15.2 PLANNING PROPOSAL 2013/4 - 65 ALBERT AVENUE, CHATSWOOD - MANDARIN CENTRE

ATTACHMENTS: 1. PLANNING PROPOSAL CONCEPT PLANS

2. HEIGHT AND FLOOR SPACE RATIO MAPS -

EXTRACT FROM WLEP 2012

3. LETTER OF OFFER FOR DRAFT VOLUNTARY

PLANNING AGREEMENT

4. RECOMMENDED BUILDING HEIGHTS

RESPONSIBLE OFFICER: LINDA MCCLURE - STRATEGIC PLANNING

MANAGER

AUTHOR: JANE HOSIE - STRATEGIC PLANNER

CITY STRATEGY LINK: 6.2.1 A COMMUNITY THAT IS INFORMED OF KEY

COUNCIL POLICIES, SERVICES AND ACTIVITIES AND CAN PARTICIPATE IN THE DECISION MAKING

PROCESS

MEETING DATE: 5 MAY 2014

Purpose of Report

This report considers a Planning Proposal for the Mandarin Centre at 65 Albert Avenue Chatswood. The applicant is Urbis on behalf of Mandarin Developments and Blue Papaya Pty Ltd (the owners of the site). The Planning Proposal is accompanied by indicative concept plans, context analysis and shadow diagrams prepared by Bates Smart, planning report and economic assessment prepared by Urbis, a traffic report prepared by GTA Consultants and an offer for a Voluntary Planning Agreement for the provision of public benefits to enable satisfactory site redevelopment.

The report recommends that a Planning Proposal be referred to the Gateway for public exhibition together with a draft Voluntary Planning Agreement.

Summary of the Planning Proposal 2013/4

The Planning Proposal seeks to amend Willoughby Local Environmental Plan (WLEP 2012) to allow shop top housing to occur on the site by adding "shop top housing" as an additional permitted use in Schedule 1 of WLEP 2012 while retaining the Commercial Core B3 zoning for the site. The development standards for the site requested in the Planning Proposal are:

- i) An increase in the maximum height limit from 27m to RL181.95 (89.95m). The height is similar to the Sebel building at 31-37 Victor Street, Chatswood which has a height of RL 175.8 (or RL182.13 including plant.) The existing building height is approximately 29m.
- ii) Increase the permissible Floor Space Ratio from 2.5:1 to 11.15:1. The existing building was approved at 4.6:1.

The indicative concept plans and report accompanying the Planning Proposal at Attachment 1 indicate that this would allow 13,829sqm of leasable retail/commercial floor space and 23,512sqm of residential floor space (244 units). The development would comprise a podium

building with 6 storeys above ground level (generally matching the existing Mandarin Centre podium and the adjoining Westfield podium) upon which sit two separate towers – a western tower having a height of 11 storeys plus plant (next to the Sage building) and an eastern tower with a height of 23 storeys plus plant (next to the Sebel/ Council building). The retail/commercial floor space is shown in the indicative concept plans to include a supermarket in the below ground level, 3 levels of specialty retail and one level of "Entertainment" use(s).

The Planning Proposal documentation advises the intention to provide 4% of the residential floor space as affordable housing.

The applicant has also submitted a letter agreeing to enter into a Voluntary Planning Agreement with Council to provide:

- i) a 3m wide road dedication to Council along Albert Ave to enable adequate traffic access to and from the site;
- ii) a publicly accessible landscaped open space area connecting with the interchange public open space terrace precinct and;
- the provision of a two metre building setback at the ground level of the proposed development along the full length of the Victor St frontage of the site providing an active street frontage with a widened public footpath and street planting.

The applicant's justification for the proposed amendments is on the basis that the existing Mandarin Centre is not functioning effectively as a shopping centre and needs to be rejuvenated. The accompanying economic study argues that there is sufficient retail demand in the Chatswood CBD to support the redevelopment of the existing Mandarin shopping centre.

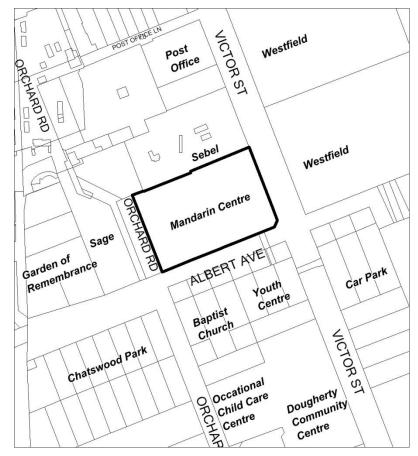
The Planning Proposal argues that in order to renew the site as a viable retail entity, residential floor space in the form of shop top housing is required to make the total redevelopment feasible. According to the applicant, there is insufficient commercial office demand in the City to support the provision of a large amount of office floor space in this location, while demand for residential units in Chatswood is growing. A residential component in the development, the Planning Proposal submits, would enhance the potential success of the site with housing provision and maintaining retail employment jobs.

The inclusion of "shop top housing" is contrary to strategic local and state policies relating to the site and there are significant traffic and car parking issues still to be resolved, however on balance it is considered that the Planning Proposal can be supported for public exhibition because of its potential to facilitate renewal and activation of the existing Mandarin Centre site, retention of a significant component of retail floor area and contributing to the surrounding retail precinct of the CBD.

The concept plans will be required to be amended in accordance with the design changes recommended in this report including deletion of floor space should Council agree to support a 3m wide road dedication along the Albert Ave frontage through a Voluntary Planning Agreement (VPA) and satisfactory resolution of the associated traffic and parking impacts.

Should the Planning Proposal proceed, the physical redevelopment of the site will be subject to a future development application and assessment which must accord with the parameters set out within the amended WLEP 2012 and VPA as well as satisfactory resolution of the traffic and parking impacts, and compliance with additional relevant statutory provisions such as the Willoughby Development Control Plan and State Environmental Planning Policy 65 (SEPP 65)- Design Quality of Residential Flat Development.

Description of the Site and Context



The site is located in a prominent position on the corner of Victor Street and Albert Avenue, Chatswood and is known as Lots 1, 2, 3 DP 1035379 and Lots 41 and 42 DP 1150370. It has a site area of 3519m². Orchard Road (north) is located adjacent to the western boundary of the site and is a service road which provides vehicle access to the Sage building, Secure car parking station and the Metro Towers currently under construction above the Chatswood Railway Station.

The site is generally rectangular in shape and comprises the Mandarin Centre, a five level development with three levels of basement car parking which was approved in the early 1990s. It has a frontage to Albert Ave of approximately 73m and Victor St of approximately 44m.

The site is located at the south western edge of the Chatswood retail precinct and in Victor St, is adjacent to the Sebel development to its north which is a 28 storey building comprising Willoughby Council offices, serviced apartments and residential units with a height of approximately 83m or RL175.8 (plus plant- RL 182.15). The Sage office building in Albert Ave to the west has an approximate height of 66m or RL160. Westfield is located to its east and the Council Youth Centre, Baptist Church and Chatswood Oval /park are located to the south of the site.

The existing development has vehicular access for both cars and trucks from Victor St. There are currently four pedestrian access points into the Mandarin Centre - one at the corner of Victor St and Albert Ave and another smaller but more frequented access to the north in Victor St. A pedestrian bridge links the site to the Council Youth Centre and Westfield car park and the existing development can also be accessed to the interchange public open space terrace via level 3.

The Mandarin Centre currently comprises two retail levels on the ground and first floor levels, a food court on Level 2, Hoyts Cinemas on Level 3, Strike Bowling on Level 4 and the Gordon Recreational and Social Club on Level 5. There is a roof top beer garden and basketball court. The original approval for the development included 16,291 sqm of gross floor space which included retail, cinemas, club and recreation floor space.

There is currently 5,815.2sqm of leaseable retail space in the Mandarin Centre and approximately 13,000sqm when the entertainment and club levels are included.

Existing Planning Controls

The site is zoned B3 Commercial Core under Willoughby Local Environmental Plan 2012 consistent with surrounding land. It is a large and strategic site at the edge of the retail and commercial precinct of the Chatswood CBD. Willoughby Local Environmental Plan 2012 prescribes a floor space ratio of 2.5:1 and a height control of 27m for the site. Attachment 2 contains an extract of the WLEP 2012 height and FSR controls in the vicinity of the site. (The existing Mandarin Centre development exceeds these controls having being approved under the previous planning instrument, Sydney Regional Environmental Plan (SREP) No.5-(Chatswood Town Centre) for 4.6:1 FSR and height of around 29m).

The permissible uses in the B3 zone include all forms of commercial premises, community, educational and entertainment facilities as well as hotels and clubs. The objectives of the B3 zone relevant to the site are:

- To provide a wide range of retail business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.
- To encourage appropriate employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To strengthen the role of Chatswood as a major centre for the inner north sub-region and to improve its public domain and pedestrian links.
- To protect and encourage safe and accessible city blocks by providing active land uses on street and pedestrian frontages.

Residential development is not permitted in the zone and is not reflected in the zone objectives.

The site is also included on the Active Street Frontage Map of WLEP 2012, the objective of which is to attract pedestrian traffic and maintain pedestrian amenity along the frontage of the site.

The objectives of the development standards of height and floor space ratio add to the understanding for the development objectives for Chatswood CBD including but not limited to the following relevant objectives:

- To ensure that new development is in harmony with the bulk and scale of surrounding buildings and the streetscape.
- To set upper limits for the height of buildings that are consistent with the redevelopment potential of the relevant land given other development restrictions, such as floor space and landscaping.
- To reinforce the primary character and land use of the city centre of Chatswood with the area west of the North Shore Rail Line, being the commercial office core of Chatswood, and the area east of the North Shore Rail Line, being the retail shopping core of Chatswood.

- To limit the intensity of development to which the controls apply so that it will be carried
 out in accordance with the environmental capacity of the land and the zone objectives
 for the land.
- To limit traffic generation as a result of new development.
- To permit higher density development at transport nodal points.
- To minimise the impacts of new development on adjoining or nearby properties from disruption of views, loss of privacy, overshadowing or visual intrusion.
- To manage bulk and scale of that development to suit the land use purpose and objectives of the zone.
- To allow growth for a mix of retail, business and commercial purposes consistent with Chatswood's subregional retail and business service, employment, entertainment and cultural roles while conserving the compactness of the city centre of Chatswood.
- To encourage the consolidation of land for redevelopment.

Issues with the existing Mandarin Centre Development

The existing Mandarin Centre is in need of renewal to compete with other modern shopping centres. It has poor street activation, the external façade is dated and major renovation of the building is warranted. The internal layout and size of the spaces do not function well and there is poor vertical movement in the current design. The existing Mandarin Centre is also deficient in the provision of car parking and the car park is regularly full. Furthermore, the existing centre lacks an anchor retail tenant such as a supermarket or discount department store to support the specialty retail offer.

The applicant has submitted letters from two existing major entertainment tenants, Strike Bowling and the Gordon Club confirming i) the poor layout of the retail space and poor vertical transportation within the centre ii) the requirement for an anchor tenant and iii) support for a residential component to improve the success of the shopping centre.

Detailed Description of the Planning Proposal

From the planning documentation the design principles for a building on the site are to:

- (1) provide a retail podium that is consistent in street edge height and scale with the existing Sebel building in Victor St and the Westfield building in Albert Ave;
- (2) activate the street frontages to Albert Ave and Victor St;
- (3) facilitate more practical pedestrian linkages within the precinct;
- (4) minimise view loss and overshadowing to the Sebel and Sage buildings as well as sensitive land uses such as Chatswood Park and Chatswood occasional child care by limiting the lower building to the height of the serviced apartments (level 15) of the Sebel building and designing the taller tower with an elliptical shape;
- (5) Provision of vehicle access from Orchard Rd (north).

As previously noted the Planning Proposal seeks to permit shop top housing on the site as well as an increase in the permissible height from 27m to RL 181.95 (89.95m) and an increase in the floor space ratio from 2.5:1 to 11.15:1.

Concept plans submitted with the Planning Proposal are Attachment 1 to this report. The applicant's planning report advises that the intention is to "provide potential for an iconic metropolitan transit oriented mixed use development which is responsive to the surrounding amenity sensitive uses in the immediate vicinity."

The concept plans indicate the demolition of the existing Mandarin Centre and its replacement with a new development designed with a six storey podium comprising basement supermarket (3000sqm), three levels of retail and a level of anchor entertainment space with two levels of residential including swimming pool and gymnasium above. The podium building would have a height along the Albert Ave frontage of RL 114.6 that generally aligns with the Westfield building (which is RL 113) and is similar to the existing height of the existing Mandarin Centre. Along Victor St the podium height would increase to the height of the Sebel podium (RL 117.6).

The ground floor of the development will be set back 2m at the ground level along the Victor St frontage creating an active street frontage with a widened footpath and enhanced tree planting.

Above the six storey podium building, the plans indicate a taller elliptically shaped tower on the eastern part of the site designed to preserve views from the residential component of the Sebel building. It would be 27 storeys (including the 6 level podium building) and 89.95m or RL 181.95, in height including plant. (For comparison, the Sebel height is approximately RL 178.50 to the roof (or RL 182.13 including plant). The four top levels above RL 169.3 would be stepped to reduce overshadowing to Chatswood Park and create a stepped building form at this edge of the CBD. (For comparison the height of the Sage building is approx. RL 160).

A smaller 15 storey (including the 6 level podium building) rectangular shaped western tower with a height of RL141.85, (144.90 including plant), is also proposed to be located adjacent to the Sage building. The footprint of the smaller tower is aligned with the blank wall of the adjoining Sage building with the building set back 15 metres from Albert Ave to minimise view impacts from the Albert Ave office tenancies within the Sage, to provide additional private open space for the units and to improve the outlook from the west facing units of the eastern tower. The height of the western tower is to match the height of the beginning of the residential apartments in the northern Sebel building (RL 140.7) to retain views and privacy for these existing dwellings above that level.

The taller eastern tower is set back from Albert Ave and from Victor St to accentuate the podium height consistent with neighbouring Westfield and Sebel developments.

The planning documentation advises that the development provides all vehicle access from Orchard Rd (rather than the existing Victor St access) with 594 car spaces in 6 basement parking levels. Orchard Rd would be reconfigured to provide two northbound lanes and one southbound lane. Details such as car parking layout, loading and unloading areas, garbage loading bays have not been provided at this stage. Access and parking issues are discussed below in this report under Environmental Impacts.

Pedestrian entry to the development is proposed near the intersection of Albert Ave and Victor St as well as near the northern site boundary on Victor St. A separate entry to the residential lobbies is also proposed in both Victor St and Albert Ave. The concept plan retains the existing connection to the pedestrian bridge over Albert Ave via level 1.

An open to the air, publicly accessible space is proposed on level 3 of the retail area providing a visual connection between the proposed development, the terraced public open space adjoining the Sebel building and the Chatswood Railway Station development.

Development details proposed in the applicant's concept plan are summarised as follows:

Existing Plannii	g Proposal
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Site Area	3,519sqm	3,519sqm or (3,300sqm
		approx. after road
		widening)
total floor space	16,291 (from original approval)	39,257sqm*
FSR	4.6:1	11.51:1*
retail/commercial/entertainment lettable floor space	13,044sqm	13,829sqm*
Proposed residential floor space	Zero	23,512sqm (244 Units)*
Car spaces	303	594

^{*}These figures do not take account of the loss of site area from the 3 metre proposed road widening in Albert Ave

Environmental impacts

The main environmental impacts from the proposed large increase in height and floor space ratio controls in the Planning Proposal relate to overshadowing, view loss and loss of privacy to adjacent properties and the traffic and parking issues generated from development of the site. These issues are considered below:

a) View Loss

The design seeks to adopt the principle of "view sharing".

Views for residents of the Sebel building located directly to the north of the site will be impacted by a development at the height and scale proposed by the Planning Proposal. Views from the Sage building to the west of the site will also be adversely impacted (however it is considered less "view sensitive" being a commercial development.) The lower levels of the Sebel building (up to level15) include the commercial uses of Willoughby Council offices (which have no views in the direction of this site) and levels approved as serviced apartments which are also considered to be less "view sensitive".

However, the upper levels of the Sebel building, that is, levels 15-27 are approved as residential units that currently enjoy views to the south and east looking over the Mandarin Centre.

The indicative concept is designed to reduce view loss to the Sebel by reducing the building envelopes of the proposed building above the height of the serviced apartments levels. In this regard the floor level of the first level of the Sebel residential component is RL 140.7. The design provides two residential building envelopes which respond specifically to the views from these residential apartments.

The lower western tower is intended to be the same height as the serviced apartments level allowing the residential apartments of the Sebel to retain views over the western tower. It is noted that the concept plans indicate a height of RL144.90 for the lower tower which includes plant and should be reduced to a maximum of RL140.7 in accordance with the design objective.

A taller elliptically shaped eastern tower is designed to retain angled views from the residential dwellings of the Sebel building. The building would be 27 storeys and 89.95m or RL 181.95 in height including plant. (For comparison, the Sebel height is approximately RL 175.8 to the roof (or RL 182.13 including plant). The four top levels above RL 169.3 will be

stepped to reduce overshadowing to Chatswood Park and provide a visual transition from the Sebel building to the CBD edge. The adjacent Sage building is RL 160.

According to the applicant, the elliptical shape of the taller tower maximises view sharing in comparison to more conventional shaped building forms and the positioning of the building core and angled shape of the building envelope also provides increased building separation and privacy between the Sebel and Mandarin Centre site.

b) Overshadowing

Chatswood Oval and Chatswood Park are popular and well utilised areas of open space in the CBD and are located to the south of the site. This open space is increasing in importance as the number of residential units increase in the CBD. It is used by people of all ages and all through the day. Therefore the shadow impact of a development of the scale outlined in the Planning Proposal needs to be carefully considered. Existing buildings in the vicinity of the site such as the Metro Towers and the Sage building cast shadows onto Chatswood Park at various times through the day.

Shadow diagrams submitted with the Planning Proposal are based on earlier indicative concept diagrams which do not contain the 3m wide road dedication along the Albert St frontage required by Council. These diagrams indicate that there is likely to be additional overshadowing to the northern end of Chatswood Park between 9am and 11am in the middle of winter at 21 June (winter solstice). This means that at that time the skate board facility and playground will be in shadow most of the morning. After 11am the impact from the development will have passed however existing shadows from the Sage building impact on this area. The proposed development complies with the objective of WDCP which seeks to restrict overshadowing of Chatswood Oval/park between 11.30 am and 2pm.

There is no shadow indicated to be cast on the Chatswood Oval or Garden of Remembrance from the proposal at the winter solstice.

The shadow diagrams indicate that the development will cast a shadow on the Baptist Church site between 9am and 11am. This means that in conjunction with overshadowing cast from existing buildings (eg Westfields and Sage building) the Baptist church site will experience overshadowing for most of the day in mid winter.

At the present time the Chatswood occasional child care centre is not overshadowed by buildings until after 1pm on the 21 June however the proposal will cast a shadow on the child care centre including its outdoor space from 11am.

According to the submitted shadow diagrams for the equinox (March 20 and September 20), the proposed development casts no shadows that are likely to negatively impact Chatswood Park, Chatswood Oval or other sensitive areas although there will be some shadowing of the Youth Centre between 12 and 3pm and the Baptist Church site between11 midday and 1pm.

The applicant argues that the shadow impact at the 21 June from the development is acceptable because:

- The shadow occurs at only a limited time of the year
- The shadow passes over the area quickly (i.e limited to a short period of the day)
- The area impacted is already affected by more significant and larger shadows cast by existing buildings.
- Much of the area affected is vegetated with large trees which effectively shade the area already and which mask the actual impact of shadows cast from any building.
- The shadow at no point casts onto Chatswood oval.

While any additional shadowing to the spaces likely to be impacted by the development is undesirable, the impact is considered to be acceptable in this CBD location so that:

- 1) the value of the open space areas for recreational use will not be compromised and
- the amenity of the other places (Youth Centre, Baptist Church and Occasional Child Care Centre) will not be unduly affected by shadow from the proposed development.

c) Privacy Impact

The design of the indicative concept plan has had regard to the privacy impact on adjacent properties- particularly to the residential apartments in the Sebel building. As already described, the lower western tower is setback 15m from Albert Ave and will be restricted in height to below the level of the residential apartments of the Sebel. This will limit the impact on privacy for some of the Sebel apartments as well as some of the commercial Sage building occupants. There will be an impact on privacy for those Sebel apartments located adjacent to the taller eastern tower in the new building, however, the windows of the new building will be over 20 metres from the Sebel (generally facing east/west or south) with the lift towers being located at the northern end of the building (adjacent to the Sebel).

The curved elliptical design of the taller tower will reduce these privacy impacts as will the requirement for a new development to comply with the distance requirements between buildings both within the site and adjacent properties as set down in SEPP 65 – Design Quality of Residential Flat Development. It is noted that the applicant states that the development will comply with the code and highlights the following in relation to SEPP65:

- Provision of a minimum separation of 22.14 between habitable rooms in the proposal and habitable rooms in the Sebel building.
- Provision of a minimum separation of 12m between non habitable rooms in the proposal and habitable rooms in the Sebel.

The proposed building design and location are considered to have due regard to maintaining privacy for existing dwellings in the Sebel and the issue will be assessed in detail with a development application.

d) <u>Traffic and Parking Impacts</u>

The proposed concept plans indicate that there will be no vehicular access from Victor St. This is supported given the existing heavy use of Victor St and the potential for pedestrian and vehicle conflict and was requested by Council's transport officers in preliminary discussions with the applicant. However, locating vehicular access from Orchard Rd (north) as proposed also raises issues, which will need to be rectified in a development application for the site, should the Planning Proposal proceed. These issues are discussed below.

i) Car Access

Council's Senior Transport Engineer has advised: A thorough intersection analysis is required for Albert Ave and Orchard Rd including the impact of commercial use of the Metro towers development as well as the proposal for the Mandarin Centre. This analysis should include weekend counts (especially Saturday midday) when traffic on Albert Ave is often at its worst. It should also consider the extensive queuing back from the Pacific Highway which frequently occurs.

The dedication of a 3m strip of land for road widening along the Albert Avenue frontage should be provided which will allow for the construction of a right turn bay into Orchard Road. This in conjunction with the proposed land dedication for future road widening along the southern side of Albert Avenue would allow the right turn bay into Victor Street to be extended all the way to Orchard Road, as well as a right turn bay into Orchard Road. This would minimise the need for westbound motorists to change lanes to avoid right turning vehicles. Based on the accident history of this intersection, it would meet the RMS criteria for an accident black spot. A right turn bay would reduce the likelihood of accidents, particularly when traffic is queued back from the Pacific Highway.

The proposal has been amended so that the entry to the car park is at the northern end of the Orchard Road frontage. This should provide an adequate queuing area. The lane configuration has also been altered to provide 2 northbound lanes and 1 southbound lane on Orchard Road. This will improve access to the car park and to the Metro Towers' parking area.

The Senior Transport Engineer's concerns with the capacity and safety of the intersection of Orchard Rd and Albert Ave which would be exacerbated by the Planning Proposal are noted. The officer's recommendation for a 3m land dedication to provide a right turn bay in Albert Ave is supported as is the applicant's offer to provide this dedication through a Voluntary Planning Agreement to be exhibited with the Planning Proposal. An intersection analysis will be required during the Gateway process prior to exhibition of the proposal should the concept be supported by Council.

ii) Truck Access

With regard to truck access, Council's Senior Transport Engineer advises:

There are concerns about the truck access and egress to the site. It is unclear what size of trucks would be able to turn into the parking area. It appears unlikely that larger trucks would be able to negotiate the sharp turn once they are within the site. Trucks would need to use the same roadway as cars when entering and exiting the site. Therefore this exercise would be more time consuming for both car drivers and truck drivers and lead to increased queuing at the intersection. For this option the applicant would need to provide detail regarding the likely size of the largest trucks to be servicing the site to determine whether they can negotiate the turn into and out of the car park at Orchard Road.

The exit lane for straight and through movements on Orchard Road is only 3.0m wide, and would need to be widened to at least 3.5m to cater for large vehicles. This is a requirement of AS2890.2.

In relation to delivery access, there are four support pylons for the Sage building located in Orchard Rd which restrict where access into the site can be located and the width of vehicle opening. As noted large delivery trucks may be unable to negotiate satisfactory ingress and egress into the site as proposed in the concept plan. Again, further analysis of the manoeuvring and use of Orchard Rd for large trucks would be required during the Gateway process should Council support the Planning Proposal.

iii) Pedestrian Access

Council's Senior Traffic Engineer has considered pedestrian access and advises:

If the exit lane on Orchard Road was to be widened, then the pedestrian footpath along this side of the road would be too narrow. Therefore the wall of the building along the Orchard Road frontage would need to be set back at least 0.5m from the boundary to allow adequate

width for pedestrians. This section of Orchard Rd is on a pedestrian desire line from Albert Ave to Chatswood station, so the developer will need to provide details showing how they will ensure safe pedestrian access along Orchard Rd and through to the station.

The comments from Council's Traffic Engineer concerning the requirement for pedestrian access are noted and the suggestion that the building be setback 0.5m along the Orchard Rd frontage is supported and can be addressed through site specific WDCP controls for the site.

iv) Parking

In regard to parking, Council's Senior Traffic Engineer notes:

Council does not have any recent data regarding parking rates for supermarkets and shopping centres, only upgraded traffic generation data. Therefore the applicant needs to supply information justifying why such a shortfall in the amount of retail parking proposed is acceptable. This information would include studies of car parking in developments of a similar scale and type.

It is noted that the existing Mandarin Centre car park is frequently at capacity during school holidays, which would indicate that the parking provided at the existing Mandarin Centre is insufficient. Therefore it would not be acceptable to use the parking rate for the Mandarin Centre to justify the proposed parking rate for the retail parking section of the development.

The proposed rate for the residential units would be acceptable as it matches the parking rates shown in the Guide to Traffic Generating Developments. However, the visitor parking rate should be set at 1space /7 units.

The concept plans indicate a significant shortfall in car parking provision when assessed in relation to the requirements of the Willoughby Development Control Plan (WDCP). On the basis of the most recent concept plans, over 900 car parking spaces would be required to comply with the WDCP however the plans show an indicative supply of only around 594 spaces. The traffic report by GTA consultants justifies the shortfall as follows:

- Council's own development application decision criteria
- proximity to Council interchange
- ABS data for low car parking rates in high density buildings in the Chatswood area
- existing and agreed Mandarin Centre car parking rate
- reduced car parking provision consistent with the adjacent Metro Tower development
- general trends toward reduced private car usage rates.

According to the applicant's traffic consultant the proposal is a "prime opportunity to promote the vision of less dependence on private vehicle use by encouraging the use of public transport, cycling and walking and not encouraging an abundance of car parking within this area, and in turn an over use of motor vehicles."

The existing Mandarin Centre currently provides 303 on-site car parking spaces accessed from Victor St operated by Secure Parking and offers 3 hour free parking. This is inadequate and the car park is regularly full especially during peak school holiday times. The original parking provision for the Mandarin Centre was determined on the basis of some parking being satisfied from the Albert Ave Car Park. This arrangement was agreed prior to the introduction of extended retail trading hours when additional spare capacity in the Albert Ave Car Park was available. This is no longer the case and the development will need to satisfy its assessed parking demand on site. Further analysis of car parking and loading

provision as requested by Council's Traffic Engineer would be required during the Gateway process prior to exhibition should Council support the Planning Proposal. This may mean additional parking levels may be required or a reduction in the development density to match achievable parking supply.

In summary, there are outstanding access and car parking issues that require resolution during the Gateway process and at Development Application stage.

Proposed Land use Impacts

(a) Proposed Retail/Commercial /Entertainment Floor Space and Employment Generation.

The concept plans indicate 13,829sqm of net lettable retail/commercial/ entertainment floor space which maintains the existing 13,044sqm of the existing Mandarin Centre. At the present time, only about 5,800sqm of the site is being used as traditional retail space and the rest is entertainment space (cinemas, Strike bowling and Gordon Club). The existing centre is the third largest in Chatswood after Westfield and Chatswood Chase and bigger than Lemon Grove.

The concept plans indicate the potential for a basement full size supermarket, (2,945sqm Net Lettable Area), three levels of large floor plate retail space (8017sqm) and an anchor entertainment tenant (2867sqm). The Planning Proposal states the intention to attract anchor tenants such as Woolworths, Harris Farm or Office Works to improve the long term commercial success of the development. The retail analysis in the applicant's economic study confirms that there is demand for these types of shops in Chatswood given projected population growth and per capita retail expenditure.

The applicant's economic study forecasts that the Planning Proposal can potentially generate approximately 500 direct additional fulltime, part-time and casual ongoing jobs and an additional 350-400 indirect jobs. The basis for this assertion is unclear as figures mentioned in the study do not add up and are based on an earlier concept plan that included over 17,000 net lettable floor space. Council Officers have undertaken an estimation of the employment numbers using a ratio calculation of 35-40 jobs/ 1000sqm (source: James Lang LaSalle). On this basis, the existing centre, having a lettable floor space of 13,044sqm could theoretically generate about 520 retail jobs. In reality, this is likely to be an overestimation because a large amount of the existing floor space is used for non- retail uses such as cinemas, social club and Strike bowling. The Planning Proposal provides 13,829sqm which could theoretically generate 550 jobs- an increase in 30 jobs.

Ultimately, the number of jobs generated by the Planning Proposal will depend on the end users of the commercial and entertainment uses occupying the space in the new centre. The proposed development will at least maintain existing employment levels and could potentially increase jobs as the proposed design includes large floor plates that could attract a large supermarket or discount department store which could assist to revitalise the shopping centre. The economic study examines the demand for retail floor space in Chatswood and concludes that (i) there is demand for increased retail including a supermarket and/ or discount department store; (ii) the addition of a supermarket and/ or discount department store at the Mandarin Centre would support additional specialty and non-specialty floor space.

The study also states that the existing major centres in Chatswood are focused on discretionary /comparison spending- leaving scope for the Mandarin centre to position its retail offer more towards a convenience focus. The study summarises the economic benefits of the Planning Proposal as:

Employment generation; Improvement in amenity, convenience and enhanced choice for residents; Broadening the draw of the Chatswood CBD and retail offer and improving the retention of retail; The proposed development will improve confidence of the Chatswood CBD as a strong location for investment and employment.

(b) Proposed Shop top Housing

The site is not located within the defined residential precinct of the Chatswood CBD. These areas are located in the B4 Mixed Use zone under WLEP 2012 -around the core of the Chatswood CBD. The suitability of the site for mixed use residential development is not questioned being close to public transport and within walking catchment of the centre. However, the site is also located within the business core of the CBD which is planned for employment generating commercial employment in WLEP 2012 and previously, SREP No.5-Chatswood Town Centre.

Notwithstanding recent state government Major Project approvals elsewhere in the CBD for prohibited mixed use development, Council has consistently strived to retain large sites such as the subject site for commercial development as part of the Strategic vision for Chatswood and the State government Metropolitan Plans to retain sufficient land for long term commercial purposes in the CBD.

The applicant states that the Planning Proposal will assist with achieving Council's housing targets of 6,800 dwellings however Council is well on track to achieve above this level and this is not a reason to support the Planning Proposal. Furthermore, the latest strategic planning framework in the new draft Metropolitan Plan obliges Council to plan for an additional 8,000 jobs and to plan for medium to high density living <u>outside the core of Chatswood.</u> Therefore the claim in the applicant's economic study that there is strong demand for residential dwellings in the Chatswood CBD has to be weighed against <u>whether the Planning Proposal can facilitate strong employment growth and contribute to the long term commercial activity of the Chatswood CBD.</u>

In this regard the benefits of the residential component in conjunction with the rejuvenated retail space proposed are outlined by the applicant as follows:

- (i) It adds to the provision of high quality accommodation for the growing resident population seeking to live in a location benefitting from excellent access to transport, services and other facilities;
- (ii) It increases worker, visitor and resident population of Chatswood CBD contributing to the enhanced use of existing infrastructure and contributing to the increased viabilityand vitality of the retail/commercial services in the town centre.
- (iii) The residential floor space is a critical contributor to the commercial challenge of securing the desired redevelopment of the site. As the clear highest and best use of the land supporting the significant investment in the redevelopment of the retail floor space, the residential accommodation is a pre-requisite of the commercial viability of the project.

(c) Commercial Office Demand

According to the applicant's economic study, commercial office development is not a viable alternative to residential accommodation on the site.

A market analysis report prepared by Urbis accompanying the Planning Proposal identified that the market is unlikely to be able to support a significant amount of commercial office space in the Mandarin Centre location for the following reasons:

- 1. The Sydney office market is soft and likely to remain so over the medium term:
- Vacancy rates are quite high in suburban office precincts averaging above 10%.
- Vacancy rates in the Sydney CBD office market are also high, averaging 9%.
- Modest level of economic growth likely to continue for some time.
- 2. The high vacancy rates and pipeline of an extensive provision of commercial office space within the Sydney CBD is pushing incentives up and exerting downward pressure on rents:
- 3. The Barangaroo South development will add over 300,000 sq.m NLA of commercial office space to come on line starling in 2016.
- 4. Lower rents and proximity to customer markets are the key location drivers for office tenants.
- 5. The high incentives and relatively low office rents within the Sydney CBD is attracting a number of organisations to relocate back into the city from the suburbs:
- A number of office users in St Leonards, Macquarie Park, Chatswood and Parramatta have recently relocated/or plan to relocate back into the city.
- 6. The addition of 465 Victoria Avenue, Chatswood into the market, after full refurbishment, has pushed vacancy up across the Chatswood office market.
- 7. The market is responding by the lack of a pipeline of any significant commercial office developments in Chatswood and lack of office sales transactions.

Recent information relating to vacancy rates in the Chatswood office market indicates that the vacancy rate is improving. The refurbishment of 465 Victoria Ave has resulted in it attracting large tenants such as Lend Lease. According to a recent media article four significant deals accounting for four of the five largest deals in Chatswood since 2010 and representing 5% of the Chatswood office market have recently been made by James Lang Lasalle. Therefore the economic report in relation to Chatswood vacancy rates is out of date.

A solely commercial building would be more aligned with the employment strategies for the Chatswood CBD. However, given the uncertainties in the current office market and notwithstanding the recent office vacancy improvements in Chatswood, it is conceded that the inclusion of a residential "shop top" housing component will be more likely to facilitate the redevelopment of the site as a rejuvenated and successful shopping centre with the potential to maintain jobs and retail variety in the Chatswood CBD.

(d) Social Issues

The proposal will potentially provide in the order of 9 affordable housing units (4% of residential floor space) to Council to be managed by the community housing provider for key workers and low-medium income households. The provision of these affordable housing apartments within easy walking distance to Chatswood railway station, bus interchange and Chatswood CBD shops and services is a positive social outcome.

Additional housing on this site will however impact on the local schools, a matter which has been highlighted by Council and which the Department of Education is taking some steps to address by increasing local school facilities.

Additional residents in this location will also place more pressure on the existing recreational facilities and parks in the vicinity, including the adjacent Chatswood Park. Section 94A contributions from the development at Development Application stage will assist Council in improving the amenity and usability of open space in and surrounding the CBD.

(e) Other Issues

There are no heritage or tree preservation issues on this site. Drainage and sustainability aspects can be addressed at the Development Application stage.

Floor Space Ratio

In response to Council's Traffic Engineer's requirements, the applicant has agreed to provide a 3m road dedication along the Albert Ave frontage. This will result in a reduction in achievable floor space to around 10.5:1 after accounting for the various heights of buildings and setbacks proposed in the concept plan to minimise view loss, overshadowing and accentuation of the podium. It is therefore considered that should Council resolve to support the Planning Proposal the floor space ratio should be **10.5:1**, **not 11.51** as requested.

It is also proposed that, in order to ensure that the redevelopment achieves the commercial / entertainment floor space that is proposed (for which the shop top housing is claimed to be required in order for redevelopment to be financially viable) a limit of **6:1** be placed on the shop top component of any development on the site.

Height of Building

As a consequence of the consideration of Privacy, Overshadowing and View Loss issues, it is considered that, should the application be supported by Council, the height limits for the site in the WLEP 2012 and WDCP should be very specific. This will ensure that the principles of the concept plan are implemented and the impacts on adjacent properties and open space areas are limited.

As previously discussed the height of the podium building is to reflect the adjacent Westfield building in Albert Ave and the Sebel podium in Victor St. In urban design terms it is also considered appropriate for the height of the proposed Eastern Tower at the Albert Ave frontage to be no higher than the Sage building at RL 160 (not RL 169.3 as shown in the proposed concept plans). It is therefore proposed that the eastern tower steps back from RL 160 at Albert Ave to a height of RL 181.95 and as discussed in this report, the western tower should be limited in height to RL 140.7 to preserve views from the Sebel as indicated on the diagram at Attachment 4.

Pedestrian Overbridge

The Planning Proposal retains the existing pedestrian overbridges connecting the site to Westfield although the owner of the Mandarin Centre site has not paid lease fees for its current use. The long term planning of the precinct including the Council Youth Centre and Baptist church land has not been determined however as this precinct will undergo renewal in the future, the long term necessity for the pedestrian link is uncertain. At this stage it is proposed that the overbridges be retained for the purposes of the Planning Proposal concept but they be reviewed again at the Development Application stage.

Willoughby Development Control Plan (WDCP)

Should the Planning Proposal be supported by Council for exhibition, it is proposed to include site specific controls and diagrams in part I of the WDCP for this site, 65 Albert Ave, to reflect the design principles and building envelopes of the indicative Planning Proposal concept plan and the development standards of the WLEP 2012 amendments. These controls will be based on the following objectives:

- (i) Minimisation of loss of views for occupants of the residential units of the Sebel building and commercial office workers of the Sage building by the lower western tower being a single block generally to align with the central blank wall of the Sage building and the taller eastern tower being an elliptical design tapered at the northern end to enable angled views. (Diagrams are to be contained in the WDCP to reflect setbacks and heights of each level/component of the building form);
- (ii) Appropriate setbacks for the two tower buildings to accentuate the height of the six storey podium building, consistent with existing development in Victor St and Albert Ave. The lower western tower will be set back 15m from Albert Ave to align with the central blank wall of the Sage building and the eastern tower will be located 2m from Albert Ave and 6m from Victor St;
- iii) Direct pedestrian access through the site linking Victor St/ Albert Ave and the Interchange terrace precinct;
- (iv) Ensuring large retail spaces to attract anchor stores and thereby improve its viability as an active and vibrant shopping centre;
- v) Provision of a 2m ground level setback along the Victor St frontage of the site for improved pedestrian amenity with an active street frontage, a widened footpath and street planting;
- vi) Provision of a publicly accessible open space area of at least 60sqm on level 3 of the proposal to link with the Sebel building and interchange terrace precinct.
- vii) Dedication to Council of a 3m wide strip of land along the Albert Ave frontage for road widening to address the site's traffic flow and access to Orchard Rd. Provision of an active street frontage and street planting along the Albert Ave frontage of the site is also required.
- viii) A SEPP 65 Design Quality of Residential Flat Development report is to be provided for the shop top housing component at development application stage.
- ix) Sustainable measures for water capture and reuse and a 20% reduction in energy demand compared to a standard office building for the commercial/ entertainment component of the building. Appropriate BASIX documentation is to be submitted at development application stage for the residential component.
- x) There is to be no building intrusion, at any height, into the Podium Level landscaped open space;
- xi) Landscaping of the residential communal open space area on the top of the podium level;

- xii) All utility services and cabling on the street frontages will be located underground.
- xiii) Affordable housing will be provided on site and dedicated to Council in accordance with Clause 6.8 Affordable Housing of WLEP 2012 and Part G of the WDCP.
- xiv) A landscape plan is to be provided at development application stage, detailing all vegetation proposed, in particular appropriate species and heights at maturity of the street planting, podium level planting and open space area on level 3 linking to the Sebel/interchange terrace precinct;
- xv) Provision of sufficient carriage way width for trucks (3.5m) in accordance with Australian standards and 0.5m for pedestrians.
- xvi) An acoustic assessment is to be provided at development application stage, with any noise attenuation measures incorporated into the construction plans in order to mitigate any noise disturbance from the site's plant and equipment to adjoining properties.

Amendments to the Concept Plans and Planning Proposal Documentation

Should the Planning Proposal proceed to exhibition through the gateway process, the documentation such as shadow diagrams, employment estimates in the economic report, number of car parking spaces will be required to be amended for the exhibition to reflect the most recent concept plans. The concept plans will need to be amended to reflect the full 3m wide road dedication along Albert Ave, setbacks and corresponding reduction in floor space on the smaller site of 5,343sqm. An intersection analysis of Orchard Rd and Albert Ave and consideration of the access loading issues, as detailed in this report, will be required to be submitted during the Gateway process for inclusion in the public exhibition.

Voluntary Planning Agreement

The applicant has agreed to enter into a Voluntary Planning Agreement with Council to provide:

- i) a 3m wide road dedication along Albert Ave:
- ii) publicly accessible landscaped open space to connect with the Sebel and interchange terrace precinct and;
- iii) a two metre building setback at the ground level of the proposed development along the full length of the Victor St frontage of the site, providing an active street frontage, a widened public footpath and street planting.

The draft VPA would be exhibited with the Planning Proposal should it proceed to and through the Gateway and be consistent with the maximum heights of the proposed buildings, that is, RL181.95 and RL 140.7and the revised floor space ratio of 10.5:1 as discussed above to account for the 3m wide road dedication and the eastern tower setback of 2 metres.

Assessment under Planning and Infrastructure Guidelines

The following assessment of the Planning Proposal has been undertaken with reference to 'A Guide to preparing Planning Proposals.'

This document establishes six parts for consideration of a Planning Proposal:

Part 1 – Objectives or Intended Outcomes

Part 2 – Explanation of Provisions

Part 3 – Justification

Part 4 - Mapping

Part 5 - Community Consultation

Part 6 - Project Timeline

The assessment also had regard to Clause 55 of the Environmental Planning & Assessment Act 1979, as well as Department of Planning and Infrastructure documents 'A Guide to Preparing Local Environmental Plans' and Circular PS 09-015 'Commencement of Certain Provisions of the EP&A Amendment Act 2008 and EP&A Amendment (Plan making) regulation 2009.'

PART 1 - OBJECTIVES OR INTENDED OUTCOMES

The objectives to support the Planning Proposal are as follows:

- (a) Set a floor space ratio and building height for the site that provides an appropriate transition between the adjacent Sebel and Sage buildings and a podium building envelope that reinforces the existing streetscape in Victor St and Albert Ave.
- (b) Provide an additional land use of shop top housing and an increased floor space and building height that improves economic viability of the Mandarin Centre site.
- (c) Ensure that amenity impacts on adjoining properties and open space, associated with increased development potential are not unreasonable.
- (d) Enable more economic and efficient use of land and additional affordable housing adjoining the major bus/rail interchange.

PART 2 - EXPLANATION OF PROVISIONS

The outcome proposed in the Planning Proposal will be achieved by preparing an amendment to WLEP 2012, which will include:

- (a) Add the additional use of shop top housing to Schedule 1 (Additional Permitted Uses) to clause 14- Use of Certain land at 65 Albert Ave, Chatswood.
- (b) Amend the Height of Buildings Map for the site at 65 Albert Ave, Chatswood as indicated in Attachment 4.
- (c) Identify the land on the corner of Victor Street and Albert Avenue, Chatswood known as 65 Albert Ave in Lots 1, 2, 3 DP 1035379 and Lots 41 and 42 DP 1150370 as Area 15 on the Floor Space Ratio Map.
- (c) Add the following additional sub clause 4.4A (20):
 - (20) The maximum floor space ratio for a building on land identified as 'Area 15' on the Floor Space Ratio Map may exceed 2:5 if:
 - (a) The total floor space ratio will not exceed 10.5:1

- (b) The floor space ratio of any shop top housing will not exceed 6:1
- (d) Identify the land as 'Area 3' on the Special Provisions Area Map for the purposes of affordable housing in accordance with Clause 6.8.
- (e)Include on the Land Acquisition Reservation Map a 3 metre wide strip of land along the Albert Ave frontage of the site known as 65 Albert Ave for local road widening purposes.

To clearly establish the expected form of redevelopment on the site, an amendment to Willoughby Development Control Plan to include Site Specific Requirements for the site, as discussed in this report, will be prepared and exhibited with the Planning Proposal.

PART 3 - JUSTIFICATION

Questions to consider when demonstrating the justification

Section A - Need for the Planning Proposal

1) Is the Planning Proposal a result of any strategic study or report?

The Planning Proposal is not directly the result of any local or state government strategic study or report. However, it includes an evaluation of the site's physical and strategic attributes to inform the potential redevelopment of the Mandarin Centre.

This analysis included the preparation of indicative design concepts and urban design analysis to arrive at an appropriate massing, bulk and height scenario which is responsive to the metropolitan context, but not unreasonable with regard to impacts on surrounding amenity-sensitive land uses.

An economic study was undertaken by Urbis to determine the future demand for retail, residential and office development to inform the indicative design concepts. This demonstrates that the market can support retail and residential uses on the Mandarin Centre site, and provides commentary on the potential future retail tenancy mix in the new shopping centre complex that are currently underprovided in the local catchment area.

The technical reports which accompany the Planning Proposal support the addition of shop top housing on the site.

The proponent states that the basis of the Planning Proposal is as follows:

- 1. Urban renewal of a key strategic site within Chatswood CBD which seeks to introduce mixed use development.
- 2. Provision of approximately 500 jobs in a highly accessible, strategic Major Centre location which has a strong range of supporting social infrastructure which supports the subregional employment targets for Chatswood.
- 3. A new retail shopping centre providing a more flexible form and layout that will attract a range of new retail and entertainment tenants which complement the current offer in Chatswood, including a potential new supermarket anchor.

- 4. Enhancements to the public domain including active street frontages, ground floor uses and coordinated pedestrian linkages between the shopping precinct of Chatswood to the railway station all of which are specifically identified in the zone objectives of the B3 Zone, including the revitalisation of the existing pedestrian bridge link to the south of the site.
- 5. Potential for up to 244 new, residential apartments, including 4% affordable housing which supports the subregional housing targets for Chatswood.
- 2) <u>Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?</u>

The subject Planning Proposal is the means of amending Willoughby Local Environmental Plan 2012 which is required to add an additional permitted land use and to allow the large increase in height (330%) and Floor Space Ratio (420%) required for the Planning Proposal.

The WDCP site specific controls will assist to achieve the objectives of the Planning Proposal concept plan.

Section B – Relationship to strategic planning framework

3) <u>Is the Planning Proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?</u>

The strategic planning context of the site is established by various state planning documents. The Metropolitan Strategy "City of Cities – A Plan for Sydney's Future" was released in 2005 followed by the Draft Inner North Sub-Regional Strategy in 2007 which provides jobs and dwelling targets for Willoughby City that were addressed in WLEP 2012. The Draft Metropolitan Strategy for Sydney to 2031 was released in March 2013 for public comment and the final strategy is yet to be released by the government. Chatswood CBD has consistently been identified as a Major Centre through all strategies and its location in Sydney's global economic arc has also been recognised. The 2007 draft Inner North strategy identified that Chatswood CBD was expected to provide an additional 7,300 jobs in the next 25 years, with 16,000 additional jobs and 6,800 new dwellings in the whole of Willoughby City.

The new Draft Metropolitan Strategy 2031 identifies specific Metropolitan Priorities for Chatswood that are:

- To support its role as the primary office-based hub for northern Sydney.
- To grow as a dominant service retail and recreational centre.
- > To plan for medium and high density housing outside the commercial core.
- > To provide capacity for at least 8,000 additional jobs to 2031 (currently 22,000).

It is noted that the future direction for Chatswood CBD has changed little through the various State strategic plans.

The Planning Proposal is not consistent with the objectives and actions of the applicable regional or sub-regional strategies as it proposes to allow shop top housing in the B3 Commercial Core zone on a site which would be a suitable size for a commercial office

building. There are many other opportunities around the CBD fringes to provide high density residential development.

4) <u>Is the Planning Proposal consistent with a council's local strategy or other local strategic plan?</u>

At the local level the Willoughby City Strategy 2013 and the Chatswood Centre Strategy 2008 are the relevant strategic planning documents.

The Willoughby City Strategy 2013 provides a number of goals and strategies regarding the key directions of "Economic Activity", "Homes" and "Infrastructure".

Economic Activity

The goal of the subtheme "Sustainable Business Activity" is to maintain and promote the City's employment opportunities and the range of quality businesses, industry and services. The following relevant strategies are identified:

5.1.1 Local business

- a Facilitate business and employment opportunities servicing local and regional needs.
- b. Encourage a range of business, retail, office and industrial spaces.
- f. Implement strategy for the long term development of Chatswood CBD as a major regional employment, retail and entertainment destination.

5.1.2 Support our centres

- a. Lobby state and federal governments for infrastructure funding.
- b. Provide development guidelines for business centres to maintain sustainable and high quality architecture and public domain.
- c. Develop and implement public domain improvements for our local centres.

Infrastructure

The goal of the subtheme "Transport and Mobility" is to manage the transport needs of the community in a sustainable manner by reducing car dependence and promoting public transport use, walking and cycling. The following relevant strategies are identified

4.2.1 Increased use of active and public transport.

G Provide a pedestrian and cyclist focus within local centres

4.2.2 Balance traffic management

- Identify and implement traffic management and safety strategies, incorporating engineering and educational activities
- d. Manage capacity in developments in order to promote public transport use.

Homes

The goal of the subtheme "Housing Choice, Quality and Character" is to be a place with housing that is liveable, sustainable and enhances urban character. The following relevant strategies are identified

3.1.1 Plan for housing choice

- C Facilitate, provide and advocate affordable housing
- d. Protect important employment areas (industrial, commercial land) from incursion by residential development and other uses that affect the long term integrity of those areas.

3.1.2 Quality living amenity for residents

a. Ensure future development can be provided with adequate infrastructure and services.

Specific to Chatswood, the Willoughby Strategy 2013 notes that Chatswood CBD is the largest employment hub and has a multifunctional role as the chief retail, service and community centre for the residents of Willoughby and the northern Sydney region.

The Chatswood City Centre Plan 2008 identifies eight principle strategies within four themes (environmental quality, economic prosperity, social equity and evaluating performance) for guiding planning and land use decisions in Chatswood. The strategies include but are not limited to:

- Encourage high quality innovative architectural design and durable finish that reflects Chatswood's role as the largest Major Centre under the Metro Strategy while respecting a site's context and its relationship to the surrounds. Encourage innovative design that achieves sustainable outcomes.
- .Encourage a consistent streetscape with stimulating and activated streets.
- Ensure Chatswood is readable and navigable and provides equity for all users.
- Maintain Chatswood's commercial, retail and operational position in the region and its ongoing viability as a centre.
- Provide for activities consistent with Chatswood's sub-regional role, reinforce its precinct structure and acknowledge the focal points of public transport and pedestrian linkages.
- Provide for the social, entertainment and recreational demands of the Willoughby community.

The Planning Proposal supports the long term strategies of the Willoughby City Strategy 2013 – 2029 and Chatswood City Centre Plan – 2008 in terms of maintaining employment opportunities, the viability of the CBD and providing for potential entertainment demands. However, whilst, the mixed use development envisaged in the Planning Proposal maintains the existing amount of commercial/ entertainment floor space as at present on the site, consistent with the objectives of services and employment in the CBD, the proposed residential component ensures that this large B3 Commercial Core site will not be available for additional office/commercial redevelopment in the future.

5) <u>Is the Planning Proposal consistent with applicable State Environmental Planning Policies?</u>

The State Environmental Planning policies (SEPPs) relevant to this site and the proposed Planning Proposal are:

i) SEPP 55 – Remediation of Contaminated Lands

Previous uses on the site include church purposes, Gordon Rugby Club and retail. Previous zoning of the site include commercial and special uses - church.

Evaluation for the potential of site contamination indicates no to low risk for contamination due to the site's previous zoning and land use.

No contamination report has been submitted.

Development application conditions will require consideration of potentially hazardous materials during demolition and construction.

ii) SEPP (BASIX) 2004

Appropriate BASIX documentation will be required at development application stage as with all residential development applications.

iii) SEPP 65 – Design Quality of Residential Flat Development

A SEPP 65 assessment will be required at development application stage as with all residential developments of this scale. "The applicant advises that detailed design at the development application stage will address all requirements of SEPP 65 and other relevant design and planning codes".

6) <u>Is the Planning Proposal consistent with applicable Ministerial Directions (s.117 directions)?</u>

The Section 117 Directions issued to Councils under Section 117 (2) of the Environmental Planning and Assessment Act 1979 require that a Planning Proposal does not conflict with the Directions. The following is a summary of the Planning Proposal against the relevant Section 117 Directions in this instance.

1. EMPLOYMENT AND RESOURCES

Direction	Relevant?	Consistent?	Comment
1.1 Business and Industrial Zones	Yes	Yes	Maintains employment land but does not contribute to significant growth in employment

2. HOUSING INFRASTRUCTURE AND URBAN DEVELOPMENT

Direction	Relevant?	Consistent?	Comment
3.4 Integrating Land Use and transport	Yes	Yes	Accessibility optimised with colocation of retail, community and business services at transport nodes. Higher densities of housing and employment near transport nodes.

6. LOCAL PLAN MAKING

Direction	Relevant?	Consistent?	Comment
6.1 Approval and Referral requirements	Yes	Yes	The Planning Proposal does not include requirements for the concurrence, consultation or referral of DA's to a Minister or Public Authority and does not identify any development as designated.
6.2 Reserving Land for Public Purposes	Yes	Yes	new reservations for local road widening proposed in WLEP 2012.

6.3 Site Specific Provisions	Yes	Yes	The Planning Proposal is site specific in development standards and permissible land uses
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7. METROPOLITAN PLANNING

Direction	Relevant?	Consistent?	Comment
7.1 Implementation of the Metropolitan Plan for Sydney 2036	Yes	Neutral	Targets development at transport node but provides additional housing within business core rather than near to core as required by the strategy. Does not achieve jobs growth potential however will assist in rejuvenating existing shopping centre.

Section C – Environmental, social and economic impact

7) <u>Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?</u>

The site and adjoining lands do not contain any areas of critical habitat or threatened species, populations or ecological communities or habitats.

8) Are there any other likely environmental effects as a result of the Planning Proposal and how are they proposed to be managed?

The following environmental impacts of the proposal and their proposed management are discussed earlier in this report:

- View Loss
- Overshadowing
- Privacy Impact
- Traffic and Parking Impacts
- Proposed Land Use impacts including commercial land uses and shop top housing
- Social Issues

As noted previously, there are outstanding traffic and parking issues with the proposed concept plans that require resolution.

9) Has the Planning Proposal adequately addressed any social and economic effects?

It is considered that the Planning Proposal has adequately addressed some social and economic effects. This has been discussed earlier in the report. Social impacts of additional residents in the City on infrastructure services such as educational facilities, child care and recreation facilities are not addressed.

Section D - State and Commonwealth interests

10) Is there adequate public infrastructure for the Planning Proposal?

The subject site is located within an established commercial area serviced by existing utilities infrastructure, within close proximity to rail and bus services.

The proposal is also accompanied by improvements to the surrounding road network. The Planning Proposal will result in the widening of Albert Ave which will allow a dedicated right turn lane into the site from Albert Ave which will assist in improving traffic flow to the west towards the Pacific Highway. This will be provided in a Voluntary Planning Agreement (VPA).

Consideration of the augmentation to services such as water, sewer and drainage will be considered at the Development Application stage.

As discussed in this report the Planning Proposal will place additional pressure on education, open space/ recreation infrastructure.

11) What are the views of State and Commonwealth public authorities consulted in accordance with the Gateway determination?

No public authorities have been consulted in the pre-Gateway assessment.

PART 4 - MAPPING

As previously noted, this Planning Proposal involves amending the Height of Buildings map, the Floor Space Ratio Map, Land Reservation Acquisition Map and the Special Areas Provisions Map as well as amendments to the WLEP 2012 written instrument.

PART 5 - COMMUNITY CONSULTATION

Should Council support the Planning Proposal for public exhibition, it will proceed to the Planning and Infrastructure 'Gateway' process to seek endorsement for the proposal to be placed on public exhibition. Public exhibition will be in accordance with the Department of Planning and Infrastructure's Gateway Determination requirements and should include the Planning Proposal and report (amended as discussed in this Council report), the draft WLEP 2012 Amendment (written instrument and maps), Council report, the draft WDCP Site Specific Requirements and the draft Voluntary Planning Agreement. This would involve appropriate notification and receipt of submissions on the documents from relevant state agencies and the general community.

PART 6 - PROJECT TIMELINE

Planning Proposal Presented to Council	12 May 2014
Planning Proposal submitted to Gateway	Early July 2014
Gateway Determination received by	September 2014
Council	
Receipt of additional traffic/access and	September 2014
revised concept plans from applicant for	
exhibition	
Community Consultation (28 days)	Mid October 2014- mid November 2014
Outcomes of Community Consultation	February 2015
presented to Council	
Planning Proposal submitted to DoPl	March 2015

requesting notification on Government	
website	

Conclusion

The Planning Proposal seeks to amend Willoughby Local Environmental Plan (WLEP 2012) to allow shop top housing to occur on the site by adding "shop top housing" as an additional permitted use in Schedule 1 of WLEP 2012 while retaining the Commercial Core B3 zoning for the site.

The development standards for the site would increase the maximum height limit for part of the site by 330% from 27m to RL181.95 (89.95m) and increase the Floor Space Ratio by 420% from 2.5:1 to 10.5:1. (Compared to the existing building which is approximately 29m with FSR of 4.6:1)

The indicative concept plans and report accompanying the Planning Proposal propose in the order of 13,829sqm of leasable retail/commercial floor space and 23,512sqm of residential floor space (in the order of 244 units) in a development comprising a six level podium with two separate towers above – a western tower having a height of 11 storeys plus plant (next to the Sage building) and an eastern tower with a height of 23 storeys plus plant.

The Planning Proposal documentation provides 4% of the residential floor space as affordable housing.

The applicant has also submitted a letter agreeing to enter into a Voluntary Planning Agreement with Council to provide:

- a 3m wide road dedication to Council along Albert Ave to enable adequate traffic access to and from the site:
- a publicly accessible landscaped open space area connecting with the interchange open terrace precinct and;
- the provision of a two metre building setback at the ground level of the proposed development along the full length of the Victor St frontage of the site providing the opportunity for the provision of a widened public footpath and street planting.

The Planning Proposal for the Mandarin Centre raises a difficult strategic planning policy issue. The redevelopment is supported given the problems with the existing Mandarin Centre which the applicant's report has identified. These include the lack of a major anchor use to support the specialty retail offer, deficient on-site car parking and its location away from the primary retail core. Redevelopment of the site would also allow for relocation of the vehicle access point out of Victor St. A commercial building with no residential development would be more aligned with the B3 zone for the site and the long term employment strategies for the Chatswood CBD. However, given the uncertainties in the current commercial office building market and the retention of the employment potential and additional retail choice envisaged by the Planning Proposal, it is conceded that the inclusion of a residential "shop top" housing component will be more likely to facilitate the redevelopment of the site as a rejuvenated and successful shopping centre.

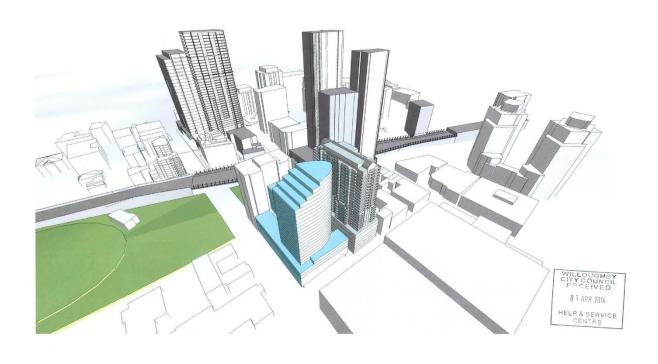
It is considered that support for this Planning Proposal will not set a precedent for other B3 Commercial Core sites in the Chatswood CBD to develop for shop top housing as this site is at the southern boundary of the B3 Commercial Core land and although adjacent to the Sage commercial office building, is removed from the primary office precinct on the western side of the railway line.

It is recommended that Council support the Planning Proposal for public exhibition as amended by this report.

OFFICER'S RECOMMENDATION

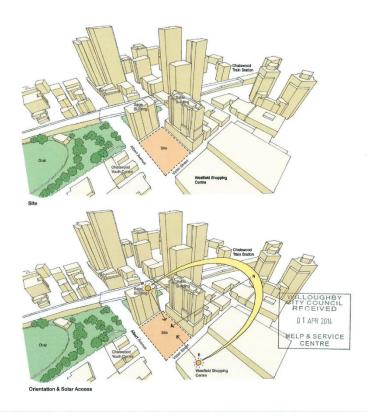
That:

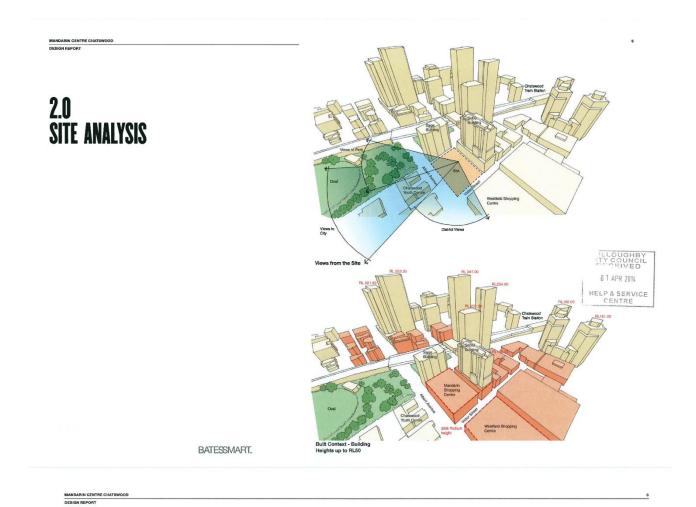
- 1. Council support in principle:
 - a) the Planning Proposal for 65 Albert Ave, Chatswood subject to the amendments outlined in this report.
 - b) the proposed draft amendments to Willoughby Local Environmental Plan 2012 as set out in this report.
 - c) the proposed draft amendments to Willoughby Development Control Plan for specific controls for the site as discussed in this report.
 - d) A draft Voluntary Planning Agreement to be exhibited with the Planning Proposal, as outlined in the letter of offer from the applicant dated 11 April 2014 subject to the letter being amended to be consistent with the maximum height of the proposed tower buildings, that is, RL181.95 and RL 140.7 and the revised floor space ratio of 10.5:1.
- 2. The Planning Proposal be forwarded to Planning and Infrastructure seeking a Gateway Determination for public exhibition under Section 56 of the Environmental Planning and Assessment Act 1979.



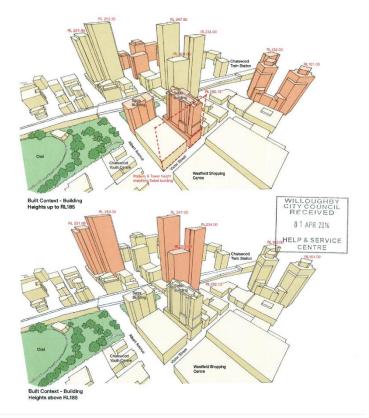
MANDARIN CENTRE CHATSWOOD

2.0 SITE ANALYSIS

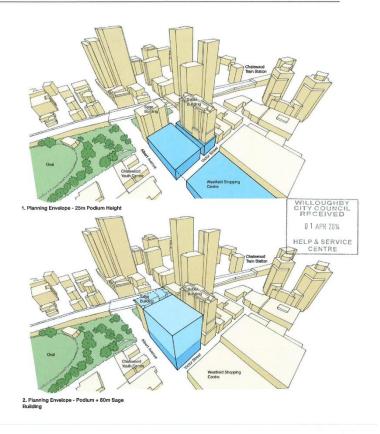




2.0 SITE ANALYSIS

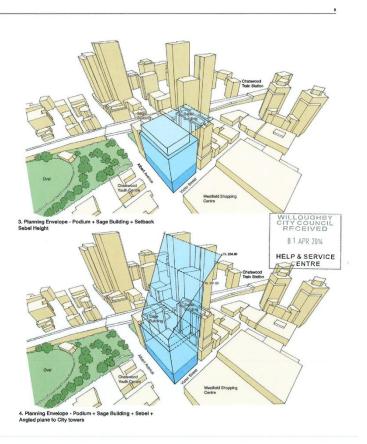


3.0 **URBAN ANALYSIS**



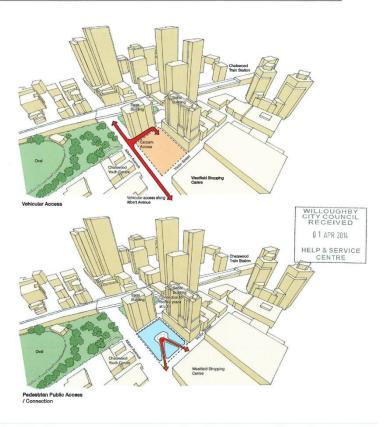
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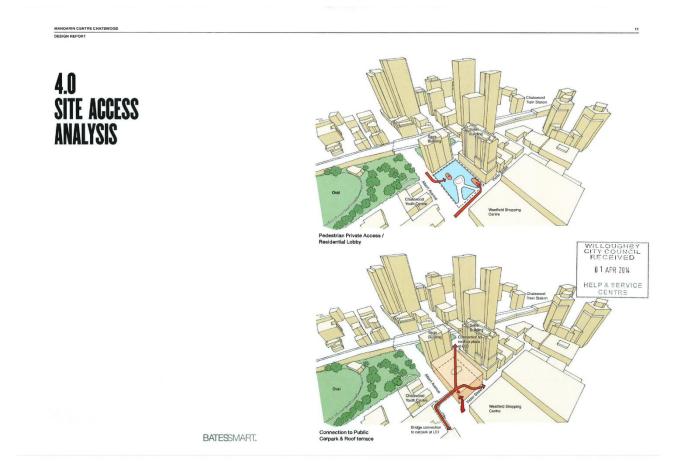
3.0 Urban analysis

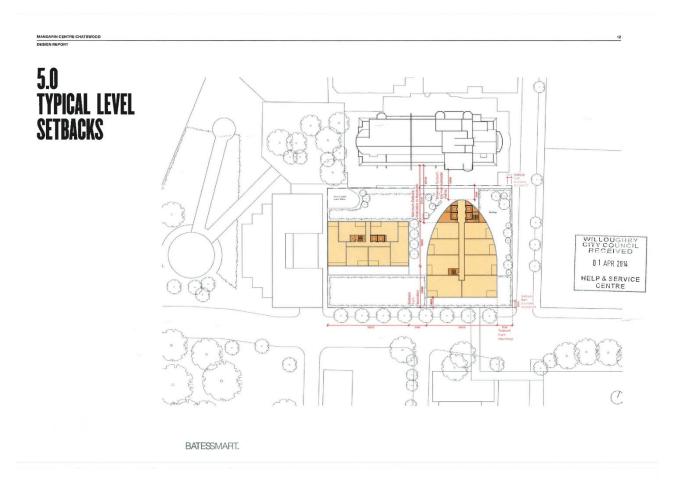




4.0 SITE ACCESS ANALYSIS

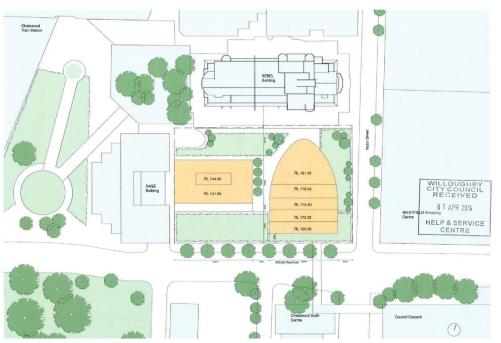






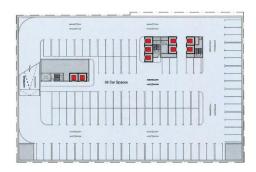
MANDARIN CENTRE CHATSWOOD
DESIGN REPORT

5.0 SITE PLAN



MANDARIN CENTRE CHATSWOO

5.0 Typical lower Basement floor

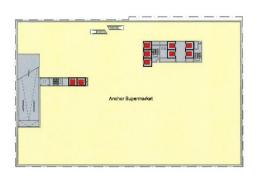




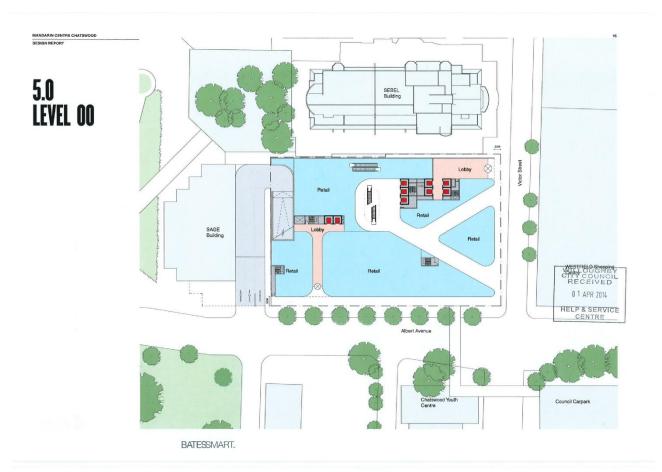
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MANDARIN CENTRE CHATSWOOD

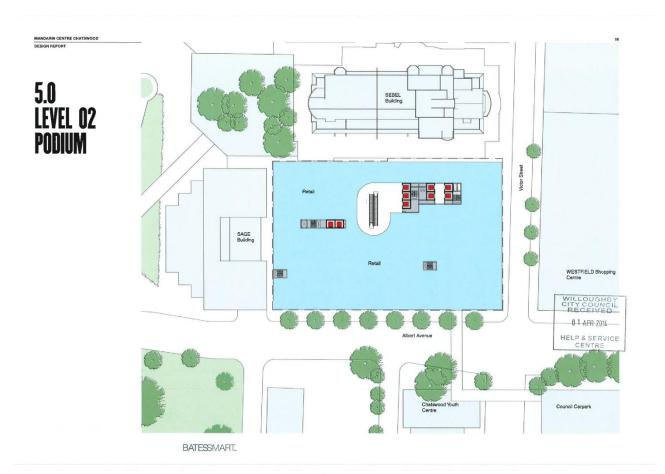
5.0 Basement Level Boo1







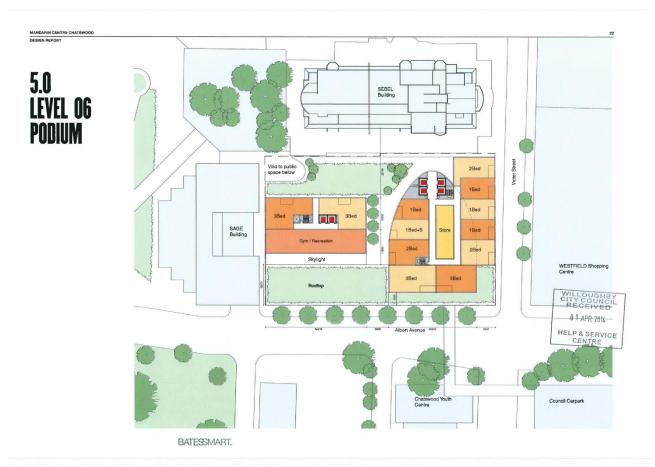








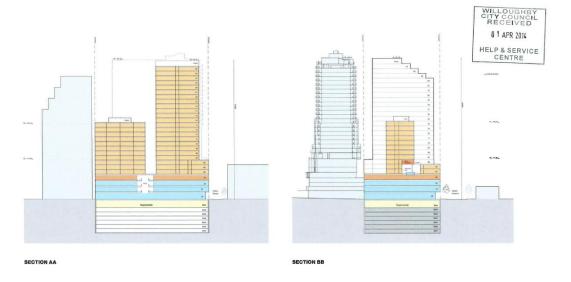






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DESIGN REPORT

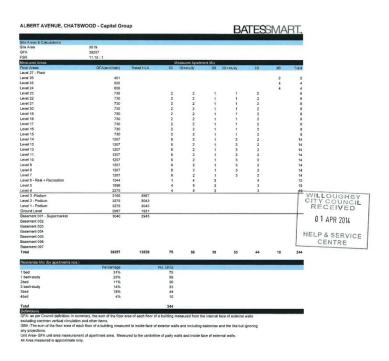
6.0 Sections



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MANICARIN CENTRE CHATSWOOD
DESIGN REPORT

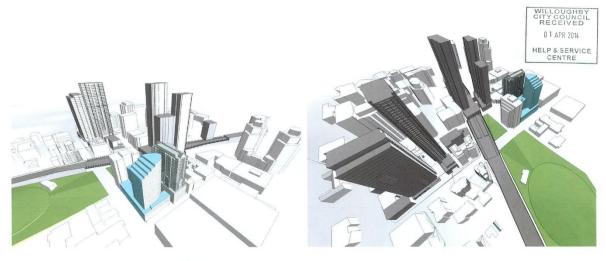
7.0 Area schedule



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MANDARIN GENTRE CHATSWOOD

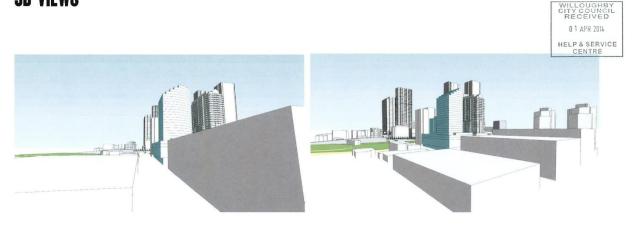
8.0 Option 4 3D Views



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MANDARIN CENTRE CHATSWOOD
DESIGN REPORT

8.0 Option 4 3D Views

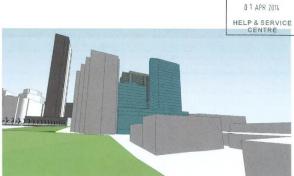


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MANDARIN CENTRE CHATSWO

8.0 Option 4 3D Views





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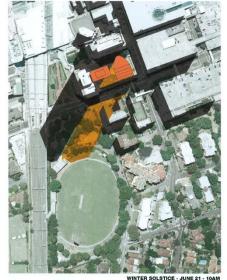
11.0 Perspective Sketch



12.0 Shadow studies Winter solstice

0 1 APR 2014





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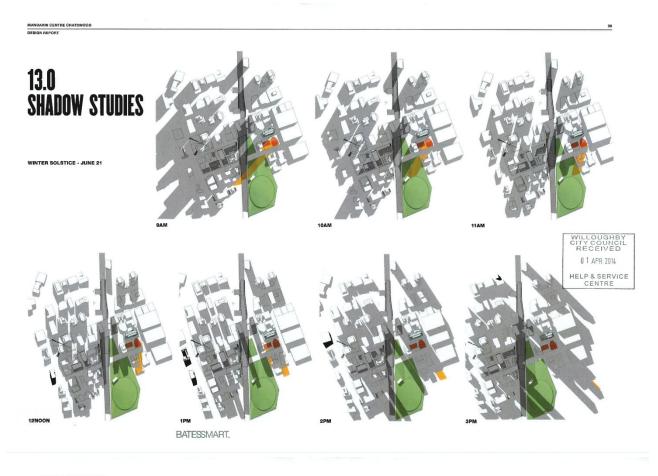
WILLOUGHBY CITY COUNCIL RECEIVED 0 1 APR 2014

12.0 Shadow Studies Winter Solstice



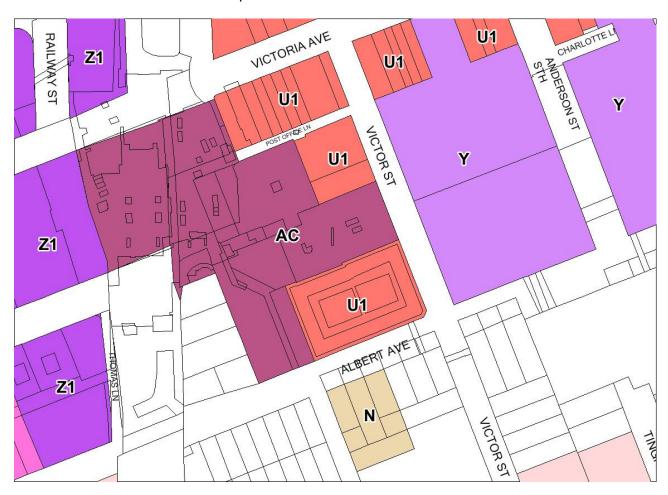








Extract from WLEP 2012 - Floor Space Ratio Ma



Maximum Floor Space Ratio (n:1)





11 April 2014

Mr Greg Woodhams Environmental Services Director Willoughby Council PO Box 57 CHATSWOOD NSW 2067

Dear Sir,

Planning Proposal 2013/0004, Mandarin Centre

On behalf of the proponent Mandarin Developments Pty Ltd and Blue Papaya Pty Ltd, and further to correspondence to Council dated 1 April 2014, we provide the following information in support of this Planning Proposal.

The Planning Proposal seeks the amendment to the provisions of the Willoughy LEP as it applies to the subject site as follows:

1. Add the following clause to Schedule 1 (Additional Permitted Uses) in the LEP:

'Use of certain land at 65 Albert Avenue, Chatswood

This clause applies to land at the corner of Albert Avenue and Victor Street, Chatswood, legally defined as Lots 1, 2, 3 in Deposited Plan 1035379 and Lot 4 (Lots 41 & 42) in Deposited Plan 1150370. Development for the purpose of shop top housing is permitted with development consent.'

- The 'Height of Buildings Map' is amended to provide a maximum building height of 185 metres on the subject site.
- The 'Floor Space Ratio Map' is amended to provide a maximum FSR of 11.15:1 on the subject site.

In accordance with the provisions of the Environmental Planning and Assessment Act and consistent with Councils policy adopted November 2013, we advise that the proponent is prepared to enter into a Voluntary Planning Agreement with Council in relation to the provision of public benefits in conjunction with the Planning Proposal.

The public benefits proposed to be provided in the VPA are as follows:

The provision of a 2 metre building setback at the ground level of the proposed development along
the full length of Victor Street providing the opportunity for the provision of widened public footpath
and street tree planting.

URBIS VALUATIONS & ADVISORY LEARILITY LIMITED BY A SCHEME JULTHOVED UNDER PROFESSIONAL MAINAPOS LEGISLATION

GPO Box 5278 Sydney 2001 Tower 2. Level 23, Darling Park 201 Sussex Street Sydney NSW 2000 Australia

VPA

t 02 8233 9900 f 02 8233 9966 e info@urbis.com.au w urbis.com.au Urbis Valuations Pty Ltd ABN 28 105 273 523



- The dedication of a parcel of land 3 metres wide along the full length of Albert Avenue providing the opportunity for road widening.
- Provision of an open to the air, publicly accessible, landscaped open space area located on Level 3 of the podium of the proposed building providing a connection between the site and the adjoining open space in the Interchange building.

We submit that these benefits are consistent with the type of works identified in Appendix 3 of Councils policy that may be considered as part of a VPA.

We confirm that the proponent is prepared to submit a draft formal VPA and any necessary supporting information required by Councils policy as part of the Gateway Planning Proposal process.

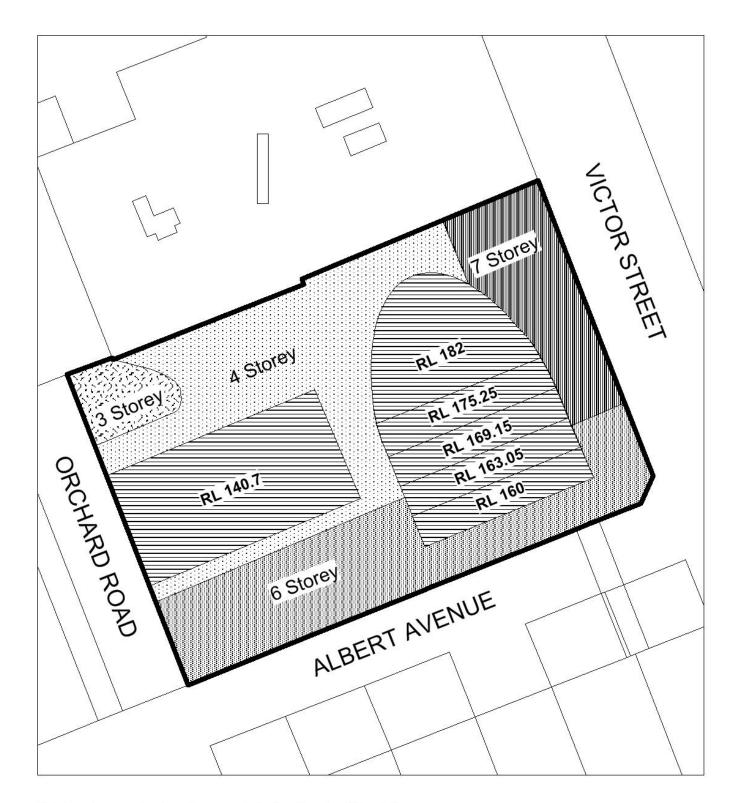
Please contact me if you have any questions.

Yours sincerely,

John Wynne

Managing Director

Recommended Building Heights



^{*} Plan does not show 3m road dedication in Albert Avenue

15.2 PLANNING PROPOSAL 2013/4 - 65 ALBERT AVENUE, CHATSWOOD - MANDARIN CENTRE

ATTACHMENTS: 1. PLANNING PROPOSAL CONCEPT PLANS

2. HEIGHT AND FLOOR SPACE RATIO MAPS -

EXTRACT FROM WLEP 2012

3. LETTER OF OFFER FOR DRAFT VOLUNTARY

PLANNING AGREEMENT

4. RECOMMENDED BUILDING HEIGHTS

RESPONSIBLE OFFICER: LINDA MCCLURE - STRATEGIC PLANNING

MANAGER

AUTHOR: JANE HOSIE - STRATEGIC PLANNER

CITY STRATEGY LINK: 6.2.1 A COMMUNITY THAT IS INFORMED OF KEY

COUNCIL POLICIES, SERVICES AND ACTIVITIES AND CAN PARTICIPATE IN THE DECISION MAKING

PROCESS

MEETING DATE: 5 MAY 2014

Purpose of Report

This report considers a Planning Proposal for the Mandarin Centre at 65 Albert Avenue Chatswood. The applicant is Urbis on behalf of Mandarin Developments and Blue Papaya Pty Ltd (the owners of the site). The Planning Proposal is accompanied by indicative concept plans, context analysis and shadow diagrams prepared by Bates Smart, planning report and economic assessment prepared by Urbis, a traffic report prepared by GTA Consultants and an offer for a Voluntary Planning Agreement for the provision of public benefits to enable satisfactory site redevelopment.

The report recommends that a Planning Proposal be referred to the Gateway for public exhibition together with a draft Voluntary Planning Agreement.

PROCEDURAL MOTION

That Mr Phillip Vivian address the meeting

Mr Vivian addressed the meeting and answered questions of the Councillors.

RESOLUTION

That:

- 1. the Planning Proposal for 65 Albert Ave, Chatswood (Mandarin Centre) be forwarded to the Department of Planning and Environment seeking a Gateway Determination for public exhibition under Section 56 of the Environmental Planning and Assessment Act 1979 subject to:
 - a) the Planning Proposal amendments as outlined in the Officer's report;
 - b) the proposed draft amendments to Willoughby Local Environmental Plan 2012 as set out in the report; and

- c) the proposed draft amendments to Willoughby Development Control Plan for specific controls for the site as outlined in the report.
- 2. a draft Voluntary Planning Agreement be exhibited with the Planning Proposal, as outlined in the letter of offer from the applicant dated 11 April 2014, subject to the offer being amended to be consistent with the maximum height of the proposed tower buildings, that is, RL181.95 and RL 140.7 and the revised floor space ratio of 10.5:1 and to accord with the plans as shown on the Design Concepts and Urban Design Analysis dated March 2014. As well as achieving provision of on-site car parking in accordance with the DCP.
- 3. the applicant submit certification by a suitability qualified independent person of the Shadow Diagrams provided with the Planning Proposal prior to the exhibition.

MOVED COUNCILLOR MUSTACA

SECONDED COUNCILLOR ROZOS

CARRIED

Voting

For the Resolution: Councillors Giles-Gidney, Eriksson, Mustaca, Rozos and Stevens. **Against the Resolution:** Councillors Coppock, Hooper, Norton, Saville and Wright.

The vote being equal, the Mayor exercised her casting vote in Favour of the Motion.

Councillor Stevens declared a non-significant, non-pecuniary interest in the above matter.