11 May 2022

The General Manager City of Ryde 1 Pope Street RYDE NSW 2112

Attention: David Matthews, Contributions Manager

Dear Sir,

MARSFIELD COMMON PLANNING PROPOSAL 146 VIMIERA ROAD, MARSFIELD INITIAL PUBLIC BENEFIT OFFER

We refer to the draft Planning Proposal which was submitted to the City of Ryde (Council) on 11 May 2022.

The registered proprietor of the site, North Ryde RSL Community Club Limited (Applicant), is open to exploring with Council entry into a Voluntary Planning Agreement (VPA) should the Planning Proposal be approved by Council.

The proposed VPA is predicated on the Planning Proposal being approved by Council on reasonable conditions and substantially in accordance with the plans submitted with the Planning Proposal. The VPA proposal is also intended to become binding only upon entry into a formal agreement between the Applicant and Council.

The Applicant proposes that the following items be considered by Council for inclusion in the VPA:

Dedication of an embellished 10,000m² public park to Council

The public park proposed to be dedicated to Council will include the provision of the following elements by the Applicant, as shown on the landscape plans included in the Planning Proposal:

- Large central green for inclusive passive recreation uses.
- Active and adventure play area to accommodate the key local demographics in the area.
- Nature play and tree house walk under a cool tree canopy.
- Sports and leisure quarter to address the changing nature of sport participation in the area.
- Amphitheatre terrace.
- Picnic pavilion and native grove.

CBRE has prepared a market assessment of the land value, based on the following assumptions:

- Englobo land.
- R2 Low Density Residential zoning, same as the adjoining lands.
- Cleared and generally level.
- Elevated and flood free.

In preparing its market assessment, CBRE had regard to historic englobo residential site sales in the northern suburbs of Sydney and recent site sales across metropolitan Sydney. In CBRE's opinion, the residential zoning of the Marsfield Common site would achieve englobo values of circa **\$1,000/m²**.

On this basis, the value of the land proposed to be dedicated to Council would be:

• 10,000 x \$1,000m² = \$10,000,000

Mitchell Brandtman, Quantity Surveyors, have prepared a Cost Summary Estimate of the various embellishments to the public park as shown on the landscape plans and have assessed the cost of these works to be **\$6,690,000**.

The value therefore of the public park proposed to be dedicated to Council is **<u>\$16,690,000</u>**.

Roads adjacent to the public park

While the ultimate ownership of the roads proposed to be constructed within Marsfield Common is yet to be determined, it is proposed that 50% of the costs of the roads adjacent to the public park, which will be used for parking by visitors to the public park, be included in the VPA.

Mitchell Brandtman has assessed the costs of the works and subsequent value to Council as follows:

- 191 lineal metres of roadway adjacent to the public park.
- Cost of construction of relevant roads = 2,314/m or $248/m^2$.
- $191 \ge 2,314/m^2 = $441,974.$

Accordingly, the value of the roads for public use associated with the construction of the public park to be included in the VPA is **<u>\$442,000</u>**.

Affordable housing

The Applicant notes Council's vision to be a leader in the provision of affordable housing and to ensure that the increasing number of key workers in the LGA live locally.

In this regard, the Applicant proposes to provide a cash contribution to be applied towards the provision of affordable housing in a location to be determined by Council within the Ryde LGA of **\$5,000,000**.

Section 7.11 contributions

The City of Ryde Section 7.11 Development Contribution Plan 2020 (Plan) provides for a \$20,000 contribution rate for each 3+ bedroom dwelling.

This contribution is comprised of a number of elements as follows:

Strategy Plan	Contribution Rate
Community and Cultural Facilities	\$6061.80
Open Space and Recreation Facilities	\$10,438.15
Transport Facilities	\$3,204.48
Plan Administration	\$295.57
TOTAL	\$20,000/dwelling

Based on the 132 x 3+ bedroom houses/terraces proposed for Marsfield Common, the level of contributions payable pursuant to the Plan is as follows:

• 132 x \$20,000 = **\$2,640,000**

Given the proposed embellishment and dedication of the public park outlined above, which is a significant contribution to local open space in excess of the open space demand generated by the future residents of Marsfield Common, the Applicant proposes that this contribution be reduced by \$10,438.15/dwelling, representing the Open Space and Recreation Facilities component of the elements comprising the overall contribution.

Accordingly, it is proposed that the Section 7.11 contributions payable by the Applicant will be as follows:

- \$20,000 minus \$10,438.15 = \$9,561.85/dwelling
- 132 x \$9,561.85 = **\$1,262,164.20**

The Section 7.11 contribution payable by the Applicant is proposed to be reduced by the sum of \$1,377,835.80, thereby generating a contribution by the Applicant of <u>\$1,262,164.20</u>.

Synthetic Field contribution

It is noted that the proposed rezoning will support the delivery of three new dedicated rugby fields at Castle Hill, which includes 2 x '18 hour usage' synthetic fields and one turf field with significantly greater capacity for sporting usage than the existing TG Millner fields.

The Applicant has outlined in the Planning Proposal its position regarding Council's Open Space Future Provision Plan and the relevance of this Plan to the Marsfield Common proposal.

Notwithstanding the position of the Applicant, the Applicant proposes a contribution of **\$1,000,000** to be applied by Council towards the cost of construction of a synthetic sports field elsewhere in the Ryde LGA.

Tree canopy - additional trees

In December 2021, the NSW Government introduced the Greener Neighbourhoods Guide which built upon the Greater Sydney Region Plan 2018 which has a target to increase Greater Sydney's canopy cover to 40% by 2030.

While the Planning Proposal involves the removal of a number of Very Low, Low, Medium and some High Value existing trees, it is the vision of the Applicant that the Marsfield Common development achieve a 65% canopy cover – which is more than 50% higher than the NSW Government initiatives.

Mitchell Brandtman has assessed the cost of the provision of this level of tree canopy at **\$530,000** including dwellings and excluding parks.

It is proposed that the additional tree canopy to be provided by the Applicant be acknowledged by Council in the VPA as follows:

- 60% tree canopy = \$530,000
- 40% tree canopy = \$320,000
- Difference = \$530,000 \$320,000 = \$210,000

It is proposed that Council accept an in-kind contribution of **<u>\$210,000</u>** as part of the VPA.

Smart Cities initiatives

A fundamental element of the Planning Proposal is the creation of a precinct which reflects World-best practice for residential infill sites of this nature – from a digital perspective. The Applicant has considered the projects that have been funded pursuant to the Federal Government Smart Cities and Suburbs Program and proposes to work with Council, the community, and State Government to deliver a unique digital outcome for Marsfield Common.

In this regard, the Applicant proposes to contribute the sum of **<u>\$300,000</u>** through the VPA towards the cost of exploring and introducing these initiatives in conjunction with Council within the proposed park and public domain.

Overall contribution summary

The overall contribution proposed by the Applicant pursuant to the draft VPA is as follows:

Item	Quantum
Public park - land	\$10,000,000
Public park - embellishments	\$6,690,000
Roads adjacent to public park	\$442,000
Affordable housing	\$5,000,000
Section 7.11 contributions	\$1,262,164
Synthetic field contribution	\$1,000,000
Tree canopy – 60% coverage	\$210,000
Smart Cities initiatives	\$300,000
TOTAL	\$24,904,164

Summary

As is the case in the preparation of the Planning Proposal, the Applicant has sought to present a VPA offer that is fair and reasonable and delivers long-term legacies to the communities within which North Ryde RSL and Eastwood Rugby have been key members since 1958.

The proposed VPA offer of **\$24,904,164** represents a contribution of **\$188,668/lot**. By any measure, the Applicant considers that the proposed community contribution reflected in the draft VPA offer is substantial and reflective of the fact that the proposed regeneration of the TG Millner site into a low-rise housing development - Marsfield Common - is led by longstanding community organisations as opposed to a private developer.

By way of comparison, the VPA most recently executed by Ryde Council in relation to 2-6 Chatham Road, West Ryde involved contributions equivalent to approximately **\$38,000** per additional apartment permitted under that Planning Proposal plus local development contributions. This VPA offer is specifically designed with the community in mind, so that North Ryde RSL and Eastwood Rugby can assist in transitioning the site into something that better benefits the community that now surrounds it.

Next steps

As outlined above, the VPA offer is conditional upon support from the City of Ryde to the Planning Proposal as currently proposed and is intended to become binding upon entry into a formal agreement between Council and the Applicant.

We look forward to discussing the draft VPA offer further with Council officers with a view to progressing a potential VPA alongside the assessment by Council of the Planning Proposal.

Once Council has had an opportunity to consider the forgoing, please contact the writer on 0418 688 844 to discuss the next steps in the process.

Yours faithfully WINSTON LANGLEY

David Hynes Executive Director <u>d.hynes@winstonlangley.com.au</u>