

Mr Alan Bright
Director Metropolitan & Regional Projects South
Department of Planning & Infrastructure
GPO Box 39
Sydney NSW 2001

Dear Alan,

Subject : Powerhouse Building at Breakfast Point

I refer to the meeting held on 12 October, 2011 in the offices of the Department of Planning in relation to the above matter.

Since the meeting which was attended by representatives from the Department of Planning, Rose Property Group and Canada Bay Council, numerous meetings have taken place between Rose and Council in an attempt to come to agreement on the amount of Community Benefit, in lieu of partial dedication of the Powerhouse Building and associated curtilage to Council.

Meetings took place between the parties in November and December, 2011 to discuss the amount of Community Benefit and a report was submitted to the Council meeting of 20 December, 2011 in relation to the matter. The report contained the latest offer from Rose Group of \$1.8mil.

Council at it's meeting of 20 December, 2011 resolved to not accept the latest offer provided by Rose Group for Community Benefit and instead refer the matter back to the Department of Planning.

At the meeting held on 12 October, 2011 in the offices of the Department, it was discussed that if the parties could not reach agreement between themselves then the matter would be referred back to the Department of Planning and an independent review would be undertaken to resolve an appropriate amount for Community benefit.

It should also be noted that the minutes from the Council meeting included 'that the State Member and Minister for Planning be requested to ensure the best outcome for the community in this matter'. A separate letter to the Minister for Planning will be forwarded shortly addressing this.

Once you are in a position to do so, please advise how you anticipate this matter will be progressed.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Kent Walton', with a stylized flourish at the end.

Kent Walton
Manager Property

10 January, 2012