

26/03/2025

Planning Secretary
NSW Department of Planning and Environment
4 Parramatta Square, 12 Darcy Street
Parramatta NSW 2150

To Whom it May Concern,

RE: Estimated Development Cost and Employment Report

PROJECT ADDRESS 2-4 Burleigh Street and 20-24 Railway Parade, Burwood NSW 2134

- The subject project is for the proposed thirty-nine (39) storey mixed-use commercial, hotel and residential development over five (5) levels of basement car parking. This project is a state significant development.
- This report is prepared for the sole purpose of providing the estimated development cost (EDC) and the estimate of the retained and new jobs that would be created during construction and operational phases of the proposed development to the Planning Secretary's environmental assessment requirements for in-fill affordable housing state significant development (SSD).
- This report has been prepared by an appropriately qualified quantity surveyor who is a member of the relevant professional body, the AIQS.
- This report is limited to an assessment of the project within 30 days of DA submission. Should DA submission exceed 30 days of the date of this report, the EDC calculation is null and void.
- The calculation is accurate and covers the full scope of works in the identified development proposal, at the date of development application submission.
- The date of the assessment is 26/03/2025.

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Samuel Star | Principal, Certified Quantity Surveyor FAIQS, CQS, No. 2752
Sarah Bozionelos | Senior Manager, Nominated Architect RAIA NSW ARB

The EDC is calculated in accordance with PS-24-002 Changes to how development costs are calculated for planning purposes (The Planning Circular) and is summarised below.

ESTIMATED DEVELOPMENT COST (excl. GST)	\$	117,976,065
ESTIMATED DEVELOPMENT COST RESIDENTIAL COMPONENT ONLY (excl. GST)	\$	76,138,410

The employment estimates are calculated in accordance with the AUS IO Model of the NSW Treasury and are summarised below.

TOTAL EMPLOYMENT ESTIMATES	TOTAL - Employment supported (no.)	250
	TOTAL - Impacted years (no.)	10
	AVERAGE - Employment supported (no. per year)	25

Your sincerely,



SAMUEL STAR
Principal
FAIQS, CQS No. 2752

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Estimated Development Cost and Employment Report

| Quantity Surveyor Report for In-Fill Affordable Housing SSD

IAH24.0004

Date
26/03/2025

Revision
04

Property Address
2-4 Burleigh Street and 20-24 Railway Parade, Burwood NSW 2134

Internal Reference

IAH24.0004

Distribution Log

Recipient	Email	Revision	Date
NSW Housing Corporation Pty Ltd	charline.song@conquest.com	04	26/03/2025

Document Control

Revision	Date	Prepared by	Quality Assurance	Authorised by
03	26/03/2025	EN	RB	SS
03	14/02/2025	EN	RB	SS
02	16/12/2024	EN	RB	SS
01	17/09/2024	EN	RB	SS
00	16/09/2024	EN	RB	SS

Disclaimer

This report has been prepared for the sole purpose of providing the estimated development cost and retained and new jobs that would be created during the construction and operational phases of the development, in accordance with the Planning Secretary's Environmental Assessment Requirements for in-fill affordable housing. Archi-QS Pty Limited, its agents, and employees are not liable to any person for any damage or loss, which has occurred or may occur in relation to that person taking, or not taking action in respect of any representation, statement, opinion or advice referred to above.

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Executive Summary

- Instructions were received from NSW Housing Corporation Pty Ltd dated 04/09/2024, to complete the estimated development cost and employment estimates to the Planning Secretary's environmental assessment requirements for in-fill affordable housing of the proposed state significant development (SSD) located at 2-4 Burleigh Street and 20-24 Railway Parade, Burwood NSW 2134.
- The subject project is for the proposed thirty-nine (39) storey mixed-use commercial, hotel and residential development over five (5) levels of basement car parking. This project is a state significant development.
- This report is prepared for the sole purpose of providing the estimated development cost (EDC) and the estimate of the retained and new jobs that would be created during construction and operational phases of the proposed development to the Planning Secretary's environmental assessment requirements for in-fill affordable housing state significant development (SSD).
- This report has been prepared by an appropriately qualified quantity surveyor who is a member of the relevant professional body, the AIQS.
- The purpose is to provide the consent authority with the relevant information to accompany the Environmental Impact Statement (EIS) and meet the minimum form and content requirements as prescribed by Part 8 of the Environmental Planning and Assessment Regulation 2021 (EP&A Regulation) and the State Significant Development Guidelines.
- This report is limited to an assessment of the project within 30 days of DA submission. Should DA submission exceed 30 days of the date of this report, the EDC calculation is null and void.
- The calculation is accurate and covers the full scope of works in the identified development proposal, at the date of development application submission.
- The date of the assessment is 26/03/2025.

EDC SUMMARY

The EDC is calculated in accordance with PS-24-002 Changes to how development costs are calculated for planning purposes (The Planning Circular) and is summarised below.

ELEMENT	TOTAL	
Demolition and Remediation	\$	343,030
Construction (item A)	\$	88,351,219
Mitigation of Impact Items	\$	-
Consultant Fees	\$	5,187,517
Authorities Fees (LSLL)	\$	1,037,503
Plant & Equipment (item B)*	\$	10,898,900
Furniture, Fittings & Equipment	\$	4,157,200
Contingency	\$	5,187,517
Escalation	\$	2,813,178
ESTIMATED DEVELOPMENT COST (excl. GST)	\$	117,976,065
ESTIMATED DEVELOPMENT COST RESIDENTIAL COMPONENT ONLY (excl. GST)	\$	76,138,410

GROSS FLOOR AREA	UNIT	TOTAL	
GFA	m2		19176
Construction Cost (A) + Plant and Equipment (B)	\$	\$	99,250,119
TOTAL COST PER SQUARE METER	\$/m2	\$	5,176

EMPLOYMENT SUMMARY

The employment estimates are calculated in accordance with the AUS IO Model of the NSW Treasury and are summarised below.

NO.	INDUSTRY	TOTAL - Employment supported (no.)	TOTAL - Impacted years (no.)	AVERAGE - Employment supported (no. per year)
1	Residential Building Construction	78	10	8
2	Non-Residential Building Construction	66	10	7
3	Construction Services	71	10	7
4	Non-Residential Property Operators and Real Estate Services	4	10	0
5	Building Cleaning, Pest Control and Other Support Services	31	10	3
TOTAL EMPLOYMENT ESTIMATES		250	10	25

1. Introduction

1.1 Instructions

Instructions were received from NSW Housing Corporation Pty Ltd dated 04/09/2024, to complete the estimated development cost and employment estimates to the Planning Secretary's environmental assessment requirements for in-fill affordable housing of the proposed state significant development (SSD) located at 2-4 Burleigh Street and 20-24 Railway Parade, Burwood NSW 2134.

1.2 Purpose

This report is prepared for the sole purpose of providing the estimated development cost (EDC) and the estimate of the retained and new jobs that would be created during construction and operational phases of the proposed development to the Planning Secretary's environmental assessment requirements for in-fill affordable housing state significant development (SSD).

The purpose is to provide the Planning Secretary relevant information to accompany the Environmental Impact Statement (EIS) and meet the minimum form and content requirements as prescribed by Part 8 of the Environmental Planning and Assessment Regulation 2021 (EP&A Regulation) and the State Significant Development Guidelines.

It is essential to emphasise that in preparing this report, the Quantity Surveyor operates with integrity and in good faith, ensuring the impartiality and accuracy of the report.

1.3 Confidentiality

The entirety report is commercial in confidence.

2. Basis of Report

2.1 Basis of Report Preparation

This report has been prepared in accordance with:

- Legislative and regulatory requirements of the consent authority for calculating EDC (EP&A Act, EP&A Regulation, SEPPs, and The Planning Circular).
- The AIQS practice standard for calculating EDC in NSW (The Practice Standard).
- The AIQS Australian Cost Management Manual Volume 1.

2.2 Development Proposal Documents

The list of the development proposal documents upon which the EDC calculation is based are:

Document	Prepared By	Issue Date
Architectural Drawings	PTI Architecture	3/02/2025

2.3 Limitations

The following limitations apply for this project:

- This report is limited to the consent authority named here within.
- The proposed EDC and employment estimates is limited to accompany the Environmental Impact Statement (EIS) as part of DA submission to the Planning Secretary. It is not to be used for sales, marketing, nor by bank/financial institutions, the Long Service Levy Corporation, and the likes.
- The proposed cost of development is limited to the analysis of the drawings furnished at the time of compiling this report. The EDC is subject to change once all consultant documentation and design development has been finalised following development consent.
- The schedule of finishes are not detailed nor fixed. The EDC may change once the schedule of finishes is detailed and fixed.
- **This report is limited to an assessment of the project within 30 days of DA submission. Should DA submission exceed 30 days of the date of this report, the EDC calculation is null and void.**
- The employment estimates are limited to a 10-year forecast from the date of construction commencement onsite including the demolition phase of construction.

2.4 Qualifications

This report has been prepared by our Principal, Samuel Star. Samuel is an AIQS Certified Quantity Surveyor, registration no. 2752, and holds the designation of Fellow of the Australian Institute of Quantity Surveyors (FAQIS). He has over thirty (30) years of industry experience and is appropriately qualified to prepare the EDC for all project types.

3. Development Proposal

Project Owner	NSW Housing Corporation Pty Ltd
Address	2-4 Burleigh Street and 20-24 Railway Parade, Burwood NSW 2134
Development type	New development
Building type	Mixed-use high-rise building
Application History	State Significant Development Application (SSDA) to be submitted to the NSW Department of Planning, Housing and Infrastructure.
No. of residential units	Forty-eight (48) dual-key apartments, comprising forty-eight (48) studios and forty-eight (48) one-bedroom apartments.
No. of hotel rooms / office lots	One hundred twenty (120) rooms and three (3) office/commercial lots.
No. of storeys	44
No. of car parking lots	138
Consent authority	Planning Secretary
Staged Construction	Not applicable at this stage
GFA (m2)	19176
SSD Case ID	Not applicable at this stage

4. Construction Period

We have assessed the construction period for the subject proposal to be thirty-six (36) months. The allocation of a construction period does not include the provisions for unforeseen events, defined as potential increases of time to complete, and associated with the advent of inclement weather, public holidays, coordination of trades, natural disasters, strikes, construction documentation delays.

5. EDC Summary

5.1 Cost Breakdown

Refer to Appendix B: Elemental Summary and Appendix C: Detailed Calculation Schedule.

5.2 Contingency

Contingency allowance of 5% of construction has been allowed for as part of the EDC in line with The Practice Standard.

5.3 Escalation

Escalation to the proposed commencement date of construction on site as defined by EIS has been allowed for as part of the EDC in line with The Practice Standard.

5.4 EDC Assumptions

The following assumptions have been made when calculating the EDC:

- The proposed development will enter into a tender process and be constructed by a third-party contractor;
- The Schedule of Finishes have been assumed and are subject to change once they are fixed following development consent.
- For the purposes of escalation calculation, the proposed commencement date of construction is 26/03/2026.

5.5 EDC Exclusions

The following costs and expenses are excluded from the proposed EDC:

- The cost of the land on which the development is to be carried out;
- The costs of any repairs to any building or works on the land that are to be retained in connection with the development;
- The costs associated with marketing or financing the development (including interest on any loans);
- The costs associated with legal work carried out or to be carried out in connection with the development;
- Project management costs associated with the development;
- The cost of building insurance in respect of the development;
- The costs of loose fittings and furnishings, including any refitting or refurbishing, associated with the development (except where the development involves an enlargement, expansion or intensification of a current use of land);
- The costs of commercial stock inventory;
- The costs associated with demolition and remediation works;
- Any taxes, levies or charges paid or payable in connection with the development by or under any law;
- GST

6. Employment Estimates

6.1 Employment Estimate for the Subject Proposal

The estimate of the retained and new jobs that would be supported during the construction and operational phases of the development is attached in Appendix D.

6.2 Employment Estimate Methodology

The methodology adopted is the AUS IO Model of the NSW Treasury. The IO model provides industry sector employment multipliers, which are applied to spending estimates to formulate employment estimates. Employment multipliers can be used to estimate direct employment, and possible flow on employment supported. The three key matrices for IO multipliers are the employment coefficient matrix (initial effect multiplier), the output coefficient matrix (first-round multiplier), and the leontief inverse matrix (industrial support multiplier and production induced multiplier). The employment multipliers are calculated from the multiplication of all three matrices.

The IO multiplier-based estimates relate to annual full-time equivalent (FTE) jobs and are rounded to the nearest whole number. The employment calculations are forecast over a ten (10) year period in order to attain the total and annual average employment supported during construction and operational phases of the development.

The primary industries as per the descriptions of ANZSIC industries likely impacted by the subject proposal have been identified as follows:

- Residential Building Construction
- Non-Residential Building Construction
- Construction Services
- Non-Residential Property Operators and Real Estate Services
- Building Cleaning, Pest Control and Other Support Services

Each primary industry has a unique methodology applied with reference to the methods and standards established in the Rawlinsons Australian Construction Handbook to generate estimates over the ten (10) year period.

6.3 Employment Estimates Assumptions

- 100% pre-sales in final year of construction
- 50% owner occupier for the first seven (7) years post occupancy with no on-sales
- Rental income 5% of rental contract sum
- 100% occupancy of rentals from year 4 (1st year of post occupancy)
- Inflation of rental income is 3% p.a.
- Sales income 3.3% of sales price incl. GST

6.4 Employment Estimate Exclusions

- Employment supported during the design phase (pre-construction).

We trust you find this report in order.



SAMUEL STAR

Principal

FAIQS, CQS No. 2752

Appendix A: References and Definitions

References

1. Environmental Planning and Assessment Act 1979 No 203 (NSW) (EP&A Act). Retrieved from <https://legislation.nsw.gov.au/view/html/inforce/current/act-1979-203#statusinformation>
2. Environmental Planning and Assessment Regulation 2021 (NSW) (EP&A Regulation). Retrieved from <https://legislation.nsw.gov.au/view/html/inforce/current/sl-2021-0759>
3. Department of Planning, Housing and Infrastructure 2024, 'Changes to how development costs are calculated for planning purposes', Planning Circular, PS 24-002 (NSW). (The Planning Circular). Retrieved from <https://www.planning.nsw.gov.au/sites/default/files/2024-02/planning-circular-ps-24-002.pdf>
4. Local Infrastructure contributions policy <https://www.planning.nsw.gov.au/policy-and-legislation/infrastructure/infrastructure-funding/local-infrastructure-contributions-policy>
5. The Australian Institute of Quantity Surveyors 2022, Australian Cost Management Manual, Vol. 1, 3rd edn., AIQS, Sydney.
6. The Australian Institute of Quantity Surveyors March 2024, AIQS Practice Standard for Construction Cost Assessments for NSW Estimated Development Cost Reports, 1st edn., AIQS, Sydney.(The Practice Standard).
7. ABS 5246.0 - Information Paper Australian National Accounts Introduction to Input-Output Multipliers. Accessed from [https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/FFD0BAE851EDCB8BCA2570C9007ECE04/\\$File/52460%20-%20Information%20Paper%20-%20Introduction%20to%20Input%20Output%20Multipliers.pdf](https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/FFD0BAE851EDCB8BCA2570C9007ECE04/$File/52460%20-%20Information%20Paper%20-%20Introduction%20to%20Input%20Output%20Multipliers.pdf)
8. TPP09-7 - Guidelines for estimating employment supported by the actions, programs and policies of the NSW Government. Accessed from https://www.treasury.nsw.gov.au/sites/default/files/pdf/TPP09-7_Guidelines_for_estimating_employment_supported_by_the_actions%2C_programs_and_policies_of_the_NSW_Government.pdf
9. TP09-3 - Employment support estimates - methodological framework. Accessed from <https://www.treasury.nsw.gov.au/sites/default/files/2017-02/trp09-03%20Employment%20support%20estimates%20-%20methodological%20framework.pdf>
10. ASB 1292.0 - Australian and New Zealand Standard Industrial Classification 2006. (ANZSIC). Accessed from [https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/19C21C5659BCAE73CA2574C8001474E4/\\$File/12920_2006.pdf](https://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/19C21C5659BCAE73CA2574C8001474E4/$File/12920_2006.pdf)

Definitions

Authorities Fees	Long Service Levy (LSLL)
Contingency	Provision for design development, construction stage scope changes, latent conditions and potential risk issues.
EDC	<p>The Environmental Planning & Assessment Regulation defines the EDC of a proposed development as the estimated cost of carrying out the development, including the following:</p> <ul style="list-style-type: none"> - the design and erection of a building and associated infrastructure - the carrying out of work - the demolition of a building or work - fixed or mobile plant and equipment. <p>But does not include:</p> <ul style="list-style-type: none"> - amounts payable, or cost of land dedicated, or other benefit provided, under a condition imposed under the EP&A Act Division 7.1 or 7.2 or a planning agreement - costs relating to a part of the development or project that is the subject of a separate development consent or approval - land costs, including costs of marketing and selling land - Good and Services Tax (GST) for SSD and SSI projects only.
EIS	Environmental Impact Statement referred to in the NSW EP&A Act, sections 4.12, 5.7, 5.16 or 8.
Escalation	Forecast cost movements from current day to anticipated construction commencement date.
GFA	Gross Floor Area in accordance with the AIQS Australian Cost Management Manual Volume 1.
In-fill Affordable Housing	Affordable housing means housing for very low income households, low income households or moderate income households.
Planning Circular PS 24.002	This circular outlines changes to the Environmental Planning and Assessment Regulation 2021 (EP&A Regulation) to replace the methodology for 'estimated cost of development' and 'capital investment value' with a new, single methodology for 'estimated development cost' (EDC) and related changes to other regulatory provisions and environmental planning instruments (EPIs). This circular supersedes PS 21-020 Calculation of capital investment value and PS 21-022 Calculating the genuine estimated cost of development.
SEPPs	State and local planning legislation and policies set the rules that control what development can occur on your land. State environmental planning policies (SEPPs) apply across the state.
SSD	State Significant Development