

REZONING REVIEW – Briefing Report

Date of Referral:	8 December 2017	
Department Ref. No:	RR_2017_NORTH_001_00	
LGA:	North Sydney	
LEP to be Amended	North Sydney Local Environmental Plan 2013	
Address:	41 McLaren Street, North Sydney	
Reason for review:	<input type="checkbox"/> Council notified the proponent that it will not support proposed amendment	<input checked="" type="checkbox"/> Council failed to indicate support for proposal within 90 days, or failed to submit the proposal after indicating its support
Is a disclosure statement relating to reportable political donations under s147 of the Act required and provided?	<input type="checkbox"/> Provided <input checked="" type="checkbox"/> Not required Comment: The application states that there are no reportable political donations or gifts to disclose.	

SUMMARY OF THE PROPOSAL

Background

- On 1 September 2017, Architectus, on behalf of Erolcene Pty Ltd and Claijade Pty Ltd, submitted a planning proposal to amend North Sydney Local Environmental Plan 2013 (North Sydney LEP 2013) to increase the maximum building height control from RL 100m to RL 226m. This is proposed to be implemented either by an amendment to the height of building map or the introduction of a site-specific provision for a mixed-use development.
- The planning proposal is intended to facilitate a mixed-use building allowing for the refurbishment of the existing commercial building and the addition of a residential tower.
- On 8 December 2017, the proponent submitted a rezoning review request (**Attachment C**) as North Sydney Council failed to indicate its support for the proposal within the projected time frame.
- On 12 December 2017, the Department of Planning and Environment wrote to the proponent stating the proposal is eligible and is accepted as a rezoning review (**Attachment D**).

Locality and context

- The site is at the northern extent of North Sydney Centre in an area largely characterised by high-rise commercial and residential development (**Attachment E**).

- To the north of the site on the opposite side of McLaren Street at 168 Walker Street is an 18-storey commercial office building. Approval for redevelopment of this site has been granted for a 29-storey predominantly residential building with a maximum height of RL 167.51m.
- The corner of McLaren Street and Miller Street and to the north is vacant. The site will include the northern access to the Victoria Cross Metro Station.
- Over-station development associated with the Metro Station is located south-west of the site on the corner of Miller Street and Berry Street.
- To the west of the site at 39 McLaren Street is a 15-storey residential building and a concentration of mixed-use towers along Miller Street.
- To the south of the site is Council's Ward Street car park and North Sydney's commercial core.
- To the east of the site is medium-scale residential development. Warringah Freeway is approximately 170m east, providing a separation to the low-density residential area east of the freeway.

Site description

- The site comprises a single rectangular allotment and with a seven-storey commercial office building identified as Simsmetal House.
- The site has two street frontages and is on the corner of McLaren Street (primary frontage) and Harnett Street, a laneway immediately parallel to the site's eastern boundary.
- The site has an area of 2,359m² and is legally described as Lot 1 DP 557103.
- Images of the site and its locality are at **Attachment F**.

Current planning provisions

- The site is zoned B4 Mixed Use under North Sydney LEP 2013.
- The site has a maximum building height of RL 100m.
- The site is not subject to a maximum floor space ratio (FSR).
- The site is listed as a local heritage item (I0889), identified as Simsmetal House. The site is not in a heritage conservation area.
- The zoning and maximum building height maps are provided at **Attachment G**.

Proposed planning provisions

- The proposal seeks to increase the maximum building height from RL 100m to RL 226m. It proposes to seek the amendments to North Sydney LEP 2013 by either:
 - amending the height of buildings map to allow for a maximum building height of RL 226m; or
 - introducing a site-specific clause under division 2 applying to the site that allows for a maximum height greater than that provided by the height of buildings map where heritage conservation and public domain requirements are satisfied.
- The means of amending the maximum building height control of the subject site are provided at **Attachment H**.
- The intended outcome of the proposal is to facilitate additional height to allow for a residential tower above the existing commercial building. The proposed development

represented in the indicative architectural design (**Attachment I**) comprises the following:

- retention of the seven-storey heritage-listed Simsmetal House and 7,285m² (gross floor area) of commercial office space within the podium of the proposed mixed-use building;
- provision of a double height (two-storey) colonnade to function as access to the residential component of the building;
- construction of a 37-storey residential tower containing 224 residential units; and
- excavation for basement car parking and provision of 219 parking spaces.
- The proposed development will facilitate a 46-storey mixed-use development that comprises an approximate total gross floor area (GFA) of 30,902m². A breakdown of the building design and floor plates is provided in the architectural plans (**Attachment J**).

INFORMATION ASSESSMENT

Does the proposal seek to amend a zone or planning control that is less than 5 years old?

- Yes. The proposal seeks to amend North Sydney LEP 2013, which was gazetted on 2 August 2013.

STRATEGIC MERIT TEST

Consistency with the relevant regional plan outside of the Greater Sydney Region, district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment.

Proponents will not be able to depend on a draft regional, district or corridor/precinct plan when the Minister for Planning, Greater Sydney Commission or Department of Planning and Environment have announced that such a plan will be updated before being able to be relied upon.

Revised Draft North District Plan

- The site is within the North District formally identified in the plan.
- The plan identifies the future role of North Sydney to strengthen the district's economic links to the Harbour CBD and its role in the Eastern Economic Corridor. The plan identifies the need to continue to provide housing close to jobs, services and infrastructure.
- The plan identifies North Sydney Centre as a strategic centre with a target of 15,600 – 21,100 additional jobs by 2036, and sets a target of 3,000 additional dwellings by 2021.
- The planning proposal states it is in line with the plan's priorities of growing economic activity in centres within the district by improving housing choice, diversity and affordability through the proposed mixed-use redevelopment of the commercial building.

Consistency with a relevant local strategy that has been endorsed by the Department;

No relevant local strategies that have been endorsed by the Department apply to the site.

Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.

Draft Ward Street Precinct Masterplan (WSPM)

- The site is within the draft Ward Street Precinct Masterplan (WSPM), which aims to improve the public domain offering of North Sydney CBD. Specifically, the draft WSPM

proposes to replace the Ward Street car park with a community facility and a 1,450m² public plaza that is connected by active pedestrian-focused laneways.

- The local strategy is not endorsed by the Department. The draft masterplan was publicly exhibited between 26 January 2017 and 10 March 2017. Council is considering matters raised during consultation.
- The draft WSPM identifies the site for adaptive reuse to retain the existing building and proposes a building height change to RL 111m, which is calculated to be an additional five levels of residential floor space that could accommodate approximately 25-30 apartments.
- The draft WSPM states that the proposed envelope for the site respects the daylight amenity of the development application approved for 221 Miller Street and the new North of Centre (NoC) Square to be situated within the Ward Street Precinct.
- The draft WSPM identifies the site to be used primarily for commercial and residential uses (ground floor retail), including community uses.

Victoria Cross Metro Station

- On 9 January 2017, the then Minister for Planning granted approval under the application of a critical state significant infrastructure for the Sydney Metro City and Southwest (Chatswood to Sydenham).
- The Sydney Metro aims to address a strategic need to significantly increase transport capacity and frequency within the Global Economic Corridor and to drive productivity through integrated transport and land-use planning.
- The future Victoria Cross Metro Station will have a pedestrian entry on the opposite side of McLaren Street approximately 50m from the site.
- The planning proposal states it responds to the investment of new infrastructure and the announcement of the Victoria Cross Metro Station.

SITE-SPECIFIC MERIT TEST

The natural environment (including known significant environmental values, resources or hazards)

The proposal includes technical studies to assess any environmental effects resulting from the proposed development. The relevant effects for analysis include wind, daylight and solar, bulk and scale, views and vistas, acoustic and vibration, stormwater management, ecologically sustainable development, waste, heritage, overshadowing and traffic.

Natural environment

- The site is within the North Sydney CBD, characterised by medium-density to high-density development. The site does not hold any significant environmental values, resources or hazards. The site is not a critical habitat and does not hold any threatened species, populations or ecological communities.

Heritage

- The site is listed as a local heritage item (I0889) identified as Simsmetal House. The site is immediately adjacent to four detached dwellings across Harnett Street, described as items I0987, I0986, I0985 and I0984. The site is not identified within any heritage conservation area. The current heritage map is provided at **Attachment L**.
- A heritage impact statement prepared by GML Heritage (**Attachment M**) notes a range of measures that have been implemented in the design of the future development to

conserve significant building components and attributes to mitigate potential adverse impacts.

- The heritage statement concludes that the proposed development of the site, as envisaged by the architectural scheme prepared by the original architect of the building, Harry Seidler & Associates, represents an appropriate solution to meaningful conservation and long-term maintenance of the existing building.

Solar access and overshadowing

- The proposal includes overshadowing diagrams to provide an understanding of the impacts of the proposal on the surrounding area during the winter solstice. The analysis includes an assessment against the draft WSPM and the proponent's alternative masterplan assessed for its solar impacts on the public domain. Modelling of overshadowing and solar access is provided in the urban design strategy (**Attachment K**) taking into consideration the degree of impact on:
 - Berry Square (approximately 150m south of the site);
 - the proposed public open space within the Ward Street Precinct; and
 - overshadowing of existing and approved residential apartments.

Bulk and scale

- A comparison of the proposed built form controls of the draft WSPM and the planning proposal is provided below:

Draft WSPM	Planning proposal
The draft masterplan proposes to: <ul style="list-style-type: none"> • retain the existing seven-storey building; and • enable a five-storey addition. 	Based on the retention of the existing heritage building, the proposed development will enable a 46-storey development that includes: <ul style="list-style-type: none"> • retaining the existing seven-storey building; and • enabling a 39-storey addition.
Number of storeys: 12 storeys (RL 111m) Potential additional residential GFA = 3,363m ² Typical floor plate = approx. 915m ² & 586m ² Apartment yield = 25-30 residential apartments	Number of storeys: 46 storeys (RL 226m) Potential additional residential GFA = 22,902m ² Typical floor plate = average approx. 636m ² Apartment yield = 224 residential apartments

Table 1: Comparison of potential resultant development under draft WSPM and the proposal.

Wind

- The planning proposal includes a wind assessment prepared by Cermak Peterka Petersen Pty Ltd (**Attachment O**). The report provides detailed wind tunnel testing for sites in the vicinity of the site and has indicated that most sites are classified as suitable for pedestrian standing or walking and pass the relevant distress criterion.

- The assessment report concludes that the narrow plan form of the proposed tower, its orientation relative to prevailing winds and the proposed setbacks from podium edges will mitigate wind impacts at pedestrian level.

The existing uses, approved uses and likely future uses of land in the vicinity of the proposal

- The proposal states it is motivated by the announcement of the new Victoria Cross Metro Station and the key intent of the proposal is to allow an uplift in density for the site commensurate with its location opposite the northern entrance of the station.

The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.

Traffic

- A traffic impact assessment has been prepared for the future development of the site by Ason Group (**Attachment N**). The report concludes that the proposed development will have a negligible impact on the performance of key intersections in the locality, with minor increase to intersection delays and no change to existing service.
- The proposal provides for 219 car parking spaces (including 40 accessible and 22 visitor parking spaces), an increase of 128 parking spaces on the current number. The traffic report confirms the provided car parking spaces are in accordance with the North Sydney Development Control Plan 2013, including an additional 27 car spaces taking into consideration the need for visitor parking.

Infrastructure

- The site is within existing and proposed public transport infrastructure and existing road connections to the site.
- The site is approximately:
 - 650m from North Sydney Train Station;
 - 50m from the northern entrance of the future Victoria Cross Metro Station;
 - 110m from Miller Street bus interchange; and
 - 160m from the Warringah Freeway;
- The planning proposal includes a voluntary planning agreement (VPA) report (**Attachment P**) prepared by Urbis to provide a contribution towards the cost of delivering proposed public open space and associated public domain works within the Ward Street Precinct. The public benefits of the VPA include public domain embellishment, community facilities floor space for childcare or creative space (1250m²), and dedication of 12 apartments for affordable housing.

Services

- The site is in an established urban area and has access to infrastructure, utilities and services.
- The proposal states the revitalisation of the site promotes the efficient use of infrastructure services, reducing the need for consumption of land and housing.
- Service provisions exist for electricity, water, gas, stormwater infrastructure and telecommunications at the site.

VIEWS OF COUNCIL AND AGENCIES

- The Department wrote to Council on 12 December 2017 advising of the rezoning review request. Council responded on 7 February 2018 (**Attachment Q**).
- On 19 February 2018, Council resolved to not support the planning proposal.
- Council has confirmed that the planning proposal and accompanying documentation provided on the Department's website is identical to that submitted to Council on 1 September 2017.
- Council has stated that the site is within the draft Ward Street Precinct Masterplan (WSPM) and Council has engaged design specialists to review the exhibited draft WSPM in accordance with Council's most recent resolution (May 2017).
- Council states that the progression of the site's rezoning as sought has the potential to significantly undermine strategic planning work being undertaken in the locality.
- Council states that the planning proposal is considered to be contrary to several objectives and actions under the relevant regional and district plans applying to the land in that it does not:
 - protect or promote lands for commercial development within an important existing strategic centre on the Global Economic Corridor, or allow for future growth; and
 - sufficient residential capacity is already provided under North Sydney LEP 2013 to meet state housing targets without the need to significantly change the land-use mix on the subject site.
- Council states that the planning proposal is not consistent with the desired outcomes of the draft WSPM because it:
 - does not apply a precinct-scale planning approach;
 - does not provide clarity on the future growth of the precinct;
 - does not balance growth within North Sydney Centre or the amenity of surrounding properties;
 - may result in poor pedestrian interfaces and connections with future potential public open spaces;
 - may not result in a significant public benefit being achieved; and
 - does not achieve a no net increase in traffic generation.
- Council states that there are various landowners in the precinct with an interest in redeveloping their sites and that allowing the proposal to proceed ahead of the draft WSPM is premature, as this would likely undermine Council's efforts to facilitate the best possible outcomes under the draft WSPM.

ATTACHMENTS

- Attachment B – Planning proposal
- Attachment C – Letter from applicant
- Attachment D – Department acceptance of rezoning review
- Attachment E – Locality map

- Attachment F – Site map
- Attachment G – Current LEP map
- Attachment H – Proposed LEP map and site-specific provision
- Attachment I – Architectural design statement
- Attachment J – Architectural plans
- Attachment K – Urban design strategy including Architectus alternative and vision masterplans
- Attachment L – Heritage map
- Attachment M – Heritage impact statement
- Attachment N – Traffic impact assessment
- Attachment O – Wind assessment
- Attachment P – VPA report
- Attachment Q – Council comments

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