

5 September 2016

SHEPHERDS BAY S75W APPLICATION

AGENDA FOR MEETING WITH DPE ON 6 SEPTEMBER 2016

PROPONENT'S RESPONSE TO RYDE COUNCIL'S SECOND SUBMISSION TO DPE

1. Stage A Building Height

Council's Response to DPE

Too tall. Out of context. Dominates the skyline and heritage bridge. Recommends adopting design competition height of 19 levels (which is in fact 20 levels) and reducing design competition podium height from 6 to 4 levels. Requests full VPA offer of \$4.13million despite reducing height by 5 levels, with VPA to reduce to "almost" \$4m if podium building reduced from 6 to 4 levels (refer Page 11 of Council report)

Holdmark's Position

Application proceeds with currently proposed 24 level height. Note that the increase in overall building height from the Design Competition scheme is only 4 levels because the supermarket has now been relocated to semi-basement level (as requested by retailer) resulting in the original double-height retail level being converted to 2 standard levels.

From a strategic planning perspective, the proposed height is acceptable given:

- There is negligible perceptible difference in height between a 20 level tower and a 24 level tower, particularly when viewed from long distances.
- The additional height enhances the scheme's slender appearance as viewed from the public domain, in particular the north and south Church Street approaches.
- The DIP has endorsed the proposed scheme, including the 24 level height and in fact it was the DIP that suggested an increased height at the Panel Jury
- The additional height increases the site's ability to provide a sense of arrival or act as a 'marker' for the Ryde LGA, as was envisaged during the Design Excellence Competition and as identified by its jury.
- The additional height does not provide any discernible difference in terms of shadow or wind related impacts.
- The additional height allows for a decreased ground footprint and corresponding increased public domain (Plaza)

- The proposal is consistent with the scale of development in Rhodes. Specifically, it would relate to existing and proposed towers at Rhodes and create further visual interest.
- The NSW Office of Environment and Heritage has not objected to the proposal. It has not raised concern in relation to potential impacts to the nearby heritage listed Ryde Bridge.

Holdmark has offered to reduce the height of the podium by 2 levels, with an associated reduced VPA offer. Improvements in terms of building height, bulk, scale and street level relationship will be far greater at the podium level rather than the tower element. A reduced podium would also lessen view impacts.

The relevant VPA offer from Holdmark to Council related to only the extra height of 4 levels added since the Design Competition as agreed with Council's General Manager on 1 March 2016 (refer meeting notes of 1 March 2016 and Holdmark letter dated 14/3/16). Any reduction in height or GFA will alter the VPA.

NOTE: It is unlikely that any building which complies with the currently approved envelope, as provided by the Concept Approval, will ever be built given the fact that the return has been estimated to be around 4 - 5%, as explained in the Design Excellence Competition Jury Report. The competition winning design is on the cusp of being viable/unviable, as stated in the previously mentioned jury report. The competition winning scheme therefore provides no capacity to offer any VPA benefits. Many public benefits are already being provided, however, as part of the high-quality design solution for the site (eg sun-drenched public plaza; roadway upgrades; street activation; improved pedestrian safety; much-needed convenience retailing within easy walking distance for thousands of residents; etc)

2. Dwelling and Parking Caps

Council's Response to DPE

Dwelling and parking caps should be retained, being a dwelling cap of 2140 and a parking cap of 2976.

Holdmark's Position

It was Council's suggestion at the meeting of 24 November 2015 (refer to previously provided minutes of meeting) to remove both the dwelling and the parking caps for Stage A as the site is distant from the bulk of the main development and the caps were always intended to avoid any traffic concerns in respect of the core development area

As has been documented in our formal response, we were of the understanding Council accepted this rationale to remove Stage A from the caps. We received no contrary advice from Council at any time.

We still contend that a dwelling cap is the wrong tool to control intensity throughout the precinct. A parking cap is the only appropriate tool, in our opinion, but it is not necessary for Stage A as it is an isolated site, far removed from the core development area. Intensity is influenced by the number of bedrooms in a dwelling, rather than the total number of dwellings. For example, dwellings can be provided with a combination of bedrooms (studio, 1, 2, 3 and 4 bedrooms).

If it is ultimately determined that a cap is to be retained, it should reflect the current proposed S75W numbers i.e. Dwellings – 2174 and parking – 3084. As can be seen, the increase from

Council's suggested cap is in fact minor. In relation to the parking cap the difference is less than the number of spaces required for the supermarket. This is a situation that Council has already acknowledged can be dealt with at the DA stage using the additional variation in car parking as being allowed under Council's DCP. We consider that if council is willing to agree to an increase in the cap at the DA stage it should be rationalised, for certainty, into the s75W.

3. Community Facility/Infrastructure

Council's Response to DPE

Holdmark has reduced the community facility from 1000m² to 500m².

Council now prefers to relocate the facility from Stage 9 to within Stage A or be paid a sum of \$3.5 million.

Holdmark's Position

The community facility's relocation to Stage 9 and its reduction in size to 500sqm was instigated by Council's letter to Holdmark on 5 August 2015 and was formally confirmed as part of the signed Deed between Council and Holdmark. This relocation has been undertaken by Holdmark at very considerable financial and time cost.

Holdmark would be very reluctant to consider another costly and time-consuming relocation of the facility. Holdmark would however be prepared to accept reducing the height of Stage 9 back to the height specified in the Concept Approval (i.e. 1 storey), as requested by Council and accept a VPA to provide a monetary contribution to Council to locate and develop a community facility at a time and location as they saw fit.

NOTE: At a meeting between Council and Holdmark on 30 August 2016, Council agreed to accept \$3.5 million in lieu of the provision of a Community Facility.

4. Road Infrastructure/Access

Council's Response to DPE

Council raises concern in relation to road and pedestrian infrastructure around the Stage A site, as well as vehicular access to/from Stage A.

Holdmark's Position

In their submissions to DPE, RMS and TfNSW have approved, in principle, the road infrastructure, pedestrian infrastructure and access arrangements for Stage A. There was considerable analysis, design and liaison between Holdmark, its consultants as well as Council/RMS/TfNSW in order to achieve this in principle agreement. Our position is that Council should adopt RMS/TfNSW's position in relation to road infrastructure and access. Any additional analysis required by the RMS/TfNSW approval is minor and can be undertaken as part of a Transport Management Plan (Refer also to separate response to RMS/TfNSW submissions).

NOTE: Council has accepted that the infrastructure matters MAY be acceptable but that they have not finalised their understanding of the position of the RMS and TfNSW. Other transport matters can be the subject of conditions of consent.

5. Affordable Housing/Community Benefit/VPAs

Council's Response to DPE

8% of dwellings within Stage 2/3 and 2% of dwellings within the proposed Stage A should be provided for affordable housing purposes.

Holdmark's Position

Holdmark has undertaken extensive negotiations with Council in relation to community benefits, affordable housing and the like for a period of 12 months. This has culminated in 3 carefully considered VPAs to council. In summary they provided for 8% of the additional dwellings in Stage 2/3 (in excess of the 17 additional dwellings agreed as part of the 8 October 2015 deed between Council and Holdmark) to be provided for the purposes of affordable housing, as well as a monetary contribution of \$4.13 million for Stage A (if the full height as proposed is adopted), or, as discussed with Council, \$2.77 million if the podium building is reduced by 2 levels. . Given the extent of analysis implemented to provide these VPAs, and the associated negotiations, Holdmark requests that these VPAs form part of any modified concept approval.

6. Proposed Stage 2/3 & 8/9 Building Modifications

Council's Response to DPE

We note Council is accepting the proposed modifications to Stage 2/3.

NOTE: The originally proposed modifications to the Stage 9 building envelope are no longer applicable due to the Council/Holdmark agreement for Holdmark to pay \$3.5 million in lieu of providing the Community Facility.

Holdmark's Position

Noted and accepted.