

RE: CANTERBURY ROAD, CAMPSIE – PLANNING AGREEMENT LETTER OF OFFER

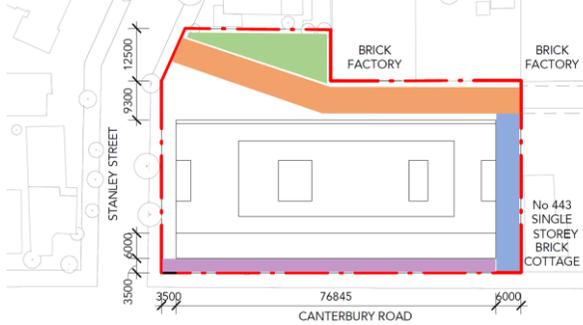
Provided in the schedule below are the responses on behalf of HPG to the comments received on 8 November regarding the Letter of Offer. In overview, the offer should be regarded in the context of the following:

The proposal represents a circa \$125m capital investment in Campsie, which will generate around 450 new FTE jobs and contribute an estimated total GRP output of \$84m each year. It will provide much needed medical and health facilities to the community in an area with a significant identified shortfall.

The s7.12 contribution will be in the order of \$1.25m. In addition, HPG is willing to dedicate several parts of land to Council for wider public, amenity and access improvements – totalling approximately 1,065 m², plus easements for open space and public access at ground level of a further 405 m². These parts of land have a commercial value, but are provided at nil cost. To provide context, the total site area is 4,414 m².

The following items are offered in addition. Clarification is provided where contributions are offered or items will be works in kind:

Item	Offer Letter Item (26 October)	Council Comment (8 November)	HPG Response
-	-	<p><i>In principle the items included on the revised Letter of Offer were accepted. However, Council intends to continue discussions with the proponent regarding the following items as we work towards a draft Planning Agreement...</i></p> <p><i>Please note that there will be an opportunity to continue negotiating the details of the items as part of the preparation of the draft Planning Agreement. I would like to commence that process following Council's consideration of the matter at the future Council Meeting.</i></p>	Noted and understood. HPG welcome on-going discussions to work towards resolution of the Agreement with Council to provide certainty with regard to cost and deliverability of the hospital proposal.
1	Dedication to Council as a public benefit of land of up to 3.5m wide owned by HPG along the site frontage with Canterbury Road to Council – marked indicatively in purple on the plan at Fig 1 .	No comments or concerns	<p>Item 1 agreed.</p> <p>This land is approximately 300 m² in area, but it is agreed that it can be dedicated to Council at nil cost as a benefit of the development.</p>

Item	Offer Letter Item (26 October)	Council Comment (8 November)	HPG Response
			
2	<p>Dedication to Council of land of up to 6m wide along the eastern boundary for the purposes of a future pedestrian through site link – marked indicatively in blue</p>	<p><i>Council advises that dedication of the 6m wide strip of land along the eastern boundary is not required. Council requests that this land is subject to an easement that allows for public access in perpetuity.</i></p>	<p>Item 2 agreed. This land is approximately 200m², but it is agreed that an easement can be provided in perpetuity.</p>
3	<p>Dedication of land to provide a laneway of 9m width from Stanley Street to the eastern site boundary – marked indicatively in orange</p>	<p><i>No comments or concerns</i></p>	<p>Item 3 agreed. This land is approximately 765m², but it is agreed that it can be dedicated to Council at nil cost as a benefit of the development.</p>
4	<p>HPG to ensure provision and maintenance of a small pocket park (minimum 200m²) and landscaping on the north-west side of the private hospital site with an easement to be created to allow public access and use in perpetuity. This land is indicated in green.</p>	<p><i>No comments or concerns</i></p>	<p>Item 4 agreed. This land is approximately 205m² and but it is agreed that it can be provided as a pocket park as a wider community benefit, with an easement to secure it in perpetuity.</p>
5	<p>A proportionate monetary contribution to the provision of an on-street cycleway suggested by Council to the Cooks River, capped at \$25,000 towards items such as lane separators, lane coatings, signage, etc. It is understood the indicative route would be via Stanley Street – Unara Street – Duke Street – Redman Street – Wonga Street –</p>	<p><i>Cycleway. Council's costing based on other cycleways indicates a cost of around \$830/m for on-road cycleways and \$1,000 for off-road cycleways. The route proposed in the letter of offer is approximately 1.15km and therefore the contribution in the revised letter of offer would equate to around 2.5% of the total cost if using the lower on-road costing.</i></p>	<p>The potential total cost of the on-street cycleway is approx. \$955,000 (\$830 x 1.15km). There will likely be little or no usage of the cycleway by doctors. Similarly, for support and nursing staff - due to shift working. Patients and visitors will similarly be very unlikely to use it.</p>

Item	Offer Letter Item (26 October)	Council Comment (8 November)	HPG Response
	Warrigal Street – Phillips Avenue and onto the path through Tasker Park to the Cooks River cycleway		However, HPG is prepared to make an equitable contribution of \$25,000 based on reasonable apportionment of cost to support initiatives to encourage sustainable travel locally.
6	Works to install a new kerb ramp pair on Stanley Street, crossing Perry Street, capped at \$10,000.	<i>Pedestrian facilities (Items 6, 7, 8) to reflect actual costs based on detailed designs to be prepared prior to a draft Planning Agreement being exhibited</i>	It is agreed to undertake the construction of the new kerb ramp pair on Stanley Street, crossing Perry Street as works in kind. (The approximate total cost of these works is estimated to be \$6,000-\$10,000 in total).
7	Works to upgrade pedestrian crossing facilities along Canterbury Road at Stanley Street and Una Street (Zebra-type crossings, assumed approx. \$60,000 per crossing); i.e. capped at \$120,000 in total. See Bitzios Figure 2.1 below.  Figure 2.1: Potential Walking Improvements Map	See 6	It is agreed to undertake the construction of the upgrade to pedestrian crossing facilities along Canterbury Road at Stanley Street and Una Street (Zebra-type crossings) as works in kind. (The approximate total cost of these works is estimated to be \$120,000-\$140,000 in total).
8	Works to provide new pedestrian crossing facilities at Beamish Street/Unara Street and Unara Street/Stanley Street. (Zebra-type crossings, assumed approx. \$60,000 per crossing); i.e. capped at \$120,000 in total.	See 6	It is agreed to undertake the construction of the new pedestrian crossing facilities at Beamish Street/Unara Street and Unara Street/Stanley Street. (Zebra-type crossings) as works in kind.

Item	Offer Letter Item (26 October)	Council Comment (8 November)	HPG Response
			(Estimated cost \$130,000-\$150,000 in total).
9	Provision of public art on the site, including public art to the new pocket park in the north west corner of the site and in the pedestrian through site link on the eastern side of the site. HPG or the operator will procure and coordinate the delivery of public art on-site – capped at a value of \$150,000.	<i>No comments or concerns</i>	On-site public art commission value: \$150,000.
10	A monetary contribution made to Council to assist with the acquisition of 80 Duke Street, Campsie (private property) to create a new public park. Realestate.com estimates the property value as approximately \$1.5m. An offer is made of \$75,000 (i.e. approximately 5% of the value of the property).	<i>The offer provided towards acquisition of 80 Duke Street is welcomed however it is noted that the amount offered is minimal. To provide opportunities for open space and passive recreation within the site for the estimated 453 full time equivalent workers in the future, Council requests that opportunities for rooftop/terrace areas for staff (and visitors/patients) are incorporated as part of the future private hospital development on the site</i>	It is noted that in 2020/2021 Council spent a large proportion of s7.11/s7.12 contributions towards open space. HPG's s7.12 contribution could be used to assist acquisition of 80 Duke Street to facilitate this new open space. HPG maintains the voluntary contribution offer amount of \$75,000 to further assist Council in the acquisition of 80 Duke Street for open space. More than 200 m ² of public open space is also to be delivered on the hospital site, plus other tree and landscape planting. HPG is also agreeable to the proposal providing terraces and/or rooftop access to amenity spaces for passive recreation for visitors, staff and patients as part of the overall open space package.
11	A monetary contribution capped at \$300,000 to traffic management works as identified in the TPPP Report submitted to Council in August 2021, such as new traffic signals, traffic signage, lighting, traffic median strips, kerbs etc. required along Canterbury Road and adjoining streets in	<i>The costing offered for item 11 (traffic management/mitigation works) would be confirmed as part of a future SSDA for the site. Therefore the capping of this cost would not be supported by Council as it does not reflect the final</i>	The HPG s.7.12 contribution can also be spent by Council towards local traffic management, plus footpath, street lighting and other related enhancements – as other s7.11/s7.12 contributions have in 2020/2021.

Item	Offer Letter Item (26 October)	Council Comment (8 November)	HPG Response
	<p>accordance with TfNSW and Council requirements. This contribution can also be used to provide new or upgraded bus stops in close proximity to the new hospital site.</p>	<p><i>design of such works which may have a higher cost to deliver.</i></p>	<p>HPG is willing consider a possible alternative rationale suggested by Council regarding an approach to local traffic management works. However, if no concept design and costing is available for works in the vicinity of the hospital site, the SSDA or delivery of the hospital cannot risk being delayed while this is resolved.</p> <p>A simpler approach may be to fund local traffic management works through the s7.12 and for HPG to remove this offer item.</p>
12	<p>In terms of the overall package of costs related to the contributions, the total value of the works/monetary contributions in the offer is therefore capped at \$780,000, plus the value of land parcels referred to above to be dedicated to Council (at nil cost to Council). We propose that the cost of works or contributions under items 5, 6, 7, 8, 10 and 11 above be offset from the contribution amount under s7.12.</p>	<p><i>Council will not accept offsetting the value of the items on the letter of offer from the payment of Section 7.12 Development Contributions. Section 7.12 Development Contributions will need to be paid in addition to the items provided on the Letter of Offer.</i></p>	<p>It is noted that Council will not accept the offsetting of the contributions or cost of works above from the s7.12 contribution.</p>

11 November 2021