
NSW Department of Planning LEP Practice Note on Classification and Reclassification of public land through a Local Environmental Plan and Checklist

Classification and reclassification of public land through a Local Environmental Plan - Checklist

Planning Proposal to reclassify 259-271 Pacific Highway, Lindfield from Community Land to Operational Land

LEP Practice Note PN 09-003: Classification and reclassification of public land through a Local Environmental Plan

Why is the Draft LEP being prepared?

- This information is in the Council Reports of 11 November 2014 and 28 July 2015 and in the Planning Proposal.

The current and proposed classification of the land

- The current classification of the subject land is 'community land' under the *Local Government Act 1993* and the proposed classification of the subject land is 'operational land' under the *Local Government Act 1993*. Further information can be found in the Planning Proposal and the Council Report dated 11 November 2014 and 28 July 2015.

The strategic reasons for the reclassification

- This information is found in the Council Report dated 11 November 2014 and 28 July 2015 and in the Planning Proposal.

Council's ownership of the land

- This is confirmed in the Council Report dated 11 November 2014 and Certificates of Title.

The nature of Council's interest in the land

- As indicated, Council is the owner of the land. There are no current leases over the site. The land was resumed from the Coleman family "...for the purpose of the improvement and embellishment of the area." (Government Gazette of 28 November 1947). The purpose for resumption of the land is no longer valid as the uses are being transferred to the Lindfield Hub site on the western side of the Pacific Highway in Lindfield.

How and when and why Council's interest in the land was acquired

- The land was resumed from the Coleman family "...for the purpose of the improvement and embellishment of the area." (Government Gazette of 28 November 1947).

Any agreements over the land and the details thereof

- ☑ Any such information is included in the Planning Proposal. As noted in Section 2.2.2, interests over the land, now expired, include:
 - AD632829 - A lease to Ku-ring-gai Youth Development Service over Lot 8 in DP 660564 which expired on 31 December 2008.

Based on information provided by Council and certificates of title for the lots, there are no other notifications or restrictions over the land.

Prospective change in land valuation: 259-271 Pacific Highway, Lindfield

- ☑ The type of financial benefit that could arise would occur if the land were then sold to another party. The proposed change in zoning and increase in allowable FSR would increase the value of the site that would be realised if the site were sold.

In view of the current rate of inflation of residential properties on the North Shore of Sydney since the Landmark White (P/L) advice was prepared, Council will seek to attain a revised land valuation report closer to the public exhibition of the planning proposal. Prior to the submission of this planning proposal for gateway determination, Landmark White (P/L) has provided Council with an broad preliminary estimated range of the potential value increase of the site under an amended FSR of 2.0:1:

“The range of potential values in the context of the current market, without the benefit of development cash flow modelling would be between \$4500/m² - \$5500/m².”

This valuation range is also consistent with the potential site value Jones Lang Le Salle attributed to the site as part of their financial feasibility analysis of the preferred concept design for the site adopted by Council.

If the land is to be sold at a later date, Council have a policy, which clearly sets out the responsibilities and process of selling Council owned land. Council adopted the *Acquisition and Divestment of Land Policy* on 10 June 2014. The Policy states:

The acquisition and divestment of Land by Council requires a formal process that is underpinned by probity, due diligence, analysis of risk and other key issues. Land acquisitions and/or divestments undertaken by Council are crucial to the strategic provision of open space, operational and community benefits, and achieving planning objectives associated with the development, growth and revitalisation of the local centres.

Council commissioned the Lindfield Library Precinct – Valuation Report (Landmark White P/L). The Valuation Report formed a confidential attachment to the Officer Report to Council of 11 November 2014. The publicly available findings of this report are discussed on page 14 of the Council report.

As stated in the Council report of 11 November 2014 and 28 July 2015, the proceeds of the sales could be used in a number of ways:

- *to address the asset renewal gap (funding shortfall) by returning the funds to reserves for expenditure on new assets or major asset refurbishment in accordance with the Long Term Financial Plan (LTFP) guiding principles (LTFP, page 4); or*
- *to fund Council's co-contribution for projects identified in the Development Contributions Plan 2010. The LTFP proposes that asset sales from rationalisation of property assets commence in 2015/16 and continue over a 10 year period as Contribution Plan projects proceed (LTFP, page 23).*

Any decisions to sell or lease all or part of the land will require a separate resolution of council.

Asset Management objectives

- This information is included in the Council Report dated 11 November 2014.

Is there any agreement to sell or lease the land?

- There is no agreement to sell or lease the land at this stage. However, as a part of the ongoing interim management of 259-271 Pacific Highway, Council has commenced short term lease options for the existing buildings on site. Any future decision to deal in the land following reclassification would require a further report and formal resolution of Council.

Other relevant matters

- Please refer to the Planning Proposal.

Attach a copy of Practice Note PN 09-003

- See next page overleaf.