

Quantity Surveyor's Report Capital Investment Value

Proposed Mixed-use Hotel and Commercial Development
4-6 Bligh Street, Sydney

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DOCUMENT CONTROL:

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1. Executive Summary

This Capital Investment Value Report have been prepared by Altus Group to accompany a State Significant Development Application (SSDA) for the mixed-use redevelopment proposal at 4-6 Bligh Street, Sydney. The site is legally described as Lot 1 in Deposited Plan 1244245.

The Capital Investment Value has been assessed in accordance with the NSW Department of Planning – Planning Circular No. PS 21-020 dated 2 December 2021 under the Environmental Planning and Assessment Regulation 2000.

The estimated Capital Investment Value as at 16 December 2022 for the proposed capital works is **\$334,010,495** (excl GST).

2. Introduction

This report has been prepared to accompany as SSDA for the mixed-use redevelopment proposal at 4-6 Bligh Street, Sydney (SSD-48674209).

The Council of the City of Sydney, as delegate for the Minister for Planning and Public Spaces (**the Minister**), is the Consent Authority for the SSDA under an Instrument of Delegation issued by the Minister on 3 October 2019.

The application seeks consent for the construction of a 59-storey mixed-use hotel and commercial development. The purpose of the project is to revitalise the site and deliver new commercial floorspace and public realm improvements consistent with the City's vision to strengthen the role of Central Sydney as an international tourism and commercial destination.

A separate development consent (D/2018/892) relating to early works for the proposed application was granted for the site on 31 January 2020. Consent was granted for the demolition of the existing site structures, excavation and shoring of the site for three basement levels (to a depth of RL9.38m) to accommodate the proposed mixed-use hotel and commercial development. As such, this application does not seek consent for these components and instead seeks to rely upon and activate D/2018/892 for early works.

Specifically, development consent is sought for:

- Site establishment including removal of three existing tree along the Bligh Street frontage and de-commissioning and removal of an existing substation (s2041) on the site.
- Construction of a 59-storey hotel and commercial office tower. The tower will have a maximum building height of RL225.88 (205m) and a total gross floor area (GFA) provision of 26,796sqm, and will include the following elements:
 - Five basement levels accommodating a substation, rainwater tank, hotel back of house, plant and services. A porte cochere and four service bays will be provided on basement level 1, plant room, BOH and end of trip facilities on basement level 2 and 3, 28 car parking at basement level 4 and 5.
 - A 12-storey podium accommodating hotel concierge and arrival at ground level, conference facilities, eight levels of commercial floor space and co-working facilities, and hotel amenities including a pool and gymnasium at level 12.
 - 42 tower levels of hotel facilities including 421 hotel rooms comprising standard rooms, suites and a penthouse.
 - Two tower levels accommodating restaurant, bar, back of house and a landscaped terrace at level 57.

- Plant, servicing and BMU at level 59 and rooftop.
- Increase to the width of the existing Bligh Street vehicular crossover to 4.25m and provision of an additional 4m vehicular crossover on Bligh Street to provide one-way access to the porte cochere and service bays on basement level 1.
- Landscaping and public domain improvements including:
 - Replacement planting of three street trees in the Bligh Street frontage,
 - Construction of a landscape pergola structure on the vertical facade of the north-eastern and south-eastern podium elevations,
 - Awning and podium planters, and
 - Provision of a feature tree at the level 57 terrace.
- Identification of two top of awning building identification signage zones with a maximum dimension of 1200mm x 300mm. Consent for detailed signage installation will form part of a separate development application.
- Utilities and service provision.
- Installation of public art on the site, indicatively located at ground level.

The total construction Gross Floor Area for the entire development 42,115 m² is measured in accordance with the Method of Measurement of Building Areas in the AIQS Cost Management Manual Volume 1, Appendix A2. (see Area Schedule in Appendix A)

3. Cost Summary

The estimated construction cost as at 16 December 2022 is as follows:

Description	Amount	Data	Unit Cost
Basement (B1 to B5)	\$29,203,870	GFA: 5,735m2	\$5,092/m2*
		28 car spaces	\$1,042,995/car*
Commercial (Ground Floor to Level 11)	\$72,758,821	GFA: 11,453m2	\$6,353/m2*
Hotel (Level 12 to Level 59 and Roof)	\$208,059,004	GFA:24,927m2	\$8,347/m2*
		421 hotel rooms	\$494,202/room*
Provisional sum for de-commissioning and removal of an existing substation	\$400,000		
Provisional sum for public art	\$3,340,105		
Provision sum for mock-up room	\$600,000		
Total Estimated Construction Cost	\$314,361,801	GFA: 42,115m2	\$7,464/m2*
Consultant Fees	\$18,862,790		
Long Service Levy	\$785,905		
Total Estimated Development Cost (Excl. Contingencies & GST)	\$334,010,495	Total GFA: 42,115m2	\$7,931/m2*
		Total hotel room: 421 no	

Site Area: 1,218m2

Notes: * Including preliminaries and margins but excluding contingencies

4. Basis of Cost Estimate

This Estimate of the Capital Investment Value of the proposed development works has been prepared based on the following documents:

- Architectural documentation prepared by Woods Bagot for SSDA Submission dated 19 December 2022.
- Structural documentation prepared by Mott MacDonald dated 12 June 2019 and all RFI responses received via Aconex from Mott MacDonald up to and including 18 September 2019
- Landscape documentation prepared by 360 degrees Landscape Architect dated 15 December 2022
- Mechanical, Electrical, Hydraulic, Fire Protection & Sustainability Services Brief prepared by Wood & Grieve Engineers dated 30 May 2019
- Façade Documentation (SSDA) by Prism Facades dated 30 September 2019

We confirm that this CIV report has considered the Environmental Impact Statement for 4-6 Bligh Street, Sydney prepared by Urbis dated 22 December 2022 and is accurate at the time of lodgement.

This cost plan has been priced at market rates on the basis of competitive lump sum tenders, with escalation during the construction period included in the cost.

We stress that this is only a preliminary cost plan as detailed design information is not available at this stage. We therefore strongly recommend that a more detailed measured check estimate be prepared at a later stage when further design development information including architectural design, structural design, schematic services design, specifications and development consent conditions are available.

5. List of Exclusions

- Land costs and acquisition costs
- Interest/ Finance/ Legal Fees
- Marketing and Agent Fees
- S61 and other authority charges and contributions
- Section 73 Contributions/Works
- Demolition of existing site structures, perimeter shoring to the site and excavation to the first three basement levels (under separate consent)
- Costs relating to any part of the development or project that is the subject of a separate development consent or project approval
- Commercial offices space tenancy fitout (warm shell allowed only)
- Curtains, blinds and flyscreens
- Provision of loose furniture, fittings and equipment
- ESD/Green Star requirements
- Works outside boundaries other than as shown on the drawings
- Goods and Service Tax
- Future increase in costs from date of this estimate to date of actual commencement of construction

Appendix A – Area Schedule

AREA ANALYSIS



4-6 Bligh Street, Sydney, NSW

Level	No. of Floor	FECA				UCA			Total FECA	Total UCA	Total GFA
		Carpark	Commercial	Plant	Hotel	Covered concierge	Outdoor Pre-function	Terrace			
Basement 5	1	1,135							1,135	0	1,135
Basement 4	1	1,135							1,135	0	1,135
Basement 3	1	1,155							1,155	0	1,155
Basement 2	1	1,155							1,155	0	1,155
Basement 1	1	1,155							1,155	0	1,155
Ground Floor	1		758			207			758	207	965
Level 1	1		948				107		948	107	1,055
Level 2	1		1,010						1,010	0	1,010
Level 3	1		937						937	0	937
Level 4	1		937						937	0	937
Level 5	1		937						937	0	937
Level 6	1		937						937	0	937
Level 7	1		937						937	0	937
Level 8	1		937						937	0	937
Level 9	1		937						937	0	937
Level 10	1			891				46	891	46	937
Level 11	1			927					927	0	927
Level 12	1				541				541	0	541
Level 13	1				525				525	0	525
Level 14 - 32	19				9,956				9,956	0	9,956
Level 33	1				528				528	0	528
Level 34 - 45	12				6,288				6,288	0	6,288
Level 46 - 53	8				4,216				4,216	0	4,216
Level 54	1				527				527	0	527
Level 55	1				528				528	0	528
Level 56	1				452				452	0	452
Level 57	1				515			22	515	22	537
Level 58	1				424				424	0	424
Level 59	1				405				405	0	405
Roof											
TOTAL	65	5,735	9,275	1,818	24,905	207	107	68	41,733	382	42,115
Site Area :		1,218 m2									

Appendix B – Cost Estimate Elemental Summary

Ref.	Description	Quantity	Unit	Rate	Total
1	Basement (B05 - B01)	5,735	m2	5,092	29,203,870
2	Commercial (Ground Floor to Level 11)	11,453	m2	6,353	72,758,821
3	Hotel (Level 12 to Level 59 & Roof)	24,927	m2	8,347	208,059,004
4	Provisional sum for de-commissioning and removal of an existing substation	1	item	400,000	400,000
5	Provisional sum for public art	1	item	3,340,105	3,340,105
6	Provisional sum for mock-up room	1	item	600,000	600,000
	TOTAL BUILDING CONSTRUCTION	42,115	m2	7,464	314,361,801
7	Consultant Fees	1	item	18,862,790	18,862,790
8	Long Service Levy	1	item	785,905	785,905
	TOTAL DEVELOPMENT COST	42,115	m2	7,931	334,010,495

Ref.	Description	Quantity	Unit	Rate	Total
1	BASEMENT (B05 - B01)				
1.1	SUBSTRUCTURE	5,735	m2	645.86	3,704,002
1.2	COLUMNS	5,735	m2	127.95	733,820
1.3	UPPER FLOORS	5,735	m2	436.04	2,500,685
1.4	STAIRS	5,735	m2	26.71	153,200
1.5	ROOF	5,735	m2	0.00	NIL
1.6	EXTERNAL WALLS, FACADE & WINDOWS	5,735	m2	381.90	2,190,170
1.7	EXTERNAL DOORS	5,735	m2	0.00	NIL
1.8	INTERNAL WALLS & PARTITIONS	5,735	m2	467.61	2,681,743
1.9	INTERNAL SCREENS	5,735	m2	7.46	42,800
1.10	INTERNAL DOORS	5,735	m2	23.59	135,300
1.11	WALL FINISHES	5,735	m2	126.70	726,630
1.12	FLOOR FINISHES	5,735	m2	100.56	576,730
1.13	CEILING FINISHES	5,735	m2	60.11	344,730
1.14	FITTINGS, FURNISHINGS AND EQUIPMENT	5,735	m2	186.06	1,067,075
1.15	PROVISIONAL SUMS	5,735	m2	610.29	3,500,000
1.16	NON-MEASUREMENT ALLOWANCE (2%)	5,735	m2	64.02	367,138
1.17	HYDRAULIC SERVICES	5,735	m2	133.89	767,865
1.18	MECHANICAL SERVICES	5,735	m2	130.08	746,029
1.19	ELECTRICAL SERVICES	5,735	m2	128.43	736,564
1.20	FIRE SERVICES	5,735	m2	100.22	574,769
1.21	VERTICAL TRANSPORTATION	5,735	m2	113.06	648,400
1.22	SPECIAL SERVICES	5,735	m2	32.17	184,500
	Total Trade Construction Amount (BASEMENT)				22,382,149
1.23	Main Contractor Preliminaries (23%)	5,735	m2	897.63	5,147,894
1.24	Main Contractor Design and Construction Risk (2%)	5,735	m2	96.01	550,601
1.25	Main Contractor Margin (4%)	5,735	m2	195.85	1,123,226
	TOTAL BASEMENT CONSTRUCTION	5,735	m2	5,092.22	29,203,870
	BASEMENT (B05 - B01) TOTAL				29,203,870

Ref.	Description	Quantity	Unit	Rate	Total
2	COMMERCIAL (GROUND FLOOR TO LEVEL 11)				
2.1	SUBSTRUCTURE (INCLUDED IN BASEMENT SECTION)	11,453	m2		INCL
2.2	COLUMNS	11,453	m2	111.01	1,271,395
2.3	UPPER FLOORS	11,453	m2	561.46	6,430,435
2.4	STAIRS	11,453	m2	65.90	754,800
2.5	ROOF	11,453	m2	29.05	332,760
2.6	EXTERNAL WALLS, FACADE & WINDOWS	11,453	m2	916.05	10,491,539
2.7	EXTERNAL DOORS	11,453	m2	1.89	21,600
2.8	INTERNAL WALLS & PARTITIONS	11,453	m2	398.95	4,569,130
2.9	INTERNAL SCREENS	11,453	m2	6.00	161,050
2.10	INTERNAL DOORS	11,453	m2	6.00	287,600
2.11	WALL FINISHES	11,453	m2	6.00	1,523,855
2.12	FLOOR FINISHES	11,453	m2	101.43	1,161,700
2.13	CEILING FINISHES	11,453	m2	78.08	894,230
2.14	SPECIAL FINISHES TO FUNCTION AREA	11,453	m2	504.39	5,776,800
2.15	FITTINGS, FURNISHINGS AND EQUIPMENT	11,453	m2	136.86	1,567,500
2.16	NON-MEASUREMENT ALLOWANCE (2%)	11,453	m2	61.55	704,888
2.17	HYDRAULIC SERVICES	11,453	m2	115.54	1,323,272
2.18	MECHANICAL SERVICES	11,453	m2	429.43	4,918,230
2.19	ELECTRICAL SERVICES	11,453	m2	437.75	5,013,551
2.20	FIRE SERVICES	11,453	m2	100.94	1,156,066
2.21	VERTICAL TRANSPORTATION	11,453	m2	196.05	2,245,400
2.22	EXTERNAL WORK AND SERVICES	11,453	m2	450.30	5,157,315
	Total Trade Construction Amount (COMMERCIAL)				55,763,116
2.23	Main Contractor Preliminaries (23%)	11,453	m2	1,119.84	12,825,517
2.24	Main Contractor Design and Construction Risk (2%)	11,453	m2	119.77	1,371,773
2.25	Main Contractor Margin (4%)	11,453	m2	244.34	2,798,416
	TOTAL COMMERCIAL CONSTRUCTION	11,453	m2	6,352.82	72,758,821
	COMMERCIAL (GROUND FLOOR TO LEVEL 11) TOTAL				72,758,821

Ref.	Description	Quantity	Unit	Rate	Total
3	HOTEL (LEVEL 12 TO LEVEL 59 & ROOF)				
3.1	COLUMNS	24,927	m2	158.40	3,948,543
3.2	UPPER FLOORS	24,927	m2	449.78	11,211,722
3.3	STAIRS	24,927	m2	48.75	1,215,200
3.4	ROOF	24,927	m2	27.95	696,670
3.5	EXTERNAL WALLS, FACADE & WINDOWS	24,927	m2	1,005.74	25,070,099
3.6	EXTERNAL DOORS	24,927	m2	1.60	40,000
3.7	INTERNAL WALLS & PARTITIONS	24,927	m2	661.97	16,500,945
3.8	INTERNAL SCREENS	24,927	m2	62.72	1,563,420
3.9	INTERNAL DOORS	24,927	m2	74.62	1,860,100
3.10	WALL FINISHES	24,927	m2	422.25	10,525,440
3.11	FLOOR FINISHES	24,927	m2	72.98	1,819,060
3.12	CEILING FINISHES	24,927	m2	167.63	4,178,460
3.13	SPECIAL FINISHES TO FUNCTION AREA	24,927	m2	232.76	5,802,000
3.14	FITTINGS, FURNISHINGS AND EQUIPMENT	24,927	m2	119.67	2,982,900
3.15	NON-MEASUREMENT ALLOWANCE (2%)	24,927	m2	70.14	1,748,291
3.16	HYDRAULIC SERVICES	24,927	m2	515.00	12,837,405
3.17	MECHANICAL SERVICES	24,927	m2	875.50	21,823,589
3.18	ELECTRICAL SERVICES	24,927	m2	440.84	10,988,819
3.19	FIRE SERVICES	24,927	m2	206.00	5,134,962
3.20	VERTICAL TRANSPORTATION	24,927	m2	660.47	16,463,520
3.21	SPECIAL SERVICES	24,927	m2	112.31	2,799,540
3.22	EXTERNAL WORK AND SERVICES	24,927	m2	9.94	247,895
	Total Trade Construction Amount (HOTEL)				159,458,580
3.23	Main Contractor Preliminaries (23%)	24,927	m2	1,471.32	36,675,473
3.24	Main Contractor Design and Construction Risk (2%)	24,927	m2	157.37	3,922,681
3.25	Main Contractor Margin (4%)	24,927	m2	321.03	8,002,269
	TOTAL HOTEL CONSTRUCTION	24,927	m2	8,346.73	208,059,004
	HOTEL (LEVEL 12 TO LEVEL 59 & ROOF) TOTAL				208,059,004