

Ms Kate Morris
Chair of Fishermans Bend Planning Review Panel
Planning Panels Victoria

20 March 2018

Fishermans Bend Expert Witness Report Follow-up Reliance Restricted

Hi Kate,

Please see below the points that we were required to address following yesterday's hearing.

- ▶ Amended version of 'Table One' to include Scenario 3 for Site 1

Site	Scenario 1	Scenario 2	Scenario 3	Change (%) (Scenario 1 - Scenario 2)	Change (%) (Scenario 1 - Scenario 3)	Change (%) (Scenario 2 - Scenario 3)
Site 1	\$7,850,734	\$7,547,198	\$3,675,000	-3.87%	-53.19%	-51.31%
Site 2	\$19,104,207	\$17,912,581	N/A	-6.24%	N/A	N/A
Site 3	\$34,592,377	\$31,885,949	N/A	-7.82%	N/A	N/A
Site 4	\$39,988,604	\$36,057,510	N/A	-9.83%	N/A	N/A

- ▶ I have confirmed the below - Clarification of roles and who is providing the instructions:
 - **The Minister for Planning** has appointed an advisory committee, the "**Fishermans Bend Planning Review Panel**" (the **Panel**);
 - **Harwood and Andrews** represents the **Minister for Planning**. We are called upon in full to provide evidence on behalf of the **Minister for Planning**;
 - We have a paramount duty to the **Panel** and not to the party retaining the expert;
 - We have an overriding duty to assist the **Panel**;
 - The **Panel** are able to rely on our Report.
- ▶ Metropolitan Planning Levies:
 - *What metropolitan levies were taking into account?*
You must pay a levy on certain planning permit applications to accommodate Melbourne's rapid growth, it's used to fund "Plan Melbourne". <https://www.sro.vic.gov.au/metropolitan-planning-levy/> The MPL is \$1.30 for every \$1000 of the estimated cost of the development. We did not ascribe a separate cost items rather consider it to be reflected as **a portion of the planning cost within the model**. Not considered to be material i.e. for a \$30 million dollar construction cost the levy amount would equate to circa \$39k.
 - *Where were these sourced from?*
SRO website (as above).

► Contamination Allowance:

- What allowance was made for contamination in the model?
\$50 per sqm of site area, assumed similar ground conditions to docklands (assuming low risk to human health). Equates to \$30/m³ of soil disposed off-site to landfill and \$20/m² for any commercial / residential areas on the ground floor.
- Why?
This is how the market would likely approach it when costing without the benefit of detailed environmental advice given the historic use of the land in the area, we took a worst case scenario assuming commercial / residential ground floors uses.
- Where was this amount sourced from?
Relied upon email advice from our in-house Climate Change and Sustainability Services Team.

Please do not hesitate to contact me, should any of the above not be clear.

Yours sincerely



Luke Mackintosh
Partner