

June 2022

Our Ref: ZHM:CEN016/4001

General Manager
City of Sydney Council
Level 2, 456 Kent Street
SYDNEY NSW 2000

By Email: ##

Dear Sir/Madam

**28-32 Bourke Road, Alexandria (Site)
Offer to enter into a Voluntary Planning Agreement**

1. Introduction

1.1 Centuria Prime Partnership No. 2 Pty Limited (ACN 657 663 806) as trustee for Prime Healthcare Alexandria Sub Trust (**Centuria**) offers to enter into a voluntary planning agreement (**VPA**) under section 7.4 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)* with the City of Sydney Council (**Council**) in conjunction with a concept development application and a future stage 2 development application for the Site.

2. Land to which the VPA applies

2.1 The VPA will apply to 28-32 Bourke Road, Alexandria comprising Lots 1-3 of DP324707 (**Site**).

3. Development to which the VPA applies

3.1 The VPA relates to the concept development application SSD-38600121 to be lodged with the Department of Planning and Environment (**DPE**) and a future stage 2 development application for a multi-purpose health facility including a mental health hospital and medical centre space (**Development**).

4. Time when the VPA will be entered into and commencement

4.1 The VPA will be executed by Centuria prior to the determination of the concept development application. Centuria will accept a condition of development consent requiring the VPA to be registered on the title prior to the issue of the first construction certificate for the construction of the substantive development (excluding demolition and early works).

4.2 The VPA will operate from the date on which the VPA is executed by both Centuria and the Council. The obligations to provide the public benefits will not commence until, and are contingent on, the grant of a construction certificate implementing the stage 2 development consent.

5. The contributions (including works, material public benefits, land or monetary contribution) proposed to be provided

5.1 The Green Square community infrastructure rate for the proposed FSR for the Development is calculated as follows:

Site Area	2,972 m ²
Base FSR / FSA permitted by LEP/DCP	2:1 / (5,944 m ²)
Amount of additional FSR / FSA sought	1.5:1 / (4,458 m ²)
Total value of Additional FSR at \$200 per 1m ² (incl. GST)	\$891,600

5.2 Centuria offers to carry out, at its cost, public benefit works and dedication of land to facilitate Council's intentions for the street, pedestrian and cycle network for the Southern Enterprise Precinct which would also comprise Green Square community infrastructure for the purposes of public roads. The details for the offer are set out in the table below. In summary, Centuria will make provision for the following public road infrastructure:

- (a) embellish and dedicate a 2.4m wide footpath along the Bourke Road frontage;
- (b) prepare and dedicate land for a future 3m laneway on the western boundary; and
- (c) prepare and dedicate land for a future 3m laneway on the southern boundary.

No	Item	Description	Timing	Value
1	Road widening along Bourke Road frontage	Construction of 2.4m footpath along Bourke Road frontage	Prior to issue of the occupation certificate	\$43,000
2	Land dedication along Bourke Road	Dedication of a 2.4 metre strip of land for road widening	Upon completion of item 1 and prior to issue of the occupation certificate.	TBC
3	Preparation for future lane way on western boundary	Clearance of land and construction of a driveway for future conversion by Council to a 3m wide laneway adjacent to the western boundary, with the final use of the laneway to be agreed.	Within 1 year of issue of the occupation certificate	\$385,000
4	Preparation for future lane way on southern boundary	Clearance of land and construction of a driveway for future conversion by Council to a 3 metre wide laneway adjacent to the southern boundary.	Within 1 year of issue of the occupation certificate	\$235,000
5	Land dedication along western boundary	Dedication of a 3 metre strip of land along the western boundary for future road creation by Council. To be subject to subdivision and transfer to Council with right	Within 1 year of issue of the occupation certificate	TBC

		of carriageway granted to Centuria until a public road is declared.		
6	Land dedication along southern boundary	Dedication of a 3 metre strip of land along the southern boundary for future road creation by Council. To be subject to subdivision and transfer to Council with right of carriageway granted to Centuria until a public road is declared.	Within 1 year of issue of the occupation certificate	TBC
7	Contingency	Usual risk / contingency items such as unknown services diversions/ underpinning / latent conditions		\$150,000
			Total	>est \$813,000

The land to be dedicated will be subject to a site audit statement certifying the land is suitable for commercial/industrial uses and will be free of encumbrances except authority-required services.

6. Application of ss7.11, 7.12 and 7.24 to the Development

6.1 The VPA will not exclude the application of sections 7.11 and 7.12 of the EP&A Act to the development. If the value of the works exceeds the community levy, then consideration to be given to a partial offset. The VPA will not exclude section 7.24 given the Minister is not a party.

6.2 This offer assumes and is issued on the basis that there is no additional levy imposed by Council or the Minister on development projects such as for state and regional infrastructure or affordable housing. Centuria reserves the right to amend the offer if there is a change in law in this respect.

7. Mechanism for dispute resolution

7.1 The VPA will include the dispute resolution clause provided in Council's VPA template.

8. Registration, security and enforcement

8.1 Centuria will register the VPA on the title of the Site with de-registration permitted provided the public benefits and contributions for that stage have been made.

8.2 As an additional enforcement mechanism, Centuria will agree to a provision authorising Council to compulsorily acquire the land that is earmarked for dedication if Centuria fails to dedicate the land within the required timeframe.

9. Transfer and assignment

9.1 Centuria agrees it would not novate the VPA to a third party or transfer, sale or dispose of any part of the land where obligations under the VPA have not yet been met, unless before it does so Centuria enters into a Deed of Novation ensuring that the third party or transferee agrees to be bound by the VPA with respect to that part of the land being sold, transferred or disposed

of. Upon execution of the Deed of Novation, Centuria would be released from its obligations under the VPA.

10. Termination of agreement

10.1 The VPA is to provide that Centuria will be released from its obligations under the VPA if:

- (a) Centuria transfers or assigns its obligations in accordance with the requirements agreed to by Council;
- (b) the consent to the concept development application is declared invalid or lapses;
- (c) Centuria has fulfilled its obligations in accordance with the VPA;
- (d) the VPA is terminated by mutual agreement; or
- (e) the parties otherwise agree to modify the planning agreement in accordance with the requirements in the VPA for modifications.

11. Access

11.1 Council will provide access to their land for the purposes of carrying out works on the road reserve on terms acceptable to Centuria and Council by agreement.

12. Conclusion

12.1 We look forward to the Council's response to the above matters and welcome the opportunity to discuss with the Council any matters in relation to the proposed VPA.

Yours faithfully

[signed]