



ATTACHMENT B

THE LORD MAYOR OF SYDNEY
CLOVER MOORE MP

0 2 JUN 2006

The Hon Frank Sartor MP
Minister for Planning
Level 34 Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

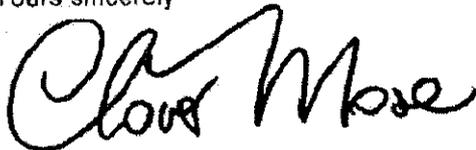
I refer to your letter faxed on 25 May 2006 concerning the CUB site, and respond to the matters you raise:

- I do not accept your claims about "inefficient processes" regarding the site. A major complicating factor has been the relatively recent legislative requirements for voluntary planning agreements. Prior to this, the LEP would have required certain provisions, such as open space, in the event that additional height was proposed.
- This is an important major site and considerable financial and other resources committed and exhaustive analysis undertaken to ensure an optimal outcome, in terms of density, preservation of heritage, community benefit and design excellence.
- In terms of developing the planning controls, the largest contributing factor to any delay was a wholly unacceptable Conservation Management Plan (CMP) for the site undertaken by the developer and subsequently the site owner. The deficiencies in the CMP were acknowledged by the State Heritage Office. The finalisation of planning controls was relatively speedy once the CMP was completed.
- Any delay in responding to an email regarding justification for certain important matters under Section 117 was considerably less than the subsequent three month delay for the issuing of a Section 65 certificate by the Department of Planning, which the City has still not received.
- The City wrote to the former Director General of Planning requesting guidance on the affordable housing provisions in the *Redfern Waterloo Act 2004* and whether the City should consider this in negotiations on the VPA. That letter is attached and is dated 18 July 2005. A response has never been received.
- There is no requirement for the draft LEP to be accompanied by a voluntary planning agreement in the submission to the Department of Planning. Furthermore, there is no requirement for the Department to authorise a Voluntary Planning Agreement (VPA) between the City and a land owner. I also note that the legislation has subsequently changed, to allow for the exhibition of a draft LEP and VPA separately. Notwithstanding this, it was the City's intention to jointly exhibit a VPA and the planning controls and we diligently worked towards this in a co-operative manner with the site owner.

- As you would expect for a site of this importance, size, complexity and construction period, there are a number of important financial and physical matters to resolve in the VPA. This is particularly the case with Fosters' insistence there be only one VPA, rather than two, with the second at DA stage as would have been preferred by the City.
- The VPA has not sought to include any provision dealing with the contribution of the affordable housing levy to the Redfern Waterloo Authority, as provided for in the Redfern Waterloo Authority Act 2004. The understanding of the parties to the VPA was that this would be agreed separately with the State Government, based on the absence of any reply to the July 2005 letter (attached) and discussion between officers of the City and the RWA.
- Design excellence is important and it is provided for. It will be achieved by requiring a Stage 1 DA after a full competition for the whole site and then a competitive process for buildings at Stage 2. This is the same requirement as for all other buildings in the City.

Finally, I note your view that FSR controls could be increased on this site. There has been extensive urban design and built form analysis conducted by both the applicant and independent advisors for the City. A key conclusion of the design jury recommendations was that an FSR of 4.4:1 for the site is too high, and particularly if it is predominantly a residential development. The conclusion of subsequent extensive urban design analysis was that 4:1 is at the extreme upper end of an acceptable FSR for the site. Even at this FSR it is not clear whether State requirements under SEPP 65 will be met. Achieving up to 4:1 is provided for in the draft controls and is contingent on design excellence in the output and process.

Yours sincerely



Clover Moore MP
Lord Mayor of Sydney