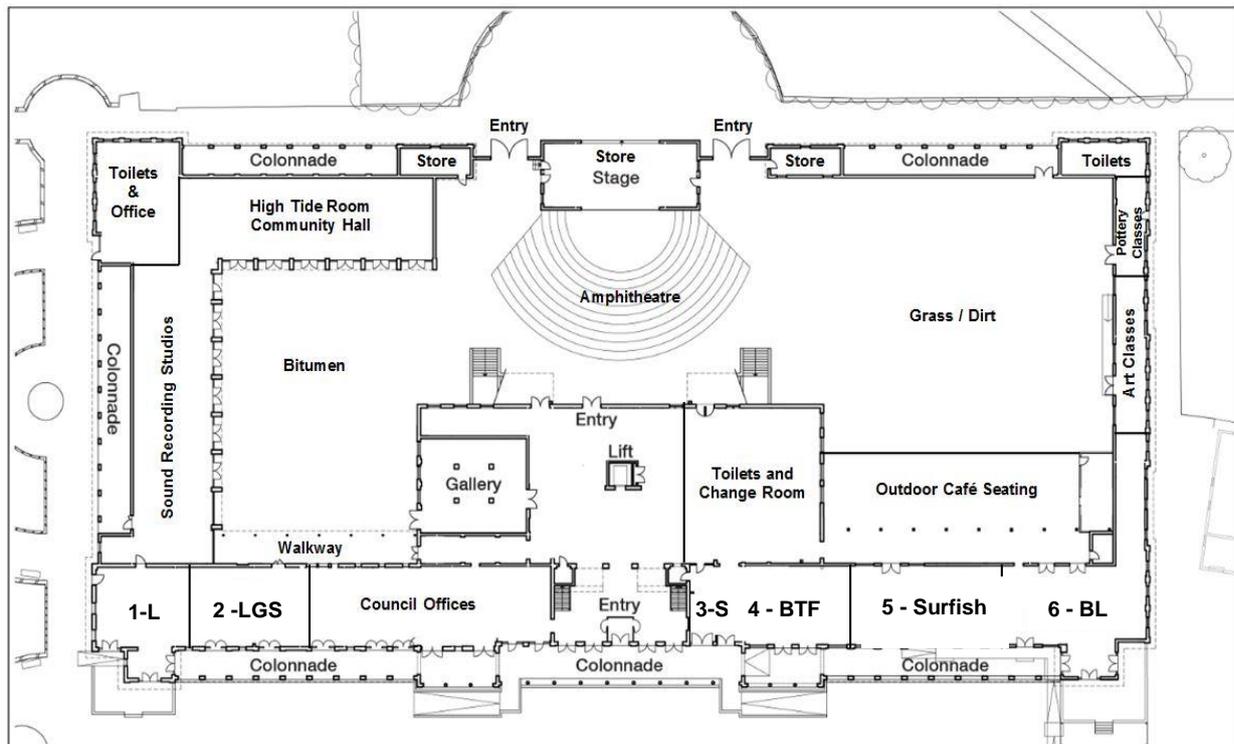
We understand that a major fire compliance upgrade is about to be undertaken. Timing of the execution of this exercise should be considered in the context of the reconfiguration exercise.

The full report is included in Appendix A.

4 Existing Commercial Arrangements

A plan of the tenancies is provided below to help outline the commercial arrangements:

FIGURE 6 – TENANCY PLAN



4.1 CURRENT COMMERCIAL TENANTS

Existing commercial tenants are as follows:

- 1 Lush
- 2 Let's Go Surfing
- 3 Sejuiced
- 4 Between The Flags
- 5 Surfish
- 6 Bucket List

The following table provides a summary of the salient features and details of each tenancy.

TABLE 1 – TENANCY FEATURES AND DETAILS

ADDRESS	AREA M2	TENANT	AGREEMENT TYPE	START DATE	EXPIRY	OPTION	CURRENT RENT
Surfish	231 sqm (104 shop, outdoor seating - 70 back & 57 front)	Poseidon Pty Ltd (ACN 112858643)	Lease	1/09/2008	31/08/2013	New lease being prepared based on tender documents	new lease will be [REDACTED]
The Bucket List	782 sqm (224 Restaurant, 343 front, 192 back, side 23)	Bondi Beach Foods Pty Ltd ACN 152 616 736	Lease	1/01/2011	31/12/2015	IN OPTION PERIOD	[REDACTED]
	37 sqm Cool room	Bondi Beach Foods Pty Ltd ACN 152 616 737	Lease	1/01/2011	31/12/2015	IN OPTION PERIOD	[REDACTED]
Between The Flags	74 sqm	Between the Flags (Aust) Pty Ltd (ABN 12 098 387 323)	Lease	1/09/2011	31/08/2016	IN OPTION PERIOD	[REDACTED]
Sejuiced	28 sqm	Sejuiced Operations Pty Ltd (ABN 50 111 767 456)	Lease	1/01/2010	31/12/2014	YES - 5 YRS	[REDACTED]
	13 sqm outdoor seating	Sejuiced Operations Pty Ltd (ABN 50 111 767 456)	Licence	1/01/2013	31/12/2014	YES - 5 YRS	[REDACTED]
Let's Go Surfing	119 sqm	Let's Go Surfing paying month to month	Licence			Currently month to month	Let's Go Surfing pay [REDACTED] [REDACTED] [REDACTED]
Lush On Bondi	249 sqm (92 shop, 31 back of shop, 117 outdoor seating, 8 storage)	Poseidon Pty Ltd (ABN 76 112 858 643)	Lease	15/12/2011	14/12/2016	NO	[REDACTED]

4.2 NON-COMMERCIAL TENANTS / USERS

We provide below a summary of the income of the non-commercial areas of the Pavilion:

TABLE 2 – NON COMMERCIAL AREA DETAILS

AREA	2013/14 INCOME
High Tide Room*	\$77,123
Beach View Rooms*	\$107,642
All Areas Events	\$52,623
Music Studios	\$51,457
Gallery	\$30,429
Art Studio	\$2,750
Pottery Studio	\$55,876
Theatre	(\$96,696)
TOTAL	\$281,204

*A breakdown of each of the above revenue areas for 2013/14 is provided below:

TABLE 3 – NON-COMMERCIAL REVENUE / INCOME BREAKDOWN

BEACH VIEW ROOMS	2013/14 INCOME	HIGH TIDE ROOM	2013/14 INCOME
Transendance (dance classes)	██████	Baby Ballet	██████
Gymbaroo (baby gym)	██████	Capoeira (martial arts)	██████
Bondi Dance Co.	██████	Esquino De Tango	██████
African Dance	██████	Fitness 4 Mums	██████
Action Atelier (theatre)	██████	Ki Yoga	██████
25 Shot Theatre (theatre)	████	Playball	██████
Bottoms Up (pole dancing)	██████	Tae Kwon Do	██████
Alcoholics Anonymous	██████	Zumba	██████
Action Kids	████	Fit For Life	██████
Misc	██████	NA	-
Functions	██████	Functions	██████
TOTAL	\$107,642		\$77,123

Most of the items above operate on a weekly basis (except for Functions which are ad hoc). Note that Functions are partly managed by the Resident Theatre Group (refer separate section below).

Revised fee schedules for room hire for 2014/15 are as follows:

TABLE 4 – ROOM HIRE SCHEDULE

ROOM	COMMUNITY \$ PH	COMMERCIAL \$PH
High Tide	\$21*	\$42*
Seagull	\$21*	\$42*
Ocean	\$16	\$32
Dolphin	\$16	\$32
Art Studio	\$70 per week	\$140 per week
Art Gallery	\$500 install fee	\$500 install fee
Music Studios	\$16	\$32

* above rates are Peak. Off Peak rates are approx. 15% lower.

Revised fees for function hire for 2014/15 are as follows:

TABLE 5 – FUNCTION HIRE SCHEDULE

ROOM	DURATION (HRS)	FEE
High Tide	4 - 8	\$288 (4 hrs) - \$576 (8 hrs)
Beach View Rooms	4 - 8	\$288 (4 hrs) - \$576 (8 hrs)
Kids' Parties	3.5	\$175

It is acknowledged that the above rates have been based on a benchmarking exercise of other nearby LGA offerings. From a commercial perspective we note that the benchmarked offerings do not have iconic beachfront amenity. This is not to say that the community does not have the right to be afforded the same services at similar pricing. It merely points out that there is an opportunity cost, that is, Council could offer the same services and pricing in a different (non-premium) location so as to free space up to higher yielding activities in the Pavilion. In so doing it should benefit a larger portion of the constituents and provide ancillary benefits to the broader community (promotion of visitation and income multiplier effects).

All area events comprise the following income (no expense attribution):

TABLE 6 – ALL EVENT AREA INCOME BREAKDOWN

ALL EVENT AREAS	2013/14 INCOME
City 2 Surf	██████
Sydney Tango Festival	██████
Bondi Yoga Festival	██████

Sydney Peace Festival	████████
NYE/Xmas	████████
Flickerfest	████████
TOTAL	\$46,800

We note that the income above does not include any costs associated with the establishment of the event. Considering the nature and size of these events quantum of revenue that Council receives however is relatively low however we understand that Council's mandate is not to maximise revenue but to provide a community benefit from these events.

4.2.1 ROCK SURFERS (RESIDENT THEATRE GROUP)

Rock Surfers is an independent new writing theatre companies. It is committed to the development and presentation of new Australian work. Through the Bondi Pavilion Theatre, it aims to provide access for artists and audiences alike. TRS' goal is to give emerging theatre artists a leg up into the Sydney theatre scene, create community hubs for independent artists and show case the very best new work

The Resident Theatre Group occupies the upper level of the Pavilion via a licence agreement executed on 15 September 2010 for an initial period of three years plus a two year option period. The licence grants the Resident Theatre Group (near) exclusive use of the theatre and bar. The Resident Theatre Group is also granted the upper level spaces to provide function and event venues in conjunction with the bar (and its liquor licence).

Rock Surfers pays ██████████ per annum. Rock Surfers also receives the following benefits:

- ██████████
- ██████████
- ██████████
- ██████████
- ██████████

The main obligations of the Resident Theatre Group are:

- Regularly provide theatre to public
- Manage the function operations of the upper level of the Pavilion (and act as liquor licensee)

Operating hours are seven days a week 7am until midnight. The period from 20 December until 20 January the following year is excised out of the usage rights to afford Council flexibility with its Christmas period events.

We note that Council views the theatre as an important offering to the community. However, the additional rights afforded to the theatre company pose significant impediments to the proper functioning of the upstairs venues. ██████████

██████████ Theatre operators and function and event management do not normally go hand in hand. They are different skill sets and would normally be separately commercialised.

Moreover, the theatre, as we understand it, struggles to fill half the seats. The theatre is dominating the entire upper level of an iconic beachfront location with stunning views that are not part of its offering (this is similar to comments regarding other community/commercial offerings held at the Pavilion). To maximise revenue, the location should be a fundamental part of the offering for all facilities at the Pavilion (unless no other alternative location can be found). That is, people should be patronising the facilities

because they want to visit Bondi Beach based on the notion that a community theatre does not have to be located at the Beach but rather at a more appropriate location.

The configuration of space given over exclusively to the Resident Theatre Group is also an issue as it is highly inefficient. There are many small spaces, fire doors, stairs and rooms that have probably been reconfigured over the years and the layout has “ended up” this way. If designed from first principles it would not be configured in this way; it would be far more efficient and use far less space for the required needs.

Utilisation is also an issue. Many of the stakeholders voiced an opinion that the utilisation of the theatre is not high and that the theatre need not displace other uses when in “show”. We believe the theatre needs to be freed up for other uses including the screening of films and that even if a show is in session the theatre should be capable of being packed up by the Resident Theatre Group and used for film screenings.

Based on theatre attendance numbers provided by the Resident Theatre Group, the theatre can be reconfigured to utilise less of the upper floor space. Option B is configured to give half of the existing south west corner for a 100+ seat theatre space. This seating capacity is more in keeping with demand. The freeing up of the floor space, especially on the beach front will not only mean that it can be utilised for commercial benefit but it is essential to ensure a critical mass of floor space is available for the dining and function operator.

Explicit cost to Council of the Resident Theatre Group licence: [REDACTED]

Other revenue earned by upper level: [REDACTED]

Commercial rent balance upper floor: [REDACTED]

Difference to Council: [REDACTED]

4.3 LEVEL ONE CONFIGURATION AND COMMERCIAL ARRANGEMENTS

In addition to the Resident Theatre Group impediments in terms of venue manager, liquor licensee and space inefficiency and utilisation, the existing usage for the remainder of the level 1 space and sharing of functions, for example weddings, kids’ parties, gymbaroo and dancing are not very practical.

Wear and tear is an issue and some of the lower order financial returns displace the higher order ones. For example pole dancing classes being scheduled when a business symposium might seek to hire the adjacent rooms. This can also be amplified by scheduling, for example, a lower order use might be scheduled for half an hour that displaces the potential for a full day hire.

The level one configuration is therefore currently a significant impediment to commercialisation however it has the potential to be very profitable to Council. We therefore believe that the Resident Theatre Group needs to be downsized and most of the upper floor given over to a single commercial operator for the purposes of dining, functions and events.

4.4 OPERATIONAL AND CAPITAL COSTS

We have been advised that maintenance costs are approximately \$550,000 pa. We have not been provided details as to other operational costs.

We have also been advised that the Pavilion is neither a profit or cost centre in its own right and that data is not readily available that aggregates all costs and income lines for the Pavilion. We further understand that since recent staff changes there may be a centralised Pavilion focussed team that is responsible for the Pavilion holistically.

The Strategic Asset Management Plan details the “Capital Enhancement” budget allocation of \$4,180,000 (further detail is included in section 11.3)

We understand that the maintenance allowance is highly constrained and is inadequate to meet the current needs of the facility as there is no formal preventative maintenance programme.

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5 Revenue Generating Opportunities

It is noted that this is not an exercise in “feasibility” and not meant to be a measure of commercial return for capital invested. This is a community facility with a mix of commercial, cultural and community uses in a heritage building. A significant capital investment is requirement as a minimum (even in the absence of commercial uses) to simply bring the Pavilion to a satisfactory state.

This commercial review has been conducted as a “pre-feasibility” exercise to conceptualise the uses to optimise the outcomes, on balance, between the competing aims of cultural, community and commercial uses.

There are four main elements to increasing income generation for the Pavilion:

- Giving over the upper level mainly to functions, events and dining
- Moving Council offices to an offsite location
- Consolidating community uses to the south west corner (High Tide and music rooms)
- Increasing tenancy areas for lease

All of these elements, whether individually or combined, rely upon a significant capital intensive upgrade.

5.1 FUNCTION, EVENTS AND RESTAURANT

As part of our methodology we investigated and interviewed several exemplars of sympathetically redeveloped surf pavilions including:

- Bathers’ Pavilion – Balmoral Beach
- Manly Pavilion
- Hugo’s – Manly Wharf
- Coogee Pavilion
- Surf House – Newcastle (Merewether Beach)

All of these facilities have a core focus of hospitality including restaurant, café, events and functions. One could argue that the key reasons for these uses is the redevelopment budget constraints. That is, these culturally important buildings were effectively redeveloped by private sector funding. We note that the original Surf House was completely demolished due to the effects of the Newcastle earthquake and is now a contemporary style offering toilets, showers and change facilities.

It should be no surprise that commercial activities work well with these assets because they are in such aesthetically pleasing locations and play to the love of beach culture and therefore attract premium tenants. Importantly, it is the balancing of community and commercial interests that is critical to a successful outcome.

As noted, for a facility as large as the Pavilion the mix of tenants will be critical (eg: Manly Wharf). We note that the theatre, to the extent that it remains will be an encumbrance on the commercial opportunity of the upper level by way of floor space, configuration, access and operability.

We have previously provided Council feedback from the interviews regarding the above facilities and the history of their redevelopment and commercial arrangements.

5.2 RELOCATING COUNCIL OFFICES TO AN OFFSITE LOCATION

Optimising the Pavilion's cash flow necessarily means relocating the Council office space that is presently in the beachfront south wing. We understand that there will need to be a small Council staff presence at the Pavilion and this need can neatly fit into the bandstand/entry archway.

Relocating Council will allow the leasing of some 216 sqm of space that could generate up to \$1,000 psm annually in rent.

5.3 CONSOLIDATING COMMUNITY USES

Some community uses are provided by way of the upstairs beach view rooms including dance, yoga, baby gym, Alcoholics Anonymous and other similar uses. In a similar vein to the comments above for the location of Council offices, most if not all of the uses can be supported elsewhere on site or off site.

There is a large differential in the income generating potential of such community uses (or quasi commercial/community uses) and a function, event and restaurant facility. This does beg the question regarding Council's mandate and which is more important: to provide services to its constituents or maximise profit. This is a mischievous framing of the issue and it is often used to good effect to argue one side of the case. However, the issue is not binary. As it can be argued, and argued successfully, that most of the community uses can be relocated perfectly well without interfering with the efficacy of the use. The space that is then made available can be put to good use offering the community different services and earn Council significant income that will be important in ensuring the sustainability of the asset.

5.4 INCREASING TENANCY AREAS

The majority of current tenancies are constrained by their inability to expand east onto the promenade and west into the courtyard. The reactivation of the courtyard and particularly on the north west courtyard and southern "wing" of the Pavilion will increase area available for commercial tenancies. It may be noted that "saturation point" could be an issue in terms of leasing space. That is, is there a point at which there will be an oversupply of lettable space at the Pavilion. We do not however believe that this is the case, subject to the following caveats.

Successful retail offerings are focussed on tenant mix. If there is too much of one thing it will cannibalise the other and will not be a success. Important issues surrounding any reconfiguration of lettable space will include:

- Activation via different uses to drive demand of multiple uses (cross selling);
- Activating from early morning until late night to drive patronage;
- Appeal to broad demographics and visitation types;
- Council led programmes to drive visitation during low season and poor weather; and
- Balance of tourist attractors and those that bring the local community on a consistent basis.

We note that the structural review reveals that the eastern and western wings nominated under the options for retail (including F&B) space are very flexible in terms of their configuration. The entire space under the wings has no structural walls other than the perimeter walls. Hence the area can easily be configured (and reconfigured) by lightweight partitioning at minimal costs and disturbance. Fire issues should be simplified if accessible from front and back.

5.5 RENTS

Rents are difficult to compare between Campbell Parade and the Pavilion. The Pavilion seems to be a microcosm of its own. Some of the Pavilion tenants also enjoy very large outdoor areas that are simply not available on Campbell Parade and when calculating per square metre rents makes comparisons

complex. When per square metre areas for the Pavilion are calculated on internal shop floor area (excluding outdoor areas and storage) the rents appear comparable at around [REDACTED].

The following table outlines the current rental opportunities on Campbell Parade:

TABLE 7 – CAMPBELL PARADE RENTS

ADDRESS	SHOP1/112-116 CAMPBELL PARADE	296 CAMPBELL PARADE	UNDISCLOSED (HEART OF CAMPBELL PARADE
Area (sq.m)	85	77 (includes 13 sq.m enclosed outdoor area)	210-240
Rent (\$/sq.m/pa)	[REDACTED]	[REDACTED]	[REDACTED]
Rent Type	Gross	Net + Outgoings	Net + Outgoings
Lease Term	5 Years	Asking for 5+5 years	Asking for 5+5 years
Comment	Leased in mid January 2015	Ground floor of new boutique apartment building to be completed in May 2015. Located north of main commercial area.	Retail space could be divided into two smaller tenancies

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6 Uses

6.1 NEEDS & VISION

Council has provided a brief for the investigation to essentially optimise revenue subject to community use, cultural uses and heritage considerations. To inform the needs and vision we have consulted with Council staff, key stakeholders and the community (through the Plan Of Management (POM)) and incorporated our own ideas based on previous similar experience.

6.2 KEY STAKEHOLDERS & INFORMATION SOURCES

Based on the POM and stakeholder engagement with the groups listed below, a “long list” of potential uses for the Pavilion was created. The following table categorises the proposed uses and provides a broad measure (high, medium, low) as to how “popular” the uses were amongst the stakeholders as well as their relevance to the reconfiguration of the Pavilion.

Groups consulted included:

- Bathers' Pavilion – [REDACTED] (owner)
- Manly Pavilion – [REDACTED] (architect)
- Hugo's Manly – [REDACTED] (owner)
- Surf House - architect
- Friends of Bondi Beach ([REDACTED])
- Merivale Group - COO and Dining Director
- Tourism NSW
- Business Events Sydney
- Museum of Contemporary Art - CFO
- Bondi Chamber of Commerce
- Australian Chamber Orchestra – Deputy GM
- All existing tenants
 - Between the Flags
 - Bucket List
 - Sejuiced
 - Surfish
 - Lush
 - Let's Go Surfing and
 - The Resident Theatre Group

Invited – but no participation

- Bondi Surf Life Saving Club
- North Bondi Surf Club
- Domestic events manager (██████████)
- Business events manager (Bells 'n' Whistles)
- UNSW
- Nick's Seafood

6.2.1 THE "LONG LIST"

TABLE 8 – THE "LONG" LIST

CATEGORY / USE	HIGH	MEDIUM	LOW
Food and Beverage / Retail / Commercial			
Courtyard Coffee Shop / Food and Beverage	High		
Commercial Bar	High		
Additional Food outlets and cafes along the boardwalk		Medium	
Retail apparel		Medium	
Surf shop		Medium	
Family friendly "pub" (similar to Byron bay)			Low
Function Centre – private functions, conferences, presentations	High		
"Ballroom" (with character as opposed to convention centre) – private functions, charity events	High		
Commercial Bar operated in association with the Function Centre	High		
Fine and casual dining Restaurants		Medium	
Hub/incubator for "creatives" (ties in with Waverley strategy)		Medium	
Museum/experience centre (indigenous, surf or otherwise)		Medium	
Arts, Culture, Entertainment			
Live music in the Courtyard		Medium	
Markets		Medium	
Integrated "one stop shop" (similar to Coogee Pavilion redevelopment) with one owner	High		
Medium size commercially sustainable theatre (circa 500 seats)	High		
Indigenous dance group (outdoors)	High		

Sport and Recreation / Lifestyle			
Ice Skating Rink (as per previous use)			
Night time activities / activation (not necessarily bars)			
Outdoor Yoga (and other similar) classes			
Toddler's Pool			
Bike hire			
Diving hire			
More winter activities (eg: Festival of the Winds)			
Valet surfboard storage along the beach (similar to Hawaii)			
Temporary festivals			
Outdoor cinema / open air theatre			
Tourism			
Information Booths (digital and interactive)			
Indigenous Presence (Artefacts related to Bondi are currently held by the Sydney Museum)			
Boutique micro hotel (circa 6 rooms)			
Tourist / Visitor Information Centre (eg; similar to Manly)			
Other			
Increased public toilet and change facilities			
Pop-Up events to maintain interest and visitation			
Day spa and personal grooming			
Outdoor games area (eg Coogee Pavilion)			
Bondi Pavilion Courtyard Garden			
More shade, enclosed areas and soft landscaping			
"I've been to Bondi" photo opportunity			
Beach concessionaire space (for beach activities)			

6.3 POTENTIAL USES – THE “SHORT LIST”

Based on Council feedback and analysis the following uses were developed as the “short list” upon which to base the preparation of Options for Council’s consideration. The physical uses include:

1. Courtyard Coffee Shop increased variety for food and beverage
2. Commercial bar
3. Function centre - private functions, conferences, presentations
4. “Ballroom” (with character as opposed to convention centre) – private functions, charity events
5. Theatre
6. Night time activities / activation (not necessarily bars)*
7. Temporary festivals*
8. Outdoor cinema / open air theatre
9. Indigenous Presence (Artefacts related to Bondi are currently held by the Sydney Museum)
10. Tourist Information Centre (eg; similar to Manly)
11. Increased public toilet and change facilities
12. Maintain community uses to the extent practicable
13. Pop-up uses to maintain interest and keep visitation high
14. More shade, enclosed areas and soft landscaping
15. Beach concessionaire space/rights (for beach activities)
16. “Bondi Beach” photo opportunity*

** although not a ‘physical’ requirement the Pavilion’s design will need to cater for activities such as these.*

6.4 CONFIGURATION OPTIONS NOTES

Based on the above “short list” uses, we have prepared two versions of a potential reconfiguration of the Pavilion:

- OPTION A – a lower capital requirement reconfiguration requiring less intervention
- OPTION B – major reconfiguration including a heritage “make-good”

Whilst the reconfiguration options have been produced in plan form they are meant to be illustrative of concepts and uses rather than reflecting actual wall locations and room dimensions, that is, it is the proposed uses and their general locations that are important. Notwithstanding the preceding comments we have carefully attempted to layout the reconfiguration cognisant of structural elements and heritage.

6.4.1 APPROACH

To reiterate at this point, the aim of the engagement is to provide reconfiguration options for the Pavilion to:

- Refresh the Pavilion and increase its aesthetic appeal

- Promote commercially sustainable uses that will enhance the commercial sustainability of the Pavilion
- Balance the commercial uses with community and cultural uses
- Be sympathetic to heritage values

The options presented in Sections 7 and 8 are therefore based on the above objectives.

6.4.2 MINIMUM STANDARDS – FEEDBACK THAT HAS SHAPED THE OPTIONS

We provide brief, mostly in-principle, comments below as a prelude to the two options. The comments below are to assist in contextualising the options.

As a minimum the Pavilion needs a substantial aesthetic upgrade. Feedback from the extensive community consultation and our stakeholder consultation revealed a significant dissatisfaction at the current state of the Pavilion.

It seems to be generally agreed that the Pavilion is an iconic Sydney asset for locals, domestic visitors and international tourists. Regardless of any commercial motive the Pavilion is of such significance that it should be well maintained. In order for the Pavilion to attract and retain quality commercial tenancies it is necessary that it be maintained to a high level. Illustrative examples of the requisite quality of redeveloped assets with similar heritage and uses are Bathers' Pavilion (Mosman) and Manly Pavilion.

In a similar vein, any reconfiguration needs to be of a threshold amount. It has been 40 years since the last major reconfiguration. The Pavilion seems to lack contemporary relevance when compared to its peers. It is understandable that it could be viewed as a "difficult" asset given its iconic status, difference of community opinion and budget constraints. Rather than being the "easy" option it now appears that the risks lie with the "do nothing" option. That is, there seems to be a community expectation that the Pavilion should be restored its dignity.

Regardless of what the ultimate uses are, immediate areas of concern that require addressing urgently include:

- Overall condition (structural integrity appears to be sound however cracks in masonry, poor paint condition and general maintenance)
- Entry statement and accessibility
- Foyer (especially entry from the Campbell Parade side)
- Toilets (inadequate and malodorous for existing tenancies)
- Beach view rooms and Bar (sub-optimal layout and utilisation)
- Courtyard (uninviting, used as car/truck park, no landscaping)
- Lack of permeability (access, uninviting, poor view lines)
- Pavilion serviceability

The following observations on these key elements also form the basis for and reasoning behind the two design options presented for consideration.

OVERALL CONDITION

We believe that the Pavilion is in largely sound structural condition but its outward appearance (especially inside and in the courtyard) is unappealing. We recommend that as a minimum the entire facility is given an extensive once-over refresh (dovetailing with any long term plans that may be committed to) in terms of masonry, paint and general maintenance with a thorough (preventative and unplanned) maintenance plan that addresses the issues of the corrosive seaside environment. Thought should also be given to addressing increased shade and lighting.

ENTRY STATEMENT AND ACCESSIBILITY

The Pavilion seems to lack an entry statement from Campbell Parade. The Pavilion is obscured from Campbell Parade by the trees and shrubbery and lacks wayfinding aids. The bandstand entry is a lovely heritage item to welcome visitors to the Pavilion and it should be made more prominent by re-landscaping the entry and have sign postings from Campbell Parade.

We understand that as an action arising from the Plan of Management that the bandstand will be configured as an entry archway and the removal of the amphitheatre to better welcome visitors.

The potential to rename the bus stop (as Bondi Pavilion) might also be considered to provide a better address and footfall close to the Pavilion and thereby assist activation.

FOYER

The foyer seems claustrophobic despite the first floor void and solar access above the void. Most people we interviewed did not like the current foyer arrangement and considered it outdated. There is also a "skirt" that drops down from the void perimeter (some four feet) that reinforces this effect.

We believe the foyer should be decluttered and opened up with better access from the courtyard. The gallery space should be relocated. The gallery could be housed within the foyer and not cloistered in its own room.

The remaining foyer space can be used to host temporary pop-up promotions/events and ideally activities of some sort (as significant feedback focussed on "there is nothing to do at the Pavilion"). These temporary items will help keep the Pavilion interesting and promote multiple visits and ongoing curiosity.

TOILETS & CHANGE ROOMS

A pervasive comment was that the toilets need to be renewed and increased in number. Some tenants also noted that the toilet odours can be problematic for them and their patrons.

We believe that the toilets should be relocated to the side of the facility and include (daylight) access directly from outside the Pavilion and from within the courtyard.

BEACH VIEW ROOMS

Uses for these rooms currently include Gymbaroo (baby gym), yoga, pole dancing and kids birthdays and functions. Whilst utilised more than 50% of the time they attract little revenue for what could be the most valuable commercial floorspace in the Pavilion.

We have investigated the structural possibility of removing the Dolphin and Ocean rooms' walls so as to have one large function space (we did not access the ceiling space). On the basis that the facility is symmetrical and identically constructed as for the theatre space it should be possible to remove these walls without too much structural interference.

The lack of views from the beach view rooms was noted as an issue for users. Comments such as, "you could be inside any room and not know you are at the beach, let alone Bondi Beach" supports the removal of the walls to open up the views. This however does not mean that operable walls could not be included to separate the rooms as and when required.

The opening up of this space will make it more useable and increase its revenue earning potential. Existing uses can be located elsewhere on and/or off premises. More comments are provided in "Uses" below.

COURTYARD

The courtyard is considered to be an eyesore and misused by many people.

We believe that cars and trucks should only be allowed to enter the forecourt under special circumstances and very rarely as they detract from the sanctuary that the Pavilion could be. See further "Serviceability" below.

The forecourt requires substantial beautification. This could be achieved relatively easily at minimal cost by removing parking on the western side and soft landscaping of the eastern area and selected areas of the western side (especially to conceal the exterior plant, machinery and unsightly back of house elements).

Substantial parts of the courtyard could be put to good use by permanent or removable all weather canopies.

The “fire” stairs at the rear of the Pavilion could also be softened by landscaping and made more aesthetically appealing (perhaps by tiling). Shade to the courtyard and performance area is also required.

A very pervasive theme of our stakeholder consultation was weather effects on business. We believe that the Pavilion has great scope to mitigate some of these negative weather effects by turning inward to the forecourt.

PERMEABILITY

There were many comments on the lack of “permeability” of the Pavilion; the difficulty of accessing and wanting to access (especially from Campbell Parade). The Pavilion seems to have a “fortress” character and seems uninviting with several people commenting “I wasn’t sure if I was allowed to go in there”.

The Pavilion could be made more inviting by the entry statement, way finding signage, enlarged entry points and additional entry points.

Views are also important to the modern functioning of the Pavilion. Heritage can be addressed sympathetically whilst increasing glazing content to promote better view lines from within the facility (and notably for the upstairs balcony).

It is a curious concept that designers from a century ago placed little store in views. Sometimes they may have been hampered by construction techniques and materials but it is evident from much of the architecture, mostly inherited, that the outside was to be kept outside. Today things have reversed with al fresco and views being treasured especially in Sydney.

In terms of permeability, and keeping the outside out, Council should consider the use of high quality vinyl transparent awnings on the beachfront façade. Most of the tenants cursed the southerly weather and its effects on patronage and their plant and equipment. Council could include strict limitations on use, ie only during inclement weather. The benefits would include minimising both rain and wind effects.

A further consideration is ways of limiting the wind tunnel effect through the foyer. A major reconfiguration gives the potential to solve this problem. It is suspected that this issue was one created by roofing over the central atrium (originally there was no roof over the atrium). Prior to roof addition it may have been less of a venturi effect as the roof aperture is relatively large.

In a somewhat similar vein, the specifications for fixtures and fittings in any reconfiguration scenario are critical given the aggressively corrosive seaside location. There are two elements to this, the first is to specify a product that is fit for purpose and the second is to purchase the product with a suitable warranty (price of course being a consideration also).

SERVICEABILITY

The Plan of Management already includes ideas for better serviceability of both the Pavilion and the surf club. This will be an important element of any reconfiguration to ensure that the car and truck parking can be removed from within and that proper and efficient servicing can take place for the commercial tenancies.

7 Option A

We have developed a lower capital cost reconfiguration option for Option A with the objectives of the engagement in mind. The Minimum Standards above apply to the Option A in addition to the uses and reconfiguration notes below.

This scheme is based on the following key points:

- The upper floor will largely comprise a function, conference and restaurant facility. A significant compromise will exist in retaining a theatre element upstairs, especially as to operational practicalities of both operating at the same time.
- The Resident Theatre Group is largely maintained in its current form.
- All tenants desire additional storage space.
- Additional toilet facilities and ease of access is required
- The courtyard requires activation and is the most appropriate space to utilise when there is inclement southerly weather.
- Community groups should be grouped together and on ground level.
- The upper floor is the prime location for function and event spaces.

GROUND LEVEL

Retail Tenancies – Beachfront

Current retail tenancies and Council offices require reconfiguration to increase lease space and optimum placement. Additional storage for all tenancies is required. A clear strategy with respect to outdoor seating. Licenced areas and the provision of shade, weather protection and security along the beachfront is required. Whilst precedents are already set they are inconsistent in their application and appearance.

The beachfront “wings” should be given over to commercial (including food / beverage and retail) uses (in place of Council offices)

Existing style dining and café should continue with additional contemporary food offerings including gelato/ice cream, selective fast food takeaway micro kiosks. This will drive choice and visitation.

Retail uses could include souvenirs (Between the Flags) and surf school (Let's Go Surfing), perhaps there is scope to include a dive school, bike hire and tour booking office.*

There may be scope for “personal indulgence” and “holistic health” options for example day spa.

Retail Tenancies –Eastern Courtyard

Current tenants have started to move out into this courtyard from the beachfront however planning approvals and approach to design is inconsistent. An opportunity exists to activate this space by including additional ‘rear’ dining areas for current tenants along beachfront as well as create new outlets within the current confines of the courtyard. The tenancies currently in the courtyard space need to be “made-good” for heritage purposes as they are not in sympathy with the building.

These outdoor spaces can be integrated with the Native Garden.

Toilets and Change Rooms

The toilets, change rooms and lockers should be relocated to the northern perimeter. Access can be both internal and external with many users expected to access from outside the Pavilion. Existing toilets in the south west corner should be upgraded and made more accessible.

Permeability: Entry and Central Core

As per the POM the central foyer requires opening up to create permeability and attract people through the Pavilion. Opening up the roller door area and creating a Tourist Visitor and interactive information screen can be the key point for tour groups to meet – views through to the beach from here will therefore be important.

The amphitheatre is removed (as per POM) and entry will be at grade on a slight upslope. The entry statement could have some real “wow” factor and possibly view lines to the surf. The band stand should also be reconfigured to foster a wide entry way into the Pavilion and incorporate a state of the art visitor information centre. Above the band stand could be an onsite Council management office for critical Pavilion staff.

Above the band stand could be an onsite Council management office for critical Pavilion staff.

The current foyer area will be opened up by removing the planter box, selective plant rooms and toilets/change rooms and the lift relocated to create a clear and open vista. The “skirt” of the foyer could be lifted up to create a vastly greater feeling of space. Entry to the main Pavilion building will be made much wider so as to be more welcoming. Entry to the upper floor would also be from this point.

A museum could be a permanent exhibition perhaps based on Indigenous culture, local or surf history. The Australian Museum has extensive Aboriginal artefacts related to Bondi at its disposal that could feature in this regard. The remainder of the revised and much larger foyer should be used for pop-up exhibitions, events and promotions.

The existing gallery uses could be offered in the foyer (open plan) to make way for the museum exhibit if an enclosed room was thought better.

The foyer space will be quite large with high ceilings and solar access from above (translucent void infill). The space could be well suited for community gatherings and Council announcements for example. In fact, this space could be rented out at appropriate times given the increased permeability to the building.

Eastern Courtyard

The eastern courtyard should be given over to a high quality native garden that is both educational and aesthetically pleasing. The garden could be used to extend the display of Sculptures by the Sea for selected items. This area could include a kids’ play area.

Western Courtyard - all weather multi purpose space

The western courtyard should be made an all-weather venue for outdoor events, such as markets, by utilising removable or permanent canvas sails/marquis. This area, indeed the south western corner, can be utilised for community uses.

Community Spaces – south western corner

The relocation of the community and cultural uses to the south western side of the facility will aggregate and consolidate those uses into a dedicated community space. We have feedback that housing multiple uses such as Gymparoo, yoga and function facilities is problematic due to wear and tear, eg the sports related uses scuff the floors and walls which reduces the quality of the function offering. It is also better for mothers with young children and prams to be located at ground level. The community space will be enlarged via the all-weather outdoor space.

The High Tide Room should remain and be used for existing community uses and the uses previously held in the Seagull Room

The sound studios should be given over to a “Creatives” Hub and Incubator (one of the studios might be retained perhaps). The Creatives Hub is consistent with the strategic direction of Council and should naturally embrace the arts and be culturally valuable. The “Creatives” Hub can benefit uses at the Pavilion by being actively involved in the promotion of events. For example, Bondi was recently ranked by the Australia Performing Rights Association (APRA) in the National Songwriter Postcode Rankings (2003-

2013) as being the number one ranked postcode for the genres of Electronica, Screen, Urban and World music. It was also in the top ten in six other categories ranging from children's to jazz and ranked number one postcode in New South Wales.

Toilets will be reconfigured and more added to in the south western corner. They will be better signed and more accessible both internally and externally.

LEVEL 1

Restaurant and Function Centre

Our stakeholder engagement revealed a lack of local conference and events venues for more than 30 people. The Swiss Grand used to target this market and has since been demolished to make way for residential apartments. We believe a function and event offering in conjunction with an up-market casual/fine dining venue could be attractive to commercial operators (and should not cannibalise existing operators at ground level). Such a use is consistent with many bathing pavilions in Sydney.

The major element will be to create a large multi-use space for restaurant and functions upstairs by removing the Seagull Room and Ocean Room walls to make one room the entire width of the facility.

A seating floor space of around 300sqm plus bar plus balcony could seat up to 250 people and for a cocktail function host around 350 people. The theatre space could work well as a lecture / presentation style room in conjunction for conferences if available.

The operation of a successful restaurant and function centre will be an attractor in itself and promote the re-invention message of the Pavilion.

Theatre Space

The theatre was highlighted by Council as a use that was to be ongoing. [REDACTED]

Part of the the Resident Theatre Group back of house will need to be given over to the restaurant back of house. We are advised that demand for the theatre is such that some seating could make way for utility rooms lost to the restaurant back of house. Storage for the Resident Theatre Group could also be utilised underneath the seating area.

Circulation, Permeability and Light Penetration

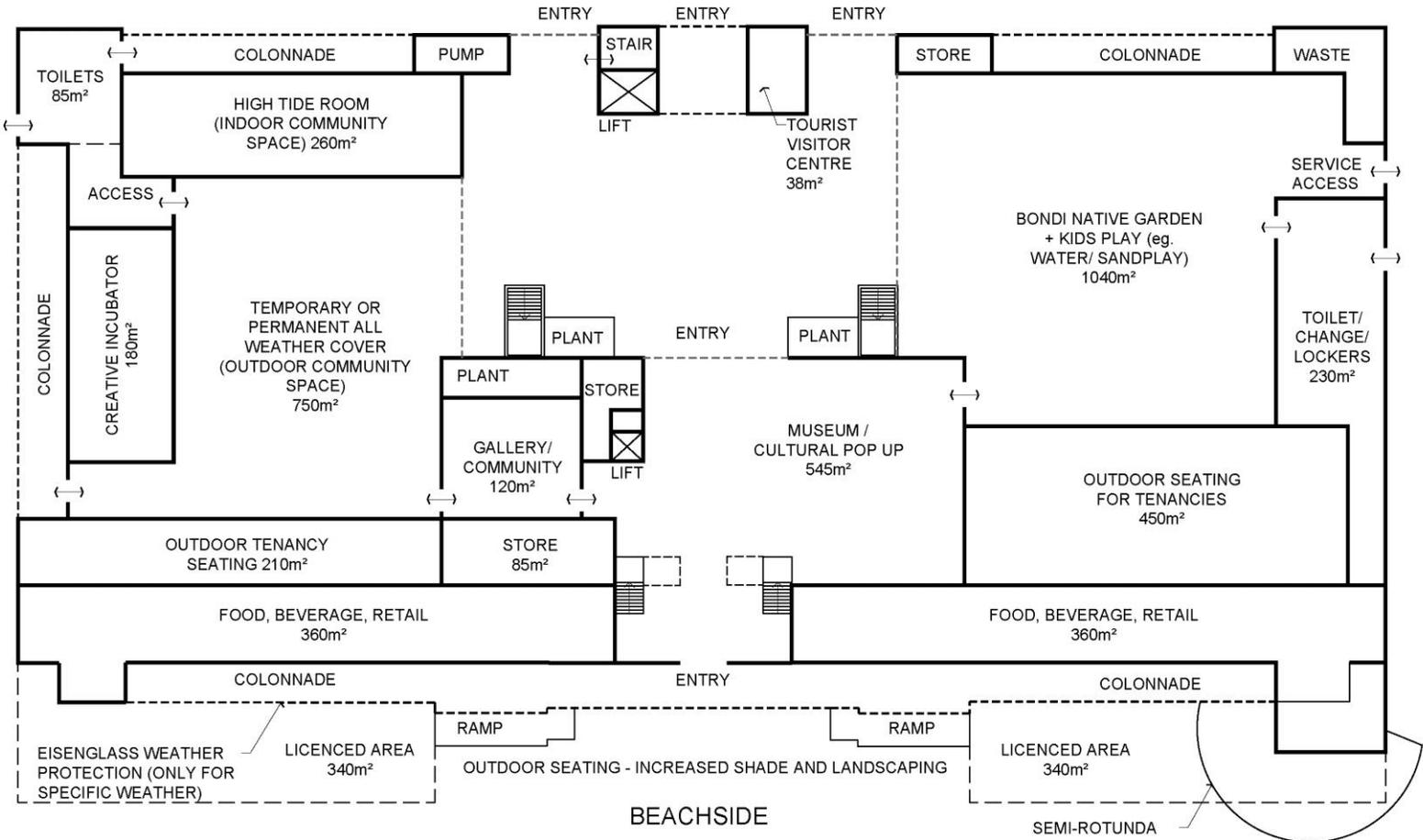
The lift should be moved to (as per Ground floor) and open out both to the BOH and public spaces.

The void should be partially filled in to increase the space for a bar / lounge area and to allow minimum threshold for a commercial restaurant (including BOH) still leaving an opening for light penetration to ground level.

A slight increase of the glazing on the eastern and northern facades (sympathetic to heritage) should be undertaken to significantly enhance views to the beach and courtyard garden from the restaurant.

The height of the existing balustrade precludes views. A glazed (or bronze) balustrade should replace the masonry balustrade to allow for views to the beach. This change will also allow people walking the promenade to view the upstairs façade (which the existing balustrade obscures).

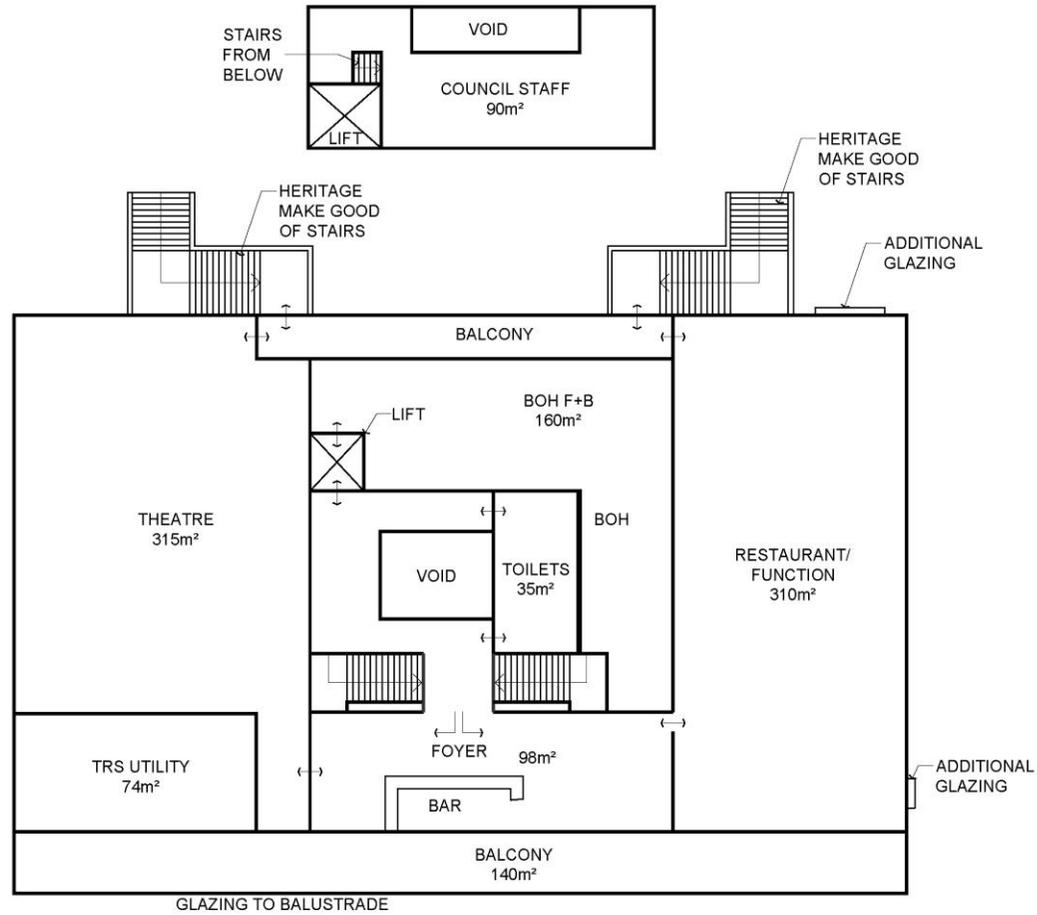
CAMPELL PDE SIDE



GROUND FLOOR
OPTION A

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

LEVEL 1



LEVEL 1 OPTION A

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

8 Option B

The more capital intensive and holistic scheme is based on a design that has the greatest impact on the Pavilion's current design and some uses whilst keeping the main structural elements. Heritage elements are treated in the same manner as Option A with respect to the concept of opening up the façade to include more glazing for permeability and view lines.

This scheme is based on the following key points:

- The upper floor will largely comprise a function, conference and restaurant facility. A significant compromise will exist in retaining a theatre element upstairs, especially as to operational practicalities of both operating at the same time.
- The Resident Theatre Group maintains a theatre presence in a reduced capacity.
- The active recreational tenant (eg: surf schools, bike hire) will ideally require access to more change rooms and toilets. The lease space should be linked with the beach concession.
- All tenants desire additional storage space.
- Additional toilet facilities and ease of access is required
- The courtyard requires activation and is the most appropriate space to utilise when there is inclement southerly weather.
- Community groups should be grouped together and on ground level.
- The upper floor is the prime location for function and event spaces.

GROUND LEVEL

Retail Tenancies – Beachfront

Current retail tenancies and Council offices require reconfiguration to ensure maximum lease space and optimum placement. Additional storage for all tenancies is required. A clear strategy with respect to outdoor seating. Licenced areas and the provision of shade, weather protection and security along the beachfront is required. Whilst precedents are already set they are inconsistent in their application and appearance.

The beachfront “wings” should be given over to commercial tenancies (including food, beverage and retail) uses (in place of Council offices)

Existing style dining and café should continue with additional contemporary food offerings including gelato/ice cream, selective fast food takeaway micro kiosks. This will drive choice and visitation.

Retail uses could include souvenirs (Between the Flags) and surf school (Let's Go Surfing), perhaps there is scope to include a dive school, bike hire and tour booking office.* The 'school' style tenants however do not need to be along the beachfront.

There may be scope for “personal indulgence” and “holistic health” options for example day spa.

The semi-rotunda and additions to the most eastern tenancy have also been removed in this option to address and make good the southern elevation with respect to heritage issues.

Northern Retail Tenancies - Eastern Courtyard

Current tenants have started to move out into this courtyard from the beachfront however planning approvals and approach to design is inconsistent. An opportunity exists to activate this space by including additional 'rear' dining areas for current tenants along beachfront as well as create new outlets within the current confines of the courtyard. It may also be possible to open up the northern wall of the courtyard to create further permeability from the west through to the courtyard via tenancies. The

tenancies currently in the courtyard space need to be “made-good” for heritage purposes as they are not in sympathy with the building. The addition of such spaces will remove the existing bare wall effect and offer articulation, interest and activation.

Eastern Courtyard

The eastern courtyard should be given over to a high quality native garden that is both educational and aesthetically pleasing. The garden could be used to extend the display of Sculptures by the Sea for selected items. This area could include a kids' play area.

The retail outdoor spaces can be integrated with the Native Garden.

Toilets and Change Rooms

As noted in the Option A, the toilets and change rooms should be relocated to location outside of the main building. It is proposed that a larger toilet and change room facility be integrated into the eastern wall area of the courtyard that can be accessed from internally from the courtyard as well as externally from the park.

Active Recreation Tenancy

The active recreation tenant is currently utilising the old Marine Discovery Centre tenancy on a month to month basis. This style of tenancy will continue to exist and should be linked to the beach concession. We believe a dedicated space in the north western corner should be made available including accessibility to the change rooms and showers. This will provide for further activation of the courtyard and have external access to beach.

Permeability: Entry and Central Core

As per the Option A (and the POM) the central foyer requires opening up to create permeability and attract people through the Pavilion. Opening up the roller door area and creating a Tourist Visitor and interactive information screen can be the key point for tour groups to meet – views through to the beach from here will therefore be important.

The amphitheatre is removed (as per POM) and entry will be at grade on a slight upslope. The entry statement could have some real “wow” factor and possibly view lines to the surf.

The current foyer area will be opened up and the lift relocated to create a clear and open vista. The new foyer can then be flanked with arts, culture and pop-up facilities. Entry to the upper floor would also be from this point.

The “skirt” of the foyer could be lifted up to create a vastly greater feeling of space. Entry to the main Pavilion building will be made much wider so as to be more welcoming. The foyer space will be quite large with high ceilings and solar access from above (translucent void infill). The space could be well suited for community gatherings and Council announcements for example. In fact, this space could be rented out at appropriate times given the increased permeability to the building.

Above the band stand could be an onsite Council management office for critical Pavilion staff.

Western Courtyard - all weather multi purpose space

The western courtyard should be made an all-weather venue for outdoor events, such as markets, by utilising removable or permanent canvas sails/marquis. This area, indeed the whole south western corner, can be utilised for community uses.

Community Spaces – south western corner

The relocation of the community and cultural uses to the south western side of the facility will aggregate and consolidate those uses into a dedicated community space. We have feedback that housing multiple uses such as Gymparoo, yoga and function facilities is problematic due to wear and tear, eg the sports related uses scuff the floors and walls which reduces the quality of the function offering. It is also better

for mothers with young children and prams to be located at ground level. The community space will be enlarged via the all-weather outdoor space.

The High Tide Room should remain and be used for existing community uses and the uses previously held in the Seagull Room

The sound studios should be given over to a “Creatives” Hub and Incubator (one of the studios might be retained perhaps). The Creatives Hub is consistent with the strategic direction of Council and should naturally embrace the arts and be culturally valuable. The Creatives Hub can benefit uses at the Pavilion by being actively involved in the promotion of events. For example, Bondi was recently ranked by the Australia Performing Rights Association (APRA) in the National Songwriter Postcode Rankings (2003-2013) as being the number one ranked postcode for the genres of Electronica, Screen, Urban and World music. It was also in the top ten in six other categories ranging from children’s to jazz and ranked number one postcode in New South Wales.

This option also includes a make-good of the heritage issues associated with the year 2000 additions.

Toilets will be reconfigured and added to in the south western corner. They will be better signed and more accessible both internally and externally.

Screen and stage colonnade

There is an existing use of the western façade for film nights. More permanent structures could be incorporated into the colonnade such as a stage and demountable screen for theatre, bands and films.

LEVEL 1

Level 1 is similar in theme to Option A however attempts to make more commercial use of the space and minimises the theatre.

Food and Beverage

The prime area for dining is the central area of this floor with access to the balcony. The bar is relocated to the rear of level 1. This provides an opportunity for the bar to operate all year round and create a northern balcony that can be used regardless of any inclement weather. It will also activate the Pavilion at Level 1, showing that the facility is open to the public from the west (when viewed from Campbell Parade).

It will be important that there is a visual permeability from the bar, through the fine dining by the use of glazing rather than solid walls. These spaces can operate separately or as an integrated offering.

The space is broken up into three spaces that should be ideal for different event catering options. Key aims of the conceptualisation were to have a large room in the north western corner linking beachfront to courtyard at the upper level) and having a bar area that does likewise. This does however create issues for the back of house location and size. An architect and/or experienced food and beverage consultant will be required to optimise these concepts during the detailed design phase.

Theatre Space

We have conceptually shown a 110 seat (compared to 220 seat existing capacity) theatre in the south eastern corner. There is the ability to provide some utility/ancillary space such as stores, change rooms and office at the rear of the stage (30sqm). Some additional storage space could be located under the seating.

Circulation , Permeability and Light Penetration

The lift should be moved to (as per Ground floor) and open out both to the BOH and public spaces.

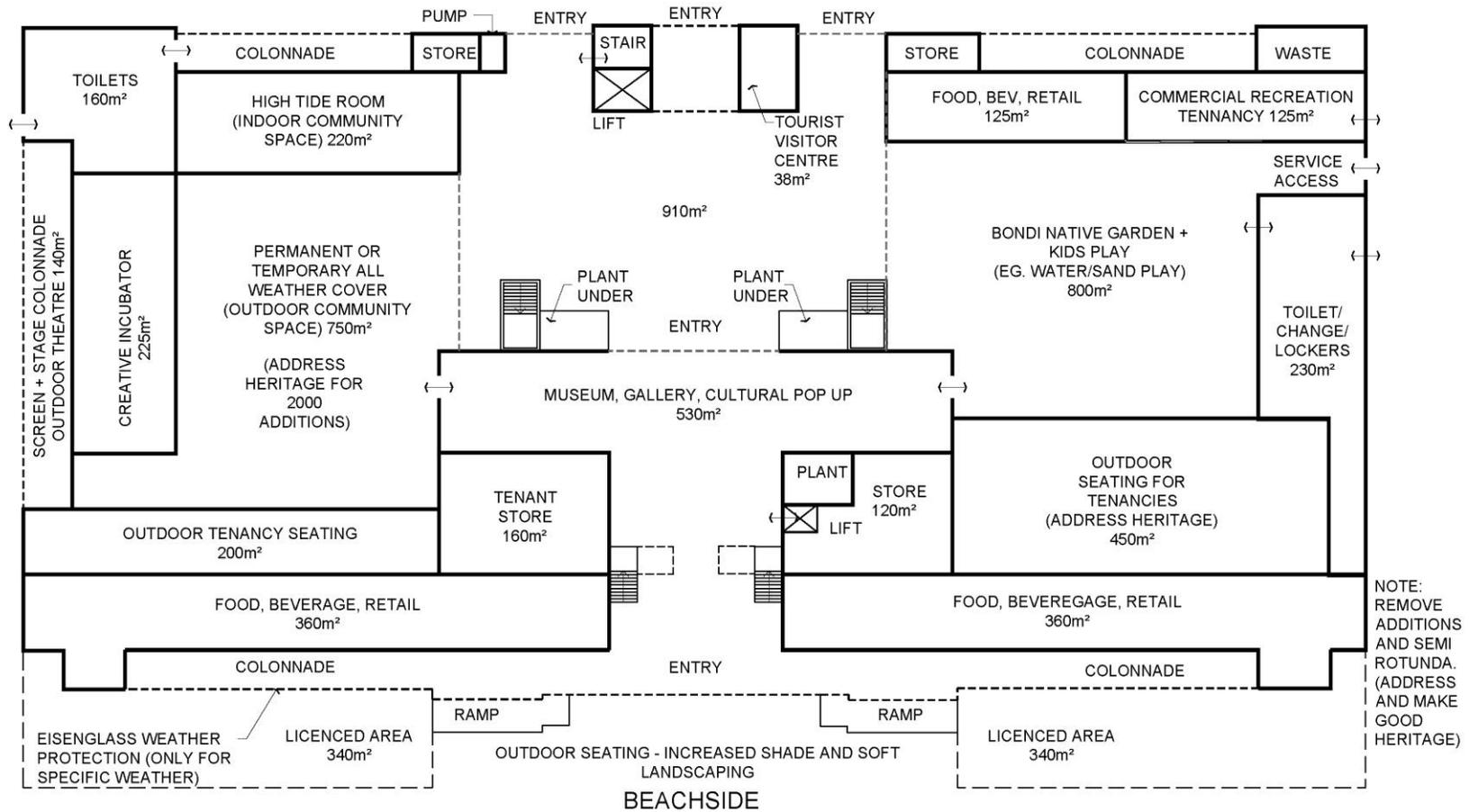
The void will be fully “filled in” to increase the space for a bar / lounge area and to allow minimum threshold for a commercial restaurant (including BOH) however it can be referenced with translucent material and for light penetration to ground level.

A slight increase of the glazing on the eastern, western and northern facades (sympathetic to heritage) should be undertaken to significantly enhance views to the beach and courtyard garden from the restaurants.

The height of the existing balustrade precludes views. A glazed (or bronze) balustrade should replace the masonry balustrade to allow for views to the beach. This change will also allow people walking the promenade to view the upstairs façade (which the existing balustrade obscures).

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CAMPELL PDE SIDE

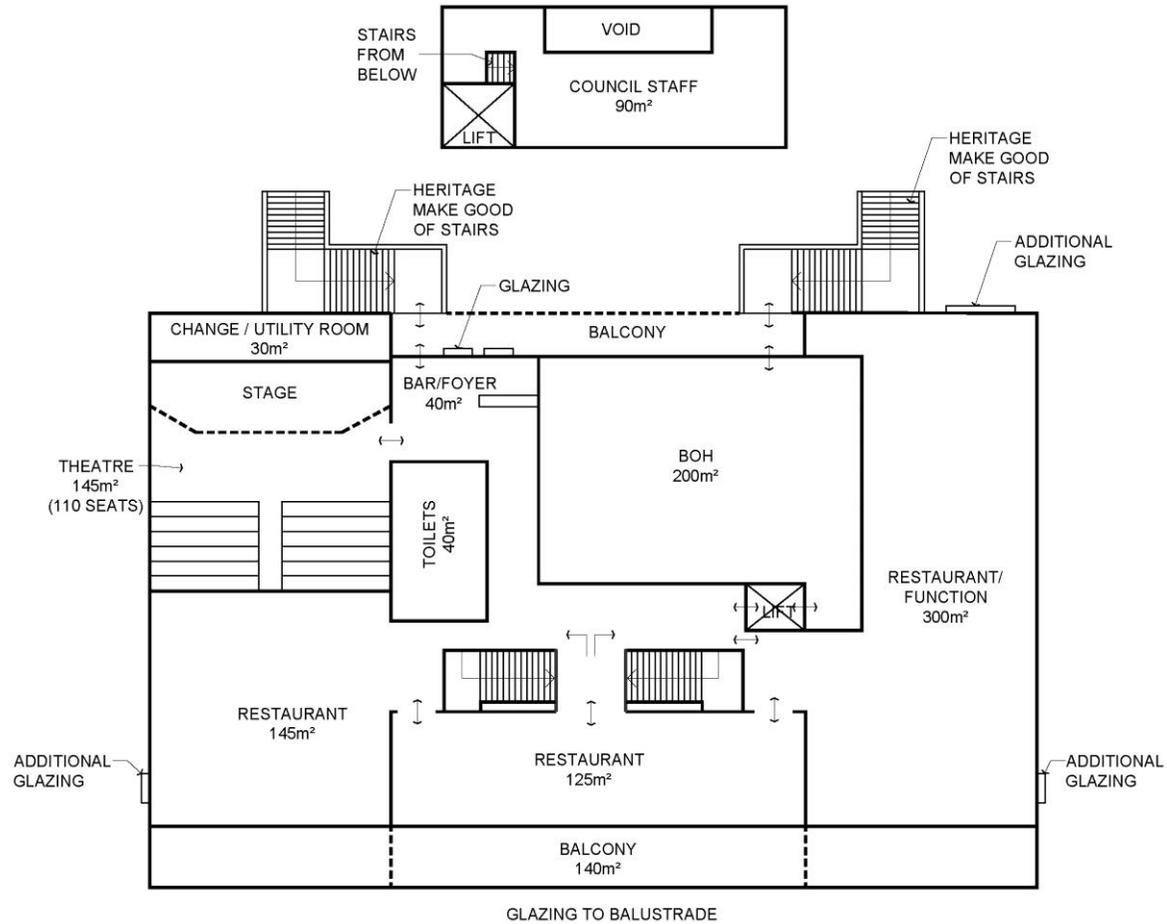


NOTE: REMOVE ADDITIONS AND SEMI ROTUNDA. (ADDRESS AND MAKE GOOD HERITAGE)

GROUND FLOOR
OPTION B

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

LEVEL 1



LEVEL 1 OPTION B

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

OTHER SALIENT POINTS

The following points are relevant to both Options:

- Interestingly we have feedback that there is no “money shot” for “I’ve been to Bondi Beach”, no signage or anything inherently Bondi Beach like the “Hollywood” letters in the Hollywood Hills. Some thought should be given to this issue as if located at or near the Pavilion it might generate increased activity and patronage.
- The addition of some permanent attractors such as the Bondi Native Garden and Museum will assist in promoting visitation. The pop-up space will help to keep the Pavilion interesting by always offering something new.
- The relocation of the community and cultural uses to the south western side of the facility will aggregate and consolidate those uses into a dedicated community space. We have feedback that housing multiple uses such as Gymparoo, yoga and function facilities is problematic due to wear and tear, for example, the sports related uses scuff the floors and walls which reduces the quality of the function offering. It is also better for mothers with young children and prams to be located at ground level. The community space will be enlarged via the all-weather outdoor space.
- Integration and permeability of the beachfront tenancies through to the courtyards provide operators with an alternative when the weather on the southern side is unsuitable to dine. These outdoor tenancies will also activate the currently underutilised courtyards.
- Interestingly, the rear stairs were not part of the original Pavilion and there was no roof over the void

9 Options Comparison

9.1 RATIONALE FOR OPTIONS

The rationale for the development of the options include:

Council offices: there is an opportunity cost of locating non-essential Council staff in prime beachfront retail location. Council staff can be relocated to existing Council space (at little to no cost) or new leased space at a significant discount to the estimated Pavilion lease rate.

Toilets: the need for expanding toilet and change facilities came through strongly in the Plan Of Management and our stakeholder consultation. We believe the optimal location for toilets and change rooms are where the pottery and art studios are currently. The current toilets at the south western corner can be upgraded, expanded and given better access both internally and externally.

Foyer: the foyer area will be enlarged, de-cluttered and given a more airy feel by “lifting the skirt” that surrounds the planter box. Access through from the rear of the Pavilion will be substantially widened to be more inviting. The foyer area becomes a multi-purpose space of a community, cultural and commercial nature.

Entry: the Pavilion has significant natural assets of a potential grand entrance arch and massive unused courtyards. These items should be put to good use. The bandstand should be reconfigured as an entryway from Campbell Parade. The existing amphitheatre should be removed (as per POM) so that pedestrians flow from the entry arch to the main building entrance on a slight gradient.

Courtyards: the courtyards catered for the essential use when the Pavilion was first conceptualised - the change sheds. Technology and sensibilities have long since rendered this use redundant. The western courtyard will provide all weather functionality for community events, markets and the like. The eastern courtyard is bathed sunlight year round. The beautification of the eastern courtyard could be by way of a native garden that could also include kids play areas (wet or dry). The garden will enhance the Pavilion generally and assist other tenancies that enjoy views of it.

Upper level: the existing theatre use is incorporated into both options. It is noted that keeping the theatre in this location will be a significant impediment to commercial arrangements both as to income generation and operationally. The upstairs commercial uses include dining, functions and events. Critical to optimising the revenue will be improvement of view lines including replacement of the balcony balustrade on the beachfront side.

9.2 OPTIONS RECKONING

Provided below is a table that summarises the qualitative impact of the proposed reconfiguration options. It demonstrates that the majority of uses can be maintained on site (potentially with some rescheduling).

TABLE 9 – QUALITATIVE EFFECTS OF RECONFIGURATION

	COMMERCIAL	COMMUNITY	CULTURAL	TOILETS	TOTAL SQM	COMMENTS
Existing	1,533	1,122	566	217	3,438	
Option A	2,644	2,813	548	350	6,355	foyer community (gallery retained)
Option B	3,490	2,298	480	430	6,698	foyer half cultural and half community

Notes to areas:

Courtyards are included as Community.

Area where current amphitheatre is - is excluded

Foyer spaces are classified as community notwithstanding they can be cultural or commercial.

9.3 ESTIMATE OF INCOME EFFECTS

We estimate the area and income effects (conservatively and high level) on the reconfiguration as follows:

TABLE 10 – AREA EFFECTS OF RECONFIGURATION

USE (APPROX AREA SQM)	OPTION A	OPTION B
Additional commercial area	1,314	2,010
Net Council displaced area	126 (216-90)	126 (216-90)

The net displaced area is related to the proposed relocation of Council office space from the southern wing (216sqm) to above the bandstand / entry archway (90sqm) for critical on-site staff needs. Note that there will be a relocation cost for Council for the remaining area if Council does not have existing surplus space of its own.

Additional commercial area and indicative rentals:

TABLE 11 – ADDITIONAL INCOME FROM RECONFIGURATION

OPTION	ADDITIONAL COMMERCIAL (SQM) PER FLOOR		TOTAL ADDITIONAL AREA PER OPTION (SQM)	RENT (NET PSQMPA) PER FLOOR		TOTAL RENT PA PER FLOOR		TOTAL RENT PA PER OPTION
	Ground	Level 1		Ground	Level 1	Ground	Level 1	
A	655	659	1,314	█	█	█	█	656,600
B	1,100	910	2,010	█	█	█	█	1,206,000

9.4 HERITAGE STATEMENT

In principle the proposals for Options A and B generally work with the existing spaces and the overall fabric of the building and significance. The activation of the building for more commercial and function uses is generally considered positive from a heritage point of view as it may generate additional income to maintain the building to a high standard and facilitate the conservation of the building and its ongoing use.

The site is subject to a conservation management plan, which is in the process of being updated and the revised document should form the basis for future management and detailed decisions at the site.

Whilst these proposals are generally acceptable, it is not possible to fully assess impacts until the CMP has been revised and detailed design proposals have been provided. The principal issues may be the potential conflict between the activation of facades and retention of original heritage fabric. For instance the proposal includes alterations to the beach front façade to incorporate a glazed (or bronze) balustrade to allow for views to the beach. This level of alteration to the original design will require evaluation with regard to the policies of the conservation plan.

Similarly, the proposed activation of the foyer and proposed facilities fronting the colonnade and how these new uses and activation will work with the significant fabric will require a sophisticated and considered design approach. With the implementation of good design, potentially through a selective

design competition, the proposed changes could facilitate a significant contemporary layer to the site that will complement the heritage fabric of the pavilion.

Aspects of the proposal are viewed as having a positive heritage outcome, including the proposed removal of the amphitheatre and the proposed use of the rear courtyard for community and other uses as this space is presently underutilised and neglected.

Overall, it is considered that the sites potential has not been fully realised either in terms of its use or design. The proposal therefore presents a significant opportunity to enhance and maintain the important fabric of the building while providing for the adaptation of the pavilion and enhancing the amenity of the broader Bondi Beach setting.

In addition, preliminary Heritage Advice is included in Appendix B.

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10 Estimates of Capital Cost

Napier & Blakely quantity surveyors were utilised to estimate the costs of redevelopment. This is a high level estimation exercise given the conceptual nature of the options. The methodology, assumptions and exclusions are outlined below. Two tables follow that provide costings by functional area.

The costings have been based on the outline brief & block planning diagrams provided and supplemented by a site inspection conducted on 28 January 2015.

Following briefing sessions with Urbis, the following assumptions have been made in the compilation of the budgets:

- Completely new finishes assumed to building areas/rooms involving change of use or relocation
- Completely new services to building areas/rooms involving change of use or relocation
- Retail and commercial areas are warm shell provision
- No major structural transfers or obstacles are envisaged at this stage (based on a Preliminary Structural Engineering overview)
- No major heritage obstacles or encumbrances have been identified at this stage (subject to future detailed assessments by a Heritage Architect)
- Existing mains capacity and mains switchboard
- Existing roof coverings are retained unenhanced
- BCA/DDA Compliance relating to the changes of use/structural fire separation
- For Option B, the existing 2005 building additions (southern wing) where not deemed in keeping with the original heritage building will be addressed by heritage upgrade/rectification of the façade and roofing fabric elements (scope subject to future advice from a Heritage Architect)
- It is assumed that Waverley Council will have separate budgets for annual maintenance repairs, Capex and the current fire services and BCA compliance programme that is currently underway.

A large number of cost assumptions have obviously had to be made at this early stage of planning and advice. These will require further proving up by more detailed architectural appraisal in due course and followed by a more thorough and robust cost planning exercise.

We draw your particular attention to the following list of exclusions for which due allowance should be made as required elsewhere in the feasibility.

The following costs and risks have specifically been excluded:

- Land and legal costs
- Relocation & storage of existing tenants/occupants/furniture during construction works
- Loose FF&E budget/Artwork/Heritage Interpretive Displays
- Tenancy/lessee fitout costs (by operators of retail or other commercial uses)
- Restaurant Bar & commercial kitchen stainless steel fitout (by operators)
- Underground tunnel passageway reconnections from building to beachfront
- Park & external public area or upgrade programme beyond the immediate building lines (other than those specifically addressed in the Urbis proposal)

- Project Management fees
- Finance & holding charges
- Escalation costs beyond January 2015
- Hazmat removal and/ or decontamination
- Archaeological/artefacts & abnormal in-ground risks
- Risks arising due to hidden/built in/covered defects/inaccessible voids, etc or building conditions not immediately apparent due to the non-intrusive nature of site inspections

The full cost report is included in Appendix C.

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11 Location Context

11.1 REGIONAL CONTEXT

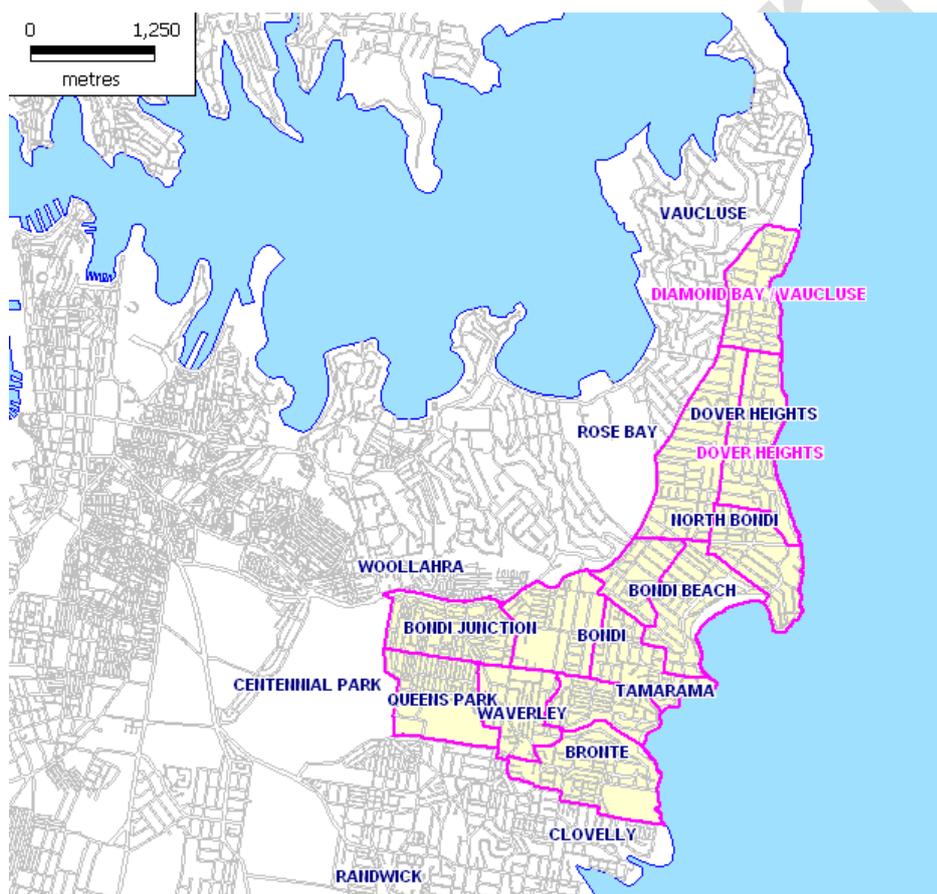
The Waverley Local Government Area (LGA) is located in the inner-eastern suburbs of Sydney, about 7 kilometres from the Sydney Central Business District and is well connected via public transport, particularly the Eastern Suburbs Rail Line. The Waverley LGA comprises 15 individual suburbs as outlined in Figure 1 below.

The East Sub-region is home to over 280,000 people. Residents of the area are attracted to the lifestyle, including some of Sydney's prime coast line and public parklands. Bondi Junction is a major commercial and retail centre within the East Sub region, providing regional services, employment opportunities and a transit interchange.

Waverley LGA offers many attractions to locals and tourists, visiting Bondi, Tamarama and Bronte. Waverley also offers the Bondi to Bronte Coast Walk, connecting beaches and parks with views that attract joggers and walkers daily.

Centennial Parklands is next to Waverley and is one of the most visited urban parks in Sydney. Waverley has a range of arts activities at the Bondi Pavilion and some major annual events such as Sculpture by the Sea, City to Surf and Festival of the Winds.

FIGURE 7 – WAVERLEY LOCAL AREA SUBURB BOUNDARIES



11.2 LOCAL CONTEXT

The Pavilion is located in the suburb of Bondi Beach. The Town Centre of Bondi Beach encompasses the commercial strips of Campbell Parade, Hall Street and Glenayr Avenue. The development on and behind Campbell Parade provides the urban edge to the Park and Beach. Bondi Beach Town Centre offers beach goers access to cafes, restaurants and shopping, creating a healthy synergy between these

areas. Visitors come to the area to experience the world famous beach, a wide range of recreational and cultural activities and festivals and events held throughout the year.

Consequently, direct, safe and accessible pedestrian connections across Campbell Parade are important to local businesses and the facilities within the Park, Beach and Pavilion. Located between Campbell Parade and the Beach, Bondi Park functions as both a destination and a transition space.

Surrounding the site and Bondi Town Centre are residential suburbs. The area has a mix of housing types and a high dwelling density. The smaller village centres of Glenayr Avenue and North Bondi also service these residential areas. Parklands on the headlands to the east and west offer expansive views along the coastline and to Bondi Beach and Park. These areas are connected by the Coast Walk. Bondi Park is the only major passive recreational space within the locality. Today the Pavilion functions as an important cultural and community centre for local residents and visitors within this precinct.

11.3 VISITATIONS

Bondi Beach is significant in the course of Australia’s beach cultural history and the foundation of the first formally documented surf lifesaving club in 1907. For these reasons Bondi Beach, Park, Pavilion and Bay were included in the National Heritage list in 2008. Bondi’s history of beach and surf culture has led to Bondi becoming an internationally recognised symbol of the Australian beach experience. Bondi Beach is the third most visited site in Sydney after the Opera House and Harbour Bridge. As a national icon which is easily accessible from the City, Bondi has become a destination for many international visitors and day trippers of all age groups.

The average number of visitors to Bondi over the three years to June 2012 was 2.2 million. Of all international visitors that travelled to Sydney 44% visited Bondi. The top three markets visiting Bondi are UK, China and USA. The youth market (15 to 29) accounts for 56% of international visitors that stayed in Bondi.

Only 10% of domestic overnight visitors to Sydney stayed overnight or travelled to Bondi. Bondi received only 2% of the Sydney domestic day-trip market.

TABLE 12 – VISITATIONS

ANNUAL AVERAGE	DOMESTIC	INTERNATIONAL	TOTAL
Day-trip	349,300	NA	349,300
Visitors staying overnight at Bondi	97,000	56,070	153,070
Visitors staying overnight elsewhere	600,300	1,090,940	1,691,240
Total	1,046,600	1,147,010	2,193,610

12 Regulatory Context

12.1 LAND TENURE AND CONTROLS

The Park (which includes the Beach and Pavilion) is governed by the Bondi Park Reserve Trust under section 92 of the Crown Lands Act (CLA). Waverley Council manages the affairs of the Trust and is responsible for the care, control and management of the Park. The key objective of the CLA is that the land be managed for the benefit of the people of New South Wales.

Queen Elizabeth Drive and Park Drive are classified as public roads which are subject to the provisions of the Roads Act 1993.

Council's Plan of Management for the Park (POM) (see section 11.4 for further detail) along with any proposed long-term leases and licences for the use of the land must be approved by the Minister for Lands. Currently Bondi Park and Pavilion has several trust licences and leases in operation for the cafes, shops, theatre and on-going events. These leases and licences are consistent or ancillary to the purpose of the reserve.

The Crown Lands Policy for Food and Beverage Outlets on Crown Reserves 2004, outlines additional requirements which are relevant to the Surf Clubs, cafes and restaurants in the Pavilion.

The Crown Lands Act 1989 also allows a reserve trust to grant a lease or licence to enable a filming project, whether or not this use is consistent with an adopted plan of management, or the purpose of the reserve. Reserve trusts will still need to seek the Minister for Lands consent to these licences (other than temporary licences of less than 12 months term).

12.2 PLANNING

12.2.1 STATE AND REGIONAL PLANNING CONTEXT

In addition to the CLA and the associated Food and Beverages outlets on Crown Reserve Policy V3 2004, Bondi Park is governed by a number of other statutory and planning instruments and policies at state and regional levels including:

- Environmental, Planning and Assessment Act, NSW 1979;
- NSW Metropolitan Strategy 2036: The Metropolitan Plan is an integrated, long-term planning framework that will sustainably manage Sydney's growth and strengthen its economic development to 2036 while enhancing its unique lifestyle, heritage and environment.
- Retail Lease Act 1994;
- Roads Act 1993;
- State Environmental Planning Policy No 71 Coastal Protection; and
- Environment Protection and Conservation Act 1999.

Site Specific Exemptions have been developed by Waverley Council in consultation with the State Heritage Office to respond to the range of uses, activities and management requirements of the site such as general maintenance and repair of the building, artworks and temporary events. Other works will be worked through on a project-by-project basis to meet heritage management guidelines.

12.2.2 LOCAL PLANNING CONTEXT

"Waverley Together 3: Community Strategic Plan 2013- 2025" is Council's overarching strategic plan. This guides Council in responding to change, challenges and opportunities in a consistent, sustainable and coordinated way. Several directions within this plan apply to Bondi Park. These directions are

focused on providing safe environments, promoting arts and cultural activities, sustainability and quality of design.

The Pavilion is part of a broader plan to be adopted by Council that also includes the Park and Beach areas via a Plan of Management (POM).

In addition, there are many other plans and policies of particular relevance to the POM (see section 11.4 for further detail), these include:

- Waverley Local Environment Plan 2012 (refer to Appendix A, for planning controls relevant to Bondi Park)
- Strategic Asset Management Plan 4 (SAMP 4) (see section 11.3 for further detail)
- Social Plan 2005-2010
- Community Safety Plan 2005-2012
- Disability Access Policy and Action Plan 2002
- Recreation Needs Study 2008
- Environmental Action Plan 3, 2012
- Tree Management Plan 2006
- Coastal Risk Management Policy 2012
- Bondi Basin Master Plan 2007
- Events Policy 2013
- Heritage Policy 2007
- Environmentally Sustainable Events Policy 2011
- Arts Plus Plan 2013-2017
- Waverley Transportation Policy 2002
- Sustainable Transport Action Plan 2007
- Waverley Transport Plan December 2011
- Waverley Bike Plan 1999

12.3 STRATEGIC ASSET MANAGEMENT PLANS (SAMP)

Council's SAMP4 (March 2013) aims to ensure that Council assets are well maintained to an appropriate standard and in a "quadruple bottom line" sense.

Within this plan, the condition of Council assets (including parks infrastructure and landscape and parking infrastructure) are assessed and rated. When any asset has deteriorated to a particular level, they are replaced. SAMP4 is the latest plan that builds on the original SAMP1 undertaken in 2006.

In 2007, Council also undertook a comprehensive condition survey report of the Pavilion. SAMP4 addresses the works arising from the condition survey report and includes the following key outcomes.

The "Capital Improvements" budget allocation of \$9,895,000 for the Pavilion is allocated as follows:

FY 2014	\$1,305,000
FY 2015	\$1,375,000
FY 2016	\$1,375,000
FY 2017	\$1,375,000
FY 2018	\$1,920,000
FY 2019	\$545,000
FY 2020	\$500,000
FY 2021	\$500,000
FY 2022	\$500,000
FY 2023	\$500,000

The SAMP4 also provides a condition rating (1 – good condition, 2 – minor deterioration, 3 – medium deterioration) for each of Council’s assets with the key Pavilion areas scoring as follows:

TABLE 13 – PAVILION CONDITION AND SERVICE RATINGS

FUNCTION	USE	BUILDING AREA	RATING	ENVIRONMENTAL PERFORMANCE	SERVICE PERFORMANCE	FINANCIAL PERFORMANCE (ROI)
Commercial Use	Leased Retail x5	Pavilion Commercial Area	1	Fair	Good	Good
Community Use	Arts & Culture	Pavilion - South Courtyard Building	2	Fair	Good	Good
Community Use	Arts & Culture	Pavilion	3	Poor	Fair	Fair-Poor

12.4 THE PLAN OF MANAGEMENT (POM)

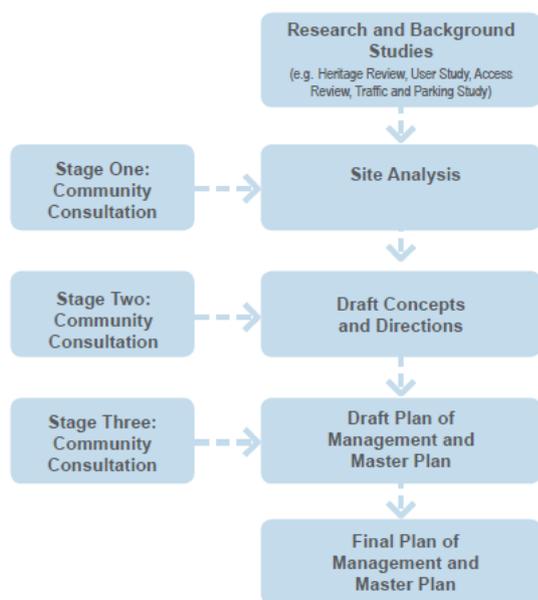
Based on the condition survey, SAMP and community consultation, there was a recognised need to improve the Pavilion and its facilities and to further upgrade the environmental quality and landscape setting of the Park.

Given the significance of the Park a specific Plan of Management (POM) was developed and adopted by Council. We understand that, at the time of preparing this report, the POM is being reviewed by State Government.

In developing the POM, Council undertook extensive consultation with the community, with well over 2000 people participating over 2012 and 2013. In August / September of 2014 the Mayor and Council undertook further consultation with the broader community soliciting feedback via the website.

The POM process is outlined below.

FIGURE 8 – PLAN OF MANAGEMENT PROCESS



12.4.1 KEY POM OUTCOMES

As part Council's Long Term Financial Plan approximately \$20 million has been allocated for the Bondi Park, Beach and Pavilion within the ten year POM, **with approximately \$10 million set aside in the POM for the refurbishment of the Pavilion.**

The POM outlines many of the activities that can be undertaken at/from the Park and identifies Park issues associated with some of these activities.

The list of activities includes:

- The Coast Walk
- Walking – Green Links
- Cycling
- Skating
- Swimming
- Surfing and paddling
- Volunteer Surf Life Saving
- Snorkelling
- Fishing
- Sunbathing
- Picnicking/Barbecuing
- Exercising
- Ball games
- Childrens' play
- Events
- **Bondi Pavilion Activities**
- Dog walking

Some of the identified issues arising from the POM consultation relevant to the Pavilion include:

- Queen Elizabeth Drive car park physically disconnects the Park and Beach and causes a safety hazard for pedestrians moving between the Park and Beach.
- On days of high visitation, traffic congestion results in traffic delays on all roads going in and out of Bondi.
- Tourist coach drivers/operators are currently staying with the vehicle for extended periods while passengers visit the Beach to avoid ticket purchase. Coach engines are typically kept running which causing noise and exhaust fume pollution complaints.
- There is no accessible path linking the coach parking area to the park.
- Accessible car parking is insufficient, is not connected to accessible paths and does not meet Australian Standards.
- There are opportunities to better manage conflicts between vehicle, pedestrian and cycle movement.
- The majority of footpaths, ramps and stairs throughout the Park and Beach, do not meet current Australian Standards for Access and Mobility.
- Key destinations and facilities are not always linked by accessible paths.
- The circulation network does not clearly link surrounding streets - to entries - to paths – to beach.
- There is a lack of universal and bilingual signage
- Insufficient bathroom amenities to meet visitors' needs.
- Facilities including: picnic shelters, barbecues and toilets are run down.
- The Park, Beach and Pavilion must meet the recreation needs of the local community as well as the needs of visitors to the area.
- There is a desire to balance events and activities to reflect changing and diverse community needs in this intensely used space.

13 Heritage Context

The Pavilion has considerable aesthetic appeal and landmark qualities, and together with all its associated facilities such as the promenade and car parking, with virtually direct access from visitors' cars to the Beach, has made it a place of high social significance and a symbol of Australia's popular beach culture. The retention of the Bondi Surf Bathers' Life Saving Club building adjacent to it has reinforced that significance.

The Pavilion was designed primarily by Leith C. McCredie of Robertson and Marks, Architects, in the Mediterranean/Georgian revival style and consists of a central double-storey structure fronted by a single storey arched colonnade and flanked by single-storey wings with either end having two internal courtyards surrounded by colonnaded walls. Provision was made for an auditorium in the centre of the western wall. The walls are of cement rendered masonry, the floors are of reinforced concrete and timber, the roof is timber framed with concrete roof tiles, and the windows and doors are timber framed and glazed.

Although the Pavilion and its uses have been modified internally over time (it became the Waverley Cultural Centre in 1975) its relationship to the promenade and Beach has remained intact.

The Clive Lucas Stapleton & Partners (CLSP) Conservation Analysis summed up the Pavilion's cultural significance in 1997 as follows:

- In its original function and location at Bondi Beach, the pavilion has come to represent at a national level the culture of beach bathing which has dominated past and present the popular image of the Australian outdoors lifestyle. In this context it is an icon regularly used in works of art and promotional material.
- It is representative of a 1920s Mediterranean/Georgian Revival architectural style and town planning which in a beach front setting on the scale at Bondi is now unique in Sydney. It was the largest and most resolved example of a beach pavilion in Sydney when it was constructed, and continues to be so to this day.
- The conversion of use of the pavilion to a community cultural centre in 1974-1978 may be considered a revolutionary one for a local government to endorse at the time. Waverley Council has since actively sought to develop the pavilion as a cultural centre . . . making the place frequently visited by members of the local, state, interstate and overseas populations.

In addition to the CLSP summation, the relevant issues noted in the POM include that:

- The iconic status of the Bondi Pavilion needs to be recognised through removal of unsympathetic works where possible, reinstatement of original features if appropriate, and a striving for excellence in design for new works.
- The heritage fabric of Bondi Pavilion has been compromised by unsympathetic building additions and inadequate maintenance. Conservation works should be undertaken.
- To date, the heritage values of Bondi have not always been considered in the planning and construction of new work.

TABLE 14 – SUMMARY HISTORY OF THE PAVILION

March 1923	Council began preparations for new improvement scheme. Robertson & Marks won competition for pavilion. The Architect was Leith C. McCredie
May 1928	Foundation stone laid for Bondi Surf Pavilion
Dec. 1928	Public able to use new pavilion
21 Dec. 1929	Official opening of pavilion & improvements. The park layout established at that time remains largely unchanged.

July 1931	North Bondi Surf Club destroyed by fire.
1931-33	Construction of caretaker's quarters on 1 st floor of outdoor auditorium on west side of pavilion. Provision of 27 concrete tables & chairs in arcades, some with card playing tables. Improvements to Turkish Baths.
1934	Erection of present Bondi Surf Bathers Life Saving Clubhouse beside pavilion
Early 1944	American Red Cross took over pavilion and operated it as a Service Men's Club
June 1948	Council made changes to pavilion to gain a Liquor licence for dance hall
Late 1950s	Council incurred losses in managing pavilion.
1963-64	Turkish bath closed. Area converted to gymnasium, run by Bondi Boys Club.
By late 1960s	Pavilion needed structural repairs & improvements.
1971-72	Grandiose new scheme proposed for Bondi Park, including the removal of the Pavilion, but plans abandoned. This was one of numerous schemes proposed in virtually every decade of the 20 th century for the modification of the pavilion.
1975	Ballroom converted to a theatre, opened by Gough Whitlam, Prime Minister
1975-77	Pavilion became centrepiece of Council's Community Cultural Program. Pavilion was transformed internally. Change sheds & lockers removed, internal courtyards grassed, netball court established.
1977	Pavilion nominated for listing by National Trust
1978	Bondi Pavilion, revamped as Waverley Community Centre officially opened by Premier N. Wran.
Late 1970s	Tiered amphitheatre seating provided inside pavilion courtyard, enabling film shows to be held on eastern wall of Caretaker's building
1980	Courtyard wall murals painted by Rodney Monks
Sept 1982	Gazetted on Register of National Estate
1980s	Pavilion forecourt area reconstructed
1980s	Semi-circular pergola built on south side of pavilion
1985	Ceramic murals installed in pavilion foyer
1987	Proposal to 'privatise' pavilion to Hayson Group but met with strong local opposition.
Oct. 1988	Pavilion Task Force submitted report to Govt.
Dec 1996	Pavilion listed on Waverley LEP
2004	Glazed semi-circular add-on to pavilion's north-eastern corner
2004	Application made for NSW Heritage Register listing
2007	Detailed examination of, and costings made for renovation of pavilion
May 2008	Listed on NSW State Heritage Register

13.1 ASSESSING SIGNIFICANCE

The Park is listed on State and National Heritage Registers and was recently assessed in relation to the criteria adopted by the NSW Heritage Office and set out in its guidelines document Assessing Heritage Significance 2001. These criteria (following) have been reviewed in detail in the Mayne-Wilson & Associates Plan (April 2012) Bondi Park and Pavilion Heritage Review.

Criterion (a): importance in the course, or pattern, of NSW's or the local area's cultural or natural history;

Criterion (b): strong or special association with the life or works of a person, or group of persons, of importance in the cultural or natural history of NSW or the local area;

Criterion (c): importance in demonstrating aesthetic characteristics and/or a high degree of creative or technical achievement in NSW or the local area;

Criterion (d): strong or special association with a particular community or cultural group in NSW or the local area for social, cultural or spiritual reasons;

Criterion (e): potential to yield information that will contribute to an understanding of NSW's or the local area's cultural or natural history;

Criterion (f): possession of uncommon, rare or endangered aspects of the cultural or natural history of NSW or the local area;

Criterion (g): importance in demonstrating the principal characteristics of a class of NSW's or the local area's cultural or natural places or environments.

13.1.1 STATEMENT OF SIGNIFICANCE

"Bondi Beach, Bondi Park, Bondi Surf Pavilion, and the Bondi Surf Bathers Life Saving Club building form a cultural landscape of State significance as an iconic representation of the Australian beach experience. The place is historically significant as the site of many 'firsts' and other significant events in surf lifesaving, and as the largest beach improvement scheme to be carried out in the interwar years. The place demonstrates the rapid increase in popularity of beach-going once restrictions on surf bathing were eased in the early 20th century.

The place is of social and aesthetic significance as a landmark, recognised internationally as a symbol of Australia's popular beach culture. While the Bondi Surf Pavilion has been modified over time, the relationship of the building to the promenade and beach, as well as the park and its intact features (including two concrete pedestrian bridges with standard lamps, the promenade, and numerous pathways in original locations), retains its integrity to the 1928 beach improvement design."

Source: NSW Government – Office of Environment and Heritage

13.1.2 PAVILION SIGNIFICANCE

The Mayne-Wilson & Associates Report also attributes a heritage significance 'rating' to the many elements of the Park. The Pavilion is described specifically as follows:

TABLE 15 – SIGNIFICANCE

ITEM NO.	HERITAGE ELEMENT	HERITAGE RATING / DEGREE OF SIGNIFICANCE	ACTION
8	Pavilion complex, including its forecourt, internal rooms and courtyards,	Exceptional (Rare or outstanding elements that directly contribute to the heritage significance of the place)	Retain all arched, colonnaded facades and do not infill. Repair cracks, damp & peeled stucco, and paint. Follow advice in 2008 Pavilion Asset Action Plan, the detailed 2, 5, 10 and 20 Pavilion Works Program, and also the Lucas, Stapleton 1997 Conservation Guidelines. Its internal uses have changed over many decades and the pavilion will need to continue to adapt to alternative uses as demands for these arise and/or change. The courtyard on the western side has been turned into

			<p>an open air auditorium used for plays, concerts and film nights.</p> <p>Better use could be made of the now empty northern and southern courtyards</p>
	<p>Roadway down to the auditorium and caretaker's rooms at rear of pavilion from Campbell Parade, including the semi-circular drive at its base.</p>	<p>Moderate</p> <p>(Elements which contribute to the overall significance of the place)</p>	<p>This roadway should be retained and repaired if damaged</p> <p>Retain timber bollards</p>

In addition, the CLSP Conservation Analysis outlined the following constraints and opportunities specific to the Pavilion (amongst a range of other items relevant to the Park and Beach) based on the Statement of Significance:

- The Pavilion's role as a focal point of Bondi Park and its architectural qualities should not be compromised or diminished;
- The continued use of the Pavilion for community services and beach side amenities should not be compromised or diminished;
- The historical associations and uses (eg: past bathing practices and wartime works), should be interpreted and continually managed for public benefit;
- Significant and original architectural features should be conserved;
- The theatrical uses of the Pavilion should be conserved;
- The name "Bondi Pavilion" should be preserved; and
- As facilities are moved out of the Pavilion, they should be accommodated elsewhere.

14 Next Steps

Once the outcomes of the Commercial Review is accepted by Council and Council proceeds to further investigate the redevelopment and optimisation (commercial in conjunction with community) of the Pavilion, the key next steps for Council's consideration include:

- Consider and decide on preferred Option or elements of options for further investigation;
- Market testing of the preferred option / options elements with potential tenants; and
- Preparation of the Principal's Project Requirements (PPR) to procure design consultants.

The following programme outlines the recommended approach as well as the required documentation and deliverables for each activity.

This programme is related to the 'Predevelopment Phase' of the development, that is, those activities required from this Commercial Review to reach construction commencement. It is anticipated that the construction timeframe for both options is between 9 – 12 months.

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Appendix A

Structure and Condition Assessment

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**Proposed Upgrade Feasibility Study
Of
Bondi Pavilion Bondi
Preliminary Review of Structural Impact of Proposed Works**



Bondi Pavilion

Prepared by



Forspan Pty Ltd
PO Box 216
Hunters Hill NSW 2110
Tel 04343 08 5973

Prepared for Urbis SIS

January 2015

1.0 Introduction

1.1 The Brief

The following report has been prepared to provide a preliminary review of potential structural impacts on the proposed works (see Section 3) on the Bondi Pavilion at Bondi.

The report has been prepared on behalf of Urbis SIS who are tasked with preparing a scope of works to increase the potential for revenue generation within the confines of cultural and community needs. Based on this and considering heritage and engineering issue, Urbis SIS will provide recommendations to Waverley Council.

1.2 Limitations and Terms

The inspection was limited to those areas intended to be modified under the various proposals. The inspection was visual only from the respective floor levels, that is, no high level inspections were made.

No structural drawings were made available.

No consideration was made for any maintenance procedures, although as a general note obvious cracking of a non-structural nature was noted.

The roof area was not examined.

The effect on any of the works, if any, of the groynes was not considered nor the groynes inspected.

No consideration for works required to meet current fire regulations or current BCA conditions was made. It was noted however that a separate fire regulation report is currently underway.

2.0 Current Condition

2.1 Structure

From visual inspection the bulk of the structure is a column framework, intersecting beams with a truss structure to support the roof areas.

Infill panels were observed, where accessible, to be brickwork supported on the slab or supporting beams.

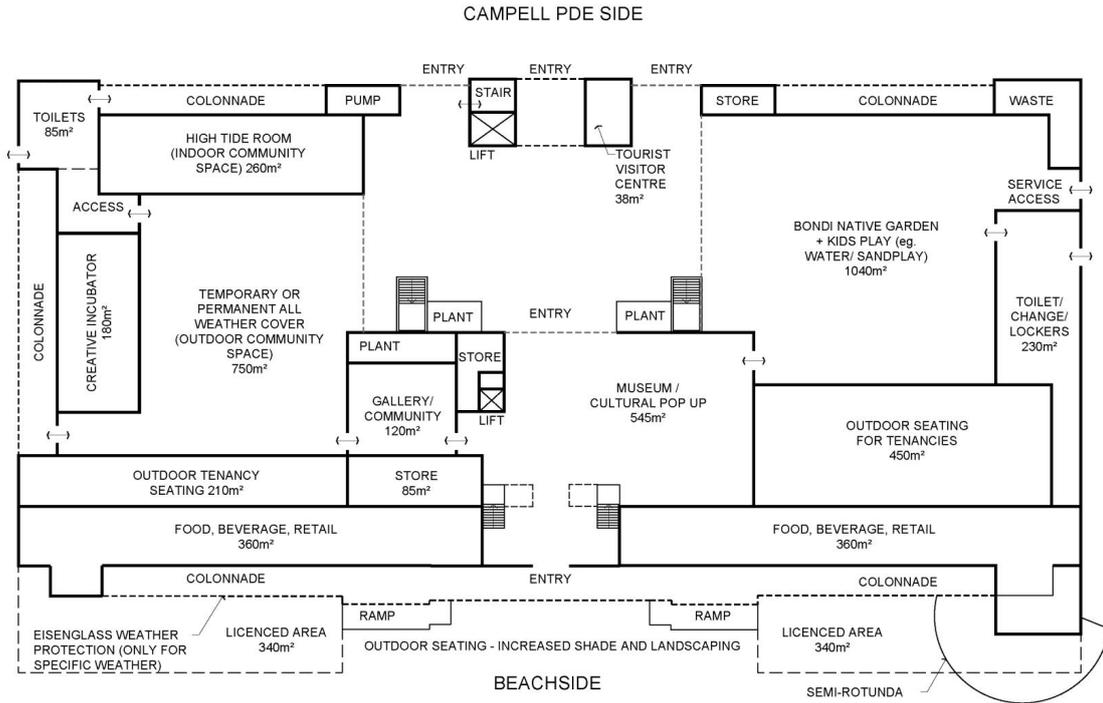
The effect of this type of structural construction is that the internal walls are largely non-structural. A number of the internal walls appear to be there for fire separation reasons and it is likely that these could be rationalised as part of the current review of the fire regulations.

It is understood that the balcony area facing the ocean has had concrete cancer treated, a new waterproofing membrane installed and a new wearing slab provided. It was noted that there are no movement joints, the absence of which will promote cracking in this vulnerable area. In itself this is outside the brief of this report. If however this area is to be modified, it is suggested the issue of movement be revisited. There are proprietary systems available that can assist in resolving this issue, for example those produced by Latham Australia.

There are many areas which cracks can be seen, such as those in the balustrading facing the internal auditorium and some lintels which are showing signs of concrete cancer, which will need repairing. They are however not significant for the purposes of this report.

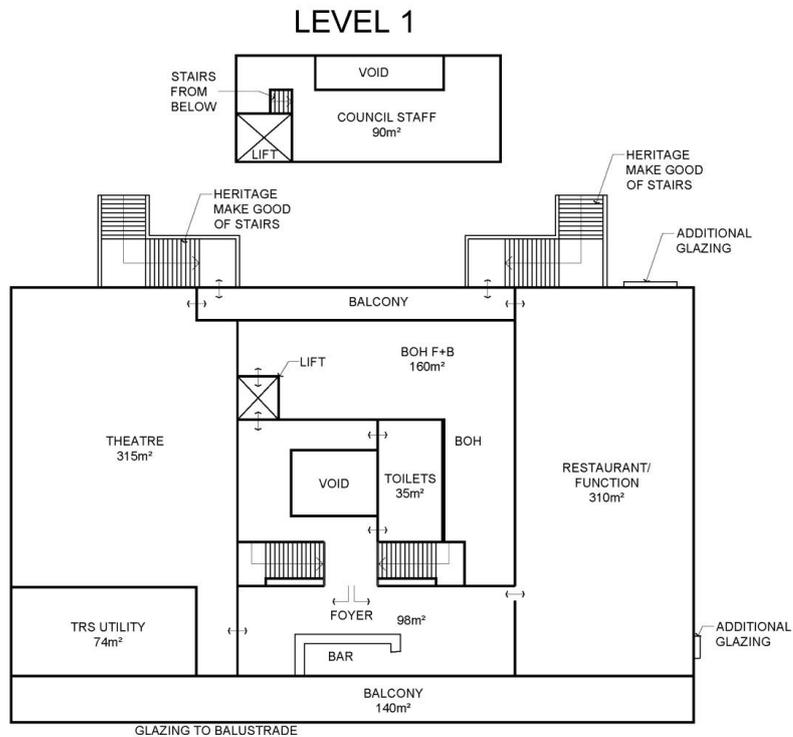
3.0 Proposals

Option A Reduced Capital Expenditure Proposal



**GROUND FLOOR
OPTION A**

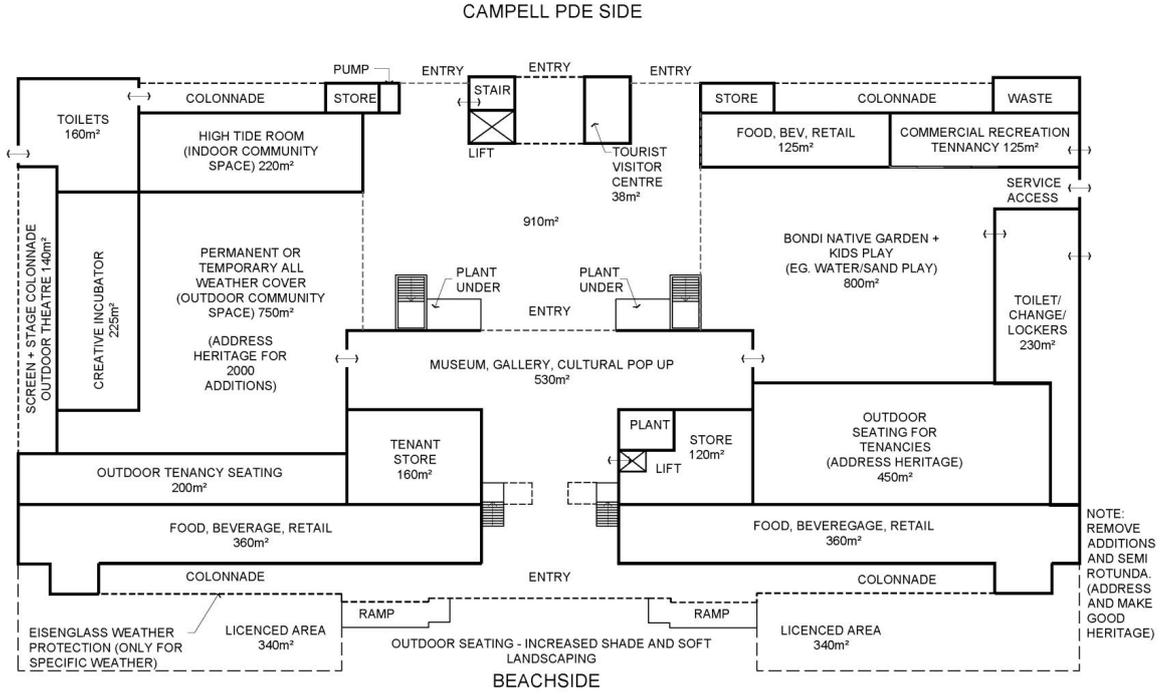
Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.



**LEVEL 1
OPTION A**

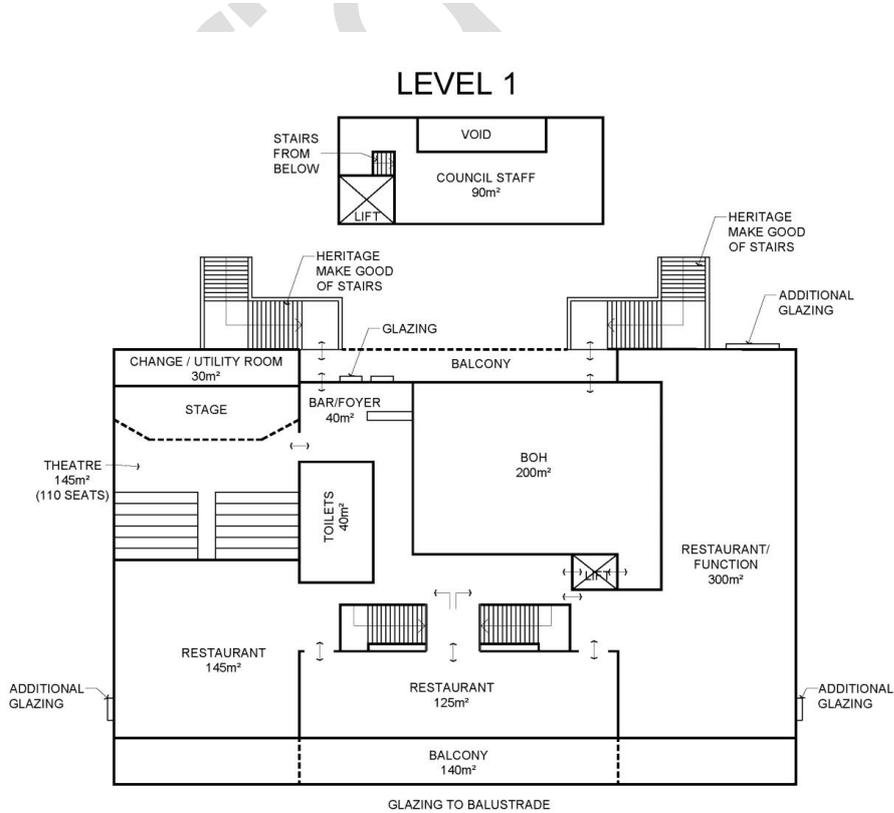
Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

Option B Proposal Major Refurbishment and Heritage make good



**GROUND FLOOR
OPTION B**

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.



**LEVEL 1
OPTION B**

Note: Diagrammatic only. Based on approximate base information. Layout and areas are indicative and approximate only. Subject to architectural and engineering review.

Conclusion

This report has been written for the purposes of ascertaining the structural effect, if any, on those areas intended to be modified under the various proposals (Section 3).

Since the bulk of the internal walls are infill and as all of the works proposed are internal, it is not anticipated that the structure will impose any significant constraints on the alternative proposals. The exception could be the relocation of the lifts. In option B, the siting of the lift within the main ground floor entry area will need to be carefully considered in order not to compromise any structural elements. The lift in the bandstand entry could create some issues as it will need to penetrate floors which are forming part of the stair support.

With respect to the lift, if the proposal to relocate it accepted and its location confirmed, structurally it will need to be re-examined to confirm any effects it may have on the first floor structure.

It is also recommended that once a proposal is confirmed, a more detailed structural analysis is undertaken and that its scope also include the maintenance of elements that would be in association with the proposed works.

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Appendix B

Preliminary Heritage Advice

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Bondi Pavilion – Heritage Advice

Process for approvals

The Pavilion is included on the National Heritage list, within the Bondi Beach listing (Place ID: 106009) and is also listed on the State Heritage Register as part of the Bondi Beach Cultural Landscape (including Bondi Beach, Bondi Park, Bondi Surf Pavilion, and the Bondi Surf Bathers Life Saving Club SHR Listing 01786). The pavilion is also individually listed under the Waverley Local Environmental Plan (Item I124) and is located within two Heritage Conservation Areas: the Bondi Beach Conservation Area—General 'C2' and Bondi Beach and Park Landscape Conservation Area 'C25' and is also located within the Bondi Beach Open campsite and burial(s) Archaeological Site AHIMS# 45-6-2169 Local Listing No. AH558.

Depending on the nature of the works, multiple approvals may be required for works to the pavilion. When undertaking works, consult with the authorities outlined below to determine appropriate approvals and process for proposed works.

Environmental Protection and Biodiversity Conservation Act 1999

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is the Australian Government's environment and heritage legislation. This act is triggered by developments or actions that will have a significant impact on matters of National environmental significance, including world heritage areas, Commonwealth marine areas and nationally threatened species. The EPBC Act includes a process for assessment of proposed actions that have, or are likely to have, a significant impact on matters of national environmental significance. These actions require approval from the Commonwealth Minister, Environment and Heritage.

As the pavilion is included in the national listing, approvals will be required if the proposed action is likely to have a significant impact on a matter of national environmental significance. A flow chart explaining this process has been provided (attached). Heritage impacts should be considered in the preparation of an REF or other assessment under this Act and other state government legislation and policies.

Referral (approval) should be sought before state and local approvals.

Environmental Planning and Assessment Act 1979

The *Environmental Planning and Assessment Act 1979* (EPA Act) governs strategic planning and development assessment processes undertaken by State and Local Government in NSW. Development approval for works may be required under Part 3A, Part 4 or Part 5 of the Act.

It is necessary in most cases to submit a development application to the relevant Local Council for permission to erect or alter a building, demolish a building; or change the use of an existing building.

Approval is required under this Act for alterations and additions to the Bondi Pavilion and surrounds. The REF or similar assessment process must consider the impact of the proposed works on the heritage significance of the place.

Heritage Act 1977

The Heritage Act is administered by the Office of Environment and Heritage. The purpose of the Heritage Act 1977 is to ensure cultural heritage in NSW is adequately identified and conserved. Items of significance to the State of NSW are listed on the NSW State Heritage Register (SHR) under Section 60 of the Act. Bondi pavilion is listed on the SHR and approvals apply for works.

Historical Archaeology

Historical relics are also protected under the Heritage Act throughout all areas of NSW. If historic relics are discovered on the site during any maintenance or construction works, the Office of Environment and Heritage of the NSW Department of Planning must be notified under Section 139 of the Act.

National Parks and Wildlife Act 1974

The *National Parks and Wildlife Act 1974* is administered by the Office of Environment and Heritage. Under the Act, the Director-General of the National Parks and Wildlife Service is responsible for the care, control and management of all national parks, historic sites, nature reserves, reserves, Aboriginal areas and state game reserves. State conservation areas, karst conservation reserves and regional parks are also administered under the Act. The Director-General is also responsible for the protection and care of native fauna and flora, and Aboriginal places and objects throughout NSW.

If Aboriginal objects and places are found, the National Parks and Wildlife Service must be informed under Section 91 of the Act and permits may apply under Section 90. A licence may also be required under the Act to damage or destroy threatened fauna species. Penalties apply for the destruction of Aboriginal objects and places, and the harm of any protected species. There are Interim Guidelines for Consultation associated with applications for permits under Section 90 of the Act.

Local Government Policies - Waverley Local Environment Plan 2012

The Waverley LEP aims to identify and conserve the cultural, environmental, natural, aesthetic, social and built heritage of Waverley. To facilitate this, the WLEP2012 includes provisions to conserve heritage. Reference should be made to provisions in section 5.10 of the instrument which outline requirements for consent, and other heritage considerations.

The pavilion is individually listed on the WLEP and as such the provisions of the LEP will apply.

Integrated development approvals may be sought to achieve required approvals from local Council and the NSW heritage Council (due to the State heritage listing).

Appendix C

Cost Report

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29 January 2015
2026064210/J19972

██████████
Urbis
Darling Park Tower 2
Level 23, 201 Sussex Street
SYDNEY NSW 2001

Dear ██████████

**Bondi Pavilion, Queen Elizabeth Drive, Bondi NSW 2066
Order of Cost Budgets & Indicative Construction Programme**

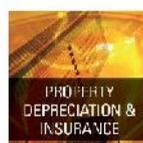
We have pleasure in enclosing our high level order of cost budgets for the proposed redevelopment and reconfiguration proposals generated by Urbis for this iconic Sydney building. The Urbis proposal considers two potential scheme solutions, being:

- **Option A** – Lower capital refurbishment & reconfiguration requiring less intervention
- **Option B** – Major Reconfiguration including a Heritage “make good”

The foregoing has been based on the outline brief & block planning diagrams provided and supplemented by a site inspection conducted on 28 January 2015.

Following briefing sessions with Urbis, the following assumptions have been made in the compilation of the budgets:

- a) Completely new finishes assumed to building areas/rooms involving change of use or relocation
- b) Completely new services to building areas/rooms involving change of use or relocation
- c) Retail and commercial areas are warm shell provision
- d) No major structural transfers or obstacles are envisaged at this stage (based on a Preliminary Structural Engineering overview)
- e) No major heritage obstacles or encumbrances have been identified at this stage (subject to future detailed assessments by a Heritage Architect)



Sydney	Adelaide
Melbourne	Perth
Brisbane	Singapore



- f) Existing mains capacity and mains switchboard
- g) Existing roof coverings are retained unenhanced
- h) BCA/DDA Compliance relating to the changes of use/structural fire separation
- i) For Option B, the existing 2005 building additions (southern wing) where not deemed in keeping with the original heritage building will be addressed by heritage upgrade/rectification of the façade and roofing fabric elements (scope subject to future advice from a Heritage Architect)
- j) It is assumed that Waverley Council will have separate budgets for annual maintenance repairs, Capex and the current fire services and BCA compliance programme that is currently underway.

A large number of cost assumptions have obviously had to be made at this early stage of planning and advice. These will require further proving up by more detailed architectural appraisal in due course and followed by a more thorough and robust cost planning exercise.

We draw your particular attention to the following list of exclusions for which due allowance should be made as required elsewhere in the feasibility.

The following costs and risks have specifically been excluded:

- Land and legal costs
- Relocation & storage of existing tenants/occupants/furniture during construction works
- Loose FF&E budget/Artwork/Heritage Interpretive Displays
- Tenancy/lessee fitout costs (by operators of retail or other commercial uses)
- Restaurant Bar & commercial kitchen stainless steel fitout (by operators)
- Underground tunnel passageway reconnections from building to beachfront
- Park & external public area or upgrade programme beyond the immediate building lines (other than those specifically addressed in the Urbis proposal)
- Project Management fees
- Finance & holding charges
- Escalation costs beyond January 2015
- Hazmat removal and/ or decontamination
- Archaeological/artefacts & abnormal in-ground risks
- Risks arising due to hidden/built in/covered defects/inaccessible voids, etc or building conditions not immediately apparent due to the non-intrusive nature of site inspections to date



In regard to an indicative construction programme, we anticipate a duration in the order of **9 to 12 months** for Option A scheme and **11 to 14 months** for Option B scheme.

Should you require any further information or wish to discuss any aspect of the attached, please do not hesitate contact Brian Gavahan of this office.

Yours faithfully

Napier & Blakeley Pty Ltd.

Napier & Blakeley Pty Ltd



Bondi Pavilion Bondi NSW 2026

ORDER OF COST BUDGET – Option A Scheme (Lower Capital Refurbishment & Reconfiguration)

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Bondi Pavilion Bondi NSW 2026

ORDER OF COST BUDGET – Option B Scheme (Major Reconfiguration/Heritage “Make Good”)

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29 January 2015

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Disclaimer

This report is dated January 2015 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd's (**Urbis**) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of Waverley Council (**Instructing Party**) for the purpose of the Bondi Pavilion Review (**Purpose**) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

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This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.

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