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29 February 2016

Mr. Cameron Sargent Department of Planning and Environment GPO Box 39 Sydney, NSW 2001

lunar, Dear Mr Sargent.

## Redevelopment of the Australian Technology Park (SSD 7317)

Thank for you for the opportunity to provide a submission on the development application and Environmental Impact Statement (EIS) prepared by Mirvac Projects at the Australian Technology Park (ATP).

UrbanGrowth NSW Development Corporation (UGDC) is the administrator for the Redfern-Waterloo Contributions Plan and the Redfern Waterloo Affordable Housing Contributions Plan and is providing a submission in this context.

We have reviewed the application and EIS and make the following comments.

## **Redfern-Waterloo Affordable Housing Contributions Plan**

Under the Affordable Housing Contributions Plan, the proposed gross floor area of 107,430m<sup>2</sup> equates to a contribution of approximately \$8,500,935.90 based on the 2015/2016 indexed contribution rate of \$79.13/m<sup>2</sup>. This payment will need to be indexed and recalculated at the time of payment.

## **Redfern-Waterloo Contributions Plan**

The contribution rate under the Redfern-Waterloo Contributions Plan (Contributions Plan) is 2% of the cost of carrying out the total development. Mirvac has confirmed the Capital Improvement Value (CIV) for the proposed development is \$476,446,300 (incl. GST). It is expected that a contribution would be payable equalling \$9,528,926.

Mirvac has requested that the Minister for Planning considers that the contribution be waived as a result of the material public benefits in terms of public domain upgrades occurring within ATP.

The EIS confirms the anchor tenant, Commonwealth Bank Australia, aims to house circa 10,000 new staff within the development by 2019 and 2020 (Section 5.21.1 Economy and Employment).

Mirvac has provided a high level description of material public benefits with an estimated value of \$25 million. However, detail about the costs of these works has not been provided or the benefit to the wider community above what would be required for new staff within the development. These works are predominantly public domain improvements at ATP on land which is currently proposed to be privately owned into the future but which will be publicly accessible.

In terms of the Contributions Plan the Works Schedule identifies a number of projects to which contributions in the local area, including contributions from development of land at ATP, are intended to fund. None of the proposed works at ATP are identified within the Schedule and so they do not present automatically as a contributions offset or works-in-kind arrangement under the Contributions Plan.

It is also noted that the proposed suite of works do not include the broader



infrastructure items for which levies in the Redfern-Waterloo area are collected, such as local drainage works and broader road, public transport and access works. The development application has not demonstrated that it will not generate demand beyond the boundaries of the development site. UGDC considers that a case for complete exemption from the payment of those levies has not been demonstrated at this stage.

In assessing Mirvac's request, we have considered the current Practice Note issued by the NSW Government in the Revised Development Contributions Manual (DIPNR 2005) (Practice Note) as required by the Contributions Plan. Page 3 of the section of the Practice Note (which relates to exemptions, discounts, credits and refunds) sets out key considerations in assessing a material public benefit.

Ultimately the Minister for Planning will decide whether to waive the development contribution as part of the Minister's assessment of the application for consent. The Minister must have regard to the key considerations in assessing a material public benefit set out in the Practice Note.

We do not believe Mirvac has provided sufficient information with the development application for the Minister to adequately assess the material public benefits against the key considerations. Particularly, more information is required in relation to the needs of the population that will be satisfied; timing of works; and any future dedication, handover and management arrangements for the land and/or works.

Based on the information provided with the development application at this stage, UGDC does not support Mirvac's request to waive the contribution. Mirvac is requested to demonstrate through a table or other suitable format how each of their proposed works satisfies each of the material public benefit considerations identified in the Practice Note.

It is requested that the Department forward Mirvac's justification as soon as possible to UGDC as the administrator of the Contributions Plan to consider and understand the potential implications. Submission of the requested information will also enable the Department, and the Minister, to properly determine whether the proposal is material public benefit, and consequently form the view if the contribution can be waived, either partially or in whole.

We would be happy to discuss this with you further. Please do not hesitate to contact Kate Sheehan on (02) 9391 2912 or <u>ksheehan@urbangrowth.nsw.gov.au</u> should you require further information.

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David Pitchford Chief Executive UrbanGrowth NSW Development Corporation