

FABCOT PTY LIMITED

ABN 55 002 960 983

Po Box 8000 Baulkham Hills NSW 2153

6 October 2023

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

Dear Ms Manns,

Subject: Public Benefit Offer-1-7 Rangers Road and 50 Yeo Street, Neutral Bay

I refer to the Planning Proposal relating to land at 1-7 Rangers Road and 50 Yeo Street, Neutral Bay (the site), the purpose of which is to amend planning controls under the North Sydney Local Environmental Plan 2012 (NSLEP) as they relate to the site.

The proposed amended controls are intended to facilitate the site's future rejuvenation by way of its redevelopment as a high quality mixed-use development that includes a new best in class full-line Woolworths supermarket in a subterranean level, ground floor fine grain retail stores together with new commercial floorspace and residential apartments. The proposal also includes the delivery of a new public plaza and through site link (1,100 m²) as well as a range of streetscape and footpath upgrades. The development is to be serviced by a new basement car park that will also include 88 car parking spaces that will be available for public use to support the broader Neutral Bay town centre.

As set out in the Planning Proposal report, amendments to the NSLEP 2012 that are required to achieve the proposed outcome are as follows:

- Increase the maximum height of building provision as it relates to land at 50 Yeo Street, Neutral Bay from 16m to a range of 26-31m .
- Provide new mapping to increase the minimum non-residential floor space from 0.5:1 to 1.8 .
- No changes are required to the site's land zoning controls as the proposal is permissible in the B4 Mixed Use zone.

The purpose of this letter is to set out below a summary of the public benefits that the proponent, Fabcot Pty Ltd, is willing to offer as part of the planning proposal. Subject to agreement on these items it is envisaged that the public benefit offer would be formalised in the future via the preparation and execution of a Planning Agreement affecting the site.

We note that the items outlined in this public benefit offer equate to a total estimated contribution value of approximately **\$6,614,724**. Separate to this we also note that any future development application over the site will also be required to pay s7.11 development contributions, which based on our analysis equates to a further **\$2,025,273** in public contributions. In addition, implementation of this development is likely to generate in the order of 684 jobs during construction and provide jobs for 143 people on a permanent ongoing basis once complete, as well as housing for some 132 people.

In formulating this public benefit offer consideration has been given to North Sydney Council's Voluntary Planning Agreements Policy of 25 June 2018 and the Department's Practice Note on Planning Agreements published in February 2021. The components of our offer are directed towards meeting three objectives outlined in section 3.1 of the Practice Note (page 9) namely:

- *Meeting the demands created by the development for new or augmented public infrastructure, amenities and services.*
- *Securing off-site benefits for the community so that development delivers a net community benefit.*
- *Compensating for the loss of or damage to a public amenity, service, resource or asset by development through replacement, substitution, repair or regeneration.*

Consistent with these objectives we offer the following additional benefits as part of a VPA.

- 1) **Public Car Parking:** Construction and provision of 88 parking spaces within the basement of the future development for use by the public. Fabcot will enter into a positive covenant with Council to ensure that the 88 spaces will be made accessible to the public at all times in perpetuity. The provision of the parking is aimed at supporting the functions and operation of the broader town centre and is expected to assist with reducing on street parking demand.

Value: \$4,947,587

Timing: Upon completion and issuing of an occupancy certificate for the retail component of the development.

- 2) **Publicly Accessible Square & Public Art:** Construction and provision of a new publicly accessible square and through site link comprising approximately 1,100m² sqm of paved and landscaped area for public recreation, events and cultural activities. The space will include landscaping, outdoor furniture, lighting as well as all associated engineering works to make sure it functions appropriately. The proposed new square has been included in direct response to Council's stated ambitions for a new town square on this site, and will be designed to meet Council's aspirations for the space and respond to the desires of local residents for a community meeting place.

Value: \$1,219,137 (construction cost)

Timing: Upon completion and issuing of an occupancy certificate for the retail component of the development.

- 3) **Public Wi -Fi:** This would involve the provision of a new publicly available free Wi-Fi service within the Site.
- Value: \$200,000** (over 10 years)
- Timing:** Upon completion and issuing of an occupancy certificate for the retail component of the development.
- 4) **Public Domain Improvements & Landscaping:** This would involve the provision of paving upgrades to the footpaths along Rangers Road and Yeo Street, including new street trees, street furniture.
- Value: \$248,000**
- Timing:** Upon completion and issuing of an occupancy certificate for the retail component of the development.

In keeping with the Department's Practice Note these benefits, valued in total at circa \$6.6m, not only relate to the objectives set out for planning agreements but also provide facilities and services related to or arising from the proposed development. The applicant also sees this as an important criterion and one in which the additional measures will be of obvious benefit to the local community.

We note that this package of benefits proposed is predicated upon gazettal of the Planning Proposal in its current form, with delivery of various contributions further predicated on the future redevelopment of the site consistent with the Indicative Concept Design that accompanies the Planning Proposal. Should, for any reason, this not be achieved, or should the nature and components of the Planning Proposal be changed to reduce the scheme, then Fabcot Pty Ltd would reserve the right to review and amend the value of the benefits offered.

We trust that this initial public benefit offer is of sufficient detail and clarity to enable commencement of discussions with regards to formalising a Planning Agreement that will then be able to be exhibited alongside the proposed Planning Proposal.

Should you have and queries or wish to discuss please do not hesitate to contact me on 0417 464 089

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Armitage', with a stylized flourish at the end.

Richard Armitage

Senior Development manager