

Attachment C

**Planning Agreement – Public Benefit Offer
– 15-25 Hunter Street and 105-107 Pitt
Street, Sydney**



1 April 2022

2190590

Ms Monica Barone
Chief Executive Officer
City of Sydney Council
456 Kent Street,
Sydney, NSW, 2000

Public Benefit Offer
15-25 Hunter Street and 105-107 Pitt Street, Sydney

Dear Ms Barone,

FT Sydney Pty Ltd (controlled by Milligan Group) has prepared this Public Benefit Offer (PBO) to accompany a request for a planning proposal relating to land at 15-25 Hunter Street and 105-107 Pitt Street, Sydney (the site). In accordance with the Guideline for Site Specific Planning Proposals in Central Sydney, Milligan Group has prepared this PBO with the intent to enter into a Voluntary Planning Agreement (VPA) with the City for the purposes of section 7.7(3) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The proposal relates to the collective sites at the corner of Pitt and Hunter Streets which will directly support the ongoing growth of employment generating floor space in Central Sydney, with a building envelope shaped by the prescribed sun access plane and in consideration of first principle environmental controls to protect public amenity. Milligan Group recognises that as this area of Central Sydney continues to grow, it is critical that there is investment in new and upgraded local infrastructure to meet the needs of the people who live and work in the vicinity of the development. In this regard, the proposed terms of our PBO are set out in the following subsections.

Proposed land and development to which the PBO relates

This PBO applies to land identified as 15-25 Hunter Street and 105-107 Pitt Street, Sydney. Specifically, the site comprises seven allotments, legally identified within **Table 1** below. At the time of writing, the PBO relates to a request for a planning proposal. The purpose of the request for a planning proposal is to introduce new maximum Height of Buildings and Floor Space Ratio (FSR) development standards for the site, and at the City's request, provide a heritage listing for the non-heritage listed building at 15-17 Hunter Street, specifically enabling:

- a maximum height of 213.5 metres (RL 222.5) consistent with the updated Sun Access Plane for Martin Place, as set out in the *Planning Proposal: Central Sydney 2020*.
- a maximum Floor Space Ratio (FSR) of 24.92:1 (including end-of-journey floor space) equating to 52,531m² of Gross Floor Area (GFA).
- a new local heritage listing for the building located at 15-17 Hunter Street.

Table 1 Property Title Description

Lot	Address
Lot 1 DP 630190	15 Hunter Street, Sydney
Lot A DP 109825	15 Hunter Street, Sydney
Lot B DP 109825	15 Hunter Street, Sydney
Lot 1 DP 59754	19-21 Hunter Street, Sydney
SP 69888	23-25 Hunter Street Pitt Street, Sydney
SP 60693	105 Pitt Street, Sydney
Lot 1 DP 63968	107 Pitt Street, Sydney

Public benefit offer terms

Milligan Group acknowledge that there is a nexus between new development uplift beyond the existing FSR development standard and the need for infrastructure contributions to fund local public infrastructure and facilities. In this regard, the terms of this PBO will allow Milligan Group to engage with the City of Sydney Council on how public benefits can be delivered through both monetary contributions and works-in-kind to better the immediate precinct environment and support any additional demands generated by the proposal.

Milligan Group's proposal seeks to provide the following public benefits, to be formalised via a VPA with the City:

• Monetary Contributions

– Community Infrastructure Contribution:

A proposed offer for a community infrastructure monetary contribution of 3% of the total cost of development. The payment of this contribution is proposed to be on or before the date of issue of the first Construction Certificate relating to the new development (excluding demolition, excavation and early works). Payment of this contribution at Construction Certificate will bring forward the public benefit by up to 3 years. This contribution is to be inclusive of all infrastructure contributions applicable under either Section 7.11, Section 7.12 of the EP&A Act or Section 61 of the City of Sydney Act.

NOTE: This currently equates to a monetary contribution of approximately \$9,900,000 based on a total cost of development at \$330,000,000.

• Sustainability Commitments

– In accordance with the draft request for a planning proposal, Milligan Group is committed to delivering the following:

- A minimum 6 star Green Star design and construction rating
- A minimum 5.5 star NABERS energy rating.
- A minimum 4 star NABERS water rating.
- A minimum 5 star NABERS waste rating.
- Integration of a timber hybrid structure in the new building.

Note: The detailed design of which will be subject to a competitive design process, where a requirement to incorporate a timber hybrid structure will be prominently incorporated into the design competition brief.

• Works-in-Kind

– Through-site link (easement for public access)

Creation of a through-site link for a new pedestrian laneway, connecting Pitt Street to Hunter Street through the site. This through-site link will be secured via easements for public access for width and approximately four stories in height registered on the land title for unrestricted public access, but will remain in private ownership. The specific details of the through-site link will be subject to detailed design development, which will be supported by an easement plan clearly outlining the parameters of this works in kind contribution.

– Public Art:

A proposed offer consistent with the Guideline for Site Specific Planning Proposals in Central Sydney for a monetary contribution to public art, comprising 0.5% of the total cost of development.

Milligan Group has prepared this Public Benefit Offer to accompany a request for a planning proposal relating to land at 15-25 Hunter Street and 105-107 Pitt Street. We submit the abovementioned offers for the City of Sydney Council's consideration, as a framework for a future Voluntary Planning Agreement to support the Planning Proposal. We trust that this offer clearly demonstrates our commitment via monetary contributions, sustainability initiatives and works-in-kind to better the immediate precinct environment, and meet the needs of the people who live and work in and in the vicinity of the site.

With the benefits of this proposal in mind, and with the desire to realise the objectives and key moves of the CSPA, we are seeking to formalise this offer through a VPA that will accompany the final planning proposal for the site. We are willing and keen to meet with you and your team where possible to ensure a successful framework can be facilitated for the future realisation of a positive outcome on this site. Should you require any additional information, or should you have any queries about this matter, please do not hesitate to contact the undersigned.

Yours sincerely,



James Milligan
Managing Director

CC:

Mr Graham Jahn AM, Director of City Planning, Development & Transport, City of Sydney
Sally Peters, Manager Central Sydney Planning, City of Sydney
David Fitzpatrick, Specialist Strategic Planner, City of Sydney