

Strategic Planning Referral Response

Application Number:	Mod2023/0617
Proposed Development:	Modification of Development Consent DA2021/0212 granted for demolition works and construction of a mixed development, comprising seniors housing, commercial uses, carparking, landscaping and stratum subdivision.
Date:	01/07/2024
To:	Jordan Davies
Land to be developed (Address):	Lot 11 DP 1258355 , 5 Skyline Place FRENCHS FOREST NSW 2086

Officer comments

SPP3 provided an updated referral response on 7 June 2024. This response calculated the applicable 7.12 contribution and included draft conditions of consent. In accordance with the Contributions Plan (and as requested by the applicant), the calculation excluded the costs associated with 14 dwellings to be managed as affordable housing. A condition was also provided to ensure that these 14 dwellings are managed as affordable housing in perpetuity.

On 28 June 2024, the applicant wrote to the Assessing Officer advising that these 14 dwellings would not be managed as affordable housing in perpetuity. The applicant requested that the contribution be calculated based on the total cost of works with no exclusion for affordable housing.

The applicant's request is supported. An amended condition has been provided. The contribution calculation is based on a total cost of works of \$67,110,789 as identified in the updated Cost Summary Report prepared by Construction Consultants and dated 7 March 2024.

Updated Referral Response - provided 7 June 2024 - Supported with conditions

On 22 April 2024, a new referral request was provided to SPP3 however the assessment was still underway. The final response with a contribution calculation was held until such time as the assessment was close to determination stage.

The updated referral response is now provided, based on the following additional information that has now been submitted by the applicant:

- Updated Cost Summary Report prepared by Construction Consultants and dated 7 March 2024.
- Letter confirming that the application includes 14 dwellings to be managed by a community housing provider, dated 5 June 2024.
- Letter requesting the imposition of a condition requiring the payment of a monetary contribution to Council, dated 6 June 2024.

This referral request follows from the original referral response provided by SPP3 on 13 December 2024.

The Northern Beaches Section 7.12 Contributions Plan 2022 (the Contributions Plan) applies to the land. The Contributions Plan was in force at the time of consent to DA2021/0212 and also applies to Mod2023/0617.

An updated Cost Summary Report has been prepared by Construction Consultants. The author of the report is a registered member of the Australian Institute of Quantity Surveyors. The updated report identifies that the proposal will cost a total \$67,110,789 (incl GST). The cost estimate report itemises the cost associated with 14 dwellings approved for community housing under consent DA2021/0212, as being \$2,597,100 (incl GST).

Chapter 2.5 of the Contributions Plan provides an exemption for “Social housing and community housing provided by an organisation registered as a social housing provider with the NSW Government. Applicants must demonstrate they meet these criteria within the application.”

The applicant’s letter dated 5 June 2024, confirms that 14 dwellings approved under DA2021/0212 will be managed as community housing by Project Independence Ltd. Project Independence are a registered community housing provider listed in the National Regulatory System for Community Housing (NRSCH) with registration number - R4265140722, thereby meet the criteria in Chapter 2.5 of the Contributions Plan.

Keylan Consulting’s submitted Statement of Modification (November 2023) states that the costs for the approved 14 dwellings are exempt from a monetary contribution in accordance with Clause 2.5 of the Contributions Plan. It is agreed the costs associated with the 14 dwellings are exempt from a monetary contribution however, consent DA2021/0212 does not impose a condition requiring the management of the 14 dwellings by a community housing provider in perpetuity. To ensure that the exemption for these dwellings is consistent with Clause 2.5 of the Contributions Plan, a new condition must be imposed as follows:

The following units are to be managed by a community housing provider that is registered with the National Regulatory System for Community Housing, in perpetuity:

- Ground floor – Units 1-10 inclusive
- First floor – Units C105, C106, C109 and C110.

The applicant’s letter dated 6 June 2024 requests the imposition of a development contribution condition in accordance with the Contributions Plan. A new condition will be imposed and has been provided below. The monetary contribution is calculated as follows:

Total Development Cost	\$67,110,789
Less - Cost for 14 Community Housing Dwellings	\$2,597,100
Updated Development Cost for the purpose of calculating the development contribution	\$64,513,689
Required Monetary Contribution (1%)	\$645,136.90

The monetary contribution has been calculated in accordance with TechOne business rules and includes rounding to one decimal place.

RECOMMENDATION

1. The application is supported as Project Independence Ltd, a registered community housing provider, has confirmed that Units 1-10 inclusive and C105, C106, C109 and C110 will be managed by them as community housing.
2. The application is supported subject to the imposition of two new conditions being imposed as provided.

Original referral Response Provided 13 December 2023

On 30 November 2023, Strategic and Place Planning received a referral request for Mod2023/0617. The application proposes to amend DA2021/0212 for demolition works and construction of a mixed development, comprising seniors housing, commercial uses, carparking, landscaping and stratum subdivision.

DA2021/0212 was approved by the Land and Environment Court on 20 April 2023. The development comprises 98 independent living units including 10 units for disability housing to be operated by Project Independence Limited and 4 affordable units for seniors.

The subject site is 5 Skyline Place, Frenchs Forest. The land is zoned SP4 Enterprise under the Warringah LEP 2011. The site has a frontage to Skyline Place and a battle-axe handle to Frenchs Forest Road East. The Northern Beaches 7.12 Contributions Plan applies to the land and a development contribution is applicable for the approved development. It is noted that the contribution condition was inadvertently missed in the consent issued by the Land and Environment Court.

Mod2023/0617 seeks significant changes to the approved development including an increase in total dwelling numbers. The submitted Statement of Modification, prepared by Keylan Consulting and dated November 2023, identifies the following changes to DA2021/0212:

- relocate the communal area from the Ground Floor of the western building to the ground level of the central building;
- delete commercial uses at Level 1 of the eastern building and replace with 8 Independent Living Units;
- revise design of pool and recreation facilities on Level 2;
- revise landscape design;
- minor changes to floor levels at each level to ensure floor to floor heights comply with the National Construction Code 2023 (NCC 2023) resulting in an increase in height to the western building of 0.5m;
- minor changes to layout of Independent Living Units to improve amenity;
- minor changes to basement levels, including minor changes to floor levels, location of mechanical plant rooms, the waste collection and storage areas and deletion of garbage lift;
- relocate lift shaft in the eastern building to improve entrance and circulation; and
- reallocation of a minor area of communal space at Level 7 to apartment floor area in the eastern tower.

The Statement of Modification advises:

There are no proposed changes to the affordable or disability housing aspect of the approved development, currently proposed to be operated and run by Project Independence (PI). PI ... is a registered Community Housing Provider (CHP) as well as a registered NDIS provider...

It is noted that as PI is a CHP, this aspect of the development is exempt from contributions as per the Northern Beaches Section 7.12 Contributions Plan 2022.

The Northern Beaches 7.12 Contributions Plan applies to the land and a development contribution is applicable to this application. The contribution is calculated based on 1% of the cost of works.

A cost summary report, prepared by Building Logic and dated 6 November 2023, has been submitted with the application. The cost summary report identifies a total construction cost of \$49,090,800 excluding GST. This calculation also excludes costs associated with 784m² of floorspace purported to be managed by a community housing provider.

Chapter 4.3 of the Northern Beaches 7.12 Contributions Plan stipulates that where the proposed cost of carrying out the development exceeds \$1,000,000, the cost summary report must be prepared by a

quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors.

The applicant must provide a cost summary report prepared by a quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors. This report must clearly separate the costs associated with any dwellings to be managed by a community housing provider.

Chapter 2.5 of the Contributions Plan provides an exemption for *“Social housing and community housing provided by an organisation registered as a social housing provider with the NSW Government. Applicants must demonstrate they meet these criteria within the application”*.

The application states that 14 dwellings will be managed by Project Independence Limited who are a community housing provider registered with the National Regulatory System for Community Housing (NRSCH). The NSW Registrar of Community Housing requires that community housing providers are registered under the NRSCH. A search of the NRSCH database identifies that Project Independence meet these requirements. However, it is noted that there are no conditions on DA2021/0212 requiring the management of the 14 dwellings by a community housing provider in perpetuity. To support an exemption for contributions associated with these 14 dwellings, a condition will be imposed requiring the management of the identified units by a registered community housing provider in perpetuity.

RECOMMENDATION

1. There is insufficient information to determine the applicable development contribution. The applicant should submit an itemised cost estimate report prepared by a quantity surveyor who is a registered member of the Australian Institute of Quantity Surveyors. The report should separately identify the cost associated with the 14 dwellings to be managed by a community housing provider.
2. Upon receipt of the additional information above, the application should be referred to Strategic and Place Planning 3 for consideration.

The proposal is therefore supported.

Note: Should you have any concerns with the referral comments above, please discuss these with the Responsible Officer.

Strategic Planning Conditions:

FEES / CHARGES / CONTRIBUTIONS

Northern Beaches Section 7.12 Contributions Plan 2022

A monetary contribution of \$671,107.90 is payable to Northern Beaches Council for the provision of local infrastructure and services pursuant to section 7.12 of the Environmental Planning & Assessment Act 1979 and the Northern Beaches Section 7.12 Contributions Plan (as amended). The monetary contribution is based on a development cost of \$67,110,789.

The total amount payable will be adjusted at the time the payment is made, in accordance with the provisions of the Northern Beaches Section 7.12 Contributions Plan (as amended).

Details demonstrating compliance, by way of written receipts issued by Council, are to be submitted to the Certifier prior to issue of any Construction Certificate.



A copy of the Contributions Plan is available for inspection at 725 Pittwater Road, Dee Why or on Council's website at Northern Beaches Council - Development Contributions.

Reason: To provide for contributions in accordance with the Contribution Plan to fund the provision of new or augmented local infrastructure and services.