

In paragraph 3 of my submission of 15 May 2019, I made reference to the insufficiency of the amount proposed to be levied by Lane Cove Council from developers to fund the acquisition of the Park (as defined in my earlier submission).

I seek to clarify and expand on that comment.

In a letter from HillPDA dated 6 April 2016 to Lane Cove Council, HillPDA recommended that the price to be paid for the land in the Park be calculated on the basis of \$11,000 per square metre.

I understand that this was comparable to the amount paid by developers (or optioned at that time) for adjacent and nearby land.

In his presentation to the IPC on Monday 20 May 2019, John Southwood sets out a schedule of the comparable sales in the vicinity (the **Southwood Presentation**).

On 12 July 2017, Lane Cove Council received a revised pricing from HillPDA suggesting that the price to be paid for the land in the Park should be \$8,500 per square metre.

The Southwood Presentation shows that, by July 2017, settled sales should have reinforced the valuation position set out in the HillPDA letter of 6 April 2017.

Certainly, by 23 October 2017, when Council voted on the Plan to go to exhibition there was enough evidence to support \$11,000 per square metre.

Clearly, at 23 October 2017, some of the Councillors of Lane Cove Council did not appreciate that the amount required to acquire the Park would render its acquisition impossible and that provision of the Park was integral to achieving the St Leonards South Open Space Plan and that this, in turn, was integral to Planning Proposal 25.

GLN provided Council's S94 Plan which, I understand, was before Lane Cove Council when the vote on 23 October 2017 occurred.

So, at \$11,000 per square metre, a total of \$41.525m would be required from S7.11 (S 94 funds).

At \$8,500 per square metre the amount required would be about 30.047m.

If an additional \$11.478m was required, this translates to an additional \$4,782 per unit (for 2400 units)

I understand that this would simply not be possible, as the S 7.11 amount being sought was already ahead of the legislated maximum and IPART approval would be required.

I am told that this was commented upon in the 23 October 2017 Council meeting report.

As the IPC was informed at the public hearing on 20 May 2019, developers would not and/or could not pay a Special Infrastructure Contribution for State infrastructure.

In addition, Lane Cove Council did not wish to apply one as it was already in difficulty trying to extract "excess" S 7.11 funds for open space acquisition and other costs.

As a result, Planning Proposal 25 is non deliverable by Lane Cove Council: the Park simply cannot be acquired at a fair price that can be recovered from developers.

Apart from the structural difficulties (increasing the S.7.11 contributions by the equivalent of \$4,782 per unit), the market reality is that no development of St Leonards South is going to happen for a long time.

This is particularly so when one takes into account this issues addressed in my initial submission under the heading of 'Impossibility of Development' and that North Park Berry (as defined in my earlier submission) is not and has not been the subject of a sale to a developer.

Please let me know if you would like me to supply you with copies of all or any of the following documents.

- The HillPDA letter of 6 April 2016
- The HillPDA letter of 12 July 2017
- The GLN s94 Contributions Plan of 10 October 2017

**Martin Hirst**

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