

21 APRIL 2022

Willoughby City Council
Chief Executive Officer
C/- Sylvania Mok
Planning Process & Contributions Specialist
Level 4,
31 Victor Street
Chatswood NSW 2057

BY EMAIL: Sylvania.Mok@Willoughby.nsw.gov.au

Dear Sylvania,

RE: VOLUNTARY PLANNING AGREEMENT ('VPA') BETWEEN DPG105 PARTNERSHIP ('PROPONENT') AND WILLOUGHBY CITY COUNCIL

We write to submit our offer to Council for a VPA in relation to the planning proposal for the land located at 15-19 Nelson St & 10 Gordon Ave Chatswood.

At the Willoughby Council meeting of 28 March 2022, Under Agenda Item 15.12, Council resolved to apply the community infrastructure contribution ('CIC') rate of \$765psqm for planning proposals that have already gone through a formal pre-planning proposal meeting.

We confirm that the proponent completed a formal pre-planning proposal meeting on 16 February 2022 and received minutes on 11 March 2022, therefore the proponent qualifies for the \$765psqm rate.

CALCULATION OF THE CIC

	Ratios/Factors	Areas
Site Area		2,542sqm
Proposed FSR/GFA	6:1	15,252sqm
Residential FSR/GFA	5:1	12,710sqm
Affordable Housing	4% of residential GFA	508sqm
Existing FSR/GFA	0.9:1	2,288sqm
Net Uplift Residential	Deduct existing FSR & AFH	9,914sqm
Applicable CIC	\$765 x 9,914sqm	\$7,584,057

SCHEDULE OF PAYMENTS

We propose payment to Council in the following tranches. Please note that these are large sums of capital and require some degree of time for our financiers to mobilise the funds. It is difficult for us to predict with accuracy when the events of rezoning and DA approval may happen and hence some practical tolerance in the timing of those payments.

	Amount	Date
Security Payment	\$500,000	Following execution of the deed. This amount can also be released to Council as part of the final instalment or earlier when the proponent comes into possession of land title.
Instalment 1	\$500,000	90 days after Plan Making.
Instalment 2	\$2,000,000	60 days after DA Approval.
Instalment 3	\$2,500,000	Prior to the issue of the first Construction Certificate for the Development (excluding any Construction Certificate for demolition, preparatory site works, excavation and/or shoring).
Instalment 4	\$2,084,057	Payable prior to the issue of Occupation Certificate.
Total	\$7,584,057	

PARTIES TO THE VPA DOCUMENT

The Parties to the VPA are Willoughby City Council and DPG 105 Partnership. The proponent holds option agreements to acquire the land however does not and will not be in a position to possess land title until it obtains rezoning.

We have proposed a security payment which can be retained by Council until such time as the proponent possesses land title. At that point in time the proponent can proceed to register the VPA on title.

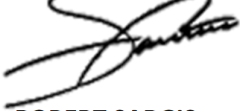
PREPARATION OF FORMAL AGREEMENT DOCUMENT

We understand Council has an updated format of the VPA template available for download on its website. Please advise of Council's acceptance of the above so that we may prepare the formal document and submit for simultaneous exhibition with the planning proposal.

We look forward to hearing from you in due course.

Yours faithfully,

DPG 105 PARTNERSHIP

A handwritten signature in black ink, appearing to read "Robert Sargis".

ROBERT SARGIS

Director

Telephone: 0451 173 699

Email: robert@develotek.com.au