

9 August 2018

Mills Oakley
ABN: 51 493 069 734

The General Manager
City of Sydney Council
GPO Box 1591
Sydney NSW 2001

Our ref: AJWS/SEVS /3317419

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Dear General Manager,

**Offer to enter into a Voluntary Planning Agreement –s7.4
44-78 Rosehill Street, Redfern**

We refer to the matter above and your recent correspondence with our client.

We are instructed that our client has lodged a site specific planning proposal (**Planning Proposal**) seeking to:

- provide a maximum permissible floor space ratio of 10.28:1 (**FSR**) ; and
- increase the maximum permissible height to 30 storeys.

Upon approval of the Planning Proposal, the Developer proposes to lodge a development application for a 30 storey mixed use (residential, commercial and retail) building comprising 312 units (**Development Application**).

As a public benefit associated with the development of the site, we are instructed to make an offer on behalf of our client to enter into a Voluntary Planning Agreement (**VPA**) to provide affordable housing.

In this regard, we are instructed by our client to make the following offer to enter into a VPA with Council on the terms set out below.

Offer to enter into a Planning Agreement

We are instructed to formally retract the offer made on 4 May 2018 and replace that offer with the following:

Redfern Rosehill Pty Ltd formally offers to enter into a Voluntary Planning Agreement with Council pursuant to section 7.4 of the *Environmental Planning and Assessment Act 1979* (NSW) (**Act**), subject to the terms set out in this letter.

1. Redfern Rosehill will transfer in perpetuity 1134m² of net saleable area (which has been derived from 1512m² of Gross Floor Area) for the purpose of Affordable Housing, at an estimated value of \$14.8m.
2. The value has been calculated by applying the formula outlined in the currently exhibited Planning Proposal "City of Sydney Affordable Housing Review".
3. Redfern Rosehill might as an alternative, and subject to future discussions, instead seek to pay Council an equivalent cash contribution to be used for affordable housing elsewhere in the Local Government Area.

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4. If the Council grants development consent for the Development Application, no further affordable housing levies or contributions will be imposed by Council other than contributions under section 7.11 (previously s94) .
5. The Planning Agreement will be lodged and registered on the title of the land under section 7.6 of the Act as soon as practicable after its execution.
6. In the event that Council requires a bank guarantee or other security (**Security**), the Security will be provided upon Council granting development consent for the Development Application. That is not to say that the applicant agrees at this time that a bank guarantee is necessary or an appropriate form of security, but on any version of events the timing of any further security (beyond registration of the VPA) will be after the grant of development consent when funding is available.
7. The Planning Agreement **would not** exclude the application of sections 7.4, 7.11, 7.12 or section 7.24 of the Act.
8. The Planning Agreement will contain mechanisms for the resolution of disputes and the enforcement of the agreement by the parties.
9. This offer is made subject to the Planning Proposal being approved on terms acceptable to Redfern Rosehill, including achieving an FSR of 10.28:1 and that Council will progress the Planning Proposal to Gateway and finalise the LEP and DCP in an expedited manner. If this FSR is not achieved, or the Planning Proposal is not otherwise approved on terms satisfactory to our client, this offer may be withdrawn by notice in writing to Council, in which case, Redfern Rosehill may elect to submit a revised offer.

We look forward to receiving your earliest response.

Yours sincerely,



 Anthony Whealy
Partner
Accredited Specialist Local Government & Planning

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