



2nd December 2020

Ken Gouldthorp
The General Manager
North Sydney Council
200 Miller Street
NORTH SYDNEY NSW 2060

PRIVATE AND CONFIDENTIAL

By Email: council@northsydney.nsw.gov.au

Dear Mr Gouldthorp,

Non-Binding Letter of Offer - Five Ways Crows Nest Planning Proposal

1. Introduction

- 1.1 We refer to our Planning Proposal for 'Fives Ways Crows Nest' which relates to the land located on the Corner of Alexander Street, Falconer Street and the Pacific Highway, Crows Nest, NSW as detailed below (the **Site**).
- 1.2 The Planning Proposal will seek to rezone the Site in order to facilitate the construction of a thirty-six (36) storey building, comprising of five (5) storeys of commercial uses and thirty-one (31) storeys of residential uses (**Proposed Development**).
- 1.3 Deicorp Pty Ltd and Deicorp Projects (Crows Nest) Pty Ltd (collectively, **Deicorp**) propose to make an offer to North Sydney Council (**Council**) to enter into a Voluntary Planning Agreement (**VPA**) in connection with the Planning Proposal. This letter provides an outline of the potential contributions that may form the basis of that offer and is provided for the purpose of facilitating future discussions with Council.
- 1.4 The Planning Proposal seeks to amend the *North Sydney Local Environmental Plan 2013 (LEP)* as follows:
 - (a) Amend the Height of Buildings Map (Sheet HOB_001) to change the maximum height shown for the Site from 16 metres to 72 metres.
 - (b) Amend the Non-Residential FSR Map (Sheet LCL_001) to change the minimum provision of non-residential floor space from 0.5: to 2.5:1.
 - (c) Amend the FSR Map (Sheet FSR_001) to apply a maximum FSR of 9.3:1 to the Site.

2. Non-Binding Offer

- 2.1 Deicorp proposes to make an offer to enter into a VPA with Council under section 7.4 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.
- 2.2 Ensuring that the community can benefit from the Proposed Development has been a key priority for Deicorp throughout the design and consultation process in relation to the Site. In addition to providing new office and residential spaces within the Proposed Development, Deicorp will integrate the development with the existing Crow's Nest Precinct by creating new accessible laneways and new surrounding public domain.
- 2.3 Accordingly, Deicorp wishes to take the necessary steps to address Council and the community's concerns in relation to the Planning Proposal and the Proposed Development, and ensure that the Proposed Development provides a substantial community benefit within the North Sydney local government area. In order to facilitate this, Deicorp proposes to offer to enter into a VPA with Council.



3. Land to which the VPA would relate

3.1 The proposed VPA would apply to the Site, which is comprised of the following land and is shown in Figure 1:

Address	Lot and DP
9-11 Falcon Street, Crows Nest 2065	1 DP 127595
15 Falcon Street, Crows Nest 2065	1 DP 562966
423 Pacific Highway, Crows Nest 2065	1 DP 29672
3 Falcon Street, Crows Nest 2065	2 DP 29672
7 Falcon Street, Crows Nest 2065	3 DP 29672
419 Pacific Highway, Crows Nest 2065	4 DP 29672
417 Pacific Highway, Crows Nest 2065	5 DP 29672
415 Pacific Highway, Crows Nest 2065	6 DP 29672
413 Pacific Highway, Crows Nest 2065	7 DP 29672
411 Pacific Highway, Crows Nest 2065	8 DP 29672
407 Pacific Highway, Crows Nest 2065	9 DP 29672
407 Pacific Highway, Crows Nest 2065	10 DP 29672
8 Alexandra Street, Crows Nest 2065	11 DP 29672
401 – 405 Pacific Highway, Crows Nest 2065	1 DP 16402
401 – 405 Pacific Highway, Crows Nest 2065	2 DP 16402
399 Pacific Highway, Crows Nest 2065	3 DP 16402
395 Pacific Highway, Crows Nest 2065	4 DP 16402
395 Pacific Highway, Crows Nest 2065	5 DP 16402
391 -393 Pacific Highway, Crows Nest 2065	6 DP 16402





Figure 1 – Land to which the VPA is to relate, Source SixMaps

4. Nature and extent of potential development contributions and timing of delivery

4.1 The nature and extent of the contributions which may be included in a future letter of offer will provide key public benefits associated with the future redevelopment of the Site. These contributions/benefits may comprise of either:

- (a) the provision of a monetary contribution of \$10 million to Council to be used for public benefit (**Monetary Contribution**); or
- (b) the dedication to Council of 1bedroom apartments within the Proposed Development with no car parking up to a total combined market value of \$10 million to be used for the purpose of affordable/key worker housing (**KWH Contribution**).

4.2 To be clear, only either the Monetary Contribution or the KWH Contribution will be required to be provided by Deicorp under any VPA that is entered into with Council. Also, the quantum of the contributions proposed is based on the LEP being amended to enable 21,818square metres of Residential GFA and 8,002square metres of non-residential GFA to be constructed on the Site. A pro rata reduction in the proposed contributions would be required if the LEP were amended to allow a lesser amount of residential and/or non-residential GFA on the Site.

4.3 The timing of the provision of either the Monetary Contribution or the KWH Contribution will be the subject of further discussions with Council. Any VPA will require either the Monetary Contribution or the KWH Contribution to be provided at an appropriate time *after* (and if) the Planning Proposal is enacted and any subsequent development application for the Proposed Development is approved on terms acceptable to Deicorp.

5. Conditions of the Non-Binding VPA Offer

5.1 Any offer to provide either the Monetary Contribution or the KWH Contribution would include a condition that the contribution provided under the VPA satisfies any obligation to provide local development contributions that would otherwise be payable in relation to the Proposed Development on the Site as a result the Planning Proposal being successful and the subsequent LEP amendment being made.

6. Conclusion

6.1 The formal VPA offer will be made following further discussions with Council. The VPA will only be entered into should the Planning Proposal proceed to Gateway, on terms that are acceptable to our client and as agreed in advance with Council.

6.2 Should you have any questions regarding this non-binding letter of offer, please contact Greg Colbran.

Yours sincerely

Fouad Deiri
Managing Director