



19 December 2023

Ms Manjeet Grewal
Chief Executive Officer
Sutherland Shire Council
4-20 Eton Street,
Sutherland NSW 2232

Public Benefit Offer

23 Kiora Road & 2-6 Willock Avenue, Miranda

Dear Ms Grewal,

Formus Miranda Pty Ltd and The Salvation Army (TSA) has prepared this Public Benefit Offer (PBO) to accompany a request for a planning proposal relating to land at 23 Kiora Road & 2-6 Willock Avenue, Miranda (the site). Formus and TSA has prepared this PBO with the intent to enter into a Voluntary Planning Agreement (VPA) with Sutherland Shire Council (Council) for the purposes of section 7.7(3) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The proposal relates to the four lots at 23 Kiora Road and 2-6 Willock Avenue, Miranda. The site is currently occupied by the existing Salvation Army Miranda headquarters, covering an area of 2,447m². The site is situated in the north-western corner of the Miranda strategic centre, acting as a gateway site to the centre.

The project will comprise a new holistic community centre which will allow TSA to provide greater support for more people, with an aim to reduce the duration of crises experienced by individuals and families by providing them with the support they require. Residential dwellings above the community facility will then provide diverse housing options situated in proximity to public transport, retail shops, schools, and other amenities.

This project provides a unique opportunity for the site to be transformed into a fit-for-purpose Holistic community facility that can serve the entire region. The new facilities will allow TSA to provide greater support for more people, with an aim to reduce the duration of crises experienced by individuals and families by providing them with the support they require. This facility will provide a significant benefit to the community of the Sutherland Shire, and is crucial in providing ongoing services which are unfortunately increasing in demand.

There will be direct positive employment benefits from the enhanced operations in the new Miranda Savlos service. This will primarily be the increased in employment from 5 to 25 Full Time Employees (FTEs). There will also be employment enhancements through the Salvos retail outlet, counselling rooms and a potential medical centre. Regular sessional volunteers are estimated to increase from 15 to 40-50 in the new scheme.

Due to the increasing housing supply shortage in Australia and lack of delivery and approvals, NSW is experiencing a severe housing supply and affordability crisis. The residential dwellings intend to provide diverse housing options situated in proximity to public transport, retail shops, schools, and other amenities. In effect, the residential dwellings will contribute to the overall level of housing supply, and a proportion of affordable housing dwellings will directly address the need for more affordable housing in the Sutherland Shire.

In this regard, the proposed terms of our PBO are set out in the following subsections.

Proposed land and development to which the PBO relates

This PBO applies to land identified as 23 Kiora Road and 2-6 Willock Avenue, Miranda. Specifically, the site comprises four allotments, legally identified within **Table 1**. At the time of writing, the PBO relates to a request for a planning proposal. The purpose of the request for a planning proposal is to enable the redevelopment of the site to accommodate a mixed-use offering, commensurate in scale with the site's location in the Miranda strategic centre. The planning proposal seeks to amend the *Sutherland Shire Local Environmental Plan 2015* to make the following changes:

- **Height** – Increase the maximum height of building development standard from 25m to 60m; and
- **Floor Space Ratio** – Increase the maximum Floor Space Ratio (FSR) development standard from 2:1 to 5.5:1.



Table 1 Property Title Description

Street Address	Lot No. and DP	Area (m ²)
23 Kiora Road	Lot 2 DP359422	575.4m ²
2 Willock Avenue	Lot 3 DP21777	600.7m ²
4 Willock Avenue	Lot 4 DP21777	588.1m ²
6 Willock Avenue	Lot 5 DP21777	682.9m ²
TOTAL AREA		2,447.1m²

Statutory Framework

Under the *Environmental Planning and Assessment Act 1979* (the Act), Part 7 relates to infrastructure contributions, including planning agreements made between a planning authority (Council) and a person (Formus and TSA). Section 7.4(1) of Part 7 in the Act defines a planning agreement as follows:

(1) A planning agreement is a voluntary agreement or other arrangement under this Division between a planning authority (or 2 or more planning authorities) and a person (the developer)—

(a) who has sought a change to an environmental planning instrument, or

(b) who has made, or proposes to make, a development application or application for a complying development certificate, or

the developer is required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them, to be used for or applied towards a public purpose.

(our emphasis added)

As such, Formus and TSA is able to enter into a VPA with Council for the delivery of the public benefits associated with the matters set out in the letter.

Public benefit offer terms

Formus and TSA acknowledge that there is a nexus between new development uplift and the need for infrastructure contributions to fund local public infrastructure and facilities. In this regard, the terms of this PBO will allow Formus and TSA to engage with the Council on how public benefits can be delivered through both monetary contributions and works-in-kind to better the immediate precinct environment and support any additional demands generated by the proposal.

Formus and TSA’s proposal seeks to provide the following public benefits, to be formalised via a VPA with Council:

• **Works-in-Kind**

TSA community facility:

Provision of a renewed 1,500m² TSA holistic community facility that will significantly increase the capacity of the charity’s operations within the Sutherland Shire. This space of 1,500 square metres for community use is a significant increase on the existing space of approximately 390 square metres and will substantially increase the Salvation Army’s service delivery capacity. The proposed space, together with the affordable housing provision, means that 14% of the total proposed floor area is community benefit generating space. The increased space will mean that a number of services not able to be currently provided due to space constraints can be delivered from the site. These include:

- Increased space for youth-focussed programs including programs that focus on mental health for young people.
- Increased and more efficient space for the community co-op with the potential to increase support for food for vulnerable people and families.
- The provision of space to enable specialist Domestic Violence counsellors and support services to deliver their services from the facility.
- Increased emergency relief support
- Expansion of existing programs like Re-Connect Youth and financial counselling and also bring in services to provide additional specialist counselling support.



- Creation of a new playgroup for local parents particularly families with young children experiencing social and/or economic disadvantage
 - Creation of a social enterprise function through both the Salvo's Co-Op and multi-function centre to provide employment training and support for local unemployed people
 - Introduction of a men's focussed program with an emphasis on mental health and wellbeing.
- This improvement will act as a substantial injection of investment into community infrastructure, with a total capital cost of \$5.9 million, within the locality and will assist TSA in catering for the escalating critical social needs of the Sutherland Shire. The provision of a community facility for TSA is critical to the proposal and will be a significant public benefit to the Sutherland Shire and beyond. Through numerous programs and community services, TSA makes a significant contribution to supporting communities, including the following:
- **Emergency Assistance:** TSA provides emergency assistance to individuals and families in crisis such as food, clothing and shelter.
 - **Rehabilitation Services:** TSA operates drug and alcohol rehabilitation programmes to help those struggling with addiction.
 - **Disaster Relief:** TSA responds to natural disasters and other emergencies, providing food, shelter and other forms of support to those affected.
 - **Youth Programs:** TSA provides spiritual guidance and counselling to those seeking support and guidance.
 - **Job Training:** TSA offers job training and placement services to help individuals find employment and achieve financial stability.
 - **Housing Assistance:** TSA provides housing assistance to homeless individuals and families, including transitional housing and permanent supportive housing.
- **Counselling Facilities to support:**
 - Domestic violence
 - Drug and alcohol case workers
 - Crisis housing and emergency relief services
 - Other critical social and support programmes
 - Financial relief and counselling (Doorways and Moneycare), employment assistance (Employment Plus)
 - Youth services including education, training and employment assistance.
- Public domain and footpath upgrades:
As part of the proposed development, Formus and TSA will upgrade all finishes along the Kiara Road and Willock Avenue footpaths to the satisfaction of Council. These works will be undertaken in accordance with the design codes and technical specifications set out by Council.
- **Footpath widening via easement for public access**
 - Provision of a widened footpath along Willock Avenue at the frontage of the site. This widened footpath will be secured via an easement for width and approximately two stories in height registered on the land title for unrestricted public access, but will remain in private ownership. The specific details of the footpath widening will be subject to detailed design development, which will be supported by an easement plan clearly outlining the parameters of this works in kind contribution.

- **Monetary Contributions**

- Housing and Productivity Contribution:

- A proposed offer for a monetary contribution as per the requirements of the Housing and Productivity Contribution at a rate of \$10,000 per dwelling.

- NOTE: This currently equates to a monetary contribution of approximately \$1,160,000 based on a total of 116 apartments.*

- Affordable Housing Contribution:

- A proposed contribution of affordable housing on-site to be managed by TSA for a period of at least 15 years. The affordable housing contribution is proposed at a rate of 5% of the uplift floor space above the existing 2:1 and excluding the TSA community facility (currently 1,500m²).

- NOTE: Currently, a total of 5 affordable dwellings are anticipated based on a FSR of 5.5:1.*

- **Sustainability Commitments**

- Facilitate and implement sustainability targets under the Project's CMP
 - Consistent delivery of works that meets or exceeds defined 'Key Result Areas' for the project.
 - Measure and contribute to NSW carbon emission targets through reducing construction and operation energy use and material use.
 - Embedding of sustainability requirements and innovations through all stages of the Project's asset cycle.

The value of The Salvation Army operations in the Sutherland Shire is estimated at approximately \$4 million per annum, plus the new community facility comprising a capital cost of \$5.9 million. In the context of the above commitments, in particular the delivery of the TSA community facility and the significant public benefit it will provide to the Sutherland Shire, an offset of monetary contributions required by the Sutherland Shire Section 7.11 Contributions Plan 2016 will form the basis of a future VPA. This is stipulated under Section 12 of the Sutherland Shire Section 7.11 Contributions Plan 2016 in the following terms: *"The applicant's commitment under a planning agreement may be additional to, or instead of, paying a contribution in accordance with a condition of development consent authorised by this Plan"*. The contributions to be levied under section 7.11 are calculated to be \$2,235,204 (\$19,269 per dwelling).

Formus and TSA has prepared this Public Benefit Offer to accompany a request for a planning proposal relating to land at 23 Kiara Road and 2-6 Willock Avenue, Miranda. We submit the abovementioned offers for Council's consideration, as a framework for a future Voluntary Planning Agreement to support the Planning Proposal. We trust that this offer clearly demonstrates the commitment to deliver significant public benefits and initiatives to better the immediate precinct environment, and meet the needs of the people who live and work in and in the vicinity of the site.

With the benefits of this proposal in mind, and with the desire to realise the objectives and needs of Council in delivering new housing, we are seeking to formalise this offer through a VPA that will accompany the final planning proposal for the site. We are willing and keen to meet with you and your team where possible to ensure a successful framework can be facilitated for the future realisation of a positive outcome on this site. Should you require any additional information, or should you have any queries about this matter, please do not hesitate to contact the undersigned.

Yours sincerely,



Darren Rogers
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– Strategy & Development
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Ben Fairfax
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