

Minutes of "Common Good Group" Meeting

Date: 16 October 2012 Venue: Epping Baptist Church

Present based on sign-on sheet: Mark Anderson (chair; 17 Cliff Rd), Kathy Anderson (17 Cliff Rd), Nelson & Grace Cheung (20 Carlingford Rd), Allen Huang (28 Carlingford Rd), Fiona Maher (25 Cliff Rd), Siew See Ng (29 Cliff Rd), Neville and Betty Brogan (5 Cliff Rd), John Aichison (9 Cliff Rd), Peter and Ling Li (24 Carlingford Rd), Jin and Helena Song (15 Cliff Rd), Tim & Chris Coates (23 Cliff Rd), Foo Xin (27 Cliff Rd), Pradip Pal (26 Carlingford Rd), Uma (1/3 Cliff Rd), Chris & Joy Dunkerley (21 Cliff Rd).

Apologies: Jim & Pat Rockett (19 Cliff Rd)

From Lyon Group: Bruce Lyon, Garry Reardon and Dean

Minutes

Mark Anderson (MA) opened the meeting at 6.05pm and gave background to the formation of the "Common Good Group" and re-stated the aims of the group:

- To cooperate and work for the common good of our neighbours in our dealings with developers.
- To inform any developer who approaches us that we are working in cooperation with our neighbours, and any dealings will need to be discussed with the group before proceeding further.
- To not enter into any agreement with a developer without first advising the "Common Good Group".
- To pool our expertise and knowledge, and to communicate regularly with each other.

MA introduced Bruce Lyon (BL) and invited him to address the meeting.

BL stated:

- Has been involved in the area for 58 years; has a vision for Epping
- Has formed EPOG (Epping Property Owners Group) which is primarily commercial property owners in the Epping CBD.
- His vision involves a master plan; wants development to be high quality; for offices and housing (apartment) development so that people could live and work in Epping; this requires re-zoning to take place.
- He has spoken with Hornsby Shire Council (HSC) who have advised development in Cliff/Carlingford Rd area will be 5 floors but 'up to others to see what they might get on it' [height-wise].
- Sees Epping as a major transport hub; bus interchange in Rawson St
- Has met with Brad Hazzard, State Minister for Planning; Parramatta Council wants to restrict town centre development to 8 storeys whereas BL would like 20 floors with open space between them.
- LyonGroup has linked with Winten Group which has done a number of major developments (see <http://www.winten.com.au/>)

- “gone to top of the tree” in making offer; does not want one or two properties; needs to create something viable; an ‘urban village environment’.
- Will provide \$10,000 as a non-refundable amount to sign his option for 12 months; if no approval to develop in 12 months, then option for a further 12 with another \$10,000. If rezoning approved, BL wants to get on with the business of developing quickly; settlements between 3 and 6 months Would lease back to owners in some cases if required.
- Offering \$2.3 million per property. Needs at least 4 – 6 properties on each street [that is, back to back on Cliff / Carlingford Rds] to be viable.

MA invited question from audience for BL to answer

Q: How do you see it proceeding?

BL: Don’t know how State Govt will go as it has handed planning back to Councils; with Urban Activation [see <http://www.planning.nsw.gov.au/tabid/205/ctl/View/mid/1081/ID/83/language/en-US/Default.aspx>], the Director-General of Planning Dept agrees that Epping should be eligible and selected; needs a good master plan; Council said the 5 storeys is absolute limit.

Q: Did you say it would be 6 to 8 months to take properties?

BL: Once we get gazettal, still have to put in master plan; timeframe would be “a minimum of 12 months, realistically 18 months”.

Q: Parramatta Council, will they allow high rise?

BL: PCC and HSC were to do a master plan ignoring council boundaries; consultants engaged and completed the master plan; HSC sought feedback from its residents on the master plan but PCC did not as PCC opposed anything over 8 storeys. having the height allows more land (space) on the ground; Epping won’t develop under PCC; want to see Epping with office development where people can travel to by train or live in Epping to work.

Q: With 5-8 storeys, what will be the distance between the apartment blocks?

BL: 8-10 metres. Would like to be able to go higher so that there can be more space between each building; council can be swayed if people ask for increased height so that more space can be provided on the ground; “buildings either go up or go out”; HSC believes there is opposition to rezoning from residents on northern side of Cliff Rd.

Q: What other projects is LyonGroup involved in?

BL: Epping Centre, between hotel and Genesis.

Q: How will you / can you fund the development?

BL: Bigger the project, bigger the debt. Between Winten and Lyon Group we have the funds. Putting up \$10,000 for 37 properties for the option. If no interest will go elsewhere – have another project to develop Sydney Airport Mecure Hotel.

Q: Is the \$2.3 million on top of the \$10,000 option?

BL: Yes, above the \$2.3. Will keep people up to date with progress of development. Both companies (Lyon and Winten) are not public ones; Won’t be building the whole lot at the one time; build and sell in stages.

Q: When will we see option documents and contracts?

BL: All done but solicitor left out the page for signatures. Will amend this and get it to residents. Sets out the terms and conditions.

Q: How long will the option remain open?

BL: I did Cherrybrook and it took 3 (??) years to acquire the 286 properties. Probably will give "a couple of months". To make the development viable, need 3 as a minimum (that is 3 blocks in Cliff with the 3 at the back on Carlingford Rd = 6 blocks).

Q: Who is the Winten Group?

BL: Has had 35 years in business, Gary Rothwell has strong capital base, just sold 2000 lots for \$165million in Marsden Park.

Q: If you intend to purchase 20 blocks at \$2.3 million each, do you have the money?

BL: "We have 2 or 3 banks chasing us to fund airport hotel"

Q: How did you arrive at \$2.3million per house?

BL: By number of units we build on blocks, cost of development, etc.

Q: How much will a 2 or 3 bedroom unit cost?

BL: "We know what it will cost us and what we think they will sell for", given train line; will be one and 2 bed apartments (no studios); 65 sq metres for 1 bed; 82 sm for 2 bedroom.

Q: How many would you build on 4 blocks?

BL: Need to allow 15-20% for halls, council set back of 10 metres (not 6), 8 per floor or maybe 6 if 2 lifts in building.

Q: What would be the time between the exercising and settlement dates?

BL: 3-6 months

Q: If council caps at 5 storeys, would you still go ahead?

BL: "Yes, can still make it work with 5 floors"

Q: about the \$10,000

BL: For a 12 month option, once option signed, property tied up with BL for 12 months; will be a contract attached to the option.

Q: Would it be possible to take fixture from house?

BL: Could take before demolition within reason.

Q: \$10,000 for one year; what after this?

BL: If not purchased, another option for 12 months with another \$10,000; fixed price on the contract, will not change; \$2.3 million. If master plan not approved in first 12 months, will have a further 12 month extension of option.

Q: \$10,000 is less than the standard 1% of purchase price; would you go to \$23,000?

BL "No"

Q: How does this proceed?

BL: Garry and Dean will come around to your homes and give you the option document, the 149 Certificate and contract. Will get most out tomorrow.

Q: How many properties do you require to sign to have a viable project?

BL: 25, options will go to 37.

Q: What about if less sign up would it still go ahead?

BL: maybe, but can't make the impact required with less than 25.

Q: Could you handle / would you accept it if all 37 signed up?

BL: Yes

Q: Will everyone receive the same documentation / option / paperwork?

BL: Yes

Q: If, following legal advice, can we make changes to the option / contract?

BL: All lawyers want things in their own way of stating things. if the changes are realistic, yes.

Q: Would all 37 get the same amount each?

BL: End properties would get less as less units can be build on them

Q: Heritage property on Carlingford Rd?

BL: Only recently became aware of it. It is a local heritage, not State one. Will see what can be done, how it might be included.

Q: Which properties are in the main ...?

BL: In Cliff Rd, from number 7 up to 31.

Q: Would it be build in stages?

BL: Yes, would start at the Kent end and work down.

[Concerns expressed about living next to a building site by some in audience]

Q: If anyone wanted to stay in the area, could they buy into the development?

BL: Yes, if you were a resident and buying to live in would get a good price as Winten Group "is not miserable".

MA thanked BL for coming to the meeting and thanks Tim and Chris Coates for arranging the room at the Church, and Chris Dunkerley for assistance.

The Group agreed to meet again next week to hear from Michael Bevan from McGrath Real Estate.