

18 March 2019

Gary James
General Manager
Woollahra Municipal Council
PO Box 61
Double Bay NSW 1360

Attn: Jorge Alvarez

Dear Mr James

Loftex Pty Ltd – Offer to enter into VPA for Planning Proposal 294-298 New South Head Road and 2-10 Bay Street, Double Bay

Loftex Pty Ltd wishes, subject to the finalisation and negotiation of the following terms, to make a formal offer (**VPA Offer**) under section 7.4 of the *Environmental Planning and Assessment Act 1979* (**EPA Act**) to enter into a Voluntary Planning Agreement (**VPA**) with Woollahra Municipal Council (**Council**).

The VPA Offer is made in connection with a planning proposal to increase the maximum height and FSR development controls that apply to the land at 294-298 New South Head Road and 2-10 Bay Street, Double Bay (**Planning Proposal**). Loftex eventually intends to lodge a development application for the Land for a mixed use development comprising approximately 2,420 m² of retail/commercial floor space, plus approximately 30 residential apartments in a 5-6 storey building.

In summary, the terms of the VPA Offer are as follows:

Parties	Loftex Commercial Pty Ltd (ABN 55 609 595 137) Woollahra Municipal Council (ABN 32 218 483 245)
Description of the land (s7.4(3)(a))	The land is generally described as follows: (a) 294-296 New South Head Road, Double Bay, comprised in Lot C in DP 955406; (b) 298 New South Head Road, Double Bay, comprised in Lot B in DP 955406; (c) 2 Bay Street, Double Bay, comprised in Lots 24 & 25 in DP 4606; and

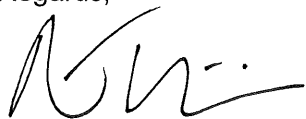
	<p>(d) 4-10 Bay Street, Double Bay, comprised in Lot 100 in DP 712017;</p> <p>(Land).</p>
<p>Description of the development application/change to an environmental planning instrument (s7.4(3)(b)(i) and (ii))</p>	<p>Amendment of the <i>Woollahra Local Environmental Plan 2014</i> to allow for an increase in:</p> <p>(a) the maximum FSR permissible on the Land pursuant to the applicable Maximum Floor Space Ratio Map under clauses 4.4 Floor space ratio and 4.4A Exceptions to floor space ratio (Areas 1 and 1A—Double Bay), from partially 2.5:1 and 3:1, to wholly 3:1 across the entirety of the Land; and</p> <p>(b) the maximum building height permissible on the Land pursuant to the applicable Maximum Building Height Map under clause 4.3 Height of buildings, from 14.7m to 21.5m.</p> <p>Loftex is proposing to utilise this uplift, and will ultimately lodge a development application for the Land, for a 5-6 storey mixed use development comprising approximately:</p> <p>(a) 2,420 m² of retail/commercial floor space; and</p> <p>(b) 30 residential apartments;</p> <p>(Proposed Development)</p>
<p>Nature and extent of the provision to be made by the developer, and the times and manner in which the provision is to be made (s7.4(3)(c))</p>	<p>Loftex proposes to provide the following public benefit:</p> <p>(a) Construction of a new pedestrian through-site link that is proposed to be created between New South Head Rd and Brooklyn Lane as part of the Proposed Development (Construction Works); and</p> <p>(b) Registration of an easement in favour of the public to create a right of footway over the through-site link (Easement).</p> <p>The timing of the provision of the above public benefits is proposed to occur as follows:</p> <p>(a) Construction Works are to be commenced and completed subject to the development consent for the Proposed Development, and prior to the release of an Occupation Certificate for that development; and</p> <p>(b) Registration of the Easement on title to the Land to occur prior to the release of an Occupation Certificate for the Proposed Development.</p>

	The minimum estimated contribution value for the design and construction of the works is approximately \$500,000 (subject to confirmation and negotiation).
Exclusion of s7.11, s7.12 and s7.24 contributions (s7.1(3)(d))	<p>(a) Sections 7.11 and 7.12 of the EPA Act are not excluded as they apply to the Land and the Planning Proposal; and</p> <p>(b) Section 7.24 of the EPA Act is not excluded as it applies to the Land.</p>
Whether benefits under the Agreement are or are not to be taken into consideration in determining a development contribution under s7.11 (s7.4(3)(e))	The benefits delivered under the VPA are not intended to be used to offset against any contributions payable under section 7.11 of the EPA Act.
Mechanisms for resolution of disputes (s7.4(3)(f))	Conventional dispute resolution mechanisms including mediation will be included in the VPA.
Enforcement of the agreement by a suitable means (s7.4(3)(g))	<p>The VPA is to be registered on the title of the Land.</p> <p>Suitable security in the form of a bank guarantee for delivery of the contributions is to be negotiated and agreed with Council.</p>

Loftex agrees to pay Council's reasonable legal costs in negotiating, drafting and preparing the planning agreements.

We look forward to receiving Council's response to the above VPA Offer. Please contact the undersigned if you have any questions or would like to discuss the above.

Regards,



Rob Turchini

General Manager

Loftex Commercial Pty Ltd