

City Tattersalls Air Space Project, Interim Club &  
Anticipated Club facilities post COVID 19

**Update 09 May 2020**



# Overview



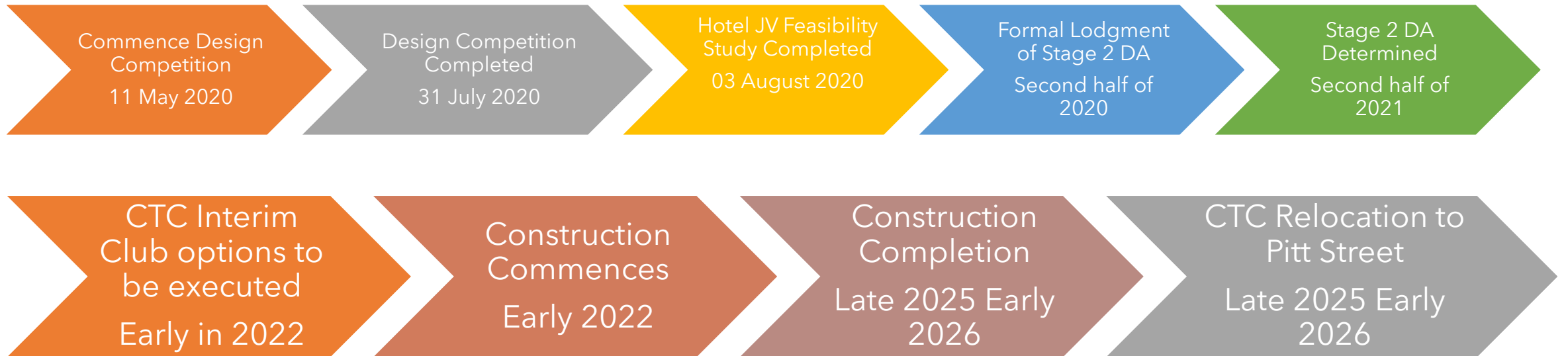
Members should know that despite COVID-19 placing incredible financial pressure on our normal Club operations since the Closure of Registered Clubs on the 23 March 2020, our Air Space Project continues a foot.

Our joint venture partners ICD Property and First Sponsor Group, have formed the view that speeding up our stage 2 development application process will play an important role in reactivating the Sydney Economy as it will not only create jobs, but it will provide businesses, small, medium and large with the opportunity to transact with us by providing a raft of goods and services.

At this stage the development team at ICD Property expects to submit the stage two development application in the second half of this year.

# Current milestone dates for the development

At a high level the key milestones to be achieve over the next 6 years are summarised below.



# Background



## What was actually approved as part of the stage 1 DA approval granted on the 14 November 2019?

The stage 1 DA approval received by the City of Sydney Council in 2019 dealt with key high level considerations, such as;

- The building envelope. How big and wide the tower was to be and how the tower would be interpreted by City siders as they looked at the building from the street to ensure the heritage properties of our buildings would be retained and respected, and for the tower to be a backdrop secondary to the focus of the heritage significant building.
- It also dealt with setbacks that would protect neighbouring building and would ensure the new building could clearly be appreciated as an addition to the heritage building and not as one.
- Of course it dealt with heritage and all the very important aspects of our buildings that are to be preserved.

## Why didn't the Club submit an application for The Proposed Interim Club when the Stage 1 DA was submitted?... a member recently asked!

The Development Management Agreement with the developer anticipated the submission of the interim Club DA after the Stage 1 DA was approved. It was the Club's view that submitting two applications to Council at the same time, could have been confusing and could have hindered the main application.

That said, the granting of the stage 1 DA, triggered a positive obligation on the Club to immediately commence the development of the interim Club DA application.

During the last three years, we have researched the likelihood of an interim Club created on our 202-204 building being safe, profitable (as anticipated), cost effective to build and also the impact such interim facility would have on access to the development site, traffic along Pitt Street and the time delays this would impose on the project impacting early completion and IRR.

After three years of consideration the Executives and the Board of your Club have come to the conclusion that it will be **SAFER** and in the best interest of the Club and its members to deliver an interim Club offsite, where members of City Tattersalls can still have access to the facilities the Club promised back in 2015, without committing millions of dollars into a facility that will ultimately be redundant!.

With the above statement in mind, during the 1<sup>st</sup> week of March 2020, the Board sent its members a number of special resolutions for approval as part of its Notice of AGM which is to be held online on the 26<sup>th</sup> May 2020.

If the resolution is passed (*and with the Safety of its members and the public in mind, the Board hopes it is*), City Tattersalls will be in a position to use a current amalgamation opportunity with the Castlereagh Club to move its facilities to those premises and offer its members a raft of amenities for their enjoyment during and post the construction process.

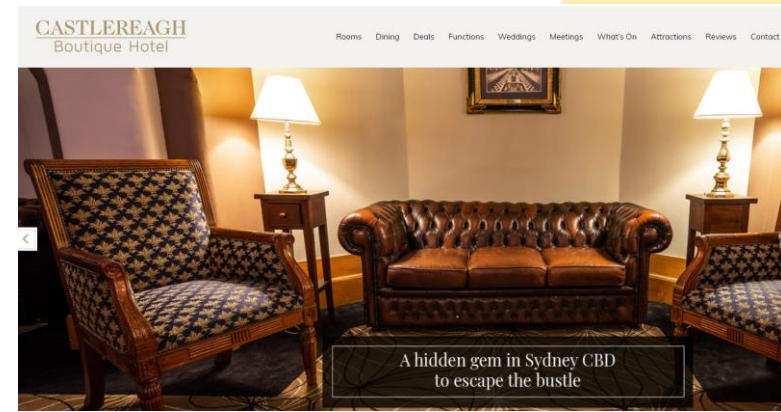
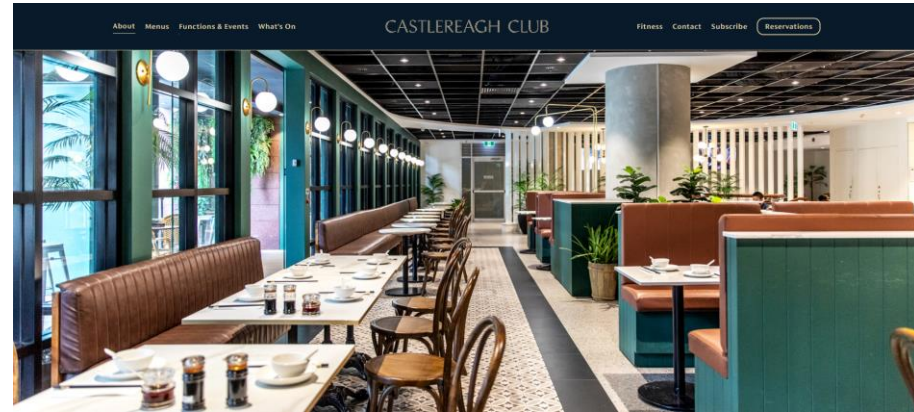


# Interim Club Options



## How are Sub-Clubs going to be accommodated on an Interim Club offsite?

Pending members approval at the AGM, these are some of the relocation strategies for Sub-Clubs that currently use our Pitt Street building as a base for their activities.



- Men & Women Fitness Centre (cardio, strength and free weights equipment, spin rooms, boxing)
- Hair dressing Facilities
- Massage
- Food and Beverage Offerings
- Gaming
- Racquetball (in Squash Courts)
- Member's Lounge

- Temporary Relocation of Cheetahs Swimming Club for race meetings every Thursday

- Dance Club – Cello's
- Toastmasters
- Snooker Club Level 3 & 2
- Ladies Indoor Bowls
- Mah-Jong &
- Bridge Club (not a sub-club)
- Corporate Concierge

## What else are we up to with the Development right now?

In arriving at a detailed stage 2 development application, we are currently undertaking an incredibly complex body of work that will enable our Joint Venture Partners to finalise documentation for the submission of a stage 2 DA prior to the end of 2020.

### Internally we are presently reviewing;

- a) The initial Club concept designs.
- b) Essential services requirements for the interim club.
- c) Base build costs by the developer.
- d) Future circulation, accessibility and vertical transportation requirements and loading dock servicing.
- e) Spatial requirements for each Club offering, subject to heritage constraints.
- f) Best use of each space within the future Club to enhance the financial viability of the Club product offering.

## Internally we are presently reviewing;

- g) Impact (cost, revenue and value) of a larger 200 room - upscale – upper upscale Hotel venture, instead of the original 100 rooms envisaged.
- h) Proposals received from four Project Management firms to assist the Club deliver its obligations in the project in a professional and timely manner.
- i) Advice received from hotel consultants on the hotel requirements, impact and synergies with the Club, and the residential component for both the 100 or the 200 Hotel Rooms options.
- j) Feasibility forecasts prepared before COVID-19 on cashflow, debt levels and capacity to service debt during and post development, Profit & Loss forecasts for both the Club and the hotel business over a ten year period.
- k) The originally proposed interim Club scenario, its costs, risks and profitability with a view to de-risk and perhaps use an amalgamation opportunity to deliver an alternate Club facility that will result in savings on both time and money.

## Once we have finalised all of the works listed previously above, we will then be able to:

- Finalise a Principal's Project Requirements documents for both the Club and hotel and then have these accurately costed inclusive of FF&E and OS&E and consultants,
- Develop a tight brief for the Hotel components of the development, which is subject to design competition. (Note that the Club construction and fit out is not subject to the design competition, but will be developed in collaboration with the project's architects)
- Finalise financing arrangements for the Club fit out component,
- Work with the developer on selecting a builder,
- Move to an alternate location during the interim period, if such decision is in the best interest of the Club.

## Facilities available when.... we are allowed to re-open...

- Lower Bar – **No service available until restrictions are fully lifted.**
- Combined men's and women's Gym on level 2 with dedicated men and women only classes. *Temperature checks on entry, strict social distancing restrictions. Members encouraged to download COVID Safe App, regular cleaning with hospital grade materials, regular PA announcements.*
- The Gadigal room is now being transformed into a multi purpose facility to deal with increased social distancing requirements. *Observing social distancing restrictions.*
- The Birrong Room will also be used to accommodate boxing classes. *Observing social distancing restrictions.*
- Gaming area to have every second gaming machine turned off to maintain social distancing, chairs will be removed from these EGMs. *Observing social distancing restrictions.*



## Facilities available when.... we are allowed to re-open

- Lime Bar will re-open *observing social distancing restrictions. Cashless.*
- Zest Kitchen will have a reduced menu and will operate on a order at bar and pick meal from service counter. *Observing social distancing restrictions. Cashless.*
- Business concierge will re open. *Observing social distancing restrictions.*
- **There will be no functions center.**
- Legends Diner will not re-open until it is justifiable to open another food outlet.
- Snooker open *under strict social distancing restrictions*





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# 3 STEP FRAMEWORK FOR A COVIDSAFE AUSTRALIA

MAINTAIN 1.5M DISTANCING AND GOOD HYGIENE • STAY HOME IF UNWELL • FREQUENTLY CLEAN AND DISINFECT COMMUNAL AREAS • COVIDSAFE PLAN FOR WORKPLACES AND PREMISES

ALL STEPS ARE SUBJECT TO EXPERT HEALTH ADVICE • States and territories can implement changes based on their COVID-19 conditions

	GATHERINGS & WORK	EDUCATION & CHILDCARE	RETAIL & SALES	CAFES & RESTAURANTS	ENTERTAINMENT & AMUSEMENT VENUES	SPORT & RECREATION	ACCOMMODATION	WEDDINGS, FUNERALS & RELIGIOUS SERVICES	HAIR & BEAUTY SERVICES	DOMESTIC TRAVEL
<b>STEP 1</b>	<b>STEP 1: The important first small steps - connect with friends and family - allowing groups of people to be together in homes and in the community. Businesses reopen, and more people return to work</b>									
	<p>Non-work gatherings of up to 10</p> <p>Up to 5 visitors at home in addition to normal residents</p> <p>Work from home if it works for you and your employer</p> <p>Workplaces develop a COVIDSafe plan</p> <p>Avoid public transport in peak hour</p>	<p>Child care centres, primary and secondary schools open as per state and territory plans</p> <p>Universities/technical colleges to increase face-to-face where possible and prioritise hands-on, skills based learning</p>	<p>Retail stores open</p> <p>Retail stores and shopping centre managers must develop COVIDSafe plans</p> <p>Auctions/open homes can have gatherings of up to 10, recording contact details</p>	<p>May open and seat up to 10 patrons at one time</p> <p>Need to maintain an average density of 4m<sup>2</sup> per person</p> <p>Food courts are to remain closed to seated patrons</p>	<p>To remain closed: Indoor movie theatres, concert venues, stadiums, galleries, museums, zoos, pubs, registered and licensed clubs, nightclubs, gaming venues, strip clubs and brothels</p> <p>Exception: Restaurants or cafes in these venues may seat up to 10 patrons at one time</p>	<p>No indoor physical activity including gyms</p> <p>Community centres, outdoor gyms, playgrounds and skate parks allow up to 10 people</p> <p>Outdoor sport (up to 10 people) consistent with the AIS Framework for Rebooting Sport</p> <p>Pools open with restrictions</p>	<p>Continue current arrangements for caravan parks and camping grounds (closed to tourists in some states and territories)</p> <p>Hostels and hotels are open for accommodation</p>	<p>Weddings may have up to 10 guests in addition to the couple and the celebrant</p> <p>Funerals may have up to 20 mourners indoors and 30 outdoors</p> <p>Religious gatherings may have up to 10 attendees</p> <p>Every gathering must record contact details</p>	<p>Hairdressers and barber shops open and record contact details</p> <p>Beauty therapy and massage therapy venues, saunas and tattoo parlours remain closed</p>	<p>Allow local and regional travel for recreation</p> <p>Refer to state and territory governments for border restrictions and biosecurity conditions</p>
	<b>STEP 2</b>	<b>STEP 2: Building on slightly larger gatherings and more businesses reopening. Higher risk activities may have tighter restrictions</b>								
<p>Non-work gatherings of up to 20</p> <p>States and territories may allow larger numbers in some circumstances</p> <p>Work from home if it works for you and your employer</p> <p>Workplaces develop a COVIDSafe plan</p> <p>Avoid public transport in peak hour</p>		<p>Child care centres, primary and secondary schools open as per state and territory plans</p> <p>Universities/technical colleges to increase face-to-face where possible and prioritise hands-on, skills based learning</p>	<p>Retail stores open</p> <p>Retail stores and shopping centre managers must develop COVIDSafe plans</p> <p>Auctions/open homes can have gatherings of up to 20, recording contact details</p>	<p>Cafes and restaurants can seat up to 20 patrons at one time</p> <p>Need to maintain an average density of 4m<sup>2</sup> per person</p> <p>Food courts are to remain closed to seated patrons</p>	<p>Indoor movie theatres, concert venues, stadiums, galleries, museums, zoos may have up to 20 patrons</p> <p>To remain closed: pubs, registered and licensed clubs, RSL clubs, casinos, nightclubs, strip clubs and brothels</p> <p>Exception: Restaurants or cafes in these venues may seat up to 20 patrons at one time</p>	<p>Up to 20 people allowed to participate in outdoor sports consistent with the AIS Framework for Rebooting Sport</p> <p>Up to 20 people allowed to participate in all indoor sports, including gyms</p> <p>Need to maintain an average density of 4m<sup>2</sup> per person</p> <p>Pools open with restrictions</p>	<p>Caravan parks and camping grounds fully open</p> <p>All accommodation areas open and allow gatherings of up to 20 people</p>	<p>Weddings may have up to 20 guests in addition to the couple and the celebrant</p> <p>Funerals may have up to 50 mourners</p> <p>Religious gatherings may have up to 20 attendees</p> <p>Every gathering must record contact details</p>	<p>Hairdressers and barber shops open and record contact details</p> <p>Beauty therapy and massage therapy venues and tattoo parlours can open with up to 20 clients in the premises and record contact details</p> <p>Saunas and bathhouses remain closed</p>	<p>Allow local and regional travel for recreation</p> <p>Consider allowing interstate recreational travel depending on the situation in each state and territory</p> <p>Refer to state and territory governments for biosecurity conditions</p>
<b>STEP 3</b>		<b>STEP 3: A commitment to reopening of business and the community with minimal restrictions, but underpinned by COVIDSafe ways of living</b>								
	<p>Non-work gatherings of up to 100 people</p> <p>Larger gatherings to be considered</p> <p>Return to workplace</p> <p>Workplaces develop a COVIDSafe plan</p> <p>Avoid public transport in peak hour</p>	<p>Child care centres, primary and secondary schools open as per state and territory plans</p> <p>Universities/technical colleges to increase face-to-face where possible and prioritise hands-on, skills based learning</p> <p>Consider reopening residential colleges and international student travel</p>	<p>Retail stores open</p> <p>Retail stores and shopping centre managers must develop COVIDSafe plans</p> <p>Auctions/open homes can have gatherings of up to 100, recording contact details</p>	<p>Cafes, restaurants and food courts can seat up to 100 people</p> <p>Need to maintain an average density of 4m<sup>2</sup> per person</p>	<p>Venues open in Step 2 may have up to 100 patrons</p> <p>Consideration will be given to opening bar areas and gaming rooms</p> <p>Exception: Restaurants or cafes in these venues may seat up to 100 patrons at one time</p> <p>To remain closed: strip clubs and brothels</p>	<p>All venues allowed to operate with gatherings of up to 100 people</p> <p>Need to maintain an average density of 4m<sup>2</sup> per person</p> <p>Community sport expansion to be considered consistent with the AIS Framework for Rebooting Sport</p>	<p>All accommodation areas open and allow gatherings of up to 100 people</p>	<p>Allow gatherings of up to 100 people</p> <p>Every gathering must record contact details</p>	<p>All establishments allowed to open with up to 100 people</p> <p>Record contact details</p>	<p>Allow interstate travel</p> <p>Refer to state and territory governments for biosecurity conditions</p>

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**Thank you**

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CEO

