



9<sup>TH</sup> FEBRUARY 2023

General Manager  
Steven Head  
Hornsby Shire Council  
PO Box 37  
Hornsby NSW 1630

Dear Steven,

**Subject: Future Voluntary Planning Agreement  
Planning Proposal for No.7 City View Road, Pennant Hills.**

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This Letter of Offer to enter into a Voluntary Planning Agreement is submitted by EG Funds Management Pty Ltd (“EG”) to accompany a Planning Proposal for 7 City View Rd, Pennant Hills otherwise known as Lot 3 DP 732565 (‘the Site’).

This updated offer responds to Council’s correspondence dated 31<sup>st</sup> October, 2022, and further discussions held with Council on 7<sup>th</sup> February, 2022.

In summary,

- This updated offer acknowledges Council’s preference not to accept dedication of the pocket park and community space, or to enter into discussions with TfNSW Infrastructure over the civic improvements described in the original letter of offer. Instead, EG is willing to offer a monetary contribution towards the provision of such facilities, at Council’s discretion.
- We reiterate EG’s intention to nonetheless incorporate a ‘pocket park’ and communal space as part of any future development proposal and to make them available for occasional use by the general public. In our opinion, they represent a significant contribution towards public facilities and service in the area.
- The additional monetary contribution outlined in the letter of offer is therefore over and above what is required to meet the demands generated by future

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development on the Site. It is not necessary to justify the proposal, but rather, represents additional public benefit arising from the proposal.

- A feasibility analysis commissioned by EG and submitted to Council concludes that any value uplift associated with the proposal is marginal. Council's suggestion of dedicating a number of future units to a Community Housing Provider in perpetuity was assessed as putting significant strain on the viability of the project.
- However, EG remains committed to providing affordable housing comprising partial dedication and/or offering a number of dwelling units at a discounted rental for an agreed term and managed by a Community Housing Provider.

The Planning Proposal seeks to facilitate the renewal of the Site for a genuine mixed-use outcome including residential as well as non-residential uses such as commercial (office) and communal uses.

In particular, the proposal seeks to amend the Hornsby Local Environmental Plan 2013 to add an Additional Local Provision for the Site. The provision would allow for residential flat buildings, seniors housing and an increased floor space ratio, but subject to a minimum 0.5:1 FSR in commercial use.

The architectural concept submitted in support of the proposal is of an exemplary standard and seeks achievement of design excellence including its landscape design and in terms of environmental sustainability. It remains largely compliant with Council's design and development control framework, particularly with regards building height.

### **Offer to enter into a Planning Agreement**

EG formally offers to enter into a Planning Agreement with Hornsby Shire Council ("Council") pursuant to section 7.4 of the Environmental Planning and Assessment Act 1979 (NSW) (the EP&A Act) in connection with the Planning Proposal ("VPA"). This letter of offer replaces the letter of offer dated 30<sup>th</sup> November 2021.

The offer to enter into a VPA is that in circumstances where the Planning Proposal is approved and the changes to the HLEP 2013 outlined in the Planning Proposal come into effect, we are prepared to provide the following public benefits:

- a) Following the making of the Planning Proposal and subsequent re-development of the Site, a monetary contribution of up to \$500,000 is to be made to Council prior to the Occupation Certificate being issued.

The monies are made toward the provision of open space, community facilities and civic improvements within the Pennant Hills Town Centre, at Council's discretion.

In relation to civic improvements the Planning Proposal nominated a number of potential civic works including but not limited to the following:

- A pedestrian safety refuge island within Wongala Crescent to facilitate the safe pedestrian movement from the City View Road footpath or the Site to the Wongala Crescent footpath.
- Pedestrian safety fencing adjacent the Pennant Hills, City View and Trebor Road intersection, and/or along the Pennant Hills Road to the Railway Station precinct.
- Acoustic fencing at the termination of Boundary Road along the Pennant Hills Road frontage, and/or along the railway corridor near Boundary Road/Wongala Crescent.

It is noted however that the expenditure of monies towards civic improvements will be at Council's discretion.

- b) In terms of affordable housing including for key workers such as emergency service personnel, teachers, nurses and senior residents, one of the following two options is offered:
  - i) Dedication of up to 2 dwelling units (subject to apartment configuration) in perpetuity to Council or a Community Housing Provider with a further 3 to 4 units (subject to apartment

configuration) to be made available at a discounted rental for an agreed term up to 15 years.

Or

- ii) To make available 8 dwelling units at a discounted rental for an agreed term up to 15 years.

Option (i) above equates to approximately 5% of the total dwelling yield based on the indicative concept design, whilst option (ii) equates to approximately 8% rounded to the nearest whole number of units. Should the final dwelling yield at the DA stage alter to be slightly more or less than the concept design, then the number of affordable dwelling units offered should remain consistent with the aforementioned percentages for each option.

For those dwelling units to be made available at a discounted rental for an agreed term, these would remain in private ownership but their rental can be managed by a Community Housing Provider.

- c) The proponent remains committed to the provision of a 'pocket park' and communal space as part of the Site re-development as noted below:
  - Pocket Park: up to 700m<sup>2</sup> which will be publicly accessible and/or subject to an easement (or similar) ensuring public access.
  - Communal Space: Inclusion of an area of up to 500m<sup>2</sup> within the new building, which would function as communal space or 'Little Big House', operated by the not-for-profit organisation known as the Little B.I.G Foundation, for on-Site residents/workers and also made available for use by surrounding residents and community groups. This could also include a co-working space, for start-up businesses and the like at a discounted rental.

We note Council's preference is not to assume ownership nor management of the pocket park or communal space, rather the form and delivery of these items will be the proponent's responsibility.

The VPA which would give effect to this offer does not exclude the application of sections 7.11, 7.12 and 7.24 of the EP&A Act, and any regional (State) infrastructure contributions.

More complete terms of the VPA can also be discussed with Council following initial acceptance of our offer.

The final version of the VPA will contain provisions necessary to ensure that it complies with the EP&A Act, including the provision of security (if appropriate), mechanisms for dispute resolution, and enforcement of the agreement by the parties.

We formally request that this offer be taken into consideration in connection with the assessment of the Planning Proposal, and forms part of that Planning Proposal.

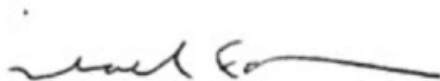
We look forward to hearing from you in response to our updated offer and welcome the opportunity to meet with Council again to discuss this offer and community benefits in greater detail.

If you have any questions or require any further information, please do not hesitate to contact either myself,

- David Workman (Divisional Director – Urban and Community Planning, EG) via email [dworkman@eq.com.au](mailto:dworkman@eq.com.au) or 0418 116 379; or
- Clare Collett (Special Counsel – Planning & Environment, Mills Oakley) via email [ccollett@millsOakley.com.au](mailto:ccollett@millsOakley.com.au) or 02 9121 9027.

Yours sincerely

**EG Funds Management**



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