

22 December 2022

Mr Graham Jahn
Director - City Planning, Development and Transport
City of Sydney Council
Town Hall House, Gadigal Country
Level 2, 456 Kent Street
Sydney 2000

Dear Graham,

REVISED PUBLIC BENEFIT OFFER - 4-6 BLIGH STREET, SYDNEY

1. OVERVIEW

This Revised Public Benefit Offer is made by Holdmark NSW Pty Ltd, the applicant of State Significant Development (**SSD**) Application SSD-48674209, in relation to land located at 4-6 Bligh Street, Sydney and known as Lot 1 in Deposited Plan 1244245 (**the land**).

This Revised Public Benefit Offer seeks to amend the existing Planning Agreement (**PA**) registered on the title of the land, between the Council of the City of Sydney and One Investment Management Pty Limited and executed on 24 September 2018.

In association with a planning proposal for the site, One Investment Management Pty Limited (former owner of the land) entered into the PA with Council. The executed PA comprises a series of commitments to be delivered or achieved as part of the future development of the land. These commitments include, in summary:

1. Monetary contributions - Affordable Housing
2. Monetary contributions – Central Sydney Infrastructure
3. Environmental Excellence Initiatives

Schedule 3 of the existing PA requires payment of a monetary contribution for 'Central Sydney Infrastructure'. This monetary contribution was designed to be payable for 'strategic floor space' approved on the land at a rate of \$1,003 per square metre, subject to indexation. 'Strategic floor space' is to be calculated as any floor space approved on the land between applicable floor space ratio (**FSR**) mapped for the site under the *Sydney Local Environmental Plan 2012 (the LEP)* plus accommodation floor space bonuses under clause 6.4 of the LEP, and 20:1.

As a contributions plan prepared under Section 7.11 or Section 7.12 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)* did not apply to the land at the time the PA was executed, (rather contributions were leveraged under Section 61 of the *City of Sydney Act 1988*), Item 5 of Schedule 2 of the PA does not expressly exclude the application of Section 7.12 contribution plans to the land.

However, since this time the City of Sydney have amended the development contributions payable for development in Central Sydney. As noted in the 2020 Addendum to the Central Sydney Planning Strategy, the City of Sydney prepared a new development contributions plan to help fund the delivery

of new public infrastructure in lieu of the previously proposed community infrastructure contribution (or 'strategic floor space' contribution) in the draft Guideline on a case by case basis.

The new development contributions framework is for a monetary payment of 3% of the total development cost as per the terms of the Central Sydney Development Contributions Plan 2020, a contributions plan prepared under Section 7.12 of the EP&A Act.

This Revised Public Benefit Offer therefore seeks to amend the registered PA to ensure that contributions levied for the development of the land are not unreasonably duplicated between the previous approach of requiring payment of 'strategic floor space' contributions, in addition to the tripled development contributions payable under the Central Sydney Development Contributions Plan 2020.

It is noted that the total monetary value of 'strategic floor space' is anticipated to be higher than the difference between the current 3% development contribution and the previous 1% development contribution under the former Section 61 Central Sydney Development Contributions Plan 2013. As such, Holdmark NSW Pty Ltd offer to maintain the payment of 'strategic floor space' in addition to the former 1% development contributions payable under the former Section 61 Central Sydney Development Contributions Plan 2013.

2. PROPOSED AMENDMENT

It is proposed to amend Item 5 of Schedule 2 of the Planning Agreement as follows:

Item	Section of Act or Regulation	Provision / Clause of this Document
5.	Whether this document excludes (wholly or in part) or does not exclude the application of section 7.11, 7.12 or 7.24 to the development (section 7.4(3)(d) of the Act)	Section 7.11 not excluded Section 7.12 not excluded Section 7.12 excluded, except insofar of the payment of a levy no greater than 1% of the total cost of development Section 7.24 not excluded

Should development consent be granted for SSD-48674209, this Revised Public Benefit Offer will be incorporated into an amended Planning Agreement with Council. The agreement will comply with the requirements of the current PA, the EP&A Act and Regulations, and will contain mechanisms for completion of any works and / or payment of contributions. The Amended Planning Agreement will be registered on the title for the land by the Registrar-General.