

2 June 2016

Mr. Brendon Roberts  
Department of Planning and Environment  
GPO Box 39  
Sydney NSW 2001

Dear Mr Roberts,

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

Thank for you for the opportunity to provide additional feedback 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 we provided a submission to the Department of Planning & Environment dated 29 February 2016 in this context.

We have reviewed Mirvac's response and provide the following recommendations.

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

We note Mirvac has agreed to pay the Affordable Housing Contribution. Under the Affordable Housing Contributions Plan, the calculation is 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.

#### UGDC Recommendation:

UGDC recommend the wording attached to this letter be applied to any consent granted for this development.

#### **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 confirmed the Capital Improvement Value (CIV) for the proposed development is \$476,446,300 (incl. GST). The contribution payable is calculated at \$9,528,926.

We note in the response to submissions that Mirvac maintains its request for the contribution be waived in full.

#### UGDC Recommendation:

It is UGDC's view that the proposed works are largely to the benefit of the land owners and existing or new tenants and employees of ATP. UGDC also considers that Mirvac's works package does not address the requirements of the Contributions Plan in full as the works do not contribute towards broader community benefits envisaged. In this regard we consider that Mirvac's offer does not acknowledge the additional demand that its development will have on infrastructure and facilities beyond the site boundaries.

However, UGDC does accept that people from surrounding areas enjoy benefits of public spaces and connections provided at ATP, and will use the public domain provided at the site either directly, or in transit to local destinations as a result of the public easements and covenants that exist. On this basis we consider it reasonable to accept a partial offset of the contribution in lieu of the improvement works.

We recommend to the Department that a total maximum credit of \$3.2 million would be reasonable to apply, this would reduce the **total contribution payable by around 34%, to a minimum of \$6,328,926**. UGDC recommend the attached wording therefore be applied to any consent granted for this development and insert the appropriately determined contribution into the consent condition.

*Background and support*

As administrator of the Contributions Plan, when assessing requests for material public benefits in lieu of a development contribution, UGDC needs to consider the wider Growth Centre area and what needs of the population would be satisfied by the works, and whether these equal or exceed those provided by conventional means. This is also a key consideration in assessing a material public benefit set out in the Revised Development Contributions Manual (DIPNR 2005) which the Minister will have regard to and such other matters as the Minister considers relevant in these circumstances.

As requested in our previous submission, Mirvac has provided an itemised breakdown of the costs of the proposed private and public benefits in their response and addressed the key considerations of the DIPNR 2005.

We have reviewed Mirvac's response and recognise the works proposed involve extensive upgrades to the public domain within ATP, which is commensurate with a large addition to the concentration of workers there. Some of these works will be accessible to and used by the broader community and we accept that there is some benefit, particularly in the form of improvements to amenity for people passing through the site, or from using publicly accessible facilities like the childcare facility, multi-purpose court, Vice Chancellors oval, innovation plaza and open space near Redfern Station.

However, aside from the childcare facility, these works are not directly comparable to the projects included in the Works Schedule of the Contributions Plan. Therefore, we do not support the waiving of the contribution in full. This is primarily because we do not agree that the material public benefits proposed will benefit the wider community to the extent indicated by Mirvac. Neither will they address the full range of demands generated by the proposal beyond the site boundary.

In determining the amount of the contribution to waive, we compared Mirvac's proposal to the Works Schedule in the Contributions Plan and consider that UGDC can reasonably support a full credit for one of the two childcare facilities proposed by Mirvac. This is Item 19 – new childcare facility which has an estimated cost of \$1.2 million. This credit is based on the child care facility proposed to be located in the community building.

We also recognise that some material public benefits will flow to the broader community from direct and indirect use of Mirvac's proposal to upgrade the landscape and open space areas within ATP. In response we consider a partial off-set to the public domain component of the contribution to a maximum value of \$2m should also apply. This is equivalent to a 50% reduction in the public domain contribution that would otherwise apply to this development.

Based on a credit in full for the value of Item 19 for \$1.2 million plus a \$2 million credit for public domain upgrades to facilities that we consider can reasonably be accessed by the broader community, we formed a view that a total maximum credit of \$3.2 million should apply if the works proposed by Mirvac are undertaken.

In making this recommendation, UGDC note that some items listed in the Works Schedule of the Contributions Plan are located within a reasonable catchment of ATP. When delivered, these items will provide Mirvac, as well as other land owners and future employees of ATP, with benefit. In our view this justifies only a partial waiving of the contribution.

It is requested that the Department considers UGDC's recommendation when undertaking its assessment of the development application and EIS.

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

Yours sincerely,



**Duncan Read**  
General Manager  
UrbanGrowth NSW Development Corporation

Attached – recommended wording of conditions of consent

**Recommended wording of conditions for any consent granted for this development.**

**RWA2 Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006**

To contribute to the provision or refurbishment of affordable housing within the Redfern-Waterloo Operational Area, contributions are required in accordance with the Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006.

In accordance with Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006, the levy is 1.25% of the additional total gross floor area of the proposed development and is calculated at \$79.13 per square metre (being the rate at 1 July 2015). Between the date of determination and the date the levy is required to be paid, the levy is indexed in accordance with the Building Price Index, Sydney as published in Rawlinson's Australian Construction Handbook. This is in accordance with clause 25J(4) of the Environmental Planning and Assessment Regulation 2000 and Clause 9 of the Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006.

Pursuant to the Redfern-Waterloo Affordable Contributions Plan 2006, a contribution in the amount of **[planner to add amount based on rate above]** (current until 30 June 2016) plus indexation in accordance with the Building Price Index is to be paid via bank cheque or deposit into the Redfern-Waterloo Fund (towards the provision of affordable housing within the Redfern Waterloo area).

Proof of payment of this contribution to the UrbanGrowth NSW Development Corporation (UGDC) and calculation of any indexing, shall be provided to the Certifying Authority prior to the issue of a Construction Certificate. No deferred or periodic payments are permitted.

Email [info@ugdc.nsw.gov.au](mailto:info@ugdc.nsw.gov.au) to confirm indexed amount of the contribution, prior to preparation of a bank cheque made out to the UrbanGrowth NSW Development Corporation.

A copy of Redfern-Waterloo Affordable Housing Contributions Plan 2006 is available on the website [www.ugdc.nsw.gov.au](http://www.ugdc.nsw.gov.au).

**RWA1 Redfern-Waterloo Authority Contributions Plan 2006**

To meet the demand for additional public facilities and infrastructure generated by the development on the site, contributions will be as required based on the Redfern-Waterloo Authority Contributions Plan 2006.

The levy is to be calculated as 2% of the proposed cost of development, indexed between the date of determination and the date the levy is required to be paid in accordance with clause 25J(4) of the Environmental Planning and Assessment Regulation 2000 and clause 10 of Redfern-Waterloo Authority Contributions Plan 2006.

Pursuant to the Redfern-Waterloo Authority Contributions Plan 2006, a contribution in the amount of \$ **(planner to add amount based on maximum 2% of cost estimate verified by QS)** plus indexation between the date of approval and date of payment, in accordance with Consumer Price Index (All Groups Index) for Sydney, is to be paid via bank cheque for deposit into the Redfern-Waterloo Fund (towards the cost of one or more of the public facilities set out in the Works Schedule to that Plan).

Proof of payment of this contribution to the UGDC shall be provided to the Certifying Authority prior to the issue of a Construction Certificate (or other timing in accordance with the Contributions Plan). If the amount is not to be paid prior to Construction Certificate, written verification of this should be provided by UrbanGrowth NSW Development Corporation and provided to the Certifier. No deferred or periodic payments are permitted.

Email [info@ugdc.nsw.gov.au](mailto:info@ugdc.nsw.gov.au) to confirm indexed amount of the contribution, prior to preparation of a bank cheque made out to the UrbanGrowth NSW Development Corporation.

A copy of Redfern-Waterloo Authority Contributions Plan 2006 is available for inspection at the offices of UGDC, Suite 3220, Bay 4 Locomotive Workshop 2 Locomotive Street Eveleigh NSW 2015 or from the website [www.ugdc.nsw.gov.au](http://www.ugdc.nsw.gov.au).