



L E Y S H O N C O N S U L T I N G

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19 December, 2019

BY EMAIL

Stephen.Gouge@au.knightfrank.com

Mr Stephen Gouge
Planning Manager Sydney
Knight Frank Town Planning
Level 22
Angel Place
123 Pitt Street
SYDNEY NSW 2000

Dear Stephen

RE: PROPOSED CHARING CROSS CENTRE REDEVELOPMENT – EXPANDED SITE

I write to provide comment on a revised Planning Proposal for certain land at Charing Cross.

2018 Report

In June, 2018 Leyshon Consulting prepared a report (*Redevelopment Feasibility – Charing Cross Centre*) for Rayda Investments Pty Ltd in relation to the above matter.

Our report reviewed the general economic feasibility of the proposed redevelopment of certain properties in the Charing Cross centre adjacent to the Robin Hood Hotel—namely 94 Carrington Road and 223-227 Bronte Road, Waverley (the Charing Cross site).

The report examined the existing planning controls which currently applied to the Charing Cross centre. We concluded that a floorspace ratio (FSR) in excess of 2:1 would be required to achieve a viable mixed-use development and a satisfactory return as far as funding authorities are concerned.

Specifically, our report also commented on a mixed use redevelopment scheme prepared by architects Roberts Day and Humphrey and Edwards based on an FSR of 2.85:1.

We understand that our report was subsequently submitted to Waverley Council as part of a Planning Proposal for the Charing Cross site.

RECEIVED
Waverley Council

Application No: PP-1/2020

Date Received: 22/04/2020

2019 Revised Development

We were advised in February, 2019 certain changes had been made to the proposed development following discussions with Council. The changes primarily involved a reduction in the proposed height of buildings and floorspace together with some change to the proposed mix of retail, commercial and residential floorspace.

The revised plans proposed 29 residential units on the relevant site. Net Leasable Area (NLA) devoted to retail activities was increased by about 60m² while the component of commercial floorspace was reduced by some 40m².

The overall proposed FSR of the revised development was 2.65:1.

We concluded in a letter dated 5th February, 2019 that the revised development plans for the Charing Cross site did not alter any of the conclusions set out in our June, 2018 report.

We advised that the proposed FSR of 2.65:1 should be sufficient to ensure the overall viability of the project having regard to reduced construction costs and the change in the mix of floorspace in the development as referred to above.

Refusal of Planning Proposal

We understand the Sydney Eastern City Planning Panel (the Panel) decided in November, 2019 that the Planning Proposal for the Charing Cross site (referred to above) should not be submitted for a Gateway determination as the proposal had not demonstrated sufficient strategic merit.

In reaching its decision, the Panel commented that the Charing Cross site should be expanded southwards to include the nearby Legion Club and other appropriate land. If this occurred the Panel concluded a revised Planning Proposal may have strategic merit which could justify an increase in the FSR on such an expanded site.

Revised Planning Proposal – Expanded Site

We understand it is now intended to submit a revised Planning Proposal which includes the properties at 94 Carrington Road, 203-209 and 223-227 Bronte Road, Waverley together with additional properties namely:

- ▶ Legion Club – 213-215 Bronte Road; and
- ▶ Reece Plumbing site – 98 Carrington Road and 231 Bronte Road.

The combined sites are hereafter referred to as “the expanded site”.

We have reviewed the revised plans for the expanded site and note the new development concept prepared by H & E Architects proposes the following scale of development:

- ▶ 94 Carrington Road ... 2,775m² GFA
- ▶ Reece Plumbing ... 2,992m² GFA
- ▶ Legion Club ... 1,398m² GFA.

The floorspace noted above for 94 Carrington Road also incorporates the space proposed for the 223-227 Bronte Road property.

We note specifically that no additional development is proposed for the Robin Hood Hotel site—that is, 203-209 Bronte Road.

The resultant FSRs for the proposed development of the expanded site are likely to range between 2.0:1 and 2.25:1 across the relevant properties.

We have not undertaken a detailed feasibility analysis of the proposed development on the expanded site. It is our opinion, however, that having regard to the research and analysis set out in our June, 2018 report the revised development concept is likely to fall at the very bottom end of the range for economically feasible commercial development.

That is, the revised proposal would be only slightly above an FSR of 2.0:1. Our 2018 report concluded this was the **minimum** FSR required to achieve a viable mixed-use development and a satisfactory return as far as funding authorities were concerned.

Accordingly, we consider there is little scope to further reduce the scale of the proposal and hence ensure it remains a viable commercial development proposition.

General Comment

The proposed development concept for the expanded site will have the added benefit of delivering a significantly greater economic stimulus to the Charing Cross centre compared with the redevelopment concept embodied in the previous Planning Proposal. This will result from not only the addition of a larger component of commercial and residential floorspace to the centre but also the creation of a more significant development which effectively 'anchors' the Charing Cross centre as a whole.

Conclusion

I trust the above is of assistance in your ongoing discussions with Council. Please do not hesitate to contact me on 9224 6111, 0407 436 114 or pdl@leycon.com.au if further information is required.

Yours sincerely

LEYSHON CONSULTING PTY LTD



**PETER LEYSHON
DIRECTOR.**