



24 October 2022

Therese Manns
General Manager
North Sydney Council
200 Miller Street
North Sydney NSW 2060

Dear Ms Therese Manns ,

LETTER OF OFFER – 71-89 CHANDOS STREET, ST LEONARDS

This Letter of Offer has been prepared by TWT Global, the Proponent for the Planning Proposal for 71-89 Chandos Street, St Leonards (the site). The letter represents the intent to enter into a draft Voluntary Planning Agreement (VPA) to accompany the Planning Proposal submitted to North Sydney Council (Council) for the site.

This letter outlines the scope and background to the Planning Proposal and an indication of the VPA offer upon finalisation of the Planning Proposal by Council.

1.0 The Planning Proposal

The Planning Proposal seeks to implement the endorsed outcomes of the St Leonards and Crows Nest Plan 2036:

- Increase the building height control to 12 storeys (RL130.50m);.
- Increase the minimum non-residential FSR control to 1:1; and
- Establish an overall maximum Floor Space Ratio (FSR) control of 4:1.

Importantly, the endorsed St Leonards and Crows Nest Plan 2036 enforces upon new Planning Proposals a State levy (SIC) of \$15,100 per dwelling. This is intended to support new growth, including the delivery of:

- Open space
- Pedestrian and cycle improvements
- Education
- Road crossing improvements
- Planning and delivery.

As a result, this Planning Proposal will be subject to a SIC payment of \$1,026,800 (precise figure subject final DA approval) that would have otherwise been provided to Council. We ask that Council consider this in its assessment of this Letter of Offer.

2.0 Site Location

The site is located at 71-89 Chandos Street, St Leonards and bounded by Chandos Street to the north, Oxley Street to the East and Atchison Lane to the south and has an area of 2,467sqm. The site currently accommodates commercial land uses.

The site is part of the evolving Strategic Centre of St Leonards and located approximately 400m from St Leonards Railway Station and the new Crows Nest Metro Station. Its immediate context, being Crows Nest and St Leonards, is characterised by a mix of land uses including newly constructed commercial and residential flat buildings.

3.0 Indicative Development

The Planning Proposal has been prepared in accordance with the St Leonards and Crows Nest 2036 Plan (2036 Plan). An indicative design concept has been prepared by Smart Design Group to demonstrate the site's capacity to accommodate a mixed use development that reflects the proposed amendments. The concept provides:

- A mixed use building of 12 storeys comprising approximately 68 residential apartments;
- Approximately 9,868sqm of total gross floor area incorporating:
 - Approximately 7,372sqm residential floor area;
 - Approximately 2,496sqm of non-residential floor area, including commercial and retail land uses;
- Through site link connecting Chandos Street to Atchison Lane;
- Basement parking and loading dock with vehicular access via Atchison Lane;
- Communal open space and landscaping at the ground level and linear park and rooftop terrace.

4.0 The offer of a Voluntary Planning Agreement

In associated with the Planning Proposal for the site, we intent to offer to Council the following:

- Through-site link: 7m wide x 35.8m in length (250sqm)
 - North to south from Chandos Street to Atchison Lane.
 - Right of way over through site link for 24 hours a day 7 days a week for the public, including pedestrians and cyclists.
 - We note Council does not seek these lands be dedicated. They will therefore remain in the ownership and management of the future strata.
 - We acknowledge that as there is a private benefit (i.e. ADG setbacks) as well as public benefit (thru-site link, activation, ground floor uses) that we have reduced the valuation by half.
- Oxley Street linear park
 - Dedication and embellishment of private land
 - Embellishment of public lands to Oxley Street (271sqm)
 - The contribution land will be limited below ground level to a depth to be confirmed, as the basement is located beneath.
- Construction of all outdoor lighting for the through site link.
- Landscaping and improvements to the public domain on site.
- Provision of maintenance and management of the through site link and Oxley Street lands.

The extent of embellishment of the through site link and linear park is illustrated in the Concept Landscape Plans prepared by Ground Ink Landscape Architects provided at **Appendix C** of the Planning Proposal Report. Figure 1 below shows the lands for embellishment and dedication.

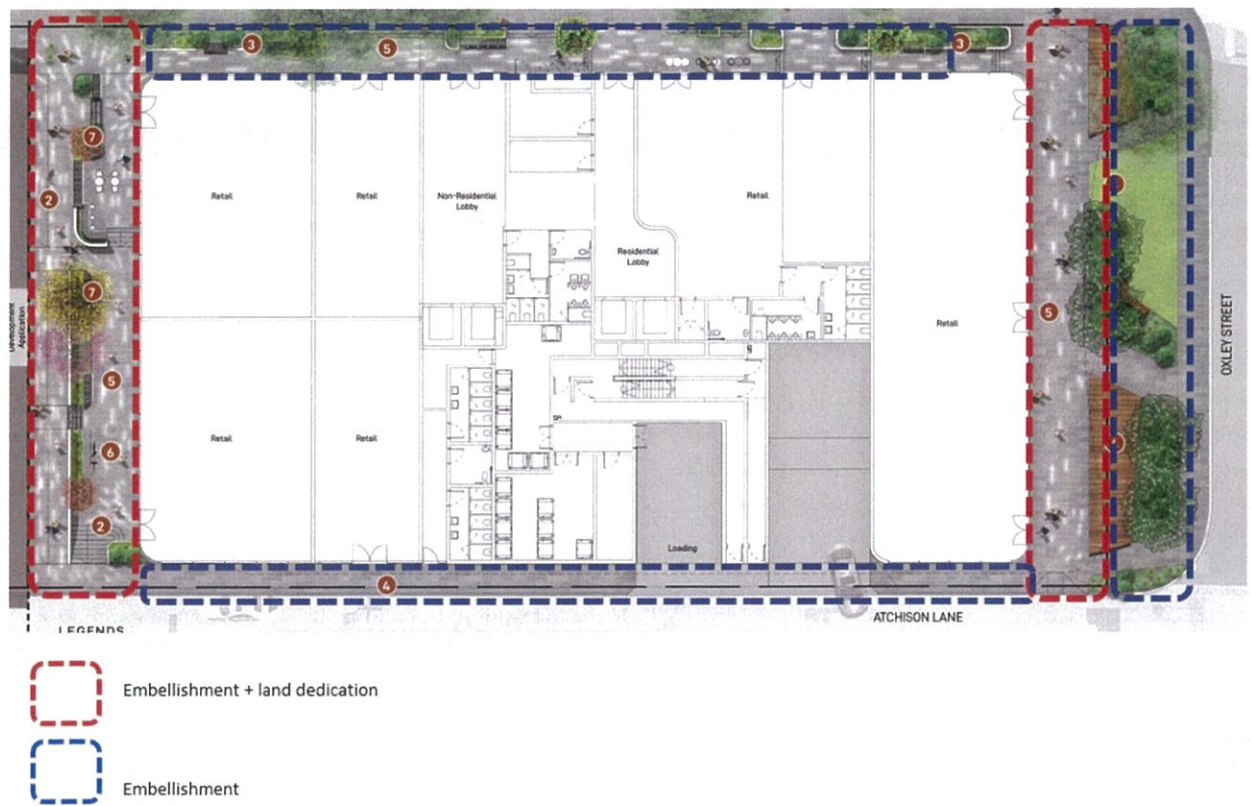


Figure 1 Indicative Through Site Link
Source: Ground Ink Landscape Architects

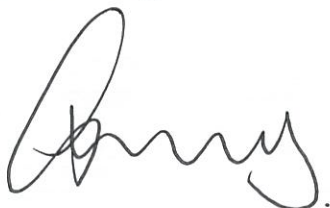
5.0 Total Package

The following is a summary of the material public benefits:

Scope of Works	Value
<ul style="list-style-type: none"> Right of way over through site link for 24 hours a day 7 days a week for the public, including pedestrians and cyclists. The right of way only applies to the ground level of the through site link at 71-89 Chandos Street of approximately 250sqm of private land and extends north to south from Chandos Street to Atchison Lane. We acknowledge the private benefit (ADG setback of this land) and therefore discount its public benefit by half. Dedication and embellishment of a linear park along Oxley Street of approximately 450sqm. Construction of all outdoor lighting for the through site link. Landscaping and improvements to the public domain on site. Provision of maintenance and management of the through site link. 	<p>Land Dedication: Based on previous valuations and sales within the area, we have calculated the land value as \$23,000 per square metre¹. On this basis, the value of the land to be dedicated is as follows:</p> <ul style="list-style-type: none"> Oxley Street Linear Park (281m²): \$6,463,000 Through Site Link (250m²) @ 50%: \$2,875,000 <p>Embellishment: An estimated cost of works for the landscaping embellishment has been undertaken by the project Landscape Architect, which indicates that both the Oxley Street Linear Park (private and public lands) and the Through Site Link have an approximate embellishment value of \$419,375. Please see Attachment A for breakdown.</p> <p>Notwithstanding the above, these values are estimates only and will need to be confirmed by a quantity surveyor following discussion with Council.</p>

It is intended that should the Planning Proposal be gazetted; this offer will be formalised into a Voluntary Planning Agreement with the Council. The agreement will comply with the requirements of the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulation 2000* and contain mechanisms for completion of any works and/or land dedication. The Planning Agreement may be registered by the Registrar-General.

Yours sincerely,



Gavin Zhang
TWT

¹ Undertaken by a certified valuer and based on the previously agreed TWT Site 1 valuation

Appendix A. Landscape Costing

Appendix B. Landscape Works