

# **Attachment E**

**Public Benefit Offer**

## APPLICANT'S PUBLIC BENEFIT OFFER FOR BONUS FLOOR SPACE IN CONNECTION WITH A DEVELOPMENT APPLICATION

This is an offer to enter into a Planning Agreement (PA) by Karimbla Properties (No.60) Pty Ltd (ACN: 622 383 724) as the owner/developer of the land at 118-130 Epsom Road and 905 South Dowling Street, Zetland (Land).

The general nature and extent of the provision to be made under the offer, the time or times and the manner by which the provision is to be made are as follows:

It is proposed to construct a multi-stage mixed-use development on the Land. It is proposed to achieve a Bonus FSR of 0.5:1 in accordance with Clause 6.14 of the Sydney Local Environmental Plan 2012 (SLEP) by undertaking the public infrastructure works applicable to the Land identified in the Sydney Development Control Plan 2012, being:

- Embellishment and dedication/transfer of public open space including any associated utility diversion works;
- Embellishment and dedication/transfer of public roads including any associated utility diversion works
- Construction of the portion of the Green Square Trunk Drainage (GSTD) system under Rose Valley Way and associated utility diversion works;
- Embellishment of the through-site link between pocket parks and Defries Avenue with the creation of an easement over to facilitate public access; and
- Embellishment and dedication/transfer of 1.45m of road widening to Epsom Road.

As outlined in the following documentation attached to this Offer:

- Appendix 1 – Cost Analysis Spreadsheet
- Appendix 2 – Works and Dedication Plan
- Appendix 3 – VPA Civil Concept Plan by Sky Engineering – dated 30 May 2023
- Appendix 4 – Relevant Public Domain Concept Design – CoS – dated 23 October 2015
- Appendix 5 – Mulgu Park Concept Plans – CoS – dated 17 April 2015
- Appendix 6 – Landscape Masterplan – Urbis – dated 19 June 2023
- Appendix 7 – Relevant Green Square Stormwater Project plans – Sydney Water – dated 1 April 2015

The Table below provide further details of the material public benefits and application of credits in accordance with **Appendix 1**.

Site Area	40,849m <sup>2</sup>	General Scope of Works	Value (excl. GST)
Base FSR permitted by LEP	1.5:1 (61,273.5m <sup>2</sup> )	Land Dedication at \$200/m <sup>2</sup> TOTAL: 16,939m <sup>2</sup>	\$3,387,860
Amount of additional FSR permitted under Clause 6.14:	0.5:1 / (20,424.5m <sup>2</sup> )	Works (Attributed Value)	\$28,734,034
Bonus FSR rate (incl. GST)	\$475.00 per 1m <sup>2</sup>	TOTAL LAND: TOTAL WORKS	\$3,387,860 \$28,734,034

<b>Total Value of additional FSR</b>	<b>\$9,701,637</b>	<b>Total Value of Scope of Works (Credit)</b>	<b>\$32,121,894</b>
		<b>Owing</b>	<b>\$22,420,257</b>

\*Refer to attached QS report

### **Timing of Payment and Works**

The provision of the Total Value of the Scope of Works (**\$32,121,894**) will be offset against the Total Value of Additional FSR (**\$9,701,637**). As the total Value of the Scope of Works is higher than the total Value of the Additional FSR, the additional credit will be applied as a credit against Section 7.11 Contributions under the future development.

As the residual credit will also exceed the estimated S7.11 contributions of approximately \$15,250,368.76 (subject to credits for existing workers), the Council will directly fund the Developer to complete the "CoS Funded Works" as outlined in Appendix 1.

The completion of works will be occur prior to the issue of any Occupation Certificate for any habitable component of the final building of the relevant stage of the Project. Land dedication/transfer and creation of the easements will occur prior to any Occupation Certificate of the habitable component of the final building of the Project.

It is intended that the VPA will be finalised, executed and registered on the title prior to the issue of an operational Stage 2 consent (excluding any demolition or civil works consent) as per Council's policy.

### **Delivery and Funding of Key Items**

#### **Roads and Trunk Drain**

- The Developer design and deliver the specific roads and trunk drain in accordance with Appendix 3 and with regard to Appendix 4 and Appendix 7
- The attributed value of the roads and trunk drain totals \$21,564,144 and will be offset against the community infrastructure and section 7.11 contributions.

#### **Parks**

- The Developer will design and deliver Mulgu Park to reflect the City's Concept Design in Appendix 5 and to meet all City standards in place at the time of the detailed design DA. Council will not seek any design variations from this concept and any changes are at the complete discretion of the Developer.
- The City will contribute a total of \$4,191,699 (excl GST) to the Developer for Mulgu Park, subject to Council approval.
- The developer will design and deliver the two pocket parks to reflect Appendix 6, ensuring each includes lighting, irrigation, seating, paving and landscaping, and meet the City standards in place at the time of the detailed design DA.
- The City will contribute a total of \$1,316,013 (excl GST) for the two pocket parks, subject to Council approval.
- The City will contribute a total of \$1,662,177 (excl GST) to the Developer for delivery of the pedestrian areas adjacent to Mulgu Park, subject to Council approval

- Payment for Mulgu Park, adjacent pedestrian areas and the two pocket parks will be progressive, with payment of specific amounts on completion of specified milestones set out in the VPA.

**Security**

It is intended that this offer will be consolidated into a Voluntary Planning Agreement (VPA) with the Council and the following security arrangements:

- The Developer will provide a Bank Guarantee or Bond prior to the Construction Certificate (CC) of the relevant Works for each Stage totalling 100% of the value of the roads and trunk drain (excluding any works directly funded by the City) to be completed in the respective Stage.
- The City will progressively release the Security during each Stage for specific amounts on completion of specified milestones as agree between the Parties (acting reasonably)
- The VPA will include an obligation the Developer to rectify any damage to the roads resulting from use of the roads during the construction of the Development.
- For clarity Bank Guarantees or Bonds are not required for the parks and adjacent pedestrian areas.

Name of Applicant: Karimbla Properties ((No 60) Pty Ltd (ACN: 622 383 724)

Signature of Applicant: .....   
 Albert Chan  
 Director

Signature of Applicant: .....   
 Matthew Lennartz  
 Executive Manager – Planning and Government

Date: 3<sup>RD</sup> MAY 2024