



Greenwich Community Association Inc

Director, Planned Precinct Infrastructure Delivery
Department of Planning and Environment
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**St Leonards and Crows Nest Special Infrastructure Contribution
Submission by Greenwich Community Association Inc
Final date for submissions 8 February 2019**

Status of Greenwich Community Association Inc

The Greenwich Community Association (GCA) is a non-profit incorporated community association dedicated to gathering and promoting the views and interests of the residents of Greenwich. It was established over 70 years ago and has extensive experience in the planning issues affecting the community – see our website: <http://www.greenwich.org.au/>

The GCA makes the following submission in respect of the draft St Leonards and Crows Nest Special Infrastructure Contribution (SIC).

Overview

The GCA supports in principle the concept that developments on all land that is to be rezoned for increased residential densification should contribute towards the cost of the infrastructure upgrades needed to support the increased density.

The GCA supports the concept of the SIC, provided that the projects to be funded from the SIC are identified in consultation with local councils and the community and that allocation of funds is fair and equitable.

The GCA submits that the proposed SIC model will not work because:-

1. the level of development required to meet the \$113.6 mill fund target can only be achieved through unacceptably high levels of residential development
2. this development will render impossible the delivery of the employment capacity foreshadowed by relevant planning documents
3. the scale of residential development required to meet the \$113.6 mill target will create further massive infrastructure stress that will necessitate a full review of the SIC funding model or major government investment to avoid a planning disaster in the precinct
4. the proposed allocation of funds derived from the SIC is not fair and equitable.

GCA Submission

The GCA has concerns/comments in respect of the detail and implementation of the draft SIC as follows:-

Submission 1

A levy should be charged against both residential and commercial densification to support infrastructure development.

There is a current infrastructure shortfall in the area included in the draft 2036 Plan (the precinct) as acknowledged in the Arup review of 2017.

<https://www.planning.nsw.gov.au/-/media/Files/DPE/Reports/st-leonards-and-crows-nest-preliminary-social-infrastructure-and-open-space-findings-2017-02.pdf>

This shortfall will be significantly exacerbated by increased population in the precinct, derived from increased residential capacity and increased commercial office capacity.

Demand for open space, child care, medical services and traffic management infrastructure will not be limited to residents alone. These services will also be required for the population that is anticipated to visit the precinct for employment purposes.

Re-zoning of land for densification increases the value of land, regardless of whether the land is to be used for residential or commercial purposes. It is therefore appropriate that commercial densification should also contribute to the infrastructure needs it creates.

In summary

It is appropriate to levy both commercial and residential re-zonings that have the capacity to add to densification of the precinct and create consequent demands on infrastructure.

Submission 2

Re-zoning for densification for commercial space must be included in the SIC model.

Subdivision 4 of Division 7.1 of the Environmental Planning and Assessment Act 1979 does not limit the imposition of an SIC to residential densification. It is possible to include commercial densification in an SIC model.

For reasons outlined in *Submission 1* above, it is important to expand the scope of the SIC to fund the infrastructure demands from employees who are projected to visit the precinct for work purposes.

In summary

The proposed SIC for St Leonards and Crows Nest must extend to commercial densification.

An alternative funding calculation will be required to capture the projected increase in employees derived from each commercial up-zoning.

Submission 3

The nominated SIC funding target in the proposed plan will not be feasible if it excludes developments that are the subject of lodged or finalised planning proposals.

To raise the projected \$113.6m SIC funding total detailed in the plan requires a contribution of \$15,100 per dwelling from 7,525 new dwellings projected under the 2036 Plan.

It is noted that p 14 of the draft SIC provides that “where a planning proposal is lodged and the SIC charge has not been determined by the Minister, satisfactory arrangements will be made for the provision of state infrastructure”.

On this basis, it seems that the following major re-zoning densifications **cannot be included** in the 7,525 dwellings figure adopted for SIC calculation:-

2,400	St Leonards Sth – Planning Proposal submitted and Gateway Determination issued
654	88 Christie St – <u>JQZ</u>
500	601 Pacific Highway – “IBM building” – subject of a Planning Proposal
245	100 Christie St
195	617 – 621 Pacific Highway

It is noted that it is also proposed to exempt the 350 dwellings in the Crows Nest Metro Station from the SIC.

This leaves 7,525 dwellings additional to those identified above to be developed through re-zoning densification to achieve the projected SIC amount.


In summary

The proposed exclusions from the SIC funding model target is not feasible without the re-zoning densification of sites to deliver 7,525 new dwellings additional to those for which planning proposals have been lodged/finalised.

Submission 4

The creation of 7,525 dwellings additional to those proposed for the sites listed in Submission 3 above will render unattainable the employment objectives of the North District Plan and the 2036 Plan.

The actions defined in the North District Plan to develop St Leonards as a Strategic Centre relate primarily to employment capacity creation and open space – see below.

 Actions	Responsibility
<p>34. Strengthen St Leonards through approaches that:</p> <ul style="list-style-type: none"> a. leverage the new Sydney Metro Station at Crows Nest to deliver additional employment capacity b. grow jobs in the centre c. reduce the impact of vehicle movements on pedestrian and cyclist accessibility d. protect and enhance Willoughby Road's village character and retail/restaurant strip e. deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives f. promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health g. retain and manage the adjoining industrial zoned land for a range of urban services. 	<p>NSW Department of Planning and Environment, State agencies, Greater Sydney Commission, NSW Health, Lane Cove Council, North Sydney Council and Willoughby City Council</p>

The first Land Use Vision of the draft 2036 Plan p 4 mirrors these actions to create “An employment hub – Providing 16,500 additional jobs over the next 20 years to support a growing and evolving economy, with opportunities for employment in the industrial, professional, creative, retail, health and education sectors”.

The *Economic Feasibility Review* prepared by SGS Economics and Planning to inform the development of the 2036 Plan has identified that there is already a net loss of employment space in the precinct. If the SIC model requires densification to allow the development of **7,525 dwellings additional to the list in Submission 3**, there will be no capacity to generate the commercial space required without a full review of the 2036 Plan.

In summary

The creation of an additional 7,525 dwellings to raise the projected SIC funds will render unattainable the employment capacity objectives that are supposed to define the precinct.

Submission 5

The proposed developments in respect of which a planning proposal has or will be lodged prior to finalisation of the SIC must be included in the proposed SIC model.

As noted earlier, the SIC brochure states that “where a planning proposal is lodged and the SIC charge has not been Determined by the Minister, satisfactory arrangements will be made for the provision of state infrastructure”.

The brochure offers no explanation of what is meant by “satisfactory arrangements”. The developments listed in *Submission 3* above include approximately 4000 dwellings that would benefit from this loose arrangement.

There are too many proposed dwellings with consequent infrastructure impacts to leave open ended the amount such developments would be required to contribute to state infrastructure. Furthermore, there are no details of what projects would be funded this way.

In summary

The SIC funding model must be amended to include sites that are or have been the subject of a lodged planning proposal.

Submission 6

The proposed use of the Crows Nest Metro OSD will generate infrastructure impacts that are not addressed in the OSD project. In the current model, the cost of these impacts will be deflected to the community.

The GCA has lodged objections to the proposed re-zoning and development of the Metro site. One of the grounds of objection is the fact that the proposed use of the OSD is inconsistent with meeting the employment objectives of the precinct. The proposed use of the site for predominantly residential purposes generates the same infrastructure impacts as other densification proposals.

The proposal to exempt the Metro from the SIC and Section 7.11 contributions will deprive the community of an estimated \$12.5 mill. This is inappropriate, given that the population increase in the OSD will generate infrastructure impacts that will not be met by the OSD itself.

In summary

The Metro should not be exempt from the SIC.

Submission 7

The SIC will reduce, if not eliminate, Councils' ability to negotiate VPAs that deliver planned local infrastructure like park upgrades and community facilities.

The SIC has been developed by reference to a feasibility analysis by AEC. This analysis failed to consider the impact of the imposition of the SIC on Councils' ability to negotiate VPAs to fund local infrastructure projects. Councils may find that developers are not willing or able to negotiate VPAs after meeting SIC and Section 7.11 contributions.

With feasibility constraints around the negotiation of VPAs, the community is unlikely to benefit from vital local infrastructure projects that will not be delivered under the SIC.

In summary

The SIC structure should be reviewed to ensure delivery of local infrastructure by Councils.

Submission 8

The list of projects proposed to be funded through the SIC is inadequate and the proposed allocation of funds is not fair or equitable.

The Infrastructure Schedule on p 11 of the SIC brochure is very Willoughby/North Sydney focused.

It is noted that the three councils in the area will receive the following percentage of SIC funds:-

- 61% Willoughby LGA (\$70M)
- 30% North Sydney LGA (\$34M)
- 7% Lane Cove LGA (\$8M)
- 1% the Department (\$1.7M).

There is minimal density uplift in Willoughby in the 2036 Plan which means that Willoughby will raise little under the SIC. It is noted, however, that Willoughby LGA will receive over 8 times the funding proposed for Lane Cove.

Of the 70% of funds to be directed to **active transport links and open space**, the split between councils will be

- 54% Willoughby LGA (\$46.3M)
- 38% North Sydney LGA (\$32.2M)
- 8% Lane Cove LGA (\$6.7M)

If Lane Cove Council's St Leonards South Planning Proposal proceeds (in its current 2400 dwelling configuration or modified) it is inequitable to propose that Lane Cove receives just 7% of funds collected and 8% of funds allocated to active transport and open space.

In summary

The nomination of projects to be funded by the SIC should be subject to wider consultation after the community has had the opportunity to comment on the infrastructure needs arising out of the 2036 Plan and the Green Plan.

The selection of projects, the allocation of funds and timing of delivery must be fair and equitable and reflect and closely align with projected population density.

Submission 9

The proposed SIC plan includes no time lines for delivery of nominated infrastructure.

The SIC brochure p 2 explains that the rationale behind the SIC is to ensure that needed infrastructure is in place "*before existing infrastructure can no longer keep up*". Infrastructure is already under stress and timing of delivery cannot be left unclear.

Projects need to be prioritised and delivery time frames specified if the SIC is to meet the stated SIC objective of aligning infrastructure delivery with demand.

In summary

After finalisation of the list of projects to be delivered through the SIC, the SIC must prioritise projects and specify delivery time frames.

Summary

The GCA supports the concept of an SIC as a method of addressing current and infrastructure needs arising from densification of the St Leonards and Crows Nest precinct.

The current model will not achieve this objective because:

- it limits the scope to secure funds from development projects that are already placing unacceptable strains on infrastructure, or will do so in the future
- the proposed projects to be funded through the SIC do not reflect a fair allocation of funds against need
- Councils may not have the capacity to fund projects needed by the community additional to those proposed in the SIC plan.

The GCA requests that the SIC model be reviewed as outlined in detail in our submission.



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