

Relevant Information for Council

FILE: X027614 **DATE:** 15 May 2020

TO: Lord Mayor and Councillors

FROM: Graham Jahn AM, Director City Planning, Development and Transport

SUBJECT: Information Relevant To Item 8.2 - Public Exhibition - Planning Proposal - 55 Pitt Street, Sydney - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

To provide additional background information on Affordable Housing and Community Infrastructure Contributions for 55 Pitt Street, Sydney

Background

At the meeting of the Transport, Heritage and Planning Committee on 11 May 2020, further information was requested on the public benefits secured through the Planning Proposal for 55 Pitt Street, Sydney, including contributions towards affordable housing infrastructure and community infrastructure in Central Sydney. This information is provided below.

Affordable Housing Contributions

There is no affordable housing plan currently in operation in central Sydney. However, under the voluntary planning agreement associated with the Planning Proposal for 55 Pitt Street, Sydney, Mirvac will make a monetary contribution towards the provision of affordable housing within the local government area, which the City will allocate to community housing provider, City West Housing.

The quantum of the affordable housing contribution is consistent with the City's draft Affordable Housing Review program which was approved by Council and Central Sydney Planning Committee in September 2018 and is in the final stages of being implemented by the City and the Department of Planning, Industry and Environment.

Mirvac will make a monetary contribution of approximately \$3,743,970 towards affordable housing. This contribution has been calculated as follows:

- 0.5% x Total Floor Area x \$10,588* – where a subsequent detailed DA is determined between 1 June 2020 to 31 May 2022
- 1% x Total Floor Area x \$10,588* - where a subsequent detailed DA is determined from 1 June 2022 onwards

This will be updated in line with indexation as per the City's draft Affordable Housing Review program.

Community Infrastructure Contribution

The Planning Proposal for 55 Pitt Street, Sydney will also secure a Community Infrastructure Contribution of approximately \$12,988,080. The Community Infrastructure Contribution is consistent with the City's draft Guideline for Site-Specific Planning Proposals in Central Sydney, where additional floor space above the Local Environmental Plan maximum attracts a contribution of \$1,200 per square metre. This contribution shown below is calculated on the maximum additional floor space sought by the planning proposal.

The contribution secured by the draft voluntary planning agreement will be allocated as follows:

- \$7,988,080 to infrastructure projects in the City North Public Domain Plan
- \$4,545,454 to the establishment and ongoing management of business innovation spaces in the CBD in accordance with the City's Tech Startups Action Plan
- \$454,546 to Planning Agreement administration

Council adopted the City North Public Domain Plan in December 2015. The plan outlines improvements to streets and open spaces in the part of central Sydney north of King Street and east of George Street.

The City has secured a business innovation space at 180 George Street, within the Alfred Pitt George and Dalley precinct through a planning agreement for that site. The contribution will support the establishment and ongoing management of that space as Mirvac were unable to provide equivalent space.

Since 2015 the City has managed 154 public benefit offers and executed 110 Voluntary Planning Agreements with a value exceeding \$306M, including \$50M in monetary contributions. A portion of the contribution will support the effective administration of planning agreements in accordance with the Development Contributions - Practice Note 2005.

The draft planning agreement will set out how the contributions will be applied and be exhibited alongside the planning proposal.

Memo from Graham Jahn AM, Director City Planning, Development and Transport

Prepared by: Daniel Thorpe, Specialist Planner

Approved

A handwritten signature in black ink, appearing to be 'GJahn', written over a horizontal line.

GRAHAM JAHN AM

Director City Planning, Development and Transport