

10 April 2014

Building Upgrade Agreements
Water and Climate Change Branch
Department of Environment, Water and Natural Resources
GPO Box 1047
Adelaide SA 5001

Email: climatechange@sa.gov.au.

To whom it may concern,

Thank you for the opportunity to provide the Property Council of Australia's (SA Division) comments on the *Local Government (Building Upgrade Agreements) Amendment Bill 2014*.

The Property Council welcomes and supports the proposed amendment to the *Local Government Act 1999* to introduce enabling provisions for a new financing mechanism for upgrading commercial buildings in South Australia.

The Property Council has been a staunch advocate for the loan scheme and believes it will be of considerable assistance to commercial building owners and developers looking to access loans to retrofit their buildings.

We believe that the proposed Building Upgrade Finance Scheme will remove barriers to upgrading commercial buildings and lead to a more sustainable built environment.

Assisting building owners to retrofit their buildings to enhance environmental efficiencies including reducing energy and water consumption, preventing or reducing pollution and ensuring discharge or waste is not harmful to the environment, is an approach that will deliver more green buildings for South Australia.

South Australia has a large proportion of existing buildings in need of significant retrofitting. Enhancing energy efficiency is no longer just about new green buildings, but importantly about greening the existing built environment.

Buildings and businesses that are energy efficient are more financially secure and better able to maximize growth opportunities.

The Property Council supports the progression of Building Upgrade Finance as a voluntary mechanism and looks forward to working with Government to deliver the right policy framework that will incentivize and promote green building refurbishments.

The draft Bill and overview of amendments are clear and concise. The only point the Property Council would raise is around the provision for tenant contribution toward the payment of a building upgrade charge. The overview of amendments states that "This section would apply despite the provisions of the *Retail and Commercial Leases Act 1996*", however, this comment does not seem to be reflected in the draft legislation. The Property Council cannot see any clause that overrides the *Retail and Commercial Leases Act 1995* and would like to seek clarification on that point.

If you would like to discuss any aspects of the Property Council's position my office can be contacted on 8236 0900.

Yours sincerely,

A handwritten signature in blue ink that reads "Richard Angove". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard Angove
Executive Director
Property Council of Australia (SA Division)