



13 April 2020

Michael Gadiel  
Executive Director  
Economic Strategy Division | Economic Strategy & Productivity Group  
NSW Treasury  
PO Box 5469 Sydney NSW 2001

cc. Jim Betts, Secretary, DPIE (by email)

Dear Mr Gadiel,

**RESPONSE TO URBAN TASKFORCE LETTER OF 31 MARCH 2020  
LIST OF "SHOVEL-READY" PROJECTS | MERITON PROJECT: LITTLE BAY COVE**

The Urban Taskforce Australia Chief Executive Officer, Mr Tom Forrest, recently provided you with a list of "shovel-ready" projects that in his and UTA members' opinion have been *"caught up in any area of the NSW planning system, that could assist with getting the NSW economy through the COVID 19 economic recession and the post virus recovery."*

It includes a planning proposal for "Little Bay Cove" within the local government area of Randwick City Council, first submitted by Meriton on 4 September 2019, before an alternative concept scheme was lodged on 20 March 2020 - not even two weeks prior to Mr Forrest issuing his letter. Yet still, Urban Taskforce refers to the proposal as a project *"currently stuck in the planning system and if the problem identified was resolved or cleared, the project could be started within 6 months."* Furthermore, it is claimed the proposal *"has been assessed and is at the Gateway stage"*, both of which are incorrect statements.

We represent a community group of more than 1,500 local residents who have come together in strong opposition to the Meriton proposal. We share a commitment to demonstrating that the Meriton plan is lacking 'strategic merit' in literally every aspect. "Fast-tracking" it under the guise of helping the post-COVID-19 economic recovery would not only be a colossal, trust-eroding political mistake but also a reprehensible override of due plan making process. It would make way for a project that – failing the strategic merit test - would otherwise most certainly be stopped by the Regional Planning Panel.

We therefore urge you to consider the following:

**1. Subject Site Background**

The subject site was once gifted to the University of New South Wales for the establishment of a Medical School. The school was never built but the site has been used for biological science and solar energy research. 'Solarch', the first building to generate green power in NSW, once stood on this site, next to UNSW playing fields. In 2008, property fund investor Charter Hall Group purchased the land, began to develop together with TA Global Developments in 2010, before TA Global bought out Charter Hall's 50% in 2013.

Today, the subject site **forms part of a 17 ha master-planned site** which was approved for the development of **predominantly medium-density housing with 450 dwellings ("original Masterplan")**. **226 of these dwellings**





were completed in 2016 and 2018, along with a regular street grid that responds to the coastal topography and environment. The project features a large central detention pond and wetland system located alongside a public park delivering a fully integrated water sensitive urban design framework. Existing critically endangered Eastern Suburbs Banksia Scrub, deposits of Miocene geology and ochre earths of significance to local Aboriginal people have been protected.

## 2. Purchase by Meriton

Meriton bought the remaining approx. 10 ha of the original Masterplan site for \$245m (reflecting a \$107m premium) off TA Global in April 2017 - in full knowledge of its development potential and existing planning controls. In fact, the site is and has indeed been "shovel-ready" for years: fully serviced and approved for another 224 dwellings. However, Meriton has not been making any use of the site's readiness and decided to let existing Development Approvals lapse in 2019.

## 3. Meriton Initial Rezoning Application | Alternative Concept Scheme

Meriton waited until 4 September 2019 before submitting its application to rezone the remaining site to high-density development,

- hugely increasing the target number of dwellings by a factor of 7.45 to 1,909 dwellings across a developable area of just under 5 ha,
- hugely increasing FSR and maximum building heights from 18m (which represents the datum line not only across Little Bay and the Prince Henry Hospital development but all along the south-eastern coastline) to 73m, and
- adding a range of uses currently not permitted, including hotel, childcare, retail and medical centres.

Meriton's alternative concept scheme, lodged with Council on 20 March 2020, now seeks to,

- further increase the developable land by almost 1 ha to approx. 6 ha,
- decrease open space and park land,
- hugely increase the density and number of residential/retail towers on the western side of the subject site (immediately opposite the already completed 226 dwellings), while reducing maximum building heights from 22 to 17 storeys, which is still 12 storeys, respectively more than 38m higher than permitted under current planning controls.

The developable area (= remaining original Masterplan site) represents 2% of the total land area of the Little Bay suburb. Meriton's proposal would double Little Bay's current population on this small piece of land.

## 4. Planning certainty constituted by original Masterplan

The already completed 226 dwellings were delivered as part of the original Masterplan for the subject site. The activation of the development consents created the expectation that the remaining site would be delivered in accordance with the residential densities and building forms outlined in the original Masterplan. Further exacerbating this issue, all of the residents of these 226 dwellings purchased their homes on the expectation that the 'identity' and 'local character' of Little Bay and Little Bay Cove would be preserved and delivered in accordance with the original Masterplan, which was determined by the NSW Land and Environment Court to be 'eminently suitable for the site'.





The significant intensification of the site that is proposed by Meriton is of a bulk, scale and density that is utterly disrespectful to the locality, and a complete contradiction to the desired and existing character of Little Bay, which was outlined in the original Masterplan. The Meriton proposal completely disregards the vast amount of work that has gone into the development of appropriate planning controls and outcomes within the approved Masterplan, and this process involved extensive consultation with the community.

Meriton's disdain of the interests of Little Bay Cove residents who invested in a low-rise, medium density housing plan has been further amplified in the "alternative concept scheme" which moves the bulk of the proposed development even closer to their doorstep. Meriton are attempting to *octuplicate* the currently approved floor space ratio on this part of the site. This must be rejected, and the planning system has to be there to safeguard these residents' interests.

Ever since Meriton submitted their rezoning application, Save Little Bay and the local community have highlighted their acceptance of the subject site's development in line with current planning controls. We are not seeking to stop development as such. But we are adamant that the **lifetime investments of 226 homeowners who bought into the current Masterplan must be fully protected.**

## 5. Inconsistencies with Local Planning Documents

Meriton's proposal is **inconsistent with Randwick City Council's Local Strategic Planning Statement (LSPS) and Housing Strategy** which implement actions from the Regional Plan and Eastern City District Plan. Following comprehensive community consultation in 2019, Council endorsed the draft LSPS and Housing Strategy for finalisation in February 2020. The Greater Sydney Commission assurance panel supported the LSPS as being consistent with the Greater Sydney Regional Plan and Eastern City District Plan in late March 2020. As legislated, the Randwick LSPS has been published on the NSW Planning Portal.

A total of 519 submissions were received as part of the community consultation process. Of these submissions, 426 related to Meriton's planning proposal documenting "*strong concern about any additional height or density at Little Bay Cove*".

In response, Council reinforced current planning controls and continues to show Little Bay Cove as a site of dwelling growth only under its existing approval in the now legislated LSPS. Furthermore, it demonstrates within its Housing Strategy that Council will sufficiently deliver on its 6-10 years housing targets with Little Bay Cove contributing a further 224 dwellings as approved under current planning controls. With the recent approval of the Kensington to Kingsford corridor rezoning, Council has been showing that our LGA is lifting its weight in terms of accommodating future housing growth.

## 6. Inconsistencies with 30-Minute-City Strategy

Meriton's proposal is **inconsistent with the State Government's 30-Minute-City Strategy**. Deloitte Australia have done very insightful work around the 30-Minute-City as part of their ImagineSydney series published since 2018. Meriton are attempting to tap into that overarching strategy by referencing the Greater Sydney Commission's Regional Plan and Eastern City District Plan as well as Transport NSW's Future Transport 2056 Strategy in their rezoning application. However, Deloitte clearly suggests that Little Bay Cove is *not* part of that 30-Minute-City:

- In terms of travel times to the CBD, Little Bay is in the 30-60 minutes bracket only at midnight, and in the 60-90 minutes bracket during peak hours,
- Accessibility of public transport within 30 minutes: very poor,





- Accessibility of jobs within 30 minutes: relatively low,
- In the Greater Sydney 30-Minute-City Index, Little Bay is an average performer at best,
- Little Bay Cove is most certainly not located “within 30 minutes of 900,000 jobs” as stated by Urban Taskforce.

Currently proposed bus timetable changes may lead to no direct buses to Sydney CBD outside of peak hours, requiring commuters to transfer to the Light Rail in Kingsford or to the train in Edgecliff which will significantly increase time and cost and decrease ease of the journey.

## 7. Major lack of infrastructure to support development

Former Chief Commissioner of the Greater Sydney Commission, Lucy Turnbull, recently said: “Our core mantra is to **align infrastructure and growth**”. Fast-tracking Meriton’s proposal for Little Bay Cove would do the exact opposite and repeat mistakes that were made in the past where spot rezoning led to the overdevelopment of sites without appropriate infrastructure (e.g. Eastgardens/ Pagewood, Mascot, Green Square, Dee Why).

### **Mass transportation infrastructure**

An extension of the **Metro East to Malabar**, once rumored, **will not happen** in the foreseeable future. In fact, the NSW Government announced late last year that Metro West will stop in the CBD, and that it will not be arriving in the city before 2030. Transport NSW’s Future Transport Strategy 2056 only mentions an extension of south-east mass transit as “initiative for investigation (20+ years)”.

The **extension of the Light Rail** from Kingsford to La Perouse is not being seriously considered. In fact, leading Australian planning and environmental consultants at EMM provided a damning report to Randwick City Council in 2018, analysing the future Light Rail system capacity along the Anzac Parade corridor. EMM found the following: “It is a significant concern that the proposed Light Rail system capacity will actually be lower than the capacity of the existing peak hour bus services which are currently using Anzac Parade and Todman Avenue and the future corridor public transport system will effectively be operating at full capacity from the commencement of operations.”

Also, a Light Rail extension is essentially unfeasible because of the extended travel times already between the CBD and the Kensington to Kingsford corridor. Cost increases to the Light Rail development and delivery from Circular Quay to Kingsford will further limit the State Government’s appetite for another Light Rail project.

### **Bus transportation and private motor vehicle use**

Little Bay is not currently well served by public transport infrastructure services and **private motor vehicle use remains high** for residents and visitors to Little Bay. Existing **bus routes** (some of which are currently being considered to be made redundant) run along Anzac Parade to the west of the site and provide links to Kingsford, Randwick, Moore Park and the Sydney CBD. Council’s LSPS refers to the potential “city serving corridor investigation (10-20 year)” which is described in the Eastern City District Plan as part of the centre “Green Square to La Perouse rapid bus link”. The bus link corridor is located approximately 650m to the west of the subject site. The timeframe for completion of any investigation of this bus link is 2038-2039.

There is no certainty regarding the delivery of any transport infrastructure that requires further investigation. Ultimately, decisions of Government on commitments to funding will determine whether any transport projects identified in the “Future Transport Strategy 2056” will be constructed. The 10-20 years timeframe spans





multiple State Government elections with the likelihood of changes to State Government priorities, funding and commitments in the future.

### **Traffic**

**67.9% of residents within Little Bay travel to work by private motor vehicle (58.9%) or bus (10.9%)** (Census data 2016). Having regard to the existing commuting patterns of Little Bay and Little Bay Cove, the Meriton proposal would only intensify traffic congestion of the area, which will have consequential adverse impacts on the existing public infrastructure network servicing Anzac Parade and generated carbon footprint. At present, commuting by public transport to and from Little Bay to the Sydney CBD can take up to 58 minutes if the bus runs to schedule. Without the support of additional infrastructure, the proposed massive intensification of the site by the factor 7.45, compared to the approved Masterplan, will ultimately jeopardise the vision for a '30 Minute City' under the Eastern City District Plan.

**Little Bay Cove**, the subject site itself, is **entirely unsuitable to accommodate the traffic** the proposed development would generate: The vast majority of the developable land (including the site earmarked for a Meriton hotel) is serviced by only one narrow street (Cawood Avenue). The subject site has only two intersections with the main arterial road Anzac Parade (Cawood Avenue and Solarch Avenue, both two-lane streets) which would not be appropriate to service a development of such density. 2016 Census data for Little Bay suggests that the residential component alone would bring an additional 2,736 cars into Little Bay Cove. Significant additional traffic would be generated by retail, the childcare centres, medical centres and hotel development (e.g. deliveries, visitors/customers, taxis, buses, suppliers, contractors, construction vehicles).

### **Parking**

Meriton's proposal is **lacking supply of basement parking to a shocking extent**. Conservative estimates are that the proposal is not catering for residential basement parking for at least 971 cars (refer to Council DCP) that ought to be expected when applying 2016 Census data. These cars would need to be parked on-street. In comparison to its initial planning proposal in September 2019, Meriton are now even suggesting to further decrease road infrastructure by almost 20% without addressing the undersupply of residential onsite parking.

Furthermore, the proposal is silent about additional parking requirements for employees of the retail, hotel and childcare businesses it seeks to accommodate.

## **8. Inconsistencies with local character and impact on built and natural environment**

The planning proposal **provides a bulk and scale** that

- would be totally inconsistent with the existing and desired future coastal and recreational character of Little Bay and Little Bay Cove,
- would have adverse impact on the heritage conservation area and unique built heritage of the greater precinct, as it adjoins the Prince Henry Hospital site, which is also identified as a Heritage Conservation Area C6 (HCA) under the Randwick Local Environmental Plan 2012,
- would diminish the value of the pristine coastline,
- would pollute views to and from Boora Point on Malabar Headland as well as Little Bay Beach,
- would create unacceptable view and overshadowing impacts to the public coastline and recreational area, including a habitat of the critically endangered Eastern Suburbs Banksia Scrub





- would result in a significant adverse impact to all buildings already completed under the current Masterplan,
  - creating a loss of existing amenity, including loss of ocean and golf course views as well as a loss of significant solar access,
  - resulting in significant wind impacts and visual imposition,
  - overshadowing existing photovoltaic panels, private open spaces and living areas of the neighbouring apartments.

## 9. Meriton misrepresentations on job creation and tax revenue

Both Urban Taskforce and Meriton suggest that the Little Bay plan "will generate close to 8,000 jobs, in excess of \$750 million in government taxes and charges".

We fact checked these representations against Meriton's own submission to Council, prepared by Urbis. According to Urbis, "the development

- Creates 538 direct and indirect jobs per annum during the construction period,
- Supports 481 ongoing jobs on site and 112 ongoing jobs in the wider economy
- Generates \$337m additional Government revenue (based on an estimated average sale price of \$950,000 per unit, primary taxes are estimated to be \$176,421 per unit)."

Gross misrepresentations continue where Urban Taskforce link the Meriton proposal to the supposed "opportunity to undertake a combined development of the Meriton and government sites to the north which together span 67 ha, providing a situation that is to the State Government and local Council's benefit."

Corrections Minister Anthony Roberts recently confirmed again that the future of the Long Bay Correctional Centre had not been decided and that any possible redevelopment of the site would not begin until additional correctional capacity had been procured in Sydney. Everyone knows it will take more than a decade if not two to investigate and develop an alternative site for the Long Bay Correctional Centre.

## 10. Inconsistencies with State Government's planning policy direction

The planning proposal is inconsistent with the Minister for Planning's comments in June 2019 to seek an end to the use of planning proposal "spot rezonings" to gain approval for new housing developments that are inconsistent with existing planning controls. Fast-tracking the proposal for Little Bay Cove would also be inconsistent with the Minister's comments in March 2020 that "the focus for the next few months should be forging ahead with plans for employment precincts and creating jobs, not on building houses and apartments."

The NSW Government has been trying to address the shortage of medium density housing in recent years. It is seeking to help provide more housing diversity that suits the State's changing and growing population and enables families to have a greater choice about where they would like to live, grow, raise a family and retire. We had a closer look and put this "Missing Middle" in context of demand and supply for low-, medium- and high-density housing in Little Bay, based on 2016 Census data: The construction of the first 226 dwellings on the subject site (5 storey residential apartments) further contributed to an already existing oversupply of high-density housing, while the area continues to experience a **significant and growing undersupply of low rise, medium density housing**. In the 2016 Census 51.2% of dwellings in Little Bay were classified high-density, which was already 24.1% higher than the Greater Sydney average. After the completion of the first 226 dwellings of the original Masterplan, we estimate this to now be 57.5%.





The approved, original Masterplan is effectively addressing and closing the gap in the medium-density housing provision. In contrast, Meriton's proposal to scrap the original Masterplan and add another 1,909 high-density dwellings is ignoring housing demand and trying to squeeze as many units onto the remaining developable land as possible, increasing high-density housing to 79.4%. It would make Little Bay one of the most highly densely populated suburbs in Sydney.

### **Conclusion:**

The Meriton planning proposal for Little Bay Cove is opposed by literally the entire local community in Sydney's south-east. Within a matter of weeks, the Save Little Bay campaign attracted thousands of petitions in objection to the rezoning application (to date, more than 8,500 signatories). Several hundred residents participated in a protest rally in November 2019 where the Federal MP, The Hon Matt Thistlethwaite, the State MP, The Hon Michael Daley, and Randwick City Council's Mayor, Danny Said, voiced their deep concerns about the plans.

82% of all community consultation submissions regarding Randwick City Council's Vision 2040 Strategies - a total number of 426 - referred to Little Bay Cove; 99.8% in strong opposition to the planning proposal, and only one in favour, submitted by the proponents themselves.

For Urban Taskforce Australia to call this proposal "*shovel-ready*" and "*stuck in the planning system*" is an insult not only to the local community in Sydney's south-east but to our local government and the principles of local planning authority. These principles must be protected, especially when Council has been and continues to be exemplary in meeting its obligations in context of overarching State and regional planning objectives.

Little Bay Cove has been "*shovel-ready*" for the development of medium-density housing – the 'Missing Middle' - long before Meriton invested in the subject site. It must be held to completing the site's development as previously approved. The proponent's attempt to exploit the current pandemic and health emergency for its own purposes is not only despicable but also a desperate telltale sign that Meriton are well aware that its proposal is failing the strategic merit test, with no legitimate pathway to approval by the Regional Planning Panel.

We trust the NSW Government will be responding to it accordingly. Our Premier, Gladys Berejiklian, has been urging the community to "*stick to the rules*" in this current COVID-19 crisis, and rightfully so. The community is now urging our State Government to do the same when contemplating planning decisions which will impact on so many people's lives and livelihoods in Sydney's south-east in a different, but none the less deeply consequential way.

Sincerely,

Olde Lorenzen  
Save Little Bay

