

12574
31 August 2012

Mr Sam Haddad
Director-General
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Heather Warton

Dear Mr Haddad

**REQUEST FOR DGRS - MECHANICAL AND MANUFACTURING ENGINEERING BUILDINGS
UNIVERSITY OF NEW SOUTH WALES - KENSINGTON CAMPUS**

In accordance with Clause 3 of Schedule 2 of the *Environmental Planning and Assessment Regulation 2000 (EP&A Regulation)* and Schedule 1 (clause 15) of *State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP)*, the University of New South Wales (UNSW) requests the issue of Director-General's Requirements (DGRs) for the following proposed works on its Kensington Campus:

- Alterations, additions and refurbishments to the Mechanical and Manufacturing Engineering Building (Building J17);
- Alterations and refurbishments to the Willis Annex (Building J18); and
- Upgrading Willis Lane with associated public domain works

The proposal qualifies as a State Significant Development as the Capital Investment Value (CIV) of the project is approximately \$60.5 Million and in excess of the requisite State Significant Development threshold of \$30 Million for Educational Establishment projects. The purpose of this letter of request is to provide a preliminary environmental assessment and other supporting documentation to allow for the DGRs to be issued for this project.

1.0 BACKGROUND

UNSW is a teaching and research institution of international, national and state significance. It is ranked 46th worldwide in the World University Rankings (2010) and is a member of the Group of Eight (Go8), a coalition of Australia's leading universities. Amongst others, it has Faculties of Medicine, Science and Engineering and is a key driver of economic growth. It is renowned for the quality of its graduates and its commitment to new and creative approaches to education and research. Notably, it is also the largest employer within the Randwick LGA.

The Campus was established in 1949 and has grown to a dynamic urban environment of more than 45,000 enrolled students, over 6,000 staff and 140 buildings over the Kensington Campus' 38 hectares. Currently the School of Mechanical and Manufacturing Engineering (the School) supports the following:

- 43 academic & research staff;
- 26 support staff;

- 1,300 undergraduate students;
- 100 postgraduate coursework students; and
- 95 postgraduate research students.

The School is one of 10 Schools within the Faculty of Engineering at UNSW being one of the country's largest offering a diverse range disciplines. The School offers both undergraduate and post graduate degrees in both course work and research. A notable trait of the School is its research component supported by well-resourced facilities, equipment.

Application-orientation, and close collaboration with industry is an essential part of the School's strategy. Students and staff work in conjunction with industry in research and teaching, with engineers working in industry who undertake postgraduate studies in the School on a part-time basis. The collaboration also extends to the other engineering schools within the Faculty, which highlights the multi-disciplinary nature of the work, especially in product design and development.

The School's existing buildings (designed by Spencer, Hanson, and Partners were opened in the 1960's) have failed to respond to a maturing teaching and research environment and are now inadequate and out dated having a consequent impact on the School's operation and image, particularly the research space which is central to its function.

1.1 The Campus

The UNSW Kensington Campus is located within the Randwick LGA and sits to the south of the Royal Randwick Racecourse, to the west of the Randwick Hospitals' Campus, and between the Kensington and Kingsford town centres on Anzac Parade. The Campus is located some 8km from the Sydney CBD (to the north) and about 6km from Sydney Airport (to the west). See **Figure 1** below for the Campus' sub-regional location relative to the Sydney CBD, Sydney Airport, Port Botany and other sub-regional landmarks.

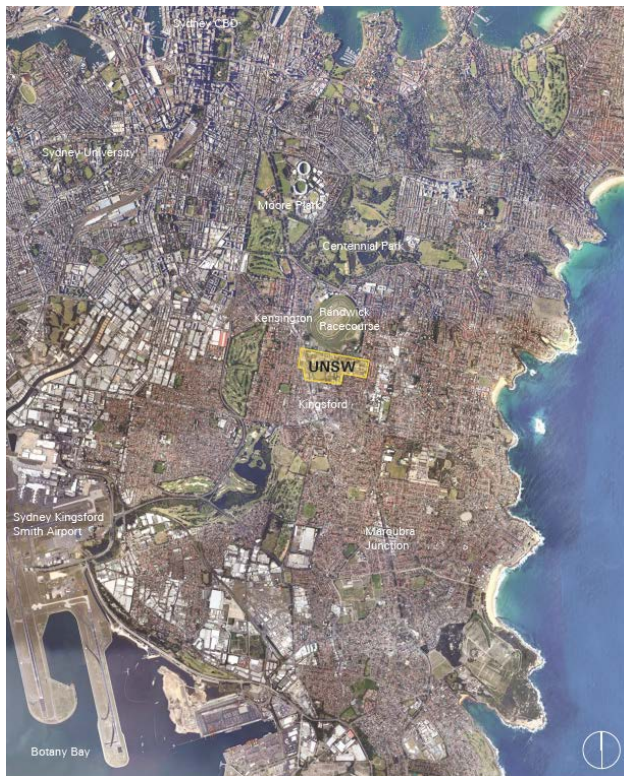


Figure 1 - UNSW Kensington Campus in its sub-regional context

The Campus includes the developments that sit within the main Campus boundaries of Anzac Parade (to the west), High Street (to the north), Botany Street (to the east), and Barker Street (to the south). It also includes developments to the west of Anzac Parade and north of Day Avenue, such as NIDA, the University Regiment, and the New College Post-Graduate Village. The Campus is shown below at **Figures 2 and 3**.



Figure 2 - UNSW Kensington Campus

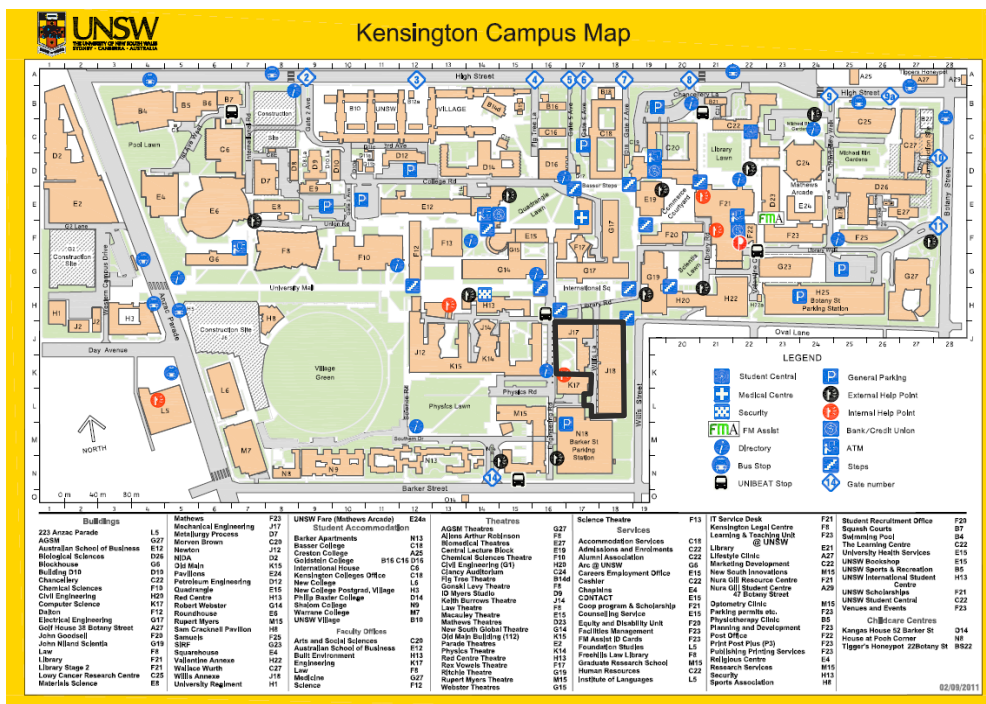


Figure 3 - UNSW Kensington Campus map (site shown in black)

2.0 THE SITE

The site is located within the UNSW Kensington Campus (being the “middle campus”) and is bounded by University Mall to the north, Willis Street to the east, Barker Street parking station and K17 to the south and Engineering Road to the west as shown in **Figure 4** below.

The buildings (J17 and J18) were designed by Spencer, Hanson and Partners and opened in 1963. J17 Mechanical and Manufacturing Engineering Building is a six storey building with an east west and north south wings. J17 is primarily utilised by the School of Engineering with lecture and tutorial rooms, post graduate studios, computer based teaching spaces and a cafe located at the ground floor to the courtyard. J18 (Willis Annex) is a two storey building (with mezzanine) with frontage to Willis Lane and is currently used as teaching and laboratory space for the Engineering School.

Willis Lane, a bitumen surfaced road, is located between the two buildings and facilitates servicing of the two buildings from Engineering Road and University Mall/International Square.

A landscaped area known as John Lions Garden is located to the west of the north/south wing of J17 with pedestrian connections to Engineering Road and between K17 and J17.

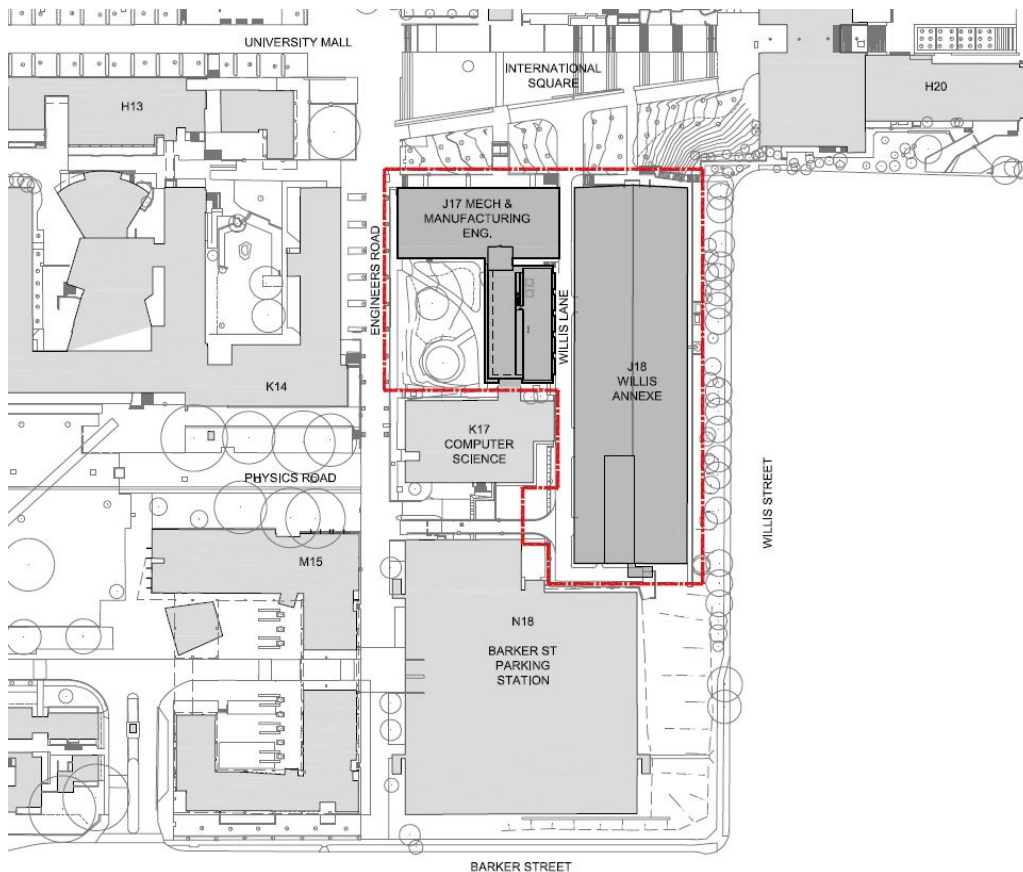


Figure 4 - Location of the site and buildings (shown outlined in red)

The site falls from east to west with a variation of approximately 15m from the Willis Street boundary at the east to Engineering Road at the west (see **Figure 5** below).

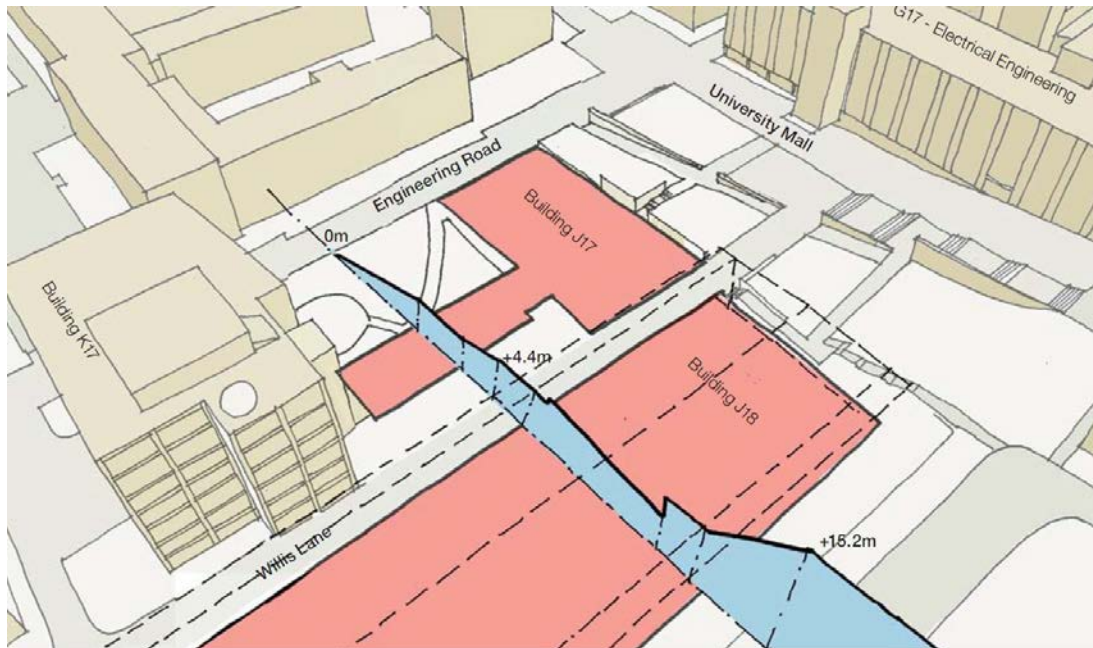


Figure 5 – Cross section of the fall of the site.

Source: *Bates Smart*

Photographs of the subject buildings are provided below in **Figures 6 to 9**.



Figure 6 – Mechanical and Manufacturing Precinct looking west (J18 in the foreground, and J17 behind)



Figure 7 – Willis Lane that runs between buildings J17 and J18 (facing south).



Figure 8 – Building J17 and University mall (looking east).



Figure 9 – Willis Annex (J18) main entry and University Mall elevation.

3.0 THE PROJECT

UNSW has identified the need to provide new facilities to accommodate growth in the School at its Kensington Campus. The key objectives of the development are to:

- Upgrade teaching, research and learning spaces;
- Provide a point of focus for UNSW's defined research strength of next generation materials and technologies;
- Provide a world class showcase to enable the School to grow and respond to opportunities;
- Attract funding, academics and students;
- Continue to foster collaboration across faculties and schools;
- Support and encourage learning; and
- Support and showcase UNSW's commitment to leadership in sustainability.

3.1 Reason for development

Currently, operational inefficiencies are adversely impacting teaching and research outcomes and the School's ability to attract research funding, academics and students. Refurbishment of the laboratory and teaching spaces has therefore been a growing priority for the University. The proposal for the development is further described below.

3.2 Scope of works

The proposal includes alterations and additions, refurbishments and fitout works to the Mechanical and Manufacturing Engineering Building, Willis Annex and Willis Lane including:

- The southern wing of the Manufacturing Engineering Building to be demolished and replaced with a new building with consistent footprint and building envelope;
- Internal fitout and refurbishment of Willis Annex (J18) with some minor external amendments; and
- Public Domain works to Willis Lane and landscaped areas within the site area including access improvement around the perimeter of John Lions Garden.

Plans prepared by Bates Smart are provided at (**Attachment A**).

Building J17 – Mechanical and Manufacturing Engineering Building

It is proposed to rebuild the southern wing of Building J17 to provide a more efficient floor plate and energy efficient design. The building will be carried out in the same location, consistent with the building envelope that currently exists on the site. The development will provide approximately 300sqm of computer lab space at the ground floor of the new extension and an additional 300sqm academic space per level for the levels above.

The additional floor space will assist in maintaining the current Centrally Allocated Teaching Space (CATS) allocation within the University, while providing floor-plates more suited to large, column-free teaching spaces.

Building J18 – Willis Annex

Works to Building J18 primarily include the internal fitout and redesign of what is a highly-compartmentalised layout. Due to the current layout, the interaction between laboratory spaces and different fields of research is complex. The external facade will also be activated, especially at Willis Lane, to provide openable glass garage style doors creating a highly transparent 'approach' to the Lane.

The proposed works will include a refurbishment of the existing building to provide open-plan areas (balancing needs for security and acoustic privacy), visual inter-connectivity between spaces, well

considered adjacencies of academics, research staff and post-graduate students, and collocation of complementary laboratory spaces. The works proposed to the building will markedly improve the layout and quality of the internal spaces, most of which have not been updated since the building's original construction in the early 1960's.

Willis Lane and Public Domain Works

It is proposed to upgrade Willis Lane. The works will provide for shared pedestrian and vehicular access to Willis Lane and improvement works such as resurfacing and kerbing. Public domain works to Willis Lane and landscaped areas within the site are proposed including improvement to the existing pedestrian access, and entry to John Lions Garden.

4.0 STRATEGIC AND STATUTORY PLANNING CONTEXT

4.1 Strategic Planning

The relevant State-based strategic planning-related documents are the NSW State Plan 2021, the Metropolitan Plan for Sydney 2036, and the draft East Subregional Strategy.

NSW State Plan 2021

The stated objective of the NSW State Plan 2021 (NSW 2021) is to make NSW Number One. It is a 10-year plan guiding policy and budget positions. NSW 2021 will drive the Government's agenda for change in NSW and is based around the following five strategies:

- Restore economic growth;
- Return quality health, transport, education, police, justice and community services, putting customer service at the heart of service design;
- Build infrastructure that drives our economy and improves people's lives;
- Strengthen our local environments, devolve decision making and return planning powers to the community; and
- Restore accountability and transparency to government, and give the community a say in decisions affecting their lives.

NSW 2021 is built upon 32 Goals to support these Strategies. See **Figure 10** below for these goals.

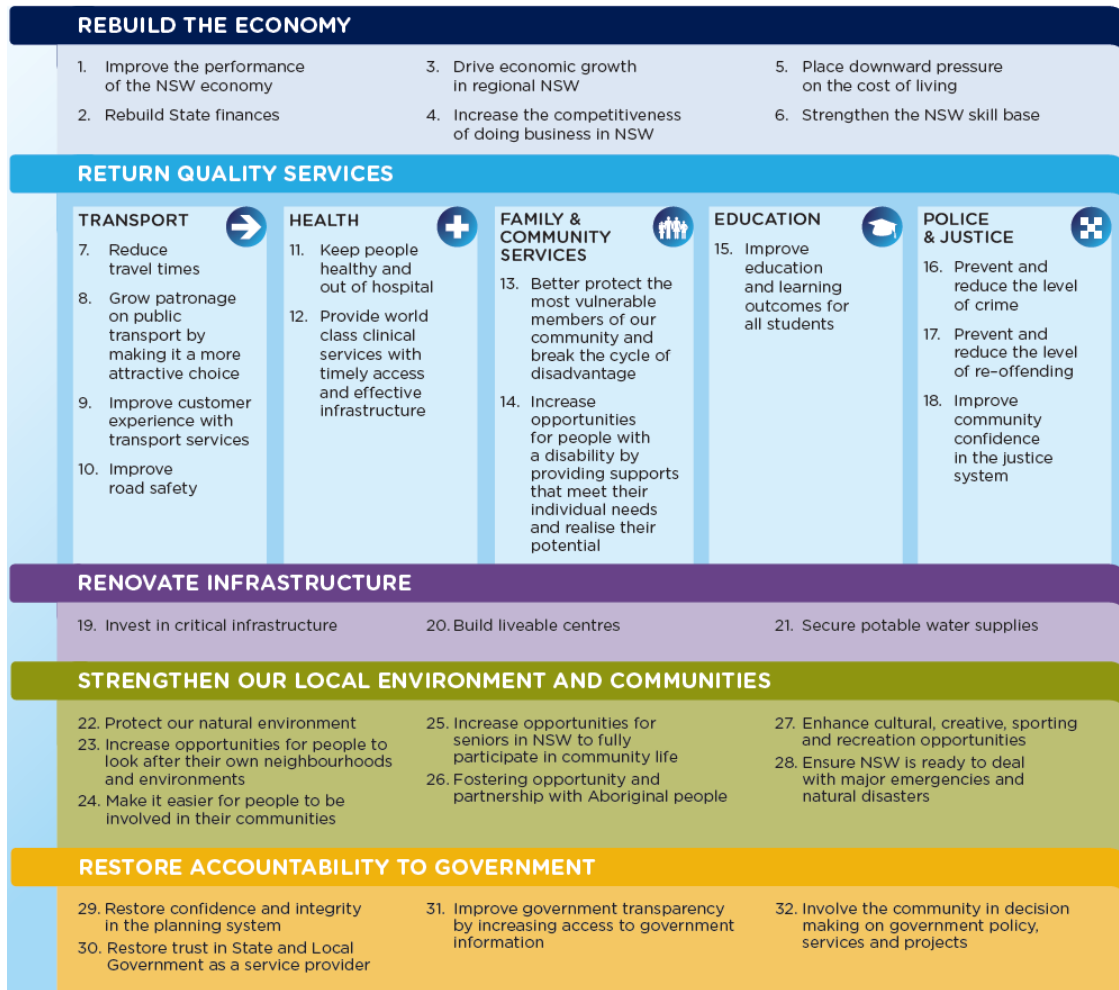


Figure 10 - NSW 2021's 32 Goals

The following goals (and their targets and priority actions) are relevant to UNSW and the proposed project:

■ **Goal 1 - Improve the performance of the NSW economy**

Target: Grow business investment by an average of 4% per year to 2020

- Priority Action: Target and attract potential international investors into priority sectors, especially where we have overseas NSW trade and investment, tourism or education offices.
- Priority Action: Leverage research and development activities to drive new investment opportunities in NSW.

Target: Grow GDP per capita by an average 1.5% per year to 2020 with specific industry growth targets

- Priority Action: Grow critical industries – professional services (financial, professional, legal), manufacturing, digital economy and international education and research.
- Priority Action: Develop Industry Action Plans for professional services, manufacturing, digital economy, tourism and events, international education and research by June 2012, in partnership with industry.

■ **Goal 4 - Increase the competitiveness of doing business in NSW**

Target: Reduce Red Tape, Improve development approval and plan making processes

- Priority Action: Increase the number of developments that are approved without the need for detailed assessment (lengthy merit assessment), by expanding the types of development covered as 'complying development' and further promoting 'complying development'.

Target: Increase Business Innovation, Grow knowledge industries

- Priority Action: Support high performing businesses to innovate to further enhance productivity through Industry Action Plans. The plans will identify innovation drivers and barriers within key sectors (professional services, manufacturing, digital economy, tourism and events, and education and research).

■ **Goal 6 - Strengthen the NSW skill base**

Target: More people gain higher level tertiary qualifications

- Priority Action: Increase university enrolments and attainment through improved links between schools, vocational education providers and universities, especially those serving low socio-economic communities and regional NSW.

■ **Goal 14 - Increase opportunities for people with a disability ...**

Target: Increase participation of people with disabilities in employment or further education

Metropolitan Plan for Sydney 2036

The importance of Sydney's tertiary education sector and research & development capacity is recognised in the Metropolitan Plan for Sydney 2036 (Metropolitan Plan). UNSW's Kensington Campus (together with the Randwick Hospitals Campus) is identified as one of several Specialised Centres where higher order research activities are co-located with education centres, specifically the Randwick Education and Health Specialised Centre. The Specialised Centre also forms part of (and has shaped) what is coined the 'Global Arc' or the 'Global Economic Corridor' in the Metropolitan Plan (see **Figure 11** below).

According to the Plan, the highly specialised work undertaken in these locations attracts global experts and local firms seeking to locate near major institutions to achieve benefits of scale and intensity through clustering of like interests. The Metropolitan Plan goes on to advise that research hubs such as UNSW must therefore be able to expand their floor space in large and small formats within and possibly beyond their current boundaries.

The NSW Government's objective is to strengthen and expand existing research & development clusters of existing institutions / organisations such as UNSW and plan for potential future expansion opportunities.

Action E2.6 of the Metropolitan Plan states: *Promote development of education, research and development (R&D) clusters around TAFEs, universities and health infrastructure in accessible centres to promote skills development, capacity for innovation and lifelong community learning.*

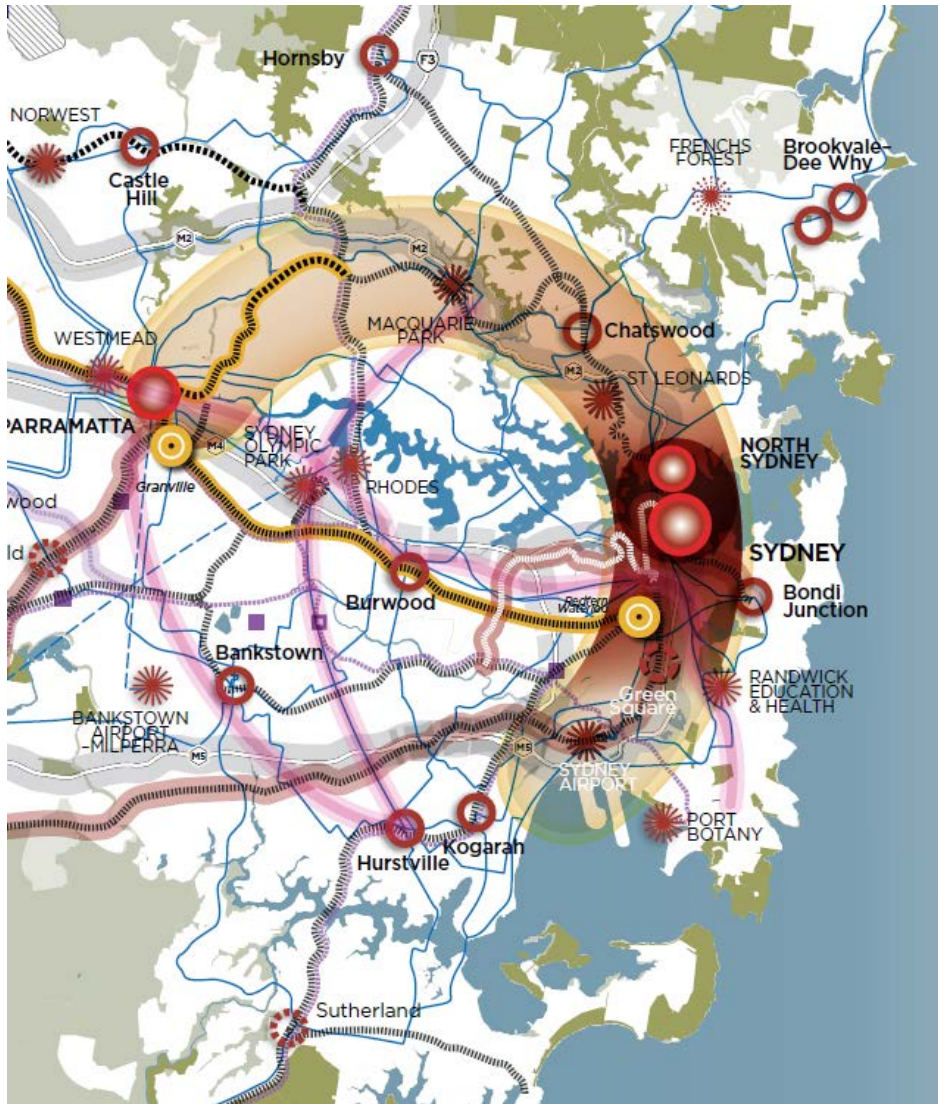


Figure 11 - The Metropolitan Plan's 'Global Economic Corridor'

The University is located within the Randwick Education and Health Cluster (as identified in Appendix 5 of the Metropolitan Plan) and is consistent with the Specialised Centre Criteria set out in Appendix 4. The proposal is consistent with the objectives and criteria promoting continued innovation and economic growth through research and modern ongoing education facilities, within close proximity to public transport.

Draft East Subregional Strategy

A similar sentiment to the Metropolitan Plan is echoed in the earlier draft East Subregional Strategy (draft Strategy) which supported the then Metropolitan Strategy (2006). This strategy remains in place, albeit as a draft, and supports the new Metropolitan Plan. The draft Strategy identifies UNSW as the anchor of 'the Randwick Education & Health Specialised Centre', and also supports a growth strategy with regard to the Campus' future anticipated needs - see **Figure 12**.

A Key Direction of the draft Strategy is to "consolidate and strengthen the Randwick Education and Health Specialised Centre". In doing so Action EA A2.1.2 from the draft Strategy promotes the State Government, Randwick City Council, hospitals and UNSW to establish a Planning Partnership for the Centre, including development of a masterplan or a Precinct Plan (for the whole centre) to better link the university and to address long-term co-ordination and integration of activities.

The draft Strategy goes on to state that *there is an opportunity to build a world class research hub at the Randwick Education and Health Specialised Centre. The Planning Partnership should investigate how to maximise research capacity arising from co-location of three research institutes, three teaching hospitals and the University of NS W. This includes Prince of Wales Medical Research Institute, Black Dog Institute and Children’s Cancer Institute Australia for Medical Research working with the three hospitals specialising in children’s, women’s and adult health services, leveraging off the University’s strong medical, science and engineering faculties.*

Outside of a development of a planning partnership, the current project seeks to reinforce UNSW's competitive position, its research capacities, and opportunities for synergies outside of the Campus in the field of engineering.



Figure 12 - Randwick Education and Health Specialised Centre

4.2 Statutory Planning

Randwick LEP 1998

Randwick Local Environmental Plan 1998 (Consolidation) (Randwick LEP) is the primary environmental planning instrument controlling development on the UNSW Campus.

Under the LEP the entire Kensington Campus is zoned No 5 - Special Uses. See **Figure 13**.

The objectives of this zone are:

- (a) to accommodate development by public authorities on publicly owned land, and
- (b) to accommodate development for educational, religious, public transport or similar purposes on both publicly and privately owned land, and

- (c) to enable associated and ancillary development, and
- (d) to allow for a range of community uses to be provided to serve the needs of residents, workers and visitors, and
- (e) to allow for the redevelopment of land no longer required for a special use.

The following uses are permissible with development consent with the Special Uses zone:

*Animal establishments; Bed and breakfast accommodation; Boarding houses; Car parks; Cemeteries; Child care centres; Clubs; Communication facilities; Community facilities; Dwellings; Dwelling houses; Earthworks; **Educational establishments**¹; Health consulting rooms; Helicopter landing sites; Home activities; Hospitals; Markets; Multi-unit housing; Outdoor advertising; Penitentiaries; Places of worship; Plant nurseries; Public transport; Recreation facilities; Restaurants*

Any other development not listed as being permissible with or without consent is prohibited in the Special Uses zone.

Based on the above, the works to the site area are permissible within the No. 5 - Special Uses zone.

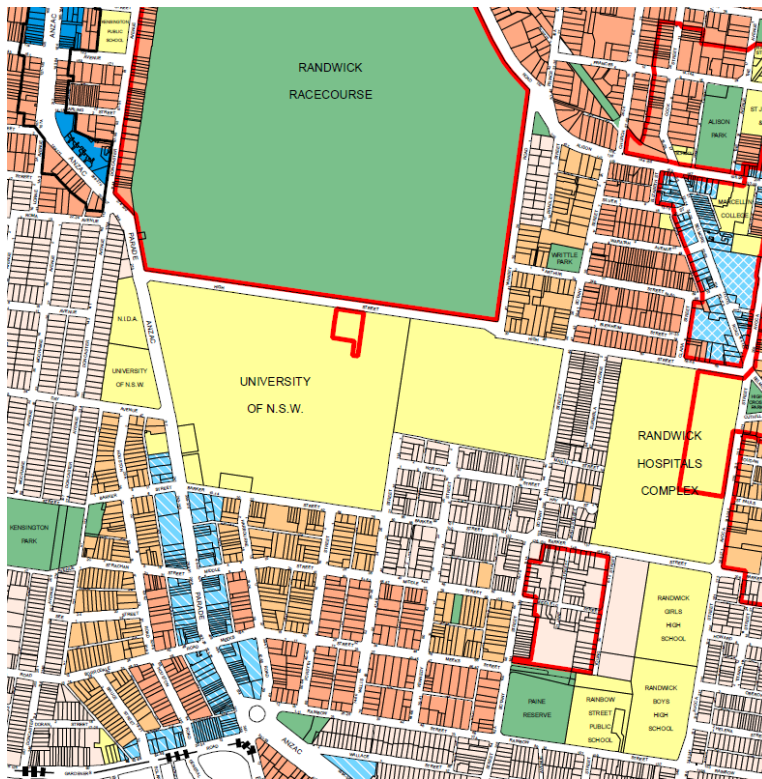


Figure 13 - Extract from Randwick LEP 1998 Zoning Map

¹ educational establishment means a building or place used for education (including teaching) and includes:

- (a) a school, and
- (b) a tertiary institution, being a university, TAFE establishment, teachers' college or other tertiary college providing formal education which is constituted by or under an Act, and
- (c) an art gallery, library or museum, not being an art gallery, library or museum in which any items on display are for sale, whether or not accommodation for staff and students is provided and whether or not used for the purpose of gain.

Part of the Kensington Campus is subject to a Heritage Conservation Area (HCA) under clause 43 of the LEP. This area is signified by the red line on **Figure 13**. This clause sets out the objectives of heritage conservation under the LEP, and in what circumstances consent is either required or not required. It also sets out matters for consideration for development affecting a heritage item, need for heritage impact assessments and conservation management plans, and the ability to apply conservation incentives, amongst other things. The site is located well away from the HCA and will not impact upon it. Clause 40A of the LEP indicates that site specific development control plans will cover areas such as the Kensington Campus. The Campus DCP 2020 currently satisfies this requirement. The relevance and currency of this DCP is discussed further below.

Importantly, the LEP has **no specific development standards regarding Floor Space Ratios (FSRs) or height limits** that would affect development on the Campus. The relevant development controls guiding built form and the like are contained within the Campus DCP 2020.

In accordance with Clause 37A of the LEP, before granting consent to a development application in the Special Uses Zone, Council (or the consent authority) must be satisfied that the proposed development is compatible with the character of the locality and will not adversely affect the amenity of nearby and adjoining development.

Draft Randwick LEP 2012

Council resolved on 6 December 2011 to submit the draft LEP to the Director General seeking a S65 Certificate. The draft LEP was subsequently exhibited in late 2011 to early 2012. Under the current version of the draft LEP available from Council's website, the Campus and site is zoned SP2 - Infrastructure (Educational Establishment). The proposed development would be permitted under these provisions as being development under the definition of an Educational Establishment.

The draft LEP includes height controls around the perimeter of the Campus, in which the site is located. Only Building J18 is affected by the proposed building height limit to 18m (as shown in **Figure 14** below). The existing Building J18 is approximately 14m in height and therefore the proposed internal refurbishment will be consistent with this control.

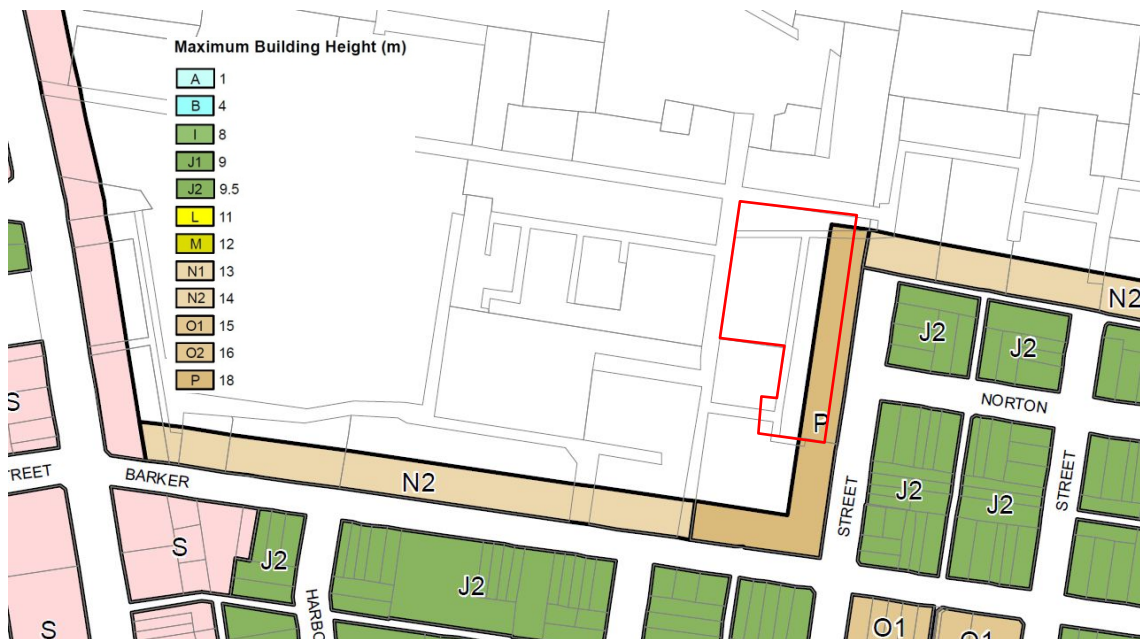


Figure 14 – Building Height Map – Draft Randwick LEP (site shown in red)

The heritage provisions relevant to the Campus have also not altered and again given the location of the site area from the existing HCA, there will be no impact upon it.

Randwick Education and Health Specialised Centre Precinct Plan

The Specialised Centre Discussion Paper has been prepared by Randwick Council to assist in developing new planning controls for the approximate 150 hectare Randwick Education and Health Specialised Centre which includes the Randwick Hospitals Campus, the UNSW Kensington Campus and Royal Randwick Racecourse (via the draft LEP process). Council resolved on 8 November 2011 (followed by a further resolution on 22 November to endorse Part A of the Discussion Paper as the Randwick Education and Health Specialised Centre Precinct Plan (HSCPP).

The discussion paper and subsequent plan (strategy) is intended to support the directions under the Metropolitan Plan 2036 and the earlier draft East subregional strategy.

The scope of the discussion paper and HSCPP is amongst other things to:

- establish the Randwick Medical Research Precinct; and
- promote the Randwick Specialised Centre as a centre of biomedical and bioengineering research and development.

The discussion paper also reviews the current planning framework to:

- respond to key directions in the Randwick City Plan and Economic Activity Study;
- address employment and residential targets identified in the draft East Subregional Strategy;
- translate current land use zones, objectives, permissible uses and controls to the appropriate equivalent provisions in the standard template LEP (as directed by the DoPI);
- address submissions for rezoning and other planning changes; and
- review and recommend suitable development controls (to the elected Council and onwards to the DoPI prior to formal exhibition of the draft LEP).

The Discussion Paper identifies the land use zoning for the Kensington Campus as an 'Education Centre'. The Discussion Paper sets out various strategies. Of particular relevance is the strategy to 'Facilitate growth of the Centre's core uses within the walking catchment of the Centre' which will:

- *Cluster health/education and research uses in and adjacent to the institutions in a planned rather than ad hoc manner;*
- *Retain flexibility in the planning controls for institutional sites in terms of height, and floor space ratio/controls (e.g. FSR);*
- *Strengthen the linkages between health, research and educational uses and surrounding town centres; and*
- *Require design excellence and competitions for major development.*

DCP 2020

The UNSW Kensington Campus DCP 2020 (DCP 2020), as adopted by Randwick Council in 2007, contains detailed provisions for development of the Campus to support the Randwick LEP 1998.

The aims of this DCP are to provide planning and design objectives and provisions which will optimise:

- the physical, social, educational and environmental quality of the UNSW Kensington Campus,

- the role and environmental ‘fit’ of the campus within its Randwick City context and its compatibility with the evolving character of adjoining lands, and
- the Campus Experience.

The DCP contains key control drawings and indicative illustrative principles to be followed for the ongoing development and renewal of the Campus. In addition to the Building Heights, Building Alignments, and Campus Legibility and Street Layout plans, the other following plans also guide development.

- Gathering and Connective Spaces;
- Important Public Rooms;
- Hubs;
- Existing Trees;
- Landscape;
- Indicative Sections;
- Housing;
- Retail and Child Care; and
- Transport.

It is noted that DCP 2020 will carry no weight in assessment because of clause 11 of *State Environmental Planning Policy (State and Regional Development) 2011* due to the status of the application as a SSD DA.

Crown Development

UNSW is recognised as an Australian University under Schedule 1 of the *Higher Education Act 2001*, and so any development undertaken by UNSW is a Crown development for the purposes of Division 4 of Part 4 of the EP&A Act.

5.0 RELEVANT PLANNING ISSUES TO GUIDE THE DGRS

Built Form

The Environmental Impact Statement (EIS) will address the height, density, bulk and scale of the proposed development within the context of the locality and will demonstrate the proposal integrates with the local environment, and that the form, layout and siting of the building achieves optimal design and amenity outcomes. As seen from **Attachment A**, the proposal includes the redevelopment of the southern wing of Building 17, minor works to Building J18, works to Willis Lane and public domain (John Lions Garden). The remainder of works are within the existing building envelope and will not result in any adverse impacts to the built form.

Environmentally Sustainable Design (ESD)

UNSW has a commitment to sustainability in the planning, design and management of all new buildings on campus. In reviewing the project brief, local and university development action plans, the main sustainability objectives for the Mechanical and Manufacturing Engineering Buildings are to:

- Demonstrate environmental leadership, responsibility, and a reduced carbon footprint;
- Contribute to, and improve the campus wide approach to energy and water issues;
- Establish targets for saving water, energy and waste that can be monitored through the life of the two buildings; and
- Enable flexibility and adaptability to extend the life span of the two buildings.

This will ensure consistency with the sustainability objectives outlined in the University's Planning and Design Guide, which seek to demonstrate leadership and responsibility in sustainability by developing a campus that is environmentally sound, socially responsible and economically viable.

Many of the standard sustainability rating and tool systems are intended to guide design of office, education, or health buildings but are inherently unsuitable when applied to laboratories. The operation of research buildings requires special consideration to be invested in energy and water reduction systems to minimise health and safety conflicts. Additionally, the Kensington Campus provides an infrastructure system where energy and water are managed at the precinct level. This leverages the potential of the shared system to realise greater reductions in resources than any of the individual buildings alone.

Because of these unique circumstances, the University will investigate a custom Sustainability Framework for the two buildings drawing from the best national and international environmental rating systems, as well as proven benchmark buildings on the Kensington Campus.

Accordingly, the application of a Green Star tool and target rating is not appropriate for the two buildings and we request the DGRs allow the above approach to be applied.

Impacts of the Proposed Development

Impacts of the proposal including visual impact, obstruction of view, and acoustic impacts will be addressed and mitigated as part of the development, particularly from Willis Street to the east of the site.

Construction and Operational Impacts

The EIS will address and consider the construction and operation impacts of or on:

- Noise and vibration;
- Soil, groundwater, and geotechnical attributes of the site and environs;
- Access, parking and traffic;
- Stormwater and air-borne pollutant control; and
- Servicing and infrastructure for the development.

Traffic and parking

The proposal primarily involves internal refurbishment, and reconfiguration and increase to building GFA. The proposal is designed to improve existing teaching, learning and research space, and does not involve an increase in student numbers or staff numbers in this development. Any increase in the building occupancy would be associated with the existing campus population and not the introduction of additional staff and students to the site.

Development Contributions

Randwick Council's current s94A contributions plan applies to the Campus and the development site. It is noted that Council resolved on 10 July 2012 to adopt a new contributions plans. Following this resolution a draft S94A Development Contributions Plan has been prepared but not yet finalised and adopted.

Exemptions from a levy under the existing S94A Plan may be considered by Council or the relevant consent authority for the following development, or components of development:

- *Places of worship, public housing, public hospitals, boarding houses, police stations and fire stations,*
- *Works proposed to be undertaken for charitable purposes by, or on behalf of, a registered charity,*

- *seniors housing, as defined in the State Environmental Planning Policy (Seniors Living) 2004.*

Those applicants which seek exemption from a levy under this Plan must provide a comprehensive submission to Council, which clearly demonstrates how the proposed development falls within one of the development types defined above, prior to Council determining whether such an exemption applies.

In considering any application for an exemption Council will take into account:

- the extent to which the proposed development comprises or includes the provision, extension or augmentation of public amenities or public services that provide a public benefit, and/or*
- whether the applicant is affected by any adverse financial circumstance which will impact on its ability to fund the payment of any levy which is imposed in accordance with this Plan.*

Whilst developments by the Crown are not automatically exempt from payments under this section 94A Plan, development that in the opinion of Council does not increase the demand for the categories of public facilities and services addressed by the Plan should warrant a merit-based exemption.

In this instance, (and consistent with the Department's existing Circular D6) a full exemption is considered appropriate for the proposed development on the following grounds:

- The proposal will not contribute to an increase in students or staff within the School, particularly with regard to parking and requirements for additional physical or social infrastructure or services;
- The Kensington Campus and its buildings have a public character, and already provide a number of material public benefits consistent with wider strategic planning objectives;
- The proposal is predominantly replacing existing and redundant university floorspace, and so will not generate any substantial additional staff or students on the site, or any additional demand in terms of traffic and transport infrastructure or open space;
- UNSW is not a developer and is a charitable not-for-profit public institution (and registered as such by the Australian Tax Office) and relies on significant grants, donations, and external funding to provide new facilities for both the UNSW community and the wider local community;
- The payment of development contributions would consume resources which should be devoted to the University's core business of teaching and research and the strategic benefits that would result from such a development; and
- UNSW provides a wide range of social, cultural, and recreational public benefits and contributions to Randwick LGA and its resident and worker population.

Notably, under the draft S94A Development Contributions Plan the works schedule seeks to establish specific expenditure for the Specialised Centre (University of NSW and Hospital Precinct) to the value of \$4million for Public Domain improvements.

Under the current and draft Plans, a 1 % levy on the CIV of the development is payable unless it is exempted. As has been outlined above, the proposal is considered to be such that it warrants exemption from these contributions.

6.0 CONSULTATION

A pre-lodgement meeting was held with Randwick City Council officers on 3 April 2012 to discuss the proposed works to Building J17, with comment received on 30 April and 14 June 2012. At this time the application was to proceed as a DA to Council for the external addition to J17 only (as the CIV was to be under \$30million). The items raised in the pre-lodgement minutes listed below have been considered in the proposed re-design:

- Statutory Planning Controls;
- Urban Design;
- Impacts of the proposed development;
- Ecological Sustainable Development; and
- Servicing and engineering comments.

7.0 CONCLUSION

The CIV of the project is approximately \$60.5 Million and in excess of the requisite State Significant Development threshold of \$30 Million for Educational Establishment projects. A Quantity Surveyors certificate verifying this CIV is attached for reference (**Attachment B**).

On the basis that the project falls within the requirements of clause 15 of Schedule 1 of the SRD SEPP being *development for the purpose of educational establishments (including associated research facilities) that has a capital investment value of more than \$30 million*, UNSW formally requests the Department issue the DGRs for the project to facilitate the preparation of the Environmental Impact Statement to accompany the State Significant Development application for this project.

Should you have any queries about this matter, please do not hesitate to contact me on 9956 6962 or oklein@jbaplanning.com.au.

Yours faithfully

A handwritten signature in black ink, appearing to read 'O Klein', with a stylized, cursive script.

Oliver Klein
Associate