



WAIVING CHARGES DURING NOVEL CORONAVIRUS (COVID-19) POLICY

D5-49

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Policy Owner: General Manager

Direction: 5. Our Civic Leadership

1. STATEMENT OF INTENT

- 1.1 On 11 March 2020, the World Health Organisation characterised novel coronavirus (COVID19) as a pandemic. As a result, significant measures have been put in place by the Federal and State Governments to manage the spread of COVID-19. These measures are having a significant impact on our community and local businesses who are suffering financial hardship as a result.
- 1.2 This Policy identifies support and/or waivers of lease fees or charges that Council will provide to community groups and businesses impacted by the Government response to COVID-19. Particularly those impacted by enforced closures.
- 1.3 This Policy is not exclusive. Further support and/or discretionary waivers may be applied as a result of another policy or application of discretionary authority in the application of charges.

2. ELIGIBILITY

- 2.1 Eligibility is identified within each provision. The support offered within this policy is discretionary and the General Manager (or delegate) has discretion to determine eligibility in accordance with the intent of this Policy.

3. DEFINITIONS

- 3.1 Lessee - is a person or entity who rents land or property from a lessor (North Sydney Council). The Lessee is also known as the "tenant" and must uphold specific obligations as defined in the lease agreement that is executed between the Lessee and the Lessor - by law.
- 3.2 Licensee - is a person or entity that holds a current approved Outdoor Dining License agreement with North Sydney Council to conduct business on Council footpaths.
- 3.3 Small Business - for the purposes of this Policy, is "an individual, partnership, company or trust that is carrying on a business and the business has an aggregated turnover of less than \$2 million per annum".

Adopted 27 March 2020

- 3.4 Enforced Closure Period - is the mandatory closure period in accordance with Public Health Orders concerning prohibited activities and venues. The enforced closure for cafes and restaurants commenced on 20 March 2020. The enforced closure period for community and recreational facilities commenced on 25 March 2020.
- 3.5 Demonstrating financial hardship - for the purpose of this policy is defined as those Lessees (Tenants) and Licensees who are having severe difficulty in paying the rent/lease due on their Leases and Licences that they have with North Sydney Council as a result of the Government mandated closures to stop the spread of COVID-19 that became effective from 20 March 2020.

4. PROVISIONS

- 4.1 Outdoor Dining and Goods on Footpath Licences with Council:
- a) Where a Licensee has had to temporarily close their business or change their trading practices as a result of Government regulation to manage the spread of COVID-19, Council will waive all Outdoor Dining and Goods on Footpath Licence fees for the duration of the enforced closure period, plus two (2) months to facilitate re-establishment from when the closure period is officially relaxed.
 - b) Where a Licensee has already paid in advance at the commencement of the enforced closure period, the prepaid term will be credited to the Licensee rather than refunded.
 - c) Council will waive interest charges on any existing arrears a Licensee currently has with Council.
- 4.2 Rental /Lease Fees for Community (Not for Profit) Groups Occupying Council Owned Community, Recreational and Sporting facilities under lease:
- a) Council will waive all rental/lease fees associated with the tenancy agreement for the duration of the enforced closure period to manage the spread of COVID-19, plus two (2) months for re-establishment for when the closure period is officially relaxed.
 - b) Council will also waive any existing arrears a Lessee in this provision category had with Council at the commencement of the enforced closure.
- 4.3 Rental/Lease Fees for Cafés/Restaurants Occupying Council Owned Premises under lease:
- a) Where a Lessee has had to temporarily close their business Council will waive all rental/lease fees for the duration of the enforced closure period, plus two (2) months for re-establishment from when the closure period is officially relaxed.

- b) The rent/lease waiver also applies to those Lessee's providing take-away only services for the period of the enforced closure, however the additional two (2) months for re-establishment from when the closure period is officially relaxed does not apply.
- c) Council will also waive interest charges on any existing arrears a Lessee in this provision category had with Council for the period of the enforced closure plus two (2) months.
- d) Lessee's (Tenants) must ensure the leased premises remain in a clean and safe condition throughout the enforced closure period, and all other conditions of the Lease/Tenancy Agreement are met.

4.4 Cafés/Restaurants generally:

- a) Council will establish a prioritised temporary contact arrangement for Cafés/Restaurants seeking parking access arrangements to facilitate take-away deliveries.
- b) These will be considered and approved on a case by case basis subject to the specific location and situation of the business.
- c) The service and associated approved temporary parking/access arrangement will be free of charge for the duration of the enforced closure period of Cafés/Restaurants.
- d) All requests for temporary parking access arrangements to facilitate take-away deliveries must be made in writing via email to takeawayaccessrequests@northsydney.nsw.gov.au and may take up to 72 hours to assess. Use email subject "Food Takeaway Parking Request".

4.5 Other Small Businesses which currently have an executed lease with North Sydney Council, the following will apply:

- a) Where a Lessee can demonstrate that they are experiencing financial hardship and cannot make rental payments to Council as a result of Government regulation to manage the spread of COVID-19, the Lessee may make a request in writing to Council for rental waivers or abatement and show evidence with supporting documentation that they are experiencing financial hardship.
- b) Where a Lessee has had to temporarily close their business as a result of Government regulation to manage the spread of COVID-19 and is suffering financial hardship, Council may waive all rental/lease fees associated with the tenancy agreement for the duration of the government enforced closure period, plus two (2) months for re-establishment from when the closure period is officially relaxed.
- c) Where a Lessee is still operating and the business remains open, Council may provide a rent rebate of 50%.
- d) Council may also waive the interest due on existing arrears a Lessee in this provision category currently has with Council.
- e) Lessee's in this provision category will be considered on a case by case basis by the General Manager (or their delegate).

5. RESPONSIBILITY/ACCOUNTABILITY

- 5.1 The General Manager (or delegate), may exercise discretion where considered reasonable and appropriate with regards to the application of all commercial and cost recovery fees, including any fees associated with an approval issued under Council's Local Laws during the National declared emergency related to the COVID-19 pandemic.
- 5.2 The Director Engineering and Property Services will be responsible for the implementation of this Policy.

6. RELATED POLICIES/DOCUMENTS/LEGISLATION

The Policy should be read in conjunction with the following Council policies and documents:

- Debt Management Policy
- Outdoor Dining and Goods on Footpath Policy
- Outdoor Dining Licence Agreement

The Policy should be read in conjunction with the following documents/legislation:

- Local Government Act 1993
- Retail Leases Act 1994

Version	Date Approved	Approved by	Resolution No.	Review Date
1	27 March 2020	Mayor/General Manager	n/a	As required