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Attention: Casey Joshua Regional Assessments Section Planning And Environment NSW Government

# Re: Objection to modifying the Project Approval for Eastlakes Shopping Centre (MOD 4).

To whom it may concern.

As a long-standing resident of the area I am outraged by the greed and arrogance expressed by the proponents during the process of executing their privilege to redevelop the existing Eastlakes shopping centre. The route they have taken is in stark contrast to their jolly media campaign promoting the development as a wholesome and "award winning" place for people to invest their wealth that will be of benefit to the "community".

This proposed modification must be rejected as it the proponents have not made any substantive changes that address the objections you made to the refused modification application in May 2018.

I have attempted to rescale the following images to give me a sense of the change in size of construction that modification 4 would entail.



The Director Generals report in relation to the original approval notes the following:

"Although the plans include <u>428</u> dwellings, the proponent has requested that the approval allow for permitted unit numbers within a specified range to allow the proponent to determine final total number and mix of apartments at a later stage. Any modifications to the approved floor plans which would alter unit numbers would have impacts on densities, unit sizes, residential amenity, car parking, orientation, external façade openings, appearance and the range of housing choice available. Changes to unit numbers would also affect Section 94 contributions payable to Council. As this is a Project Application rather than a Concept Plan, it is considered appropriate that the final form of the development, including exact unit numbers be determined as part

of this application. Any future amendments sought by the Proponent could be considered as part of a future modified request where all potential impacts could be carefully considered."

However, as the above illustration shows, the changes are of such dramatic scale that I believe would require the proponents to resubmit a brand new application rather than a modification. I believe that seeking modification during "staged developments" has been a disingenuous trick used by developers in Sydney to ratchet the scope of their developments in pursuit of increased uplift value whilst avoiding significant due diligence processes and public scrutiny that takes place during an initial approval process.

For instance, in May 2018 the proponents disingenuously hid the \$200 million dollar "modification" as part 4 of three very minor modification requests. I believe the reason they did this was to bamboozle the public and your organisation with information to reduce the chance of it being scrutinised. Since the proponents strayed from the original concept plans for the shopping centre redevelopment (since 2010) the community has exhausted itself trying to read and comment on all the modifications, mealy-mouthed supporting documents and incremental expansions achieved through modification requests. After local resident comments and the council disapproval of the application largely being ignored from the outset, the community of mostly battlers busy with their lives, families and work are starting to give up.

It is demoralising when you know that even if community feedback is heeded prior to approval and the design is settled, the thing that eventually gets built within your community is much higher, fatter and greyer than what you ever thought got approved.

Since around 2010 the proponents have gotten away with so much. They should think themselves lucky and not try for even more uplift. Already approved is a bulky behemoth that excludes the public to all areas other than the underground shopping mall that not only has zero net benefit compared to what already was in place (a relaxed, cheap, convenient and friendly shopping centre), but will be of grave detriment in relation to traffic flows, truck movements, congestion, road safety, pollution, solar access, congestion of the existing green spaces, plant noise, heat island effect, wind tunnel affect, public access to sea breezes in summer, mature tree canopy, parking, cost of commercial rent (will likely result in an increase in grocery prices and food prices), overall noise, and lack of noise respite.

Do not forget that the current population of Eastlakes is around 7,000 people (8,600 per square kilometre, probably twice that in the unit areas) which makes it one of the most densely populated areas in Australia. The development may only house 700 to 1000 people —an exclusive minority.

Some long term residents have simply sold up in frustration and moved elsewhere. Other residents have had no choice but to overlook from their tiny balconies a lifeless and dusty hole in the ground where the handy car park and shops used to be whilst the proponents desperately attempt to sell off the plan the overpriced units that nobody seems interested in buying.

I am particularly outraged that, to bamboozle the reader in reports, the proponents have repeatedly used the words "communal use" and "community use" when referring to green spaces, open areas and facilities that are reserved only for use by the future residents that may one day live in the facility if it ever gets built.

No offence planners, but the podium design should never have been approved in the first place. Now it appears that the proponents are trying to make it higher and more extensive. These "exclusive urban resort complexes" are like plonking a mega cruise ship on top of an established suburb. The high gated "fortress" design might be okay for future owners who want to catch the breeze, sun and views whilst lording over the humble, existing apartment dwellers across Eastlakes. And although this design might be popular with investors from some parts of the world were the middle class population is concerned about security (for instance an Australian/ Malaysian colleague told me that her family members back home employ bodyguards to accompany their children when they leave their gated community), this high, gated resort design is very "un-Australian".

Imagine being a local resident on foot (many Eastlakes residents do not own cars). and approaching this development from different angles? As you come closer you greet a 5-8 metre high towering wall looming over you which is continuously circled by streams of vehicles and delivery trucks day and night trying to find the opening through which to enter the underground parking. As a pedestrian you have to trace around the fortress until you find the hole which allows fellow pedestrians to enter into the underground shopping mall. This will be an extremely negative, hostile and alienating pedestrian experience, only to be exacerbated much further in the proposed "modification".

Eastlakes is an already congested suburb (at least 8600 people) of closely spaced walk up apartment blocks. It has narrow streets and scant green space other than the heavily used Eastlakes Reserve which has been wonderfully reactivated by Bayside council in the last couple of years. Apart from a couple of private cafes and gelato bars facing the park the new construction will offer very little advantage for the residents over and above what is already there. In addition they have removed a section of the "verandah" facing the park to locate the traffic entry point for over 1000 car spaces, adding noise, pollution and danger to park users. The park will be almost completely shaded by the wide tower in winter.

Section 8.16 Public Interest in the modification report tries to justify the modification however it is impossible to agree:

"Remains consistent with the 'neighbourhood' character of the existing surrounding built form"

- I cannot see that such a massive high rise shares any consistency with the 3 story walk-ups that Eastlakes comprise.
- The Eastlakes neighbourhood character is humble, trusting and egalitarian. The resort complex is ostentatious, gated and exclusive.

"Improves the public domain and interface with Eastlakes Reserve than the approved scheme;

- The improvement is not clear to me. The modification would result in a more crowded park that is already heavily used which would affect the quality of the grass and amenity.
- The park would almost be entirely shaded in winter. The approved development already shades half the park in winter.
- Additional mature trees are going to be removed in a city and area that is short on mature trees for natural air cooling and shading. I noticed that the proponents were able to quietly remove all the mature trees along Gardeners road as part of their approved modification to stage 1.
- They have relocated the traffic entry point so that it borders the park. The modification would result in increased traffic and therefore noise, danger and pollution to park users.
- Expanded retail along the east side of the park may detract from park users, especially if trading hours expand. I note that the heavily used basketball court is removed in the new design which would be a great loss to Eastlakes youth. It would not be so easy to locate it somewhere else in the park due to lack of space for it and noise issues for existing residents in the flats surrounding the park.

"Provides additional housing supply to an area of Sydney with excellent proximity to jobs and amenities"

- I question whether there is demand for so many units in the area so far from a train station. The proponent has been unable sell units and complete stage 1 despite an original forecast completion date of 2015.
- There is evidence that too many high rise have been built in Zetland and Mascot which is a credit risk concern for banks. I am not sure if it is the time and place to build so many apartments, especially with insufficient existing transport links. The presumption is that all the jobs are in Sydney CBD. However many people wish to live near a train station to be able to quickly access jobs Sydney wide. Eastlakes is not sufficiently linked with public transport to make it inviting for many workers. The design has no streamlined bus pick up arrangements to facilitate additional bus lines.
- The modification report notes "increase the dwelling provisions and offering
  across the site to address a change in strategic planning policies since the 2013
  project approval including increased population projection forecast, and
  associated dwelling and job projections". I am not sure if this is correct and it
  appears that demand has been satisfied.
- I note that Crown group announced in the media in October 2018 that it was going to "build to let" at Eastlakes. This is news to me and not mentioned in MOD 4. Is this code for not being able to sell the apartments? This is the strategy that Meriton uses. Aggressively lobby for uplift. Build beyond what the market requires. Hold the units that can't be sold. Rent them out at very high rates for short term use. Aggressively negative gear the rental and other losses to reduce the proponent's tax burden. Possibly sell them later during a future. I am not sure that it is in the cities regional plans that it is desperate for short term rental stock. What would the hotel industry have to say about that? To increase short term rental stock, why not legislate penalties for owners holding onto empty apartments? Maybe the proponents want to use the argument for a government hand out or concession as "build to rent" is the current flavour of the month.

• The suggestion of 5% affordable housing within the MOD 4 appears to be a marketing after-thought. I would remind you that the original concept plans back in 2010 included a significant proportion of affordable housing to be included in the development. The eventual approved development deleted any commitment to affordable housing. It is too easy to make the statement and too easy for the developer not to follow through. Also, as affordable housing is required for 50% of households in Sydney, a 5% commitment is insignificant.

"Provides an improved retail and dining experience and retains the 'local centre' feel of the existing shopping centre"

- I am not sure if the expansion of the underground retail floor space is needed. In many respects bricks and mortar retail across the world's cities is dying due to the influence of online shopping. If anything, above ground street scapes and "eat street" public laneways are more of what is needed. Also, I do not think there is sufficient disposable income in Eastlakes to support additional retail, even with increased numbers of residents within the building.
- Food is cheap in the current shopping centre because rents are low. I cannot see that with rental increases that independent produce sellers will be able to compete with Aldi and Woolworths that use their market power to broker concessional floor space as anchor tenants.

"Creates an iconic development cementing the site as the centre of the Eastlakes Local Centre, whilst acknowledging the existing area characteristics"

- My understanding is that council strategic plans focus on expansion of town
  centres in Mascot where there is a heavy rail station and do not advocate for
  expansion of the Eastlakes town centre. What's more the Kingsford light rails
  corridor is set for expansion. It looks as if an additional main town centre in
  Eastlakes would be a stranded asset.
- The local streets cannot cope with additional outside traffic.
- I do not believe that the congestion and lack of public transport, access to the centre will make it very inviting to district users.
- I noticed that the proponents have included a "Library" sign in their artist impressions. However I am not sure if this fits in with council plans to expand the library service beyond nearby Mascot. Too easy for their graphic artists to create a cheery community impression without any commitment to it eventuating.

"Improves street activation and provides the opportunity for improved interface between the built form and natural setting of Eastlakes Reserve through a new activated dining area within an iconic veranda design;

- The interface with Eastlakes reserve has been substantially changed in the proposed modification. For starters the private podium level has been heightened and vastly extended to remove areas of publicly available space and make them for residents only. The single vehicle entry for 1357 cars is now right up against the park which has huge safety, pollution and noise implications for park users. Trees will be removed and awnings extended which affects the capacity for mature trees to grow.
- Extension of trading hours and 24/7 truck access will only detract further from the park and create noise disturbance for residents.

• Park activation is currently happening through council improvements and could have improve further without having to build an excessive development.

"Consolidates the approved residential towers, mitigating built form impacts on the streetscape and increasing cross site views"

• I cannot see that increased building and podium heights would mitigate built form impacts and increase cross site views other than for some of the residents who live in the towers.

"Improves retail configuration, safety and appearance of the development"

- It is hard to understand how the new design would enhance safety when traffic movements would be massively increased both day and night and there are no specific easements built in for safe bus movements.
- 24/7 delivery truck and expanded business hours would have further impact on pedestrian safety and streetscape.
- The massively increased height of the buildings would detract from the local three story walk-ups that crowd around the centre.
- I also note that the proponents wish to relocate plant and equipment away from the resident-only area. This suggests that they wish to spray noise and heat out from the podium and over the existing residential areas.

"Provides additional community facilities and includes a new childcare centre and medical centre for the needs of the existing community and future residents"

- The proposal does not provide much more than what is already available. It is not clear if the not for profit community centres that the current shopping centre hosts will be available in the new development.
- There were two medical centres at Eastlakes. One was removed on "construction" of stage 1 about two years ago. One remains. It is unclear if the medical centre referred to is a third medical centre or a net loss of one medical centre.
- The child care centre would only eventuate if there was need for it and able to be offered at a competitive price. There is no guarantee that it would be ensured in the final design.

"Compliments the design of the approved North Site, providing a consistent design across both sites"

• The southern site is so massively changed that any semblance of the original "award winning" design will be lost.

I can see that the modification would be in the developer's financial interest and perhaps in the building resident interest (the new apartments are very expensive and strata fees high so it is unlikely that existing residents will be able to buy in).

I wish to emphasize that the proponent has yet been unable complete stage 1 despite an original forecast completion date of 2015. At the moment stage 1 is still a large sandy hole in the ground creating dust and parking issues for residents due to the loss of the shopping centre car park. They have built hordings so high that it is not easy to check if any construction is taking place. Is it possible that the developer/ proponent has run into financial issues and may not have the capacity to complete approved

development let alone a modified development? Is it possible that the developer may be trying raise heights of the development in order to improve the amount it can sell the site for if they are forced to liquidate? There are considerable consequences if the developer folds. I suggest that the NSW government undertakes a prudential check of the proponents.

The paperwork for the modification application is extensive and difficult to interpret. However it clearly makes no sense. Happy to discuss my concerns directly if you wish.

Kind regards

Jason Middleweek

13 November 2018

## **Attachment: BACKGROUND**

#### **About Eastlakes**

I have lived in the Eastern Suburbs of Sydney since 1988 and in Daceyville (owner occupier) since 2010. I use Eastlakes as my local shopping centre as I enjoy its low prices, variety of shops, lack of crowds and friendly community feel.

Most of the housing is privately owned with a few high rise public housing blocks. I have lived and travelled extensively and would rate the streets surrounding the shopping centre as the most run-down area of private housing in Australia. Comprising of mostly very small 2 bedroom units in three story walk up blocks, it has attracted migrants for decades being close to the airport and city. Most families work in the service industry and have low household incomes. Most people are renting, however there are many long term owner occupiers as well. Surprisingly most of the units are fully renovated inside and despite their dilapidated external appearance are quite well built and many residents take pride in their balcony gardens. The area houses many children, is safe due to pedestrian movement, and has a friendly feel. There is a thriving community garden. There are parking problems on its narrow streets due to multiple family occupancy in the units, and lack of a train station and public transport options. However the dense on street parking tends to naturally traffic calm the area and act as a buffer between footpaths and the road. There is a lack of immediate outdoor green space for many residents which means that the Eastlakes Reserve is heavily utilised at all hours.

If you discount the sections of low density housing in Eastlakes, the zone around the shopping centre would be one of the most densely populated 0.5km2 in Australia.

It is tragic that despite all the wealth in Sydney that the Eastlakes streetscapes are so poor. Despite council efforts to eliminate illegal dumbing the high population density makes waste management an issue and demand for parking has meant that many available nature areas between and behind buildings has been converted to concrete carpark and driveway.

## The story of the Shopping centre redevelopment.

My understanding is that the former Botany Council was keen for the ageing shopping centre to be redeveloped with a view to giving something back to the Eastlakes community. However the council was wary of an integrated residential development because of increased traffic congestion in the area due to the narrow streets and lack of direct access to Gardeners Road. In its early stages the Council was considering concept plans detailing fairly low rise 3 to 5 story units with ground level public thoroughfares and a significant affordable housing component.

The proponents put in a submission to the former Botany council around 2010. The council had a range of concerns. Its key concerns were the number of units being too high relative to the surrounding area, the impacts of traffic congestion in the local area and problems with semi-trailer access to loading areas. The Botany council requested a traffic study be undertaken before any DA.

### A story of greed over public good.

The original proposal by the proponents was rejected by the former council. Note that the original proposal is dwarfed by what is currently being built on the north side of the road and the behemoth the proponents have now sought on the south side of the road. How did this happen?

After the change in government and the establishment of the NSW Joint Planning panel to assess large "state significant" projects, developers have had a means to bypass council and go straight the NSW Department of Planning.

After outright council rejection, the Minister approved a plan that was bigger and denser that what was proposed to council (428 units instead of 200-300). It is clear in the director generals report that the main reasoning for approval was that it had a mandate to facilitate an increase the number of dwellings in Sydney. There were a few recommendations made by the DG but it is not clear if any of these recommendations were heeded as there appeared to be no recourse if the proponents decided not to follow them.

The Minister of Planning did commission a traffic review which assessed the impacts of a development consisting of the new shops, <u>200-300</u> apartments (not 421). The traffic study found that around 945 to 1260 care spaces were needed which was over a 100% increase over the number of parking spots at the former shopping centre. The traffic study found that there would not be a huge impact on local traffic and made the following recommendations:

- Consideration could be given to share the retail and residential visitor requirement as peak demand does not coincide.
- Provision of direct entry point of gardeners road via a slip land to reduce traffic along racecourse place and evans avenue (residents, traffic calmed, children, school, bike lane. Delvery semi trailers.)
- Assessments of traffic impacts on Evans ave and Maloney street
- Consideration given to through road between Racecourse parade and st Helena parade.

It appears that none of above recommendations were pursued by the proponents. Not even the DG supported the recommendations in the traffic study his department commissioned

I note that Botany Council was so upset by the Minister for Planning's Eastlakes decision that it took the Minister for Planning to the NSW Land and Environment Court over his decision. The council lost.

I note that in the DGs report there is a paragraph which allows the developer to keep increasing unit totals after the approval is granted.

"Although the plans include <u>428</u> dwellings, the proponent has requested that the approval allow for permitted unit numbers within a specified range to allow the

proponent to determine final total number and mix of apartments at a later stage. Any modifications to the approved floor plans which would alter unit numbers would have impacts on densities, unit sizes, residential amenity, car parking, orientation, external façade openings, appearance and the range of housing choice available. Changes to unit numbers would also affect Section 94 contributions payable to Council. As this is a Project Application rather than a Concept Plan, it is considered appropriate that the final form of the development, including exact unit numbers be determined as part of this application. Any future amendments sought by the Proponent could be considered as part of a future modified request where all potential impacts could be carefully considered."

Of course the proponents aim is to build as many units and retail floor space on the block as possible, regardless of community impacts and objections. As a for profit entity their aim is to maximise profits as much as possible.

#### What is being built now?

The northern part of the development has been under construction for almost 2 years. It was promoted as for completion by 2015. Currently the norther site is a large sandy hole in the ground with a high black hoarding around it. Hundreds of parking spaces were removed from the northern site which has caused inconvenience for local residents. A resident told me that the hold up on progress of the project has been that proponents have not been paying their sub-contractors.

The developer has heavily invested in marketing of its "Eastlakes Live" product especially in its target Indonesian and Malaysian overseas investor markets. There are a lot of sunny articles in the local papers about how it will be a wonderful and exclusive place to live and how the developer has an exceptional vision, how the design won an award. There are very creative illustrations of the development with green coloured roofs and exclusive facilities for the residents. The fact that the development will look over Australia's most expensive golf course are being promoted. Many of the ground images are generated from the perspective of over the already heavily used Eastlakes reserve which is public land and not part of any contribution from the developer.

There is a scale model of the development in the display suite which makes the development look far bulkier that what I thought had been improved. It appears that the proponents were been able to make incremental changes to the development over time. The buildings seem higher and the proposed public access ways have been elevated to the podium for resident exclusive use only. In every direction a 5 to 9 metre high wall faces the street. In every direction the local footpaths and resident balconies face a high concreted podium wall and circling traffic. It is a gated community. There are two access tunnels; one to underground shops and another to the underground car park. The overall design resembles a medieval castle with the well-heeled residents in their landscaped enclave looking down on the hapless locals below.

Stage 2 even includes a library sign next to the shop access tunnel. After being fully rejected by the local council who will be supporting this library? Does Bayside

council have a view on whether a third library is needed? I dare say this marketing stunt will be quietly removed from any final construct.

Although it is a full time job keeping up with modifications I learnt that in 28 June 2018 (MP09\_0146) the proponents got quiet approval for an additional 21 Apartments, replacing a two story building with an 8 story building, 64 additional car parking spaces. They also got to remove mature trees and public access to grounds on the Gardeners road side and replace it with a podium wall.

At the display suite, the sales person quoted me prices which are way beyond my price point. Although I may be able to afford a small two bedroom apartment in the complex for my family, the strata fees are so high that I would not have the capacity as a middle income professional with significant savings to maintain the combined mortgage and ongoing fees. Another local resident told me that the developer has been struggling to sell the units which has meant that there has been insufficient cash flow to complete the northern development.

The story continues....