



SUBURBAN
RAIL LOOP
EAST

Suburban Rail Loop East

Voluntary Public Benefit Uplift Framework

An aerial photograph of a modern urban development. In the background, a large building with a facade of vertical wooden slats stands prominently. To its right, a taller building with a grid-like facade is visible. The foreground shows a wide pedestrian walkway with people walking, a crosswalk, and some greenery. A road with a dashed white line runs along the bottom right. The entire image is overlaid with a semi-transparent green filter.

Acknowledgement of Country

Suburban Rail Loop Authority acknowledges the Traditional Owners of the land, sky and waters across Victoria and pays respect to their Elders past and present. We proudly recognise the strength and enduring connection to Country as the world's longest living culture and the profound wisdom, resilience, and contributions of First Peoples and their communities. We are committed to the ongoing journey of reconciliation by embedding self-determined Aboriginal ways of knowing and doing across the lifespan of the Suburban Rail Loop project.

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Voluntary Public Benefit Uplift Framework

1.0 Introduction

This Voluntary Public Benefit Uplift Framework (**Uplift Framework**) supports the Suburban Rail Loop (SRL) East Structure Plan Areas. It applies to defined areas of land where there is an opportunity for a development uplift to be allowed by the responsible authority where an eligible public benefit is delivered. The Uplift Framework operates on a **voluntary** basis and public benefits provided under the Uplift Framework are calculated over and above any requirements in the relevant planning scheme set out in clause 45.01 (Public Acquisition Overlay), clause 45.09 (Parking Overlay), clause 45.10 (Infrastructure Contributions Plan Overlay), clause 45.11 (Infrastructure Contributions Overlay) or clause 53.01 (Public open space contribution and subdivision).

The Uplift Framework should be read in conjunction with the **Precinct Zone** and the relevant schedules to Clause 37.10 within the Kingston, Bayside, Monash and Whitehorse Planning Schemes, which include provisions relevant to operation of the Uplift Framework. The Precinct Zone provides that a schedule may specify a limit or standard that can only be exceeded if a public benefit is provided. This Uplift Framework sets out the methodology for calculating the Floor Area Uplift (FAU) that may be allowed by the responsible authority in exchange for the provision of an eligible public benefit in the relevant area.

Development proposals seeking to secure FAU will be subject to assessment against a range of requirements and decision guidelines in the relevant schedule to the Precinct Zone to ensure the objectives of the relevant Structure Plan are met and the proposal achieves acceptable built form and amenity outcomes.

Maps 1-6 of this document identify the locations in each Structure Plan Area where this Uplift Framework applies, and the categories of public benefit that are eligible in each area.

This document is to be reviewed by the Suburban Rail Loop Authority every five years, or as directed by the Minister for Planning, to aid its effectiveness in supporting the Suburban Rail Loop East Structure Plan Areas.





2.0 Purpose

The SRL East Structure Plans (Structure Plans) identify a range of objectives and outcomes that are desired to support urban renewal and intensification in the SRL East Structure Plan Areas, from new urban links and connections to the provision of affordable housing.

The purpose of the Uplift Framework is to incentivise the delivery of public benefits that are aligned with the long-term objectives and desired outcomes of the Structure Plans, through private sector development.

This Uplift Framework:-

- identifies the locations across the Structure Plan Areas where the Uplift Framework applies;
- defines the categories and scope of **eligible public benefits** that can be provided to secure FAU;
- identifies the location where each category of public benefit can be pursued;
- explains **how to calculate the FAU** for each category of public benefit, and
- confirms operational matters to support the implementation of the Uplift Framework.

Image: Artist impression of Cheltenham. Source: SRLA

Voluntary Public Benefit Uplift Framework

3.0 Key definitions

Throughout this document, the following definitions apply:

Affordable Housing: the same meaning as set out in the *Planning and Environment Act 1987*, being housing, including social housing, that is appropriate for the housing needs of very low-income households, low income households and/ or moderate income households.

Baseline FAR: The mandatory maximum FAR that applies in the relevant schedule to the Precinct Zone unless a public benefit is provided.

Discount Rate: The discount applied to calculate the discounted GFA value. The discount rate is 50 per cent.

Embellishment costs: costs directly associated with delivering the Public Benefit such as administrative costs and necessary works (e.g. fencing, surfacing and landscaping).

Floor Area Ratio (FAR): The gross floor area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies, divided by the area of the site. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0 metres if no adjacent floor.

Floor Area Uplift (FAU): The additional Gross Floor Area that is permitted to be developed above the mandatory maximum FAR that applies to the land. The FAU must be calculated in accordance with the relevant methodology in this Uplift Framework.

Gross Floor Area (GFA): The total floor area of a building measured from the outside of external walls or the centre of party walls and includes all roofed areas.

Market Value: the same meaning as defined by the International Valuation Standards Council, being “(t)he estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Net Saleable Area (NSA): The saleable area of the completed development excluding balcony areas. For residential and strategic land uses, NSA is 80 per cent of the GFA.

Public Benefit: A benefit(s) which meet the descriptions in the **eligible public benefit** categories set out in Section 5.0 and within the areas designated in Maps 1-6. Note that the Uplift Framework does not provide for consideration of benefits outside the defined eligible public benefit categories. Public benefits which are not owned and managed by a public authority or not-for-profit entity must demonstrate that they will continue to meet the definition.

Strategic Land Use: The Strategic Land Uses and where they are eligible as a public benefit are identified on Maps 1-6.

4.0 Where does the Uplift Framework apply?

The Uplift Framework applies to defined areas of land in the SRL East Structure Plan Areas that have been identified for significant growth or the delivery of prioritised land use/development outcomes, including public realm improvements and through links, affordable housing, commercial office uses and health/medical floor space. Some specific locations where the Uplift Framework applies are:

- **Strategic Sites** identified in the SRL East Structure Plans which have increased potential to realise the desired jobs, affordable housing and public realm outcomes by virtue of their scale, location or other characteristics.
- Land identified in the Structure Plans for **prioritisation of commercial office uses**, generally located around the Station Development Areas and commercial core. These commercial priority areas are identified on the *Boosting the Economy* plans in the Structure Plans.
- Land identified in the Structure Plans for **significant and high housing growth**, and some areas identified for **moderate housing growth** (where higher densities are envisaged), which are well located for the provision of affordable housing. The Structure Plans also seek to encourage the delivery of through links, open space and public realm improvement throughout these areas.
- Land identified in the Structure Plans for **prioritisation of health/medical uses**, generally located around major hospital campuses at Monash Medical Centre and Box Hill Hospital. These health priority areas are identified on the *Boosting the Economy* plans in the Structure Plans.
- Land within the proposed **Monash Central and Surrounds area**, where the delivery of new street links and pedestrian/cycle connections are needed to open up access to the new SRL station and deliver improved precinct permeability.




Refer to Maps 1-6 which show locations where the Uplift Framework applies in each Structure Plan area.

Image: Artist image of public realm improvements SRL East Precincts.
Source: SRLA



Voluntary Public Benefit Uplift Framework

5.0 Eligible categories of public benefit

Eligible public benefit categories	Required scope of contribution	Valuation inputs
Category 1: Public Realm Improvements 	<p>Contribution in the form of land and / or works towards the improvement of public realm amenity in the relevant Structure Plan Area. This is typically delivered within a development site but may be provided on surrounding land. Must comprise one or more of the following:</p> <ol style="list-style-type: none"> Provision of a through site link or shared path link generally in accordance with the relevant Structure Plan. The link must be provided within a development site, with a minimum width of at least 6m; Provision of an enlarged built form setback or land to provide for a widened footpath, public realm improvement, or contribution to a new local street connection; Provision of new public open space or plaza (must be additional to any public open space contribution required to be provided under clause 53.01 of the planning scheme) <p>The area of public realm must either be transferred to the local council or relevant public authority, or if retained in private ownership, a legal encumbrance is required to provide unrestricted public access and an appropriate maintenance regime.</p>	<ul style="list-style-type: none"> Contemporary sale of the subject property (within 12 months) If a sale is not available within this time period, an independent market valuation (within 3 months) of the land must be relied upon.
Category 2: Affordable Housing 	<p>The provision of affordable housing which is:</p> <ul style="list-style-type: none"> Secured at a 30% discount to market, and Transferred to a Registered Housing Agency or Rental Housing Agency, or Managed by an Affordable Housing trust, or Transferred to another body established and recognised under the <i>Housing Act 1983</i>, or Any other model that provides for affordable housing, subject to the approval of the responsible authority 	<ul style="list-style-type: none"> As per Category 1 plus: Independent valuation of contemporary residential value rates on a Net Saleable Area basis.
Category 3: Strategic Land Use 	<p>Delivery of prioritised land uses in key locations, where they are desirable for strategic reasons but may be at a comparative market disadvantage for delivery. An agreement under s. 173 of the <i>Planning and Environment Act 1987</i> (s. 173 Agreement) must be entered into requiring that the use is maintained on the site for a minimum 10 year period. This category of public benefit is only available in specific locations in accordance with Maps 1-6.</p>	<ul style="list-style-type: none"> As per Category 1 plus: Independent valuation of contemporary residential and strategic use values rates on a Net Saleable Area and Net Lettable Area basis, respectively.

6.0 Where can each category of public benefit be delivered?

The locations where each category of public benefit can be delivered have been informed by the objectives and outcomes of the Structure Plans.

Public Benefit **Category 1** (Public Realm Improvements) and **Category 2** (Affordable Housing) apply across areas in the Structure Plans designated for significant and high housing growth, as well as around the Station Development Areas and commercial core areas.

Category 3 (Strategic Land Uses) (commercial office or health/medical uses) are encouraged in defined Employment Priority locations.

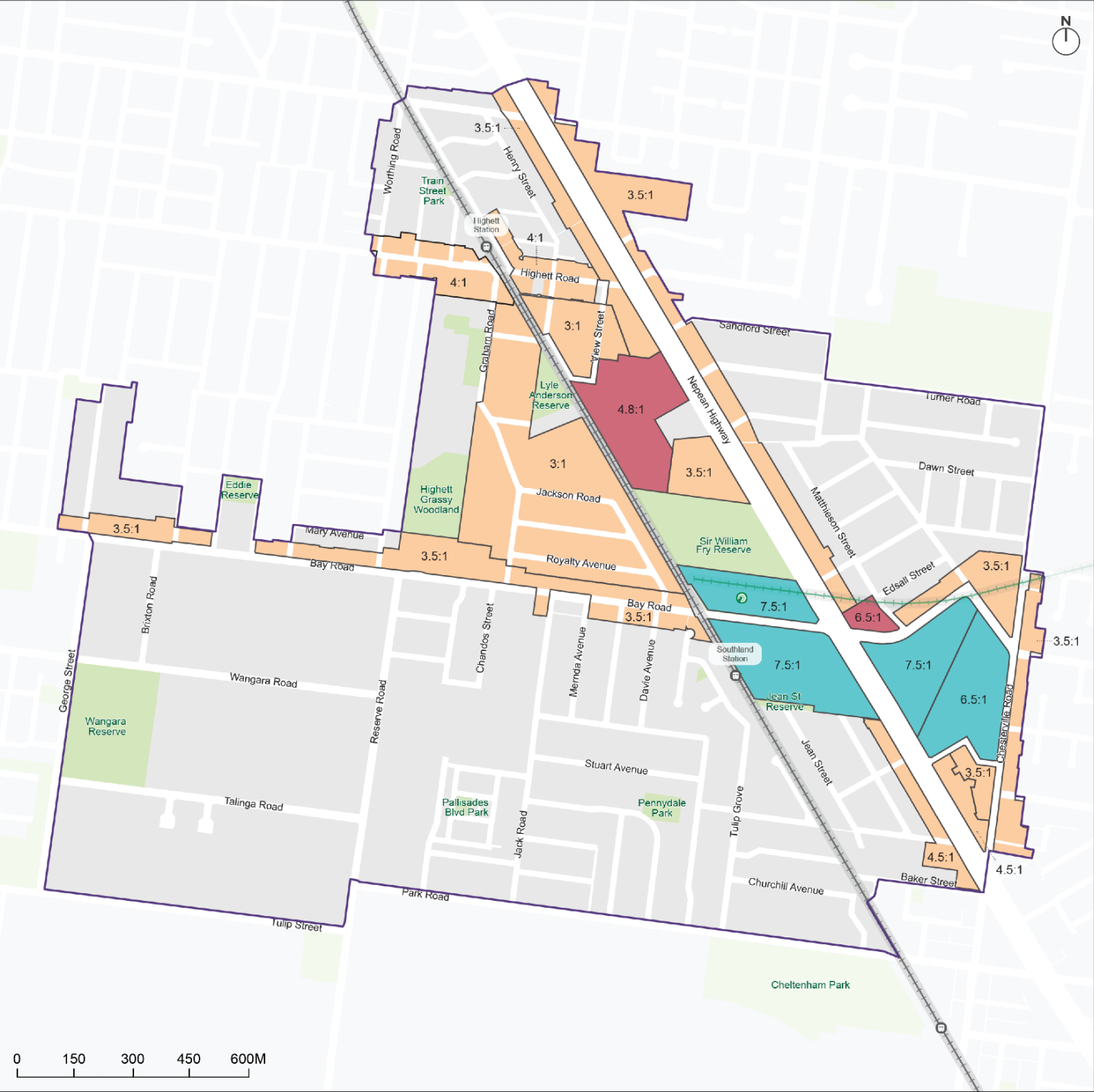
Maps 1-6 on the following pages identify where the Uplift Framework applies across the Structure Plan Areas, and where each category of public benefit can be pursued. The public benefit categories can only be provided in specific locations in accordance with Maps 1-6.

The Uplift Framework allows multiple categories of public benefit to be delivered in some areas identified for most significant change (e.g. the core parts of the Structure Plan Areas). In practice, this means that if more than one eligible category of public benefit is delivered, the relevant FAU for each category would be calculated and aggregated to determine the total FAU that can be credited.

In most areas outside of the core parts of the Structure Plan Areas, the Uplift Framework allows only one category of public benefit to be delivered.

Voluntary Public Benefit Uplift Framework

Map 1 Cheltenham Structure Plan

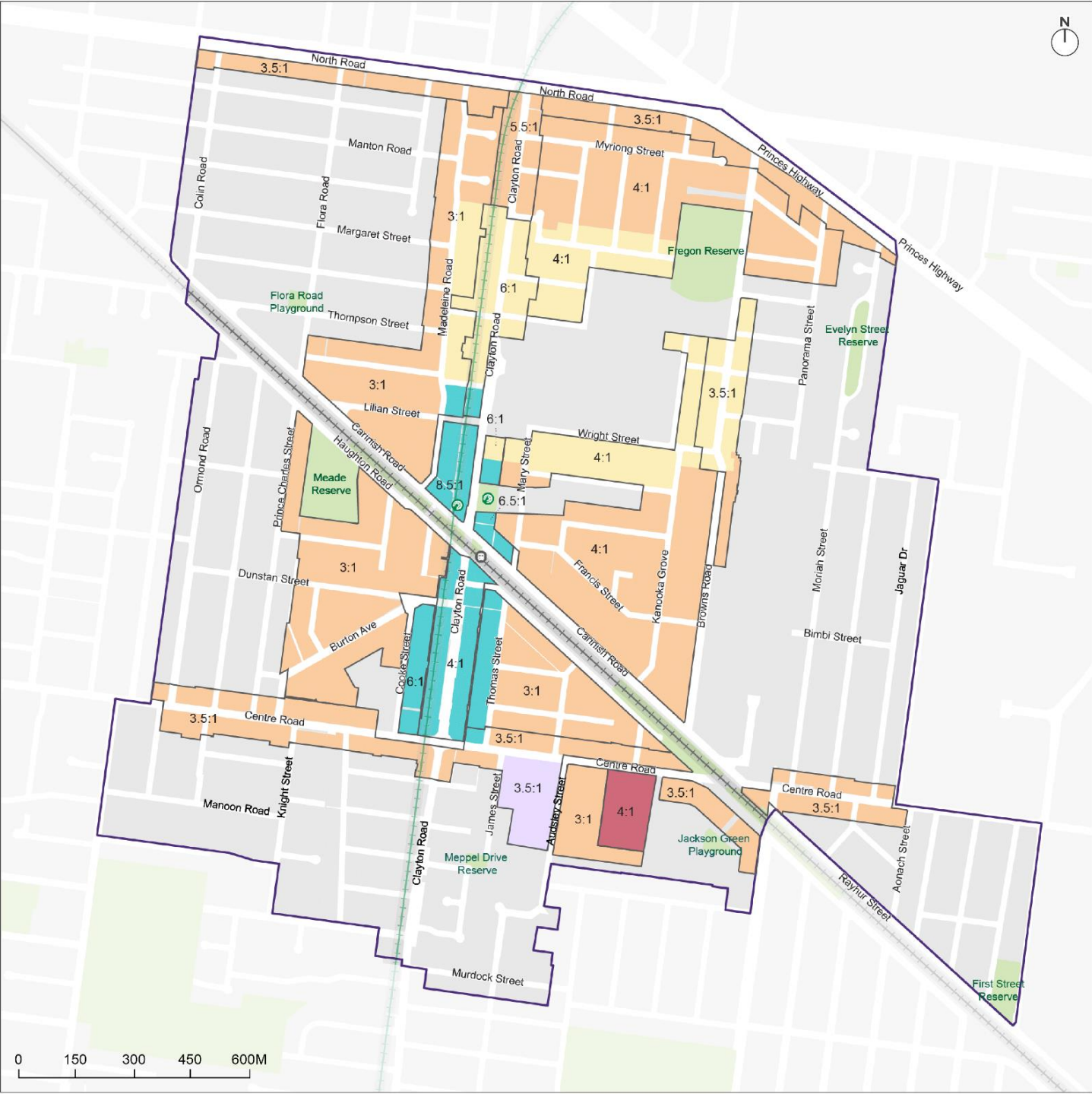


- SRL station access point
 SRL East alignment
 Existing station
 Existing railway line
 Structure Plan Area boundary
 Existing open space
- All 3 categories apply
 Categories 1 and/or 2
 Category 1 or 2
 Mandatory Floor Area Ratio (FAR)

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office)

Voluntary Public Benefit Uplift Framework

Map 2 Clayton Structure Plan

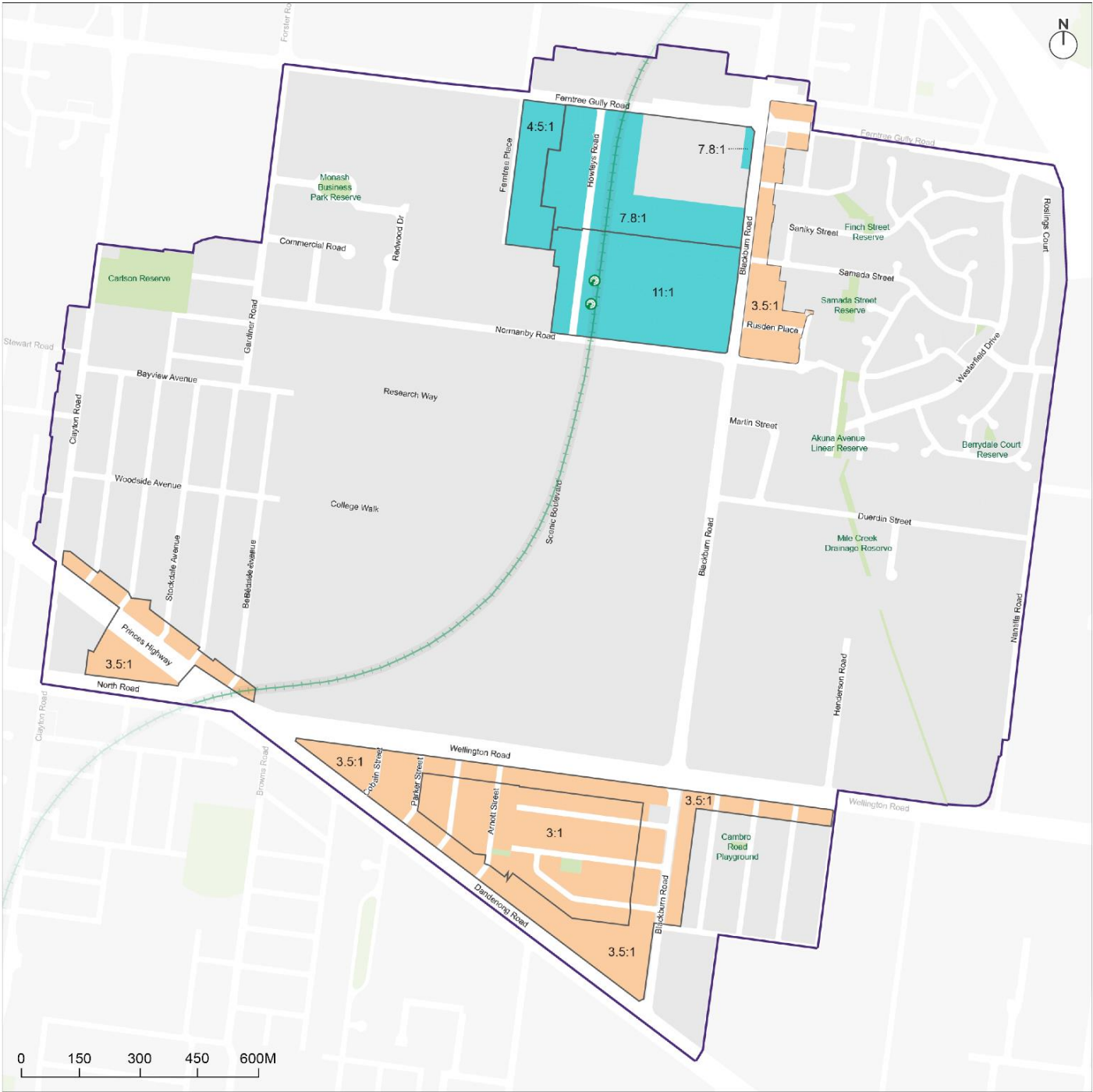


- SRL station access point
 SRL East alignment
 Existing station
 Existing railway line
 Structure Plan Area boundary
 Existing open space
- All 3 categories apply
 Categories 1 and/or 2
 Category 1 or 2
 Category 3 (office uses) only
 Category 3 (health uses) only
 Mandatory Floor Area Ratio (FAR)

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office OR health/medical uses)

Voluntary Public Benefit Uplift Framework

Map 3 Monash Structure Plan

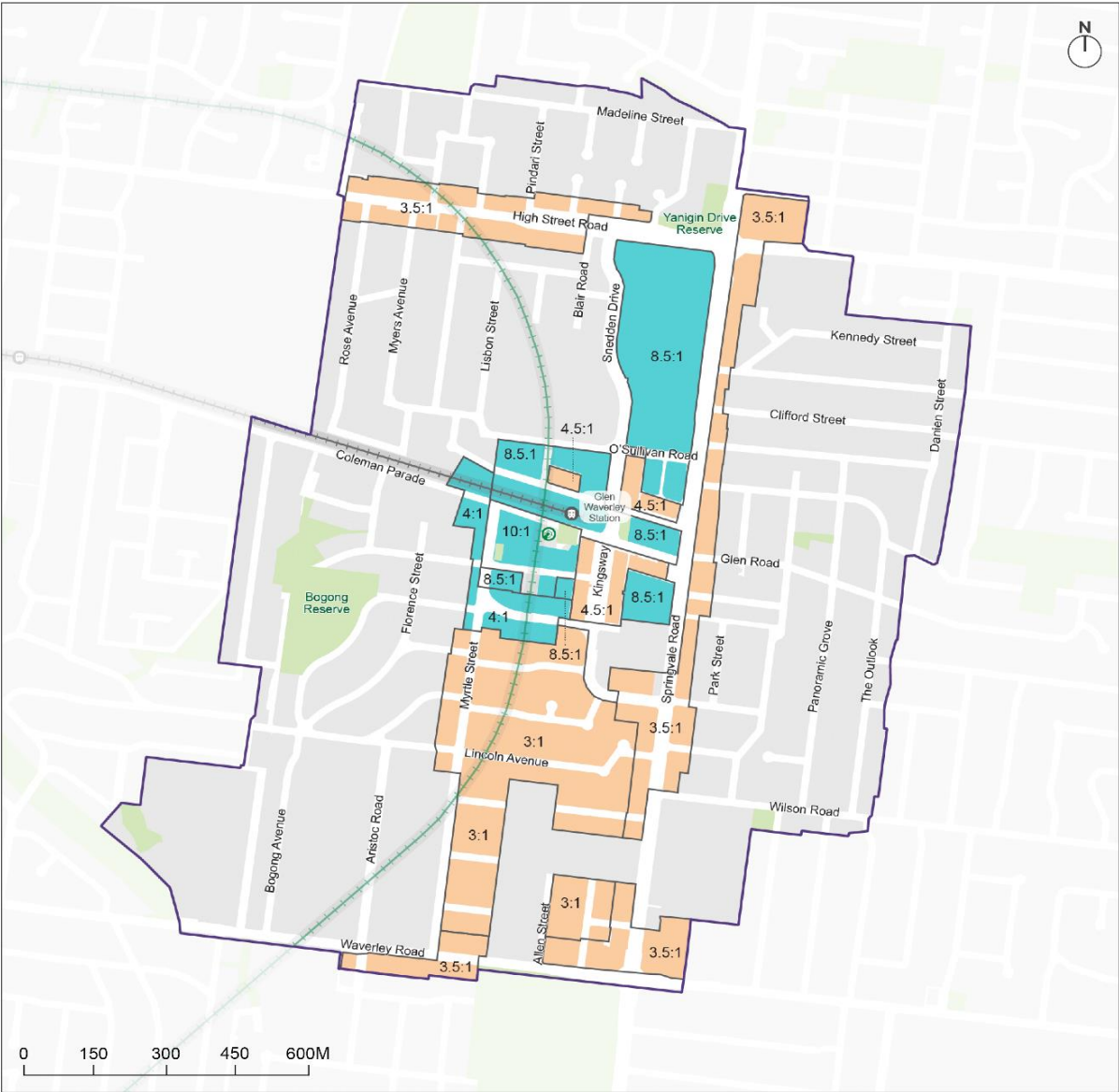


- SRL station access point
 SRL East alignment
 Structure Plan Area boundary
 Existing open space
- All 3 categories apply
Note: Priority – Category 1 (Public Realm improvements)
 Category 1 or 2
 Mandatory Floor Area Ratio (FAR)

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office)

Voluntary Public Benefit Uplift Framework

Map 4 Glen Waverley Structure Plan

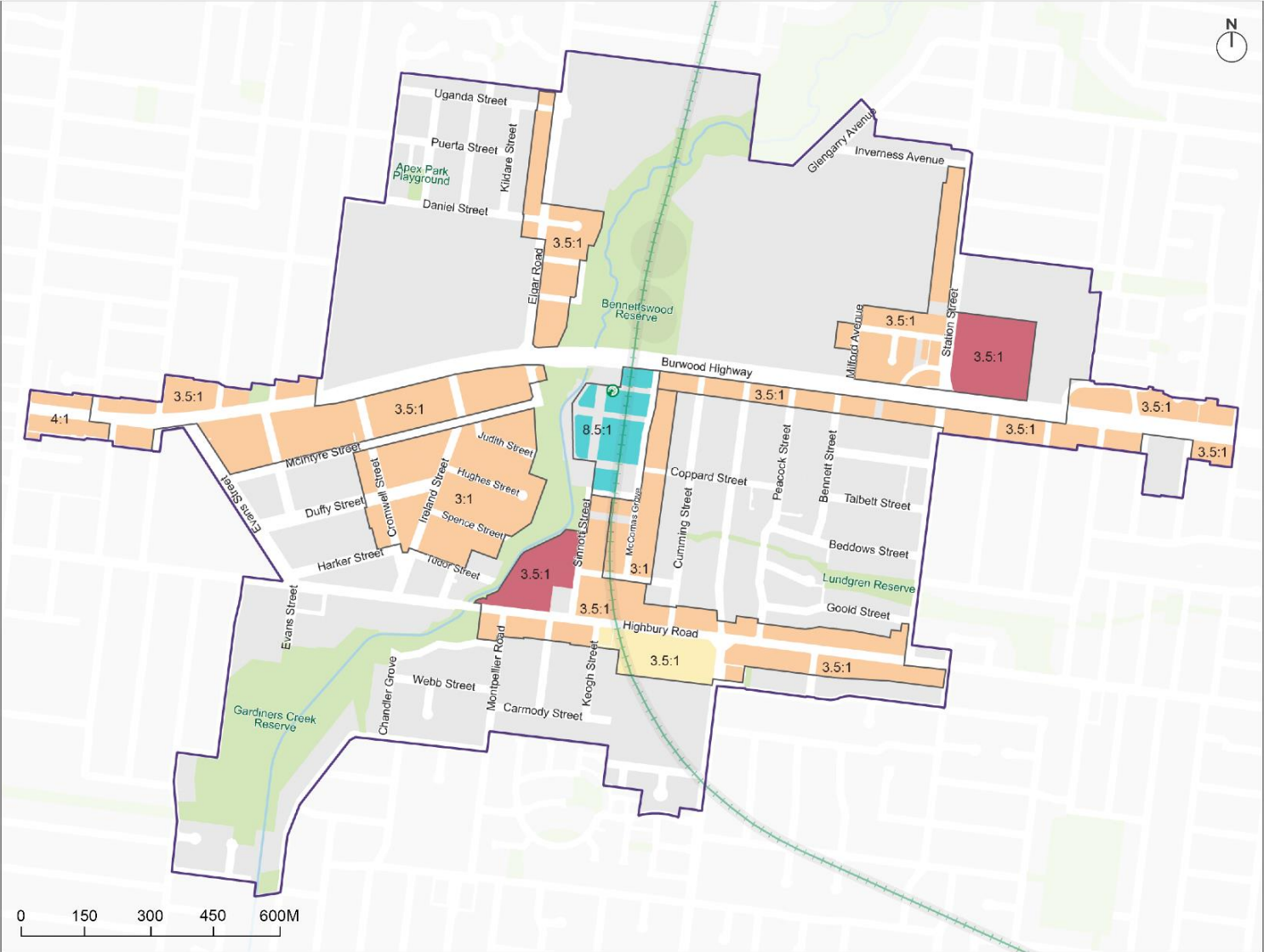


- SRL station access point
 SRL East alignment
 Existing station
 Existing railway line
 Structure Plan Area boundary
 Existing open space
- All 3 categories apply
 Category 1 or 2
 3.5:1 Mandatory Floor Area Ratio (FAR)

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office)

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Map 5 Burwood Structure Plan

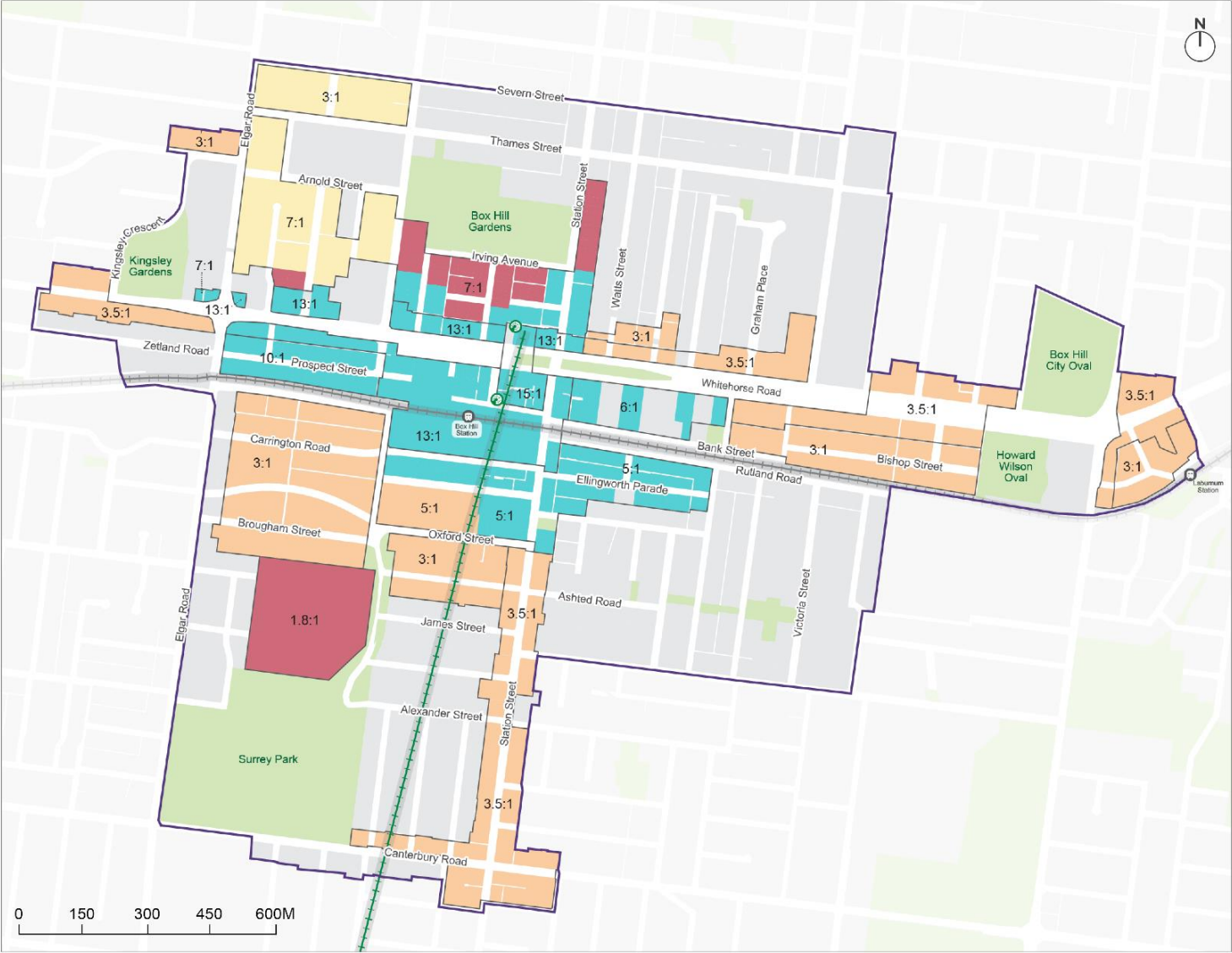


- SRL station access point
 SRL East alignment
 Structure Plan Area boundary
 Existing open space
- All 3 categories apply
 Categories 1 and/or 2
 Category 1 or 2
 Category 3 (office uses) only
 3.5:1 Mandatory Floor Area Ratio (FAR)

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office)

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Map 6 Box Hill Structure Plan



- SRL station access point
 All 3 categories apply
- SRL East alignment
 Categories 1 and/or 2
- Existing station
 Category 1 or 2
- Existing railway line
 Category 3 (health uses) only
- Structure Plan Area boundary
 Mandatory Floor Area Ratio (FAR)
- Existing open space

Public Benefit Categories	
Category 1	Public Realm improvements
Category 2	Affordable Housing
Category 3	Strategic Land Use (commercial office OR health/medical uses)

Voluntary Public Benefit Uplift Framework

7.0 Determining and securing the benefit

The following requirements apply:

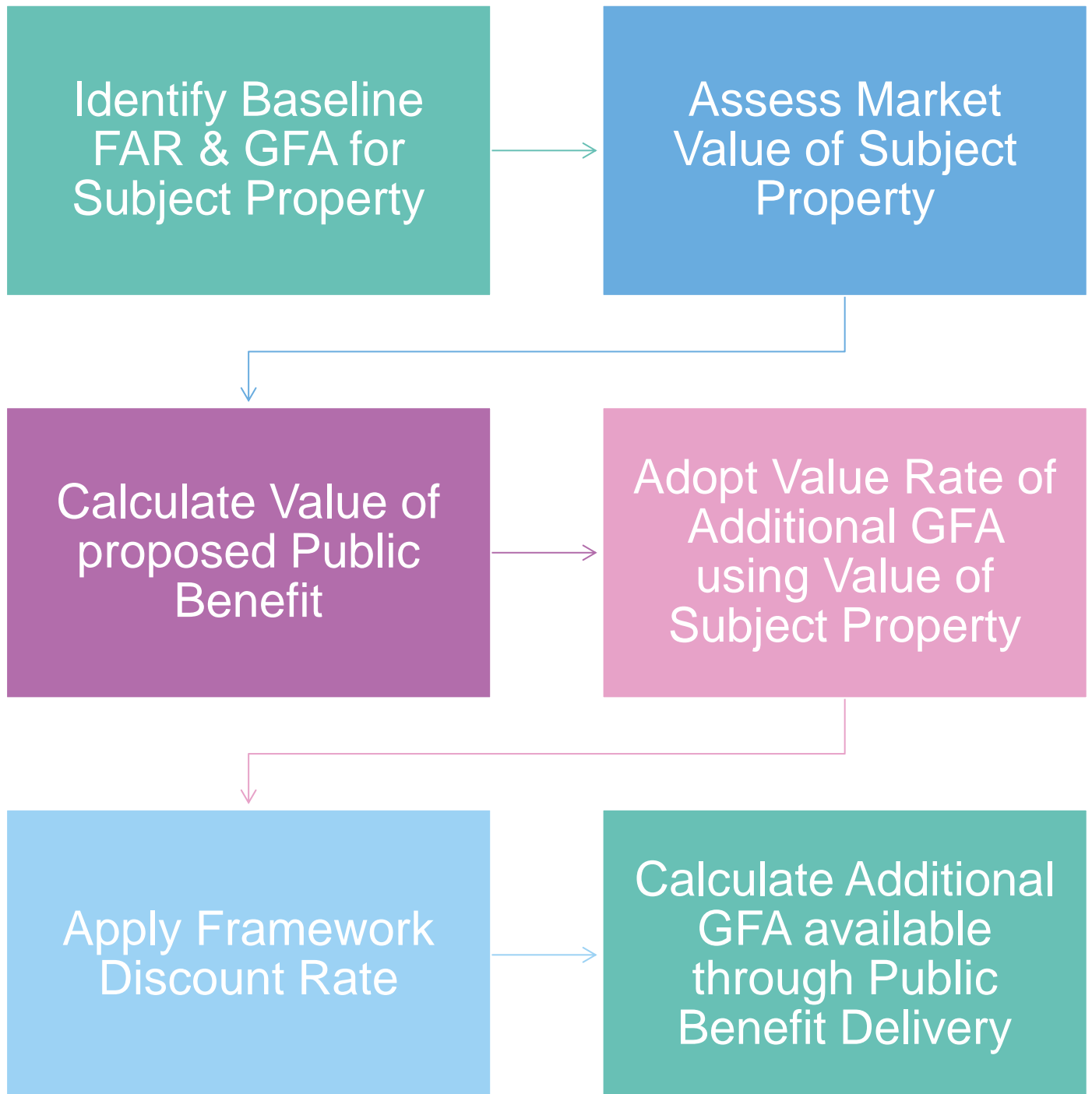
- The agreement to a public benefit is at the discretion of the responsible authority.
- The categories of public benefit shown on maps 1-6 are the only categories of public benefit that can be pursued through the Uplift Framework. There is no discretion for the responsible authority to accept alternative categories of public benefit or public benefits that are not in accordance with Maps 1-6.
- The public benefit must address the required 'scope of the contribution' described in relation to each category set out in Section 5.0 of the Uplift Framework.
- The Uplift Framework allows multiple categories of public benefit to be pursued in areas identified for most significant change, generally the core parts of the Structure Plan Areas. Where more than one category of public benefit is provided on a site, the applicable FAU can be aggregated.
- There is no discretion for the responsible authority to accept cash in lieu or monetary contributions for any of the nominated categories of public benefit.
- There is no discretion to alter any aspect of the calculation methodology⁷ set out in this Uplift Framework. This Uplift Framework and the calculation methodology may be subject to periodic review by the Suburban Rail Loop Authority or as directed by the Minister for Planning.
- In relation to Category 1 benefits (Public Realm improvements):-
 - there is discretion for the responsible authority to accept works on land external to the site as a public benefit (subject to the agreement of the relevant land owner / manager).
 - there is discretion for the land that is the subject of the public realm improvements to be retained in private ownership, subject to a s. 173 Agreement being entered into with the responsible authority to provide for ongoing public access, maintenance, public liability considerations, etc.
- In relation to Category 2 benefits (affordable housing), the affordable housing must be secured via a s.173 Agreement registered on title.
- In relation to Category 3 benefits (strategic land use), a s.173 Agreement, registered on title, is required to secure the operation of that use on the land for a minimum 10 year period.



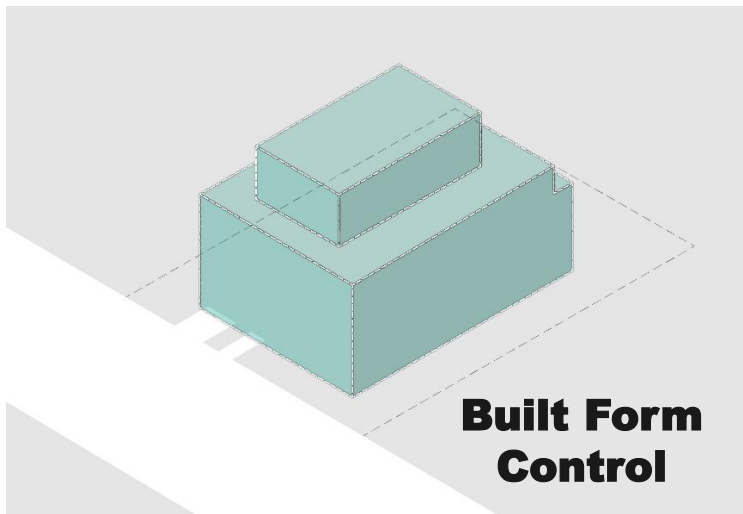
Voluntary Public Benefit Uplift Framework

8.0 How to calculate Floor Area Uplift

The diagram below illustrates in simple terms the sequence of steps that underpin the FAU calculation methodology.

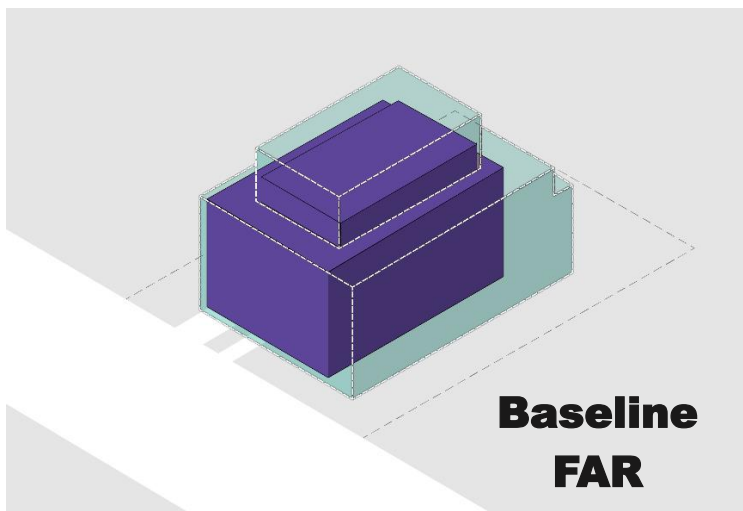
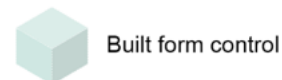


9.0 Baseline FAR and Uplift FAR



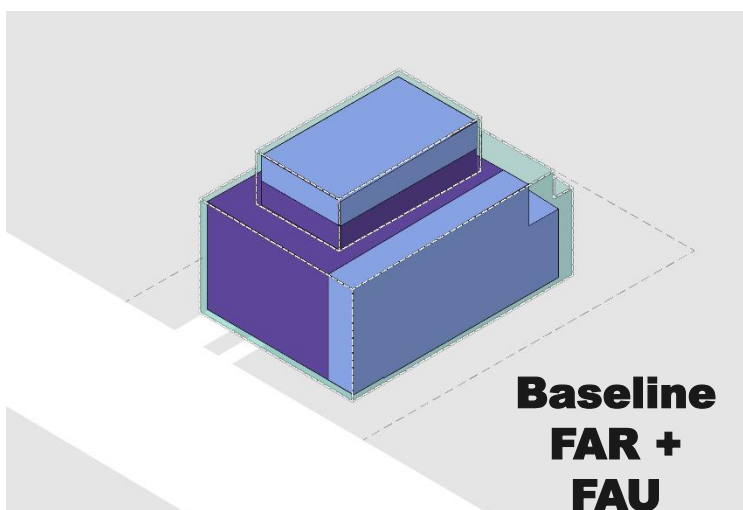
The diagrams on the left show:-

1. The discretionary building envelope that is created by the setback and height controls in the Precinct Zone and Built Form Overlay (represented in green as the **built form control**).



2. The **Baseline FAR** is the mandatory maximum FAR that can be achieved unless an eligible public benefit is provided (represented in purple). The Baseline FAR typically sits below the built form envelope, to maintain flexibility around how floor area is shaped within the allowable envelope, and to enhance potential for a site responsive design.

For most of the nominated master plan sites, the baseline FAR has been more closely aligned to the adopted heights in the Structure Plan. These sites will be subject to detailed master planning which requires greater flexibility for bespoke and innovative design.



3. The **Floor Area Uplift** is the extra floor area above the Baseline FAR that is generated by the value of the public benefit provided (represented in blue).



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10.0 Methodology – Public Realm improvements

The methodology to assess the Public Benefit Value for the delivery of Public Realm improvements is demonstrated in the following worked example. The key inputs comprise the contemporary valuation of the site as well as embellishment costs. The total value of these items is then used to obtain additional Gross Floor Area at a specified discounted rate. Valuation inputs utilised as the basis for the uplift calculations are to be to the satisfaction of the Responsible Authority.

Stage	Methodology	Calculations								
1	Identify the baseline Floor Area Ratio (FAR) applicable to the subject site by reference to the relevant Map to calculate the baseline Gross Floor Area (GFA)	<p>The map identifies the property within an area designated as a 3:1 Floor Area Ratio with a site area of 1,000m².</p> <p>Using these two values, calculate the Baseline GFA (Land Area x Floor Area Ratio): 1,000m² x 3 = 3,000m²</p>								
2	<p>Determine the Market Value of the Site and corresponding value rates:</p> <ul style="list-style-type: none">- Arm's length sale within the last 12 months (\$1,500,000 in example); or- If a sale within 12 months has not occurred, an independent Valuation in last 3 months	<p>Adopt example sale price of \$1,500,000. The sale price, based on the land area and GFA shows the following site metrics:</p> <p>Land Value Rate - \$1,500/m² (Sale Price {\$1,500,000} ÷ Land Area {1,000m²})</p> <p>Gross Floor Area Rate - \$500/m² (Sale Price {\$1,500,000} ÷ Total Baseline GFA {3,000m²})</p>								
3	<p>Determine the components and value rates to assess the Public Benefit Value - Public Realm Improvements</p> <p>In this example, 100m² of laneway plus embellishment works including any additional fencing, surfacing and landscaping directly related to the component of land set aside is identified as Public Benefit.</p>	<p>In this instance, a laneway area of 100m² is proposed with a further \$40,000 in Embellishment Costs.</p> <p>The Public Benefit Value comprises the sum of:</p> <p>The total value of the land (100m²) based on the land value rate in the Step 2; plus</p> <p>Embellishment costs (\$40,000 example) related to the provision of Public Realm.</p>								
4	<p>Calculate the Value of the land set aside for Public Realm by reference to Land Value Rate in Step 2.</p> <p>Add Embellishment Costs.</p>	<p>100m² x \$1,500/m² = \$150,000</p> <p>Plus Embellishment Costs = \$40,000</p> <p>Total Public Benefit Value = \$190,000.</p>								
5	<p>Using the Public Benefit Value, assess the Additional Gross Floor Area available by reference to the Gross Floor Area Rate – See Step 2</p> <p>Apply Framework Discount Rate.</p>	<table><tr><th colspan="2">Public Realm</th></tr><tr><td>Market Value of GFA</td><td>\$500/m²</td></tr><tr><td>Discount</td><td>50%</td></tr><tr><td>Discounted GFA Value</td><td>\$250/m²</td></tr></table>	Public Realm		Market Value of GFA	\$500/m ²	Discount	50%	Discounted GFA Value	\$250/m²
Public Realm										
Market Value of GFA	\$500/m ²									
Discount	50%									
Discounted GFA Value	\$250/m²									
6	Utilise the Public Benefit Value (Step 4) to calculate the additional Gross Floor Area available using the discounted rate (Step 5).	<table><tr><th colspan="2">Public Realm</th></tr><tr><td>Public Benefit Value</td><td>\$190,000</td></tr><tr><td>Discount GFA Value</td><td>\$250/m²</td></tr><tr><td>Additional GFA</td><td>760m²</td></tr></table>	Public Realm		Public Benefit Value	\$190,000	Discount GFA Value	\$250/m ²	Additional GFA	760m²
Public Realm										
Public Benefit Value	\$190,000									
Discount GFA Value	\$250/m ²									
Additional GFA	760m²									

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11.0 Methodology – Strategic Land Use (Office/Medical)

The methodology to assess the Public Benefit Value for a Strategic Land Use is demonstrated in the following worked example. The key inputs comprise the contemporary valuation of the site and the assessment of foregone revenue. The foregone revenue forms the basis of Public Benefit and is used to obtain additional Gross Floor Area at the framework discounted rate. Valuation inputs utilised as the basis for the uplift calculations are to be to the satisfaction of the Responsible Authority.

Stage	Methodology	Calculations								
1	Identify the baseline Floor Area Ratio (FAR) applicable to the subject site by reference to the relevant Map to calculate the baseline Gross Floor Area (GFA)	<p>The map identifies the property within an area designated as a 3:1 Floor Area Ratio with a site area of 1,000m².</p> <p>Using these two values, calculate the baseline GFA (Land Area x Floor Area Ratio): 1,000m² x 3 = 3,000m²</p>								
2	<p>Determine the Market Value of the Site and corresponding value rates:</p> <ul style="list-style-type: none">- Arm's length sale within the last 12 months (\$1,500,000 in example); or- If a sale within 12 months has not occurred, an independent Valuation in last 3 months	<p>Adopt example sale price of \$1,500,000. The sale price, based on the land area and GFA shows the following site metrics:</p> <p>Land Value Rate - \$1,500/m² (Sale Price {\$1,500,000} ÷ Land Area {1,000m²})</p> <p>Gross Floor Area Rate - \$500/m² (Sale Price {\$1,500,000} ÷ Total Baseline GFA {3,000m²})</p>								
3	<p>Determine the components and value rates to assess the Public Benefit Value – Strategic Land Use (Office/Medical).</p> <p>Add Administrative costs associated with establishing the restricted use – 10 years for all strategic land uses to be reasonably agreed with the Responsible Authority.</p>	<p>In this instance, 100m² of Net Lettable Area (NLA) dedicated as a strategic office/medical use.</p> <p>The Public Benefit Value comprises the sum of:</p> <ul style="list-style-type: none">• The difference in value of the proposed strategic land use and the alternate highest and best use (for example, conventional residential) by valuation input; and• Administrative costs.								
4	<p>Calculate the Value by referencing the difference between the Public Benefit use and the unrestricted use.</p> <p>In this example, the value rates required are for conventional residential apartments and strata titled commercial offices.</p> <p>Add Administrative Costs.</p>	<p>Obtain valuation input for the value rates for the respective uses:</p> <p>Conventional Residential - \$8,000/m² Office - \$6,000/m² Differential - \$2,000/m²</p> <p>Apply the rate to the proposed Strategic Use Area (NLA): \$2,000/m² x 100m² = \$200,000</p> <p>Add Administrative costs (\$10,000 example)</p> <p>Total Public Benefit Value = \$210,000</p>								
5	Apply Framework Discounted Rate to the Market Value of GFA as per Step 2 .	<table><tr><th colspan="2">Strategic Land Use</th></tr><tr><td>Market Value of GFA</td><td>\$500/m²</td></tr><tr><td>Discount</td><td>50%</td></tr><tr><td>Discounted GFA Value</td><td>\$250/m²</td></tr></table>	Strategic Land Use		Market Value of GFA	\$500/m ²	Discount	50%	Discounted GFA Value	\$250/m²
Strategic Land Use										
Market Value of GFA	\$500/m ²									
Discount	50%									
Discounted GFA Value	\$250/m²									
6	Using the Public Benefit Value (Step 4) calculate the additional Gross Floor Area available using the Framework Discounted Rate (Step 5).	<table><tr><th colspan="2">Strategic Land Use</th></tr><tr><td>Public Benefit Value</td><td>\$210,000</td></tr><tr><td>Discount GFA Value</td><td>\$250/m²</td></tr><tr><td>Additional GFA</td><td>840m²</td></tr></table>	Strategic Land Use		Public Benefit Value	\$210,000	Discount GFA Value	\$250/m ²	Additional GFA	840m²
Strategic Land Use										
Public Benefit Value	\$210,000									
Discount GFA Value	\$250/m ²									
Additional GFA	840m²									

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12.0 Methodology – Affordable Housing

The methodology to assess the Public Benefit Value for Affordable Housing is demonstrated in the following worked example. The key inputs comprise the contemporary valuation of the site and the assessment of foregone revenue. The foregone revenue forms the basis of Public Benefit and is used to obtain additional Gross Floor Area at the framework discounted rate. Valuation inputs utilised as the basis for the uplift calculations are to be to the satisfaction of the Responsible Authority.

Stage	Methodology	Calculations								
1	Identify the baseline Floor Area Ratio (FAR) applicable to the subject site by reference to the relevant Map to calculate the baseline Gross Floor Area (GFA)	<p>The map identifies the property within an area designated as a 3:1 Floor Area Ratio with a site area of 1,000m².</p> <p>Using these two values, calculate the baseline GFA (Land Area x Floor Area Ratio): 1,000m² x 3 = 3,000m²</p>								
2	<p>Determine the Market Value of the Site and corresponding value rates:</p> <ul style="list-style-type: none">- Arm's length sale within the last 12 months (\$1,500,000 in example); or- If a sale within 12 months has not occurred, an independent Valuation in last 3 months	<p>Adopt example sale price of \$1,500,000. The sale price, based on the land area and GFA shows the following site metrics:</p> <p>Land Value Rate - \$1,500/m² (Sale Price {\$1,500,000} ÷ Land Area {1,000m²})</p> <p>Gross Floor Area Rate - \$500/m² (Sale Price {\$1,500,000} ÷ Total Baseline GFA {3,000m²})</p>								
3	<p>Determine the components and value rates to assess the Public Benefit Value – Affordable Housing.</p> <p>Add Administrative costs associated with establishing the restricted affordable housing use - to be reasonably agreed with the Responsible Authority.</p>	<p>In this instance, 150m² of Net Saleable Area (NSA) dedicated as affordable housing.</p> <p>The Public Benefit Value comprises the sum of:</p> <ul style="list-style-type: none">• The difference in value of the alternate highest and best use (for example, conventional residential) and the proposed affordable housing (this example adopts a 30% difference); and• Administrative costs.								
4	<p>Calculate the Value by referencing the difference between the Public Benefit use and the unrestricted use.</p> <p>In this example, the value rates required are for conventional residential apartments and affordable housing apartments.</p> <p>Add Administrative Costs.</p>	<p>Obtain valuation input for the value rates (\$/NSA) for the respective uses:</p> <p>Conventional Residential - \$8,000/m² Affordable Housing - \$5,600/m² (30% discount) Differential - \$2,400/m²</p> <p>Apply the rate to the proposed Affordable Housing Area (NSA): \$2,400/m² x 150m² = \$360,000</p> <p>Add Administrative costs (\$10,000 example)</p> <p>Total Public Benefit Value = \$370,000</p>								
5	Apply Framework Discounted Rate to the Market Value of GFA as per Step 2 .	<table><tr><th></th><th>Affordable Housing</th></tr><tr><td>Market Value of GFA</td><td>\$500/m²</td></tr><tr><td>Discount</td><td>50%</td></tr><tr><td>Discounted GFA Value</td><td>\$250/m²</td></tr></table>		Affordable Housing	Market Value of GFA	\$500/m²	Discount	50%	Discounted GFA Value	\$250/m²
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Discount	50%									
Discounted GFA Value	\$250/m²									
6	Using the Public Benefit Value (Step 4) calculate the additional Gross Floor Area available using the Framework Discounted Rate (Step 5).	<table><tr><th></th><th>Affordable Housing</th></tr><tr><td>Public Benefit Value</td><td>\$370,000</td></tr><tr><td>Discount GFA Value</td><td>\$250/m²</td></tr><tr><td>Additional GFA</td><td>1,480m²</td></tr></table>		Affordable Housing	Public Benefit Value	\$370,000	Discount GFA Value	\$250/m²	Additional GFA	1,480m²
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