



# Greenwich Community Association Inc

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For current committee contact details see [www.greenwich.org.au](http://www.greenwich.org.au)

The General Manager  
Lane Cove Council  
PO Box 20  
Lane Cove NSW 1595

24 February 2021

Dear Sir

## **Draft St Leonards South S7.11 Plan – SU8233**

The Greenwich Community Association (GCA) makes the following comments in relation to the draft St Leonards South Section 7.11 Plan:-

1. **Indefinite and significantly delayed timing for acquisition of land for Park Road/Berry Road park (Central Park)**  
**Council should look to funding Central Park from sources other than Section 7.11 contributions**

The proposed Central Park in the St Leonards South Master Plan that runs from Park Road to Berry Road has been consistently held out by Council as a key element of the SLS Master Plan. Indeed, the opportunity to create the park was offered as a justification for the decision of Council in its extraordinary meeting of 13 July 2015 to move the western boundary of the SLS Master Plan to Park Road East.

The GCA has consistently raised concerns since the exhibition of the St Leonards South Master Plan in 2017 that the plan may not be capable of delivering (or delivering in a timely manner) on the key elements within it.

Our analysis of Council's draft Section 7.11 Plan demonstrates that, in respect of the Central Park, the GCA's concerns have been confirmed.

The reason for this concern is demonstrated by the following analysis:

	SQM
<b>Total SLS site</b>	<u>71,630</u>
Less Road (Berry - Park)	876
Park (Park Rd - Berry Rd)	3,501

LCC land - River Rd	318
Units – Berry Rd	<u>784</u>
Sub Total	<u>5,479</u>
Max SQM Developable	<u>66,151</u>
Less Unsold at Dec 2020	<u>11,340</u>
Net SQM currently developable	<u>54,811</u>

Council's Section 7.11 plan based on the mix assumed by GLN for 1,2 and 3 br units provides an average Section 7.11 contribution per unit of \$25,111. Calculated as below:

As Per GLN Section 7.11 Plan:

	Unit Mix	\$7.11	Total \$
1BR	30%	17,508	5,252
2BR	50%	25,011	12,506
3BR	20%	38,767	7,753
	<b>Total Av7.11</b>	<b>\$</b>	<b>25,511</b>

Based on minimum ADG unit sizes for 1, 2 and 3 bedrooms the average unit size based on the GLN split is 70.5 sqm, calculated as follows:

Ave Unit Size based on assumed split			
	Size sqm	Split	Sqm
1BR	50	30%	15
2BR	75	50%	37.5
3BR	90	20%	18
	<b>Average size ADG</b>		<b>70.5</b>

#### Sales Required to Raise Funds to Acquire new Open Space Park

##### Results based on the above unit mix, average size and average FSR of 2.75x

At \$8,500 psm – excluding compulsory acquisition on costs, then **68% of all lots currently held by developers** would have to be constructed to Certificate of Occupancy stage before sufficient funds were available to Council to purchase the open space.

If **ALL the land in SLS were consolidated** in accordance with the plan then, at \$8,500 psm – excluding compulsory acquisition on costs then **57% of all lots** would have to be constructed to Certificate of Occupancy stage before sufficient funds were available to Council to purchase the open space.

Please see the annexure for calculations. We would be pleased to discuss these with you.

Given the prevailing development climate and the over-supply of units in the lower North Shore, it may be many years before Council is in a position to deliver on its much-vaunted Central Park if it is relying on Section 7.11 funds to do so.

It is inappropriate that the thousands of residents who have already moved into Council's pilot projects (or will do so soon) and the residents of the SLS developments that may proceed in the next 5 years will be forced to live in a precinct with minimal amounts of green open space.

And it is inappropriate that Council should leave the owners of the sites destined to be acquired for Central Park in limbo, having already been subjected to uncertainty and stress since 2012.

For this reason, the GCA submits that Council should, as a priority, look to alternative funding sources to secure the sites for the Central Park.

**2. It is not possible to make fully informed comment on the draft Section 7.11 Plan without clearer information as to the VPA interim process proposed pending the IPART determination.**

Council papers for the meeting of 19 October 2020 contain little detail about Council's plans to enter into VPAs with developers pending IPART determination of Council's proposed Section 7.11 Plan.

Mr Wrightson, General Manager, advised by email on 18/10/2020 that IPART is expected to take 12 months to make a determination on Council's Section 7.11 Plan.

Pending IPART's decision, Council proposes to "secure" its future Section 7.11 contributions by making it a condition of consent to any DAs determined in the interim that developers enter into VPAs for an amount equal to the anticipated Section 7.11 contribution for the development covered by a DA.

Mr Wrightson has confirmed that the amount nominated in the VPAs will be payable on issue of Certificates of Occupancy and that the amount payable under a VPA will be reduced appropriately in the event that IPART does not approve the corresponding Section 7.11 contribution.

Council has not provided as part of this consultation a copy of the proposed template VPA to be used in these circumstances.

The Council report of 19/10/2020 states that "*The VPA would confirm the existing incentives outlined in the LEP and DCP, NO additional considerations would be available*".

If this is the case, it would appear that there is no consideration to support the VPA. We understand that the Blacktown situation is somewhat different in that developers are to receive incentives over and above a gazetted LEP /DCP.

We request Council to make available to the community copies of the expert advice provided to it as to enforceability of the VPAs it proposes to sign.

Regards



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Annexure

ASSUMED LAND PURCHASE PRICE PSM \$	TOTAL COST \$	AVERAGE \$7.11 CONTRIBUTION BASED ON ASSUMED UNIT MIX	NO. OF UNITS TO BE SOLD AT AV \$7.11	CURRENT AVAILABLE FLOOR SPACE (1)	ASSUMED AVERAGE UNIT SIZE ADG	UNIT YIELD ON LAND SOLD Dec 20	% OF UNITS COMPLETED TO COVER LAND COST		% OF UNITS COMPLETED TO COVER LAND COST if ALL LOTS AVAILABLE	
							UNIT YIELD	LAND COST (3)	UNIT YIELD IF ALL LAND SOLD	TOTAL AVAILABLE FLOOR SPACE UNDER PLAN (2)
8,500	29,758,500	25,511	1,166	120,584	70.5	1710	68%	2,064	145,532	57%
9,000	31,509,000	25,511	1,235	120,584	70.5	1710	72%	2,064	145,532	60%
9,500	33,259,500	25,511	1,304	120,584	70.5	1710	76%	2,064	145,532	63%
10,000	35,010,000	25,511	1,372	120,584	70.5	1710	80%	2,064	145,532	66%
10,500	36,760,500	25,511	1,441	120,584	70.5	1710	84%	2,064	145,532	70%
11,000	38,511,000	25,511	1,510	120,584	70.5	1710	88%	2,064	145,532	73%
11,500	40,261,500	25,511	1,578	120,584	70.5	1710	92%	2,064	145,532	76%
Note 1	This is 80% the total of the of the SLS Precinct less unsold blocks, CURRENT Berry Rd strata, LCC owned land and those designated for the park, at an assumed FSR of 2.75									
=	54,811	2.75	150730.25	80%	120,584					
Note 2	This is 80% the total of the of the SLS Precinct less , CURRENT Berry Rd strata, LCC owned land and those designated for the park, at an assumed FSR of 2.75									
=	66151	2.75	181915.25	80%	145,532					
Note 3	THIS IS THE % OF UNITS TO BE SOLD TO PAY FOR THE LAND COST - BEFORE ALL REMAINING UNSOLD SITES ARE SOLD									