

15 December 2023

The General Manager

Waverley Council

55 Spring Street

BONDI JUNCTION NSW 2022

RE: Voluntary Planning Agreement (VPA) Offer for 669-683 Old South Road Vaucluse (Land)

Dear Sir/Madam

As outlined in email correspondence issued to Waverley Council on 22 May 2023 and subsequent discussions, OSHR At Vaucluse Holdings Pty Limited (**Developer**) formally submits an offer to enter into a Voluntary Planning Agreement with Waverley Council in accordance with Waverley Council's Planning Agreement Policy 2014, Amendment No.4 (**VPA Policy**) as part of the Development Application lodged for 669-683 Old South Head Road Vaucluse, for a seniors housing development.

Background

The subject property is already the subject of two relevant development consents, as set out below.

DA 374/2020 No. 669 Old south Head Road Vaucluse – A four storey, RFB with retail on the ground floor granted on 26 May 2021

- Site area 436.9sqm.
- Control FSR 1.5:1 or 655.4sqm
- Approved FSR 1.7:1 or 745sqm (breach of 13.7%).
- Control height 13m, approved height 12-13.2m (breached by lift overrun – clause 4.6 accepted).
- VPA monetary contribution of \$253,210, prior to the issue of any Occupation Certificate for the development as outlined in condition 6(a)(ii) of the development consent.

DA 455/2021 No. 671-683 Old South Head Road Vaucluse – A four storey seniors housing development, granted on 18 October 2022

- Included a condition requiring dedication of 4 units (GU-07 (1 bed), GU-10 (2 bed), L1-07 (1 bed) and L2-07(1 bed)) as affordable housing (condition 5).
- Site area 3867.3sqm

- Total GFA approx. 308sqm and nett saleable area (NLA) of 265sqm.
- Relied on SEPP (Housing for Seniors) with 0.5:1 bonus under clause 45(2) where 10% will be affordable and will have on site support services.
- Control height is 13m, approved 13.5m
- Control FSR is 0.9:1, bonus enables up to 1.4:1 (approximately 5,414sqm),
- Approved GFA is 5,388sqm, less than the maximum permissible with the bonus.
- There was no offer to enter into a planning agreement, and there are no conditions of consent relating to a planning agreement, because of the dedication of the 4 units.

Option to develop the consolidated site as seniors housing for 669-683 Old South Head Road Vaucluse, amalgamating the above-mentioned sites.

An opportunity arose to amalgamate the two approved development sites which provides a better planning outcome, such as:

- Combining all sites eliminates several existing driveways along Old South Head Road and replacing these with one driveway as approved in DA 455/021 relating to No. 671-683 Old South Head Road Vaucluse
- Centralised Porte cochere
- Better setbacks and urban design
- Gateway corner site design
- Lower density than the existing two approvals for 669 and 671-683 Old South Head Road
- Less cars due to lower density

Several approval options were considered, being:

- Two modification applications under section 4.55
- A combination of a section 4.55 modification application and amending DA 455/2021
- Two amending DAs
- One new DA for the combined site.

The latter option was adopted because it produced a much better urban and architectural design outcome for this part of Vaucluse and Rose Bay North Village.

To achieve the better planning outcomes, the proposed development requires the same GFA as the combined GFA of the existing approvals applying to 669 and 671-683 Old South Head Road Vaucluse.

SEPP (Housing for Seniors) no longer applies. No affordable housing or onsite support services is required and an FSR bonus of 0.5:1 does not apply.

The Housing SEPP allows for an additional 15% of the maximum permissible floor space ratio for independent living units, meaning the maximum GFA for the proposed development the subject of the new DA is 4,826.88 sqm. However, the proposed development has a total GFA of 6,222.32sqm (which is a 1,395.44sqm exceedance).

Therefore, a clause 4.6 written variation request has been lodged with the development application.

Proposed Voluntary Planning Offer

Now that a new form of seniors development is proposed on the whole of the Land, it is appropriate for the Developer to make a letter of offer to enter into a voluntary planning agreement applying to the Land and the development.

The Developer offers the following to be implemented by way of the voluntary planning agreement:

1. The parties to the VPA will be the Developer, the registered owner of the Land and the Council.
2. The VPA will apply to the Land and will be registered on title prior to the issue of a construction certificate for the Development.
3. The VPA will apply to the development the subject of any consent granted to the DA including any modification, alteration, or extension to that development whether it be via a construction certificate, a modification to the consent or consent to a further development application (**Development**).
4. The provision to be made under the VPA will be the payment of a monetary contribution to Council in the amount of circa \$5.818 million.

The Monetary Contribution has been calculated as follows:

- \$5.565 million being the value of the 4 units (at \$21,000psm) in lieu of dedication of four units as affordable housing (NSA 265sqm) that was required under DA 455/2021, applying to 671-683 Old South Head Road Vaucluse and because it is not a requirement under the new Housing SEPP to dedicate units as affordable housing,
- \$253,210, applying to 669 Old South Head Road Vaucluse.

This means:

- Achieving the same outcomes as the existing consents applying to the Land except affordable housing will be provided by way of a monetary contribution rather than the dedication of units,
 - A monetary contribution that is more than the VPA Policy rate for circa 1,395 sqm of additional GFA which would be at about \$4.325 million (being 1,395sqm x \$3,100¹ rate),
 - There is no longer a mention in the current VPA Policy of a 15% maximum that previously applied under Amendment 3, and
 - It won't set a precedent for % exceedance because it is a transition between the old Seniors SEPP and Housing SEPP in that it keeps the seniors housing approval including the onsite support services, converts an RFB approval to seniors and replaces affordable housing with an equivalent monetary contribution along with a better planning outcome.
5. The monetary contribution would be payable prior to the issue of any occupation certificate in respect of the Development.
6. In the event that the gross floor area of the Development increases from that in the DA consent via any construction certificate, then an additional monetary contribution shall be made to the Council calculated at the rate of \$3,100 per sqm of gross floor area which exceeds the gross floor area of the DA consent and such contribution will be payable on or before the issue of any occupation certificate in respect of the Development.
7. In the event that the gross floor area of the Development increases from that in the DA consent via any modification to the DA consent or a consent to amend the DA consent, then the Developer further offers in accordance with this paragraph 7, to enter into a new Planning Agreement in accordance with Council's Planning Agreement Policy 2014, Amendment No. 4, and make an additional monetary contribution to the Council calculated at the rate of \$3,100 per sqm of gross floor area which exceeds the gross floor area of the DA consent. Such contribution will be payable on or before the issue of any occupation certificate in respect of the Development. The Developer will repeat the offer in accordance with this paragraph 7 in writing at the time it lodges any application for modification or amendment of the DA consent which would result in an increase in the gross floor area.
8. The VPA shall not exclude the application of section 7.11, 7.12 or 7.24 of the EP&A Act. However, if Council adopts an affordable housing contribution policy and the approved DA is subject to a condition

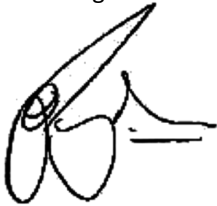
¹ Waverley Council's Planning Agreement Policy 2014, Amendment No.4, Appendix 1, VPA payable rates, page 25, in accordance with section 5.12 of the Policy.

requiring the payment of contributions as per that policy, the provision of contributions in this VPA won't be required to avoid a double-dip.

9. The monetary contribution shall not be taken into consideration in determining a development contribution under section 7.11.
10. The monetary contribution shall be used for the provision of (or the recoupment of the will cost of providing) affordable housing, or any other public purpose agreed by the Developer and Waverley Council.

We look forward to discussing this offer further and should council have any questions, please don't hesitate to contact Jeremy Bryden on 0425 277 001

Kind regards

A handwritten signature in black ink, appearing to read 'Jeremy Bryden', with a stylized flourish extending to the right.

Jeremy Bryden
Director