

APPENDIX 4-2

EXAMPLE OF THE COMPUTATION TO DETERMINE THE ADDITIONAL GFA FROM THE VALUE³ OF THE ART WORK TO BE PROVIDED

For Free-standing Art Work

If the building owner spends \$3,000,000 on free-standing art work for a new development, redevelopment project or major addition & alteration works to an existing development, how much GFA are they entitled to?

Assuming the prevailing Development Charge rate for commercial development = \$8,400 / sqm, the Land Value will be $(\$8,400 / 70^*) \times 100 = \$12,000 / \text{sqm}$

(*assuming the Development Charge rate is 70% of the Land Value)

Additional GFA = Value of art work / Land Value
= \$3,000,000 / \$12,000
= **250sqm** < cap of 0.5% GFA or 350 sqm (whichever lower)

³ Only cost items that directly affect and contribute to the value of the art work can be included in the assessment of the value of the art work. This excludes costs incurred in procuring the art work – e.g. travel expenses, artist's tools, freight, insurance, submission fees, etc.