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17 September 2017

Ms Carolyn McNally Secretary NSW Department of Planning and Environment GPO Box 39, Sydney NSW 2001

Dear Ms McNally

## **St Leonards and Crows Nest Station Precinct**

Thank you for the opportunity to provide comments on the St Leonards and Crows Nest Station Precinct Interim Statement, which examines the importance of the precinct as a key employment centre, coupled with renewal and activation opportunities created with the delivery of the new metro station at Crows Nest.

The Property Council urges caution with respect to the proposed use of minimum non-residential floorspace requirements for certain parts of the Precinct. We believe a flexible mechanism should be considered to allow mixed use to be incorporated to meet market needs. Placing restrictive limits on mixed use, with no flexibility for market conditions, could deter development and renewal and result in neighbourhoods which lack the very vibrancy that attracts commercial users.

We are also concerned that details outlining NSW Government development levies, namely Special Infrastructure Contributions (SICs), the Affordable Rental Housing Levy and Voluntary Planning Agreements (VPAs) are yet to be released. Industry is unable to provide comprehensive feedback in the absence of details about these levies. In addition, recent changes to local government Section 94 contributions, the removal of 'caps', casts further uncertainty over the feasibility of projects, with development costs largely being unknown.

We urge the Government to release details on proposed levies to enable industry to assess and comment on specific detail, and regarding section 94 developer contributions, we encourage the NSW Government to intercede where councils seek substantial increases.

Thank you one again for the opportunity to provide feedback on the interim statement. Please do not hesitate to contact me on 9033 1907 or <u>cthomas@propertycouncil.com.au</u>, if you would like to discuss any aspect of this letter further.

Yours sincerely,

Cheryl Thomas NSW Deputy Executive Director Property Council of Australia