



Alfred Street Precinct, North Sydney

Rezoning Review Report

On behalf of
Benmill Pty Ltd & JB no. 3 Pty Ltd
June 2019



Project Director

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* This document is for discussion purposes only unless signed and dated by the persons identified. This document has been reviewed by the Project Director.

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Supporting Information

Appendix 1- Planning Proposal as lodged 22 March 2018;
Appendix 2 – JRPP recommendation;
Appendix 3 – Council officers report for draft Alfred Street Precinct Planning Study;
Appendix 4 – Urban Design Package;
Appendix 5 - Traffic Impact Assessment;
Appendix 6 – Economic Impact Report;
Appendix 7 – Economic Feasibility Analysis;
Appendix 8 – Local Environmental Plan Maps;
Appendix 9 – Site Specific Development Control Plan; and
Appendix 10 - Letter of offer to purchase adjoining site/independent site valuation.

Executive Summary

This report provides information to support a Rezoning Review of the Planning Proposal on behalf of Benmill Pty Ltd & JB No. 3 Pty Ltd for the Alfred Street Precinct which includes sites 283 Alfred Street (Building A), 275 Alfred Street (Building B), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D). The report has been prepared in accordance with the Department of Planning and Environment guideline, A Guide to Preparing Local Environmental Plans and Planning Proposals (2018) and Rezoning Reviews (2016).

Subject Site

The Alfred Street Precinct is located in North Sydney local government area located east of the North Sydney CBD separated by the Warringah Expressway. The Precinct comprises of a block zoned B3 Commercial Core which includes the sites 263-283 Alfred Street and 4 Little Alfred Street. The site is roughly rectangular in shape and has a combined area of 5,217sqm. The site has significant level variations with a steep crest of 7m (approximately) to the middle of the eastern boundary (Little Alfred Street) and the site falls steeply from Alfred Street to Little Alfred Street by approximately 3m.

The site has a range of land uses with commercial buildings to 271, 273 and 283 Alfred Street which are 3-4 storeys, a 3-5 storey strata building with townhouses, residential units and some commercial uses at 263-268 Alfred Street and 4 Little Alfred Street and an 20 storey (including the signage to the top of the building) commercial building known as the Bayer Building at 275 Alfred Street. The Precinct is located between the North Sydney CBD and fine grain, low rise residential buildings to the north and east which are within the Whaling Road Conservation Area.

Planning Background

Original Planning Proposal (PP8/15)

A Planning Proposal was lodged in September 2015 for the Bayer Building which proposed the rezoning of the site to B4 Mixed Use, increase the maximum building height from 13m (existing is 60.97m to the top of the Bayer sign) to 85m and increase the maximum FSR from 3.5:1 (existing building 7.3:1) to 10.2:1. However, the Joint Regional Planning Panel (JRPP) did not support the proposal for the following reasons (refer to **Appendix 1** for the JRPP recommendation):

- The JRPP considered the site and the street block zoned B3 is isolated from North Sydney CBD and closely related to the adjoining residential area and therefore a change in zoning that would allow residential use, would be appropriate;
- However, the Planning Proposal only dealt with one site rather than the Precinct, which results in a piecemeal approach. Furthermore, the proposal leads to the site having three times the development potential of the other sites within the B3 zone, failed to achieve separation distances and affected the development potential of the adjoining sites; and
- The JRPP considered appropriate to grant the Bayer Building the density it currently enjoys with additional height subject to appropriate amenity. As for the other sites in the B3 zone, the existing density of 3.5:1 may be combined with some additional height, with appropriate amenity.

North Sydney Council Alfred Street Precinct Planning Study

Following the JRPP decision, Council prepared a draft Alfred Street Precinct Planning Study (draft Study) in February 2017 which would provide a framework for the entire Precinct and would act as a guide for a future land owner led Planning Proposal. The draft Study was amended following the notification period (January 2019) however, at its meeting in January 2019, Council resolved not to support the draft Study due to political reasons.

The draft Study (January 2019) detailed Council's preferred outcome for the site with recommended the amalgamation of sites 275 and 283 Alfred Street to create Site A and the remainder of the southern sites to create Site B. The preferred outcome achieved an FSR of 6.5:1-7.4:1 for Site A with a height of 24 storeys and a 3 storey podium. For Site B, an FSR of 2.1:1-2.4:1 was achieved with heights between 3 and 9 storeys. Council's preferred scheme included a number of public benefits such as a public through site link to the northern edge of Site A, a laneway which straddles Sites A and B, street frontage setbacks and an upgraded public domain. Refer to **Appendix 2** for the Council's officers report for the draft Alfred Street Precinct Planning Study which provides further detail.

It is noted that the draft Study has no statutory force given it was not formally adopted. However, it is considered to have some probative value. It has been used as a guide for the subject Planning Proposal and should be given some evidentiary weight as it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback. The proposal is also generally consistent with the objectives and design requirements outlined in the draft Study.

Subject Planning Proposal (PP2/19)

A Planning Proposal was lodged for the entire Precinct on 22 March 2019 which proposed the rezoning of the Precinct to B4 Mixed Use, increase of the heights to all the sites and increase the FSR provision to 275 Alfred Street (Building B) to reflect the existing GFA with a design excellence bonus.

Reason for Rezoning Review

The JRPP decision recommended a Precinct wide approach to be undertaken and considered the Precinct to be suitable for a change in zoning and increased building heights. Council's draft Study was prepared as a result of the JRPP decision and was to provide a framework for a future land owner led Planning Proposal. Despite Council officers supporting the draft Study, the Study was knocked back by Council and therefore the landowners do not have any certainty around the potential redevelopment of the Precinct. The Planning Proposal has been prepared for the entire Precinct which gives the landowners greater certainty and is consistent with the JRPP decision and the draft Study.

Given Council has failed to indicate its support 90 days after submitting the Planning Proposal, we have lodged a rezoning review for the Greater Sydney Commission to consider.

Objectives of the Planning Proposal

The objectives of the Planning Proposal are:

- To facilitate renewal of the entire Precinct consistent with the JRPP recommendation and Council's draft Alfred Street Precinct Planning Study (2016);

- To rezone the Precinct from B3 Commercial Core to B4 Mixed use to allow for residential accommodation. The 'mixed use' typology will be more appropriate for the locality given it will create a suitable transition between North Sydney CBD and residential zones;
- The Precinct is dislocated from North Sydney CBD and the existing commercial building stock is coming to the end of its useful economic life cycle. The proposal will facilitate local employment opportunities such as neighbourhood shops and café/restaurants and provide commercial suites which will protect local jobs in the Precinct. The employment offering will support local businesses that can't afford to locate to the CBD and will not detract from higher order commercial activities;
- Increase the height of buildings and floor space ratio provisions which will create an appropriate transition in density from North Sydney CBD to the adjoining low scale residential areas and heritage conservation area. The proposed densities will ensure the redevelopment of the Precinct is economically feasible;
- To facilitate the redevelopment of the Precinct as a livable high-quality mixed use development in close proximity to public transport, recreational facilities and services;
- To improve permeability within and around the site and create a lively Precinct with opportunities for social interaction by providing a pedestrian arcade with a series of laneways/through site links;
- To provide amalgamation patterns which will easily facilitate the redevelopment of the Precinct;
- To incorporate a number of public benefits within the scheme including improvements to the ground floor plane (with a pedestrian arcade, additional landscaping and retail activation) and upgrade of Mount Street overpass;
- To provide a design excellence bonus provision for the Bayer Building site which requires a design competition process to be undertaken to ensure a high standard of architecture, urban and landscape design is achieved for the site which allows additional FSR and height to be considered;
- To provide for additional dwellings in an urban area while minimising adverse amenity impacts on the surrounding residential dwellings, heritage conservation area and public domain; and
- To assist in achieving State and local government's housing targets and address the lack of housing availability within the locality by providing additional residential accommodation.

Proposal

The Planning Proposal seeks the following amendments to North Sydney Local Environmental Plan (NSLEP) 2013:

- Rezone the Precinct from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
 - 31m for 283 Alfred Street (Building A);
 - 80m for 275 Alfred Street (Building B);
 - 28m for 271-273 Alfred Street (Building C); and
 - 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).

- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site and is triggered if the height of the building exceeds 62m.

Note: the maximum FSR controls will be retained at 3.5:1 for 283 Alfred Street (Building A), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).

A reference scheme has been provided which demonstrates how the density can be achieved on the site. The reference scheme for the Planning Proposal will contribute approximately 156 residential units and 10,127sqm of modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct. The proposal seeks to retain the existing building frame of the Bayer Building and overhaul the building services and undertake remediation works of the existing commercial floor space which would be offset by the additional building height.

A site specific DCP has been prepared for the Precinct which provides controls relating to number of storeys, building setbacks, through site links, amalgamations, public domain works, vehicle access points and advertising design analysis which limits signage within the Precinct (refer to **Appendix 9**).

Strategic Merit and Site-Specific Merit

The proposed amendments have strong strategic support when assessed against both the current strategic planning framework and the framework relevant at the time of submission. Key points highlighting the strategic merit of the site are summarised below:

- The Planning Proposal will contribute to the objectives of the North District Plan to increase housing across the North Sydney LGA from 2016 to 2021 by 3,000 additional dwellings by providing 156 dwellings. Additionally, the Planning Proposal will facilitate housing diversity and affordability, and increase supply.
- In line with the objectives of the North District Plan, the Planning Proposal will allow for housing to be coordinated with local infrastructure that has adequate access to public transport and strategic centres which provide jobs and services. The Planning Proposal capitalises on the investment and planned investments of the Sydney Metro City and South West, the Western Harbour Tunnel and Beaches Line and will increase the number of jobs and dwellings within the 30-minutes of a strategic centre (St Leonards and Sydney CBD).
- While the proposal will result in the loss of commercial floor space, it is not considered to be appropriate for employment growth given its isolated nature from the North Sydney CBD and adjoining residential zone. However the will still provide some 10,127m² of modern commercial floor space for potential small businesses, creative and start ups within the Precinct which will provide a supportive role to the North Sydney CBD. Furthermore, the loss of commercial space will be replaced with residential accommodation which will contribute to the North District and North Sydney LGA.

Additionally, the proposed NSLEP amendments seeking support through the rezoning review process are suggested to have strong site-specific merit as demonstrated by the following:

- The Planning Proposal seeks to amend the land use zone to B4 Mixed Use to allow for a mixed use Precinct which will incorporate residential accommodation. A mixed use development will create a better transition between the North Sydney CBD and adjoining residential areas and the Conservation Areas.
- The proposal incorporates ground floor retail/restaurants which activates Alfred Street and the pedestrian arcade and provides local employment opportunities. The commercial floor space will provide spaces for small businesses, creative uses and start ups which will play a supportive role to the North Sydney CBD.
- The surrounding infrastructure and services network is capable of facilitating the proposal as demonstrated by the relevant specialist reports.

Despite the merit of the Planning Proposal, Council did not indicate its support after 90 days and therefore the Applicant requests the Greater Sydney Commission be appointed as the Relevant Planning Authority to ensure that the Planning Proposal is considered on its merit and is efficiently and effectively progressed.

1 Site analysis and context

The Planning Proposal (**Attachment 1**) contains a detailed analysis of the site and its surrounding context in Section 2 – The Site. In order to assist with the review a brief summary is provided below.

1.1 Precinct location and description

The Alfred Street Precinct is located in North Sydney local government area located east of the North Sydney CBD separated by the Warringah Expressway. It comprises of a block zoned B3 Commercial Core with a combined area of is 5,217sqm. An aerial image depicting the site and its immediate context is provided in the figure below. Note the Planning Proposal references the sites as Buildings A, B, C and D which is consistent with the proposed amalgamation patterns. The table below provides the legal description and a brief summary of the precinct and its surrounding context.

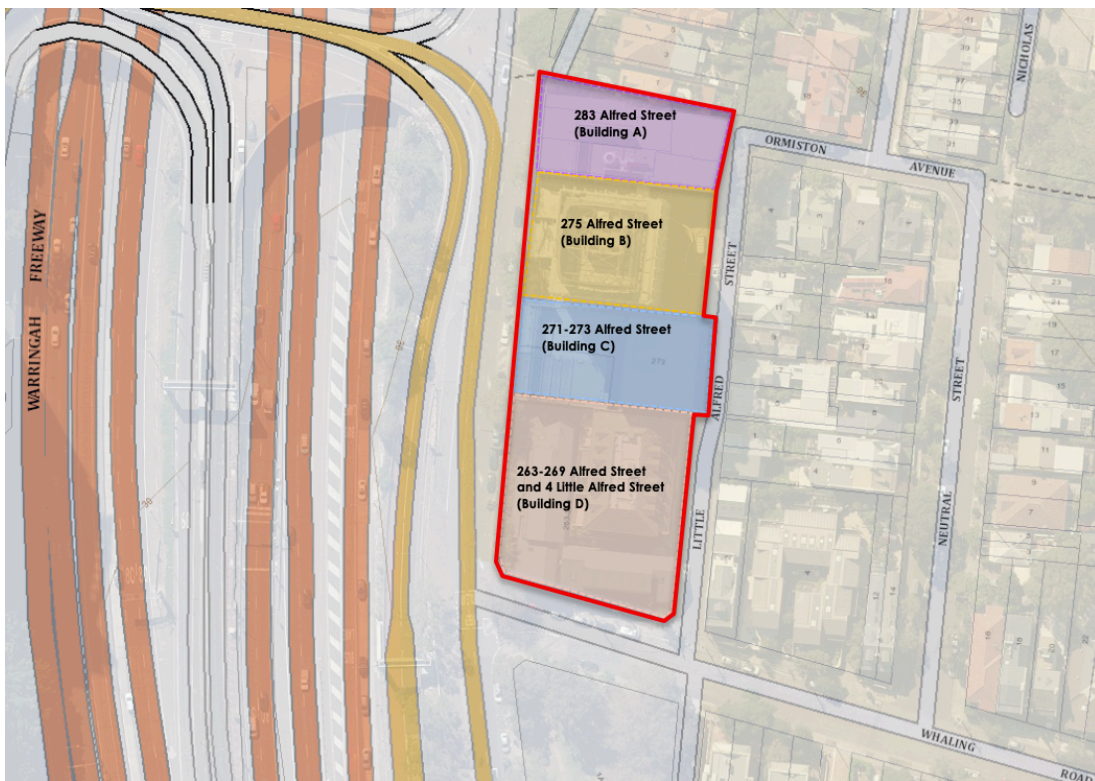


Figure 1 Site location

Source: SIXMaps, modified by Mecone

Table 1 – Alfred Street Precinct	
Item	Detail
Legal description	283 Alfred Street: Lot 14 DP67882; Lot 15 DP67882; Lot 16 DP67882; Lot 3 DP554750; and Lot 1 DP554749.

Table 1 – Alfred Street Precinct

Item	Detail
	<p>275 Alfred Street: Lot 1 DP54856</p> <p>271 Alfred Street: Lot 1 DP532504</p> <p>273 Alfred Street: SP6830</p> <p>263-269 Alfred Street/4 Little Alfred Street: SP71563 and SP71454</p>
Total site area	5,217sqm
Site description and frontage	The Precinct is roughly rectangular shape with a combined frontage of approximately 120m to Alfred Street to the west, 43m to Whaling Road to the south, and 120m to Little Alfred Street to the east.
Site topography	The Precinct has significant level variations. Little Alfred Street (eastern boundary) has a steep crest of approximately 7m with the northern and southern ends dipping down. The Precinct falls steeply from Alfred Street to Little Alfred Street by approximately 3m.
Existing buildings/ structures	<p><u>283 Alfred Street</u></p> <p>3-4 storey commercial building, estimated 1,740sqm net lettable area.</p> <p><u>275 Alfred Street</u></p> <p>The Precinct is characterised by 'the Bayer Building' constructed in 1970, which is an 18 level commercial building (approximately 20 storeys if the Bayer Building signage is included) with underground parking. The overall building height, including the signage panel, is 60.97m and the site has an existing FSR of 7.3:1. Constructed in 1971, the building is now nearing the end of its economically useful life as a commercial office building.</p> <p><u>273 Alfred Street</u></p> <p>3-4 storey commercial building, approximately 1,490sqm net lettable area</p> <p><u>271 Alfred Street</u></p> <p>3-4 storey commercial building, approximately 521sqm net lettable area.</p> <p><u>263-269 Alfred Street/4 Little Alfred Street</u></p> <p>3-5 storey strata building with townhouses and residential units, some occupied for commercial, some converted for residential use.</p>
Surrounding uses	<p>The Precinct is located between the high rise North Sydney Commercial Core and fine grain, low rise residential buildings to the north and east which are within the Whaling Road Conservation Area.</p> <p><u>North and East</u></p> <p>Residential dwellings including terrace houses and detached dwellings of 1-3 storeys in height. The area is included in the Whaling Road Heritage Conservation Area. There are also a number of taller, high-density residential buildings which were built around 1970's to the north east and south east of the precinct, including 22 Doris Street at 9-10 storeys and 50 Whaling Road at 23 storeys.</p> <p><u>West</u></p> <p>The Warringah Expressway borders the precinct to the west. Beyond the Warringah Expressway is the North Sydney CBD comprising medium to high rise buildings of predominantly commercial offices with some retail and residential uses</p>

Table 1 – Alfred Street Precinct	
Item	Detail
	<p><u>South</u></p> <p>Directly south of the precinct opposite Whaling Road is an RMS owned reserve, which provides a buffer between the highly trafficked Warringah Expressway, Alfred Street and the residential areas beyond. Across Whaling Road is Alfred Street North Park.</p>
Access	<p>Alfred Street connects the precinct to Warringah Freeway, which is a state road. There are a number of vehicle access points along Little Alfred Street and one to Alfred Street. There are various pedestrian entrances currently provided to buildings on site along each of the street frontages.</p>
Public transport	<p>The proposed Victoria Cross Metro Station is located approximately 500m from the precinct. While North Sydney Railway Station is approximately located 400m to the west.</p> <p>The Precinct is also located approximately 500m from bus services which operates regularly along the Pacific Highway.</p> <p>North Sydney Ferry is located a kilometre south from the Precinct.</p>

1.2 Controls in the North Sydney Local Environmental Plan 2013

North Sydney Local Environmental Plan (NSLEP) 2013 is the principle planning instrument, guiding development in the LGA. The table below provides an overview of the key current local planning controls contained in NSLEP 2013 in relation to the Precinct.

Table 2 – Current controls for NSLEP 2013	
Clause/standard	Provision
Zoning	B3 - Commercial Core
Height of Building	13 metres
Floor Space Ratio	3.5:1
Minimum lot size	A minimum lot size does not apply to the site.

2 Planning background

The Precinct has an extensive planning history which is detailed in Section 3 of the Planning Proposal report (refer to **Appendix 1**). An outline of the planning background is provided in the table below.

Table 3 – Outline of planning background	
Late 2014	Initial discussions for the rezoning and renewal of 275 Alfred Street were held with North Sydney Council (Council) and the Department of Planning and Environment (DP&E).
Planning proposal – 275 Alfred Street (Bayer Building)	
3 September 2015	<p>Planning proposal for the Bayer Building was lodged to Council which sought the following amendments to the NSLEP 2013:</p> <ul style="list-style-type: none"> • Rezone the site from B3 Commercial Core to B4 Mixed Use; • Increase the maximum building height for the site from 13m (existing is 60.97m to the top of the sign) to 85m; and • Increase the maximum FSR for the site from 3.5:1 (existing building 7.3:1) to 10.2:1.
15 February 2016	Council resolved not to support the Planning Proposal.
17 February 2016	A request for Pre-Gateway review was submitted to DP&E.
13 September 2016	<p>JRPP concluded not to support the Planning Proposal for the following reasons:</p> <ol style="list-style-type: none"> 1. <i>The Panel considers that this site and the street block zoned B3 in which it is located is isolated from the main commercial centre of North Sydney and closely related to the adjoining residential area. Therefore, a change in zoning that would allow residential use in the street block, would be appropriate.</i> 2. <i>The main reason why the Panel does not recommend that this planning proposal proceed to Gateway Determination is that it deals with one site only rather than the area zoned B3 in which it is located. This piecemeal approach is contrary to the strategic intent of zoning decisions. In addition, the planning proposal leads to this site having three times the development potential of the other sites within the B3 zone. It fails to achieve the desirable separation distances between residential buildings and adversely affects the development potential of the adjoining sites.</i> 3. <i>The Panel considers that, in any future planning proposal for the block zoned B3, it would be appropriate to grant this site the density it now enjoys by virtue of the existing building on it, with some additional height so that a mixed use building with appropriate amenity may be developed on it. As concerns the other sites within the B3 zone, the existing density of 3.5:1 may be combined with some additional height, so that it becomes possible to develop them to their development potential for mixed use buildings with appropriate amenity.</i>
Draft Precinct Planning Study (draft Study)	
20 February 2017	Council resolved to prepare a draft Study for the Alfred Street Precinct as a basis to guide the preparation of any future Planning Proposal for the site.
26 March 2018	Council resolved to publicly exhibit the draft Study.
26 April – 8 June 2018	The draft Study was exhibited.
May – October	<ul style="list-style-type: none"> • Two submissions were submitted to Council on behalf of the landowner

Table 3 – Outline of planning background

<p>2018</p>	<p>of the Bayer Building which raised issues concerning amalgamation patterns, feasibility of Council's preferred option, inconsistency with JRPP decision and urban design issues (including the consolidated basement).</p> <ul style="list-style-type: none"> • Three meetings were held with Council to discuss the draft Study and our submissions. 																				
<p>29 January 2019</p>	<p>The draft Study was amended following the exhibition period and Council resolved not to adopt the draft Study at its Council meeting.</p> <p>Whilst the draft Study was not formally adopted due to political reasons it doesn't have any statutory weight however, it is considered to have some probative value. It has been used as a guide for the Planning Proposal and be given evidentiary weight as it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback.</p> <p>Council's preferred option in the draft Study is outlined below (refer to the figure below):</p> <ul style="list-style-type: none"> • Amalgamate sites 275 and 283 Alfred Street to create Site A and the remainder of the southern sites to create Site B; • Achieves an FSR of 3.9:1 – 4.4:1 across the Precinct with 6.5:1-7.4:1 for Site A and 2.1:1-2.4:1 for Site B; • Little Alfred Street incorporates fine grain residential accommodation which is 3 storeys in height; • For Site A, the built form would include a three storey commercial podium (to the through site links and Alfred Street) with a new tower to align with the Bayer Building (including its width along Little Alfred Street) with an additional 6 storeys which are to be tapered along the eastern boundary; • For Site B, the ground floor is to be commercial (along through the through site link, Alfred Street and Whaling Road, with a 4 and 9 storey built form along Alfred Street; • Shared basement access; and • Public benefits including a public through site link to the northern edge of Site A, a laneway which straddles Sites A and B, street frontage setbacks and an upgraded public domain. <div data-bbox="528 1352 1396 1865"> <table border="1"> <thead> <tr> <th colspan="2">OVERVIEW</th> </tr> </thead> <tbody> <tr> <td>Existing GFA</td> <td>18,600m²</td> </tr> <tr> <td>Existing FSR</td> <td>3.5:1</td> </tr> <tr> <td>Proposed GFA*</td> <td>20,500m² - 23,400m²</td> </tr> <tr> <td>Achievable FSR*</td> <td>3.9:1 - 4.4:1</td> </tr> <tr> <th colspan="2">JOBS AND DWELLINGS</th> </tr> <tr> <td>Non-residential FSR*</td> <td>0.8:1 - 0.9:1</td> </tr> <tr> <td>Local jobs</td> <td>205 jobs</td> </tr> <tr> <td>Residential FSR*</td> <td>3.0:1 - 3.4:1</td> </tr> <tr> <td>Dwellings</td> <td>235 dwellings</td> </tr> </tbody> </table> <p><small>* (depending on efficiency of building envelope)</small></p> </div> <p>Council's Preferred Option Source: North Sydney Council</p>	OVERVIEW		Existing GFA	18,600m ²	Existing FSR	3.5:1	Proposed GFA*	20,500m ² - 23,400m ²	Achievable FSR*	3.9:1 - 4.4:1	JOBS AND DWELLINGS		Non-residential FSR*	0.8:1 - 0.9:1	Local jobs	205 jobs	Residential FSR*	3.0:1 - 3.4:1	Dwellings	235 dwellings
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Table 3 – Outline of planning background

<p>Note: the FSR targets in Council's draft Precinct Planning Study for each site did not allow for Sites A, C and D to achieve their current maximum permissible FSRs in the LEP (3.5:1). Refer to the table below which outlines the target FSRs for each site based on Council's draft Precinct Planning Study.</p> <table border="1"> <thead> <tr> <th></th> <th>Site A</th> <th>Site B</th> <th>Site C</th> <th>Site D</th> </tr> </thead> <tbody> <tr> <td>Precinct Planning Study – Target FSRs</td> <td>1.39:1</td> <td>10.58:1</td> <td>1.62:1</td> <td>3.42:1</td> </tr> </tbody> </table> <p>Source: Grimshaw</p> <p>The Planning Proposal will ensure that Sites A, C and D will be able to achieve the current permissible 3.5:1 FSR they currently enjoy in the LEP. Whilst Sites A and B were to be amalgamated (with a higher FSR on Site B as a result of this) the subject Planning Proposal will retain an FSR of 3.5:1 to Site A and reduce the FSR to a base of 7.3:1 (existing building) with an additional 2:1 design excellence provision (total FSR of 9.3:1).</p>			Site A	Site B	Site C	Site D	Precinct Planning Study – Target FSRs	1.39:1	10.58:1	1.62:1	3.42:1
	Site A	Site B	Site C	Site D							
Precinct Planning Study – Target FSRs	1.39:1	10.58:1	1.62:1	3.42:1							
<p>Subject Planning Proposal – Alfred Street Precinct</p>											
<p>22 March 2019</p>	<p>A Planning Proposal was lodged for the entire Precinct which proposed the rezoning of the Precinct to B4 Mixed Use, increase of the heights to all the sites and increase the FSR provision to 275 Alfred Street (Building B) to reflect the existing GFA with a design excellence bonus, refer section 3 below for further detail.</p>										
<p>12 June 2019</p>	<p>Meeting with consultant town planner (Brett Brown from Ingham) and Council to discuss the planning background and proposal.</p>										

Given Council has failed to indicate its support 90 days after submitting the Planning Proposal, we have lodged a rezoning review for the Greater Sydney Commission to consider.

3 Planning Proposal Objectives

The objectives of the Planning Proposal are:

- To facilitate renewal of the entire Precinct consistent with the JRPP recommendation and Council's draft Alfred Street Precinct Planning Study (2018);
- To rezone the Precinct from B3 Commercial Core to B4 Mixed use to allow for residential accommodation. The 'mixed use' typology will be more appropriate for the locality given it will create a suitable transition between North Sydney CBD and residential zones;
- The Precinct is dislocated from North Sydney CBD and the existing commercial building stock is coming to the end of its useful economic life cycle. The proposal will facilitate local employment opportunities such as neighbourhood shops and café/restaurants and provide commercial suites which will protect local jobs in the Precinct. The employment offering will support local businesses that can't afford to locate to the CBD and will not detract from higher order commercial activities;
- Increase the height of buildings and floor space ratio provisions which will create an appropriate transition in density from North Sydney CBD to the adjoining low scale residential areas and heritage conservation area. The proposed densities will ensure the redevelopment of the Precinct is economically feasible;
- To facilitate the redevelopment of the Precinct as a livable high-quality mixed use development in close proximity to public transport, recreational facilities and services;
- To improve permeability within and around the site and create a lively Precinct with opportunities for social interaction by providing a pedestrian arcade with a series of laneways/through site links;
- To provide amalgamation patterns which will easily facilitate the redevelopment of the Precinct;
- To incorporate a number of public benefits within the scheme including improvements to the ground floor plane (with a pedestrian arcade, additional landscaping and retail activation) and upgrade of Mount Street overpass;
- To provide a design excellence bonus provision for the Bayer Building site which requires a design competition process to be undertaken to ensure a high standard of architecture, urban and landscape design is achieved for the site which allows additional FSR and height to be considered;
- To provide for additional dwellings in an urban area while minimising adverse amenity impacts on the surrounding residential dwellings, heritage conservation area and public domain; and
- To assist in achieving State and local government's housing targets and address the lack of housing availability within the locality by providing additional residential accommodation.

4 Proposal

The Planning Proposal seeks the following amendments to the NSLEP 2013:

- Rezone the Precinct from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
 - 31m for 283 Alfred Street (Building A);
 - 80m for 275 Alfred Street (Building B);
 - 28m for 271-273 Alfred Street (Building C); and
 - 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site and is triggered if the height of the building exceeds 62m.

Note: the maximum FSR controls will be retained at 3.5:1 for 283 Alfred Street (Building A), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).

Refer to **Appendix 8** for the proposed Local Environmental Plan Maps.

The proposal seeks to introduce two new provisions in the NSLEP 2013:

- *Clause 4.4(2A) – Floor Space Ratio* (which allows for a maximum FSR of 9.3:1 for 275 Alfred Street, subject to achieving design excellence); and
- *Clause 6.15 – Design Excellence* (which outlines considerations for design excellence and provides a height trigger for a design competition).

Refer to Section 6 of the Planning Proposal in **Appendix 1** for further detail.

A site specific DCP has also been prepared for the Precinct which provides controls relating to number of storeys, building setbacks, through site links, amalgamations, public domain works, vehicle access points and advertising design analysis which limits signage within the Precinct (refer to **Appendix 9**).

4.1 Urban Design Package and Reference Scheme

Grimshaw have prepared an Urban Design Report (refer to **Appendix 4**), supporting the viability of the Planning Proposal which details the constraints and opportunities of the Precinct and provides a reference scheme which demonstrates how density can be achieved in the Precinct.

The reference scheme for the Planning Proposal will contribute approximately 156 residential units and 10,127sqm of modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct. The proposal seeks to retain the existing building frame of the Bayer Building and overhaul the building services and undertake remediation works of the existing commercial floor space which would be offset by the additional building height.

Whilst Council's draft Precinct Planning Study was not formally adopted, the built form detailed in Council's preferred scheme has been considered as part of the proposal. The proposal is generally consistent with the objectives and design requirements of the draft Study and provides improvements to the built form and amalgamation patterns. An alternate amalgamation pattern is proposed from the draft Study which provides a more flexible approach and will provide more certainty

that the Precinct will be redeveloped (refer to Section 7.3 of the Planning Proposal for further detail on the amalgamation patterns, **Appendix 1**).

The proposal seeks to retain the existing FSRs for Buildings A, C and D (3.5:1) and increase the FSR to 275 Alfred Street to reflect the existing FSR to the Bayer Building (base FSR of 7.3:1) with the potential for a design excellence bonus, subject to a design competition being undertaken. The proposal seeks to increase the heights of Buildings A, C and D (from 4 to 8 storeys) to ensure they are consistent with the existing FSR provisions and can be developed to their full potential, which would not be possible under the current 13m height control. Whilst the height of Building B (275 Alfred Street) will be increased from 20 storeys (including the Bayer Building signage) to 24 storeys, the additional height would only be triggered if a design competition is undertaken. In addition, the proposed 24 storey height reflects the recommendations of Council's Alfred Street Precinct Planning Study and enables reasonable redevelopment of the building, which is nearing the end of its economic life.

The proposal will incorporate a 3 storey podium along all the edges of the Precinct which is consistent with the existing built form. Fine grain residential accommodation will be located along Little Alfred Street to create an appropriate transition with the low scale dwellings. The built form above the 3 storey along Little Alfred Street will be generous to allow for solar access deep into the site and pedestrian arcade.

The built form will be setback 4.2-4.85m along Little Alfred Street, 6-6.75m to the ground floor and 2.4m to the ground floor along the northern boundary. Landscaping buffer zones will be created along the northern, eastern and western elevations which will provide visual screening to the adjoining Heritage Conservation Area and Freeway. The proposal will also incorporate elevated landscaping podiums along Little Alfred Street which will further soften the built form along this elevation.

Sites A, C and D, will be 8 storeys in height and will have generous setbacks above the podium along the elevations with the conservation area and generally define the street edge along Alfred Street (with some articulation along this elevation).

The proposal includes a design excellence provision for the Bayer Building, which allows for additional FSR subject to a design competition being undertaken which is only triggered if a Development Application is lodged for the site that is greater than 62m in height. This will ensure that the landmark building will exhibit design excellence and a high standard of architecture, urban and landscape design is achieved. In particular, this will ensure that façade of the building is upgraded which is currently dated and deteriorated.

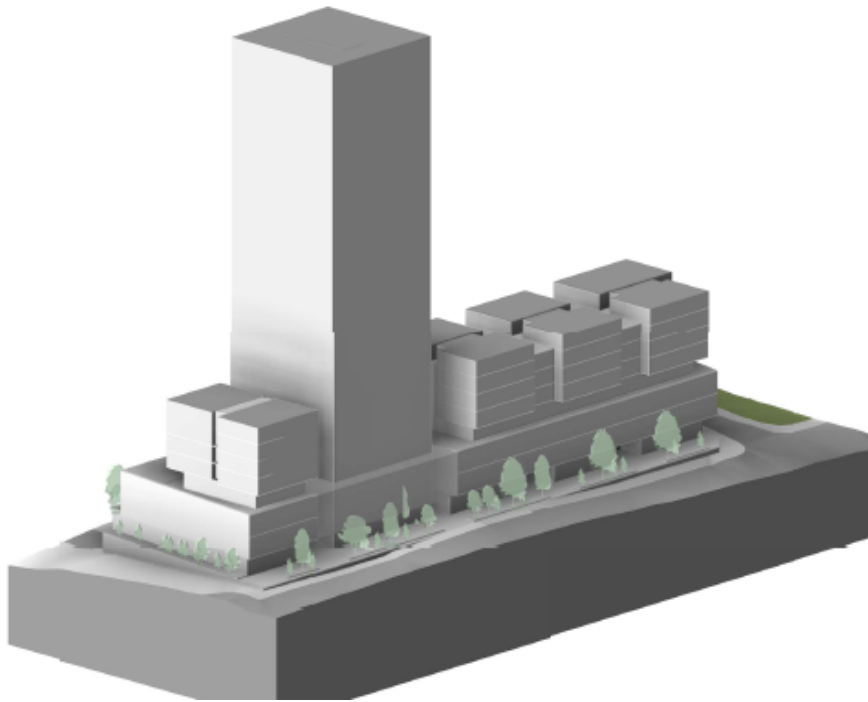


Figure 2 – 3D image along Alfred Street

Source: Grimshaw

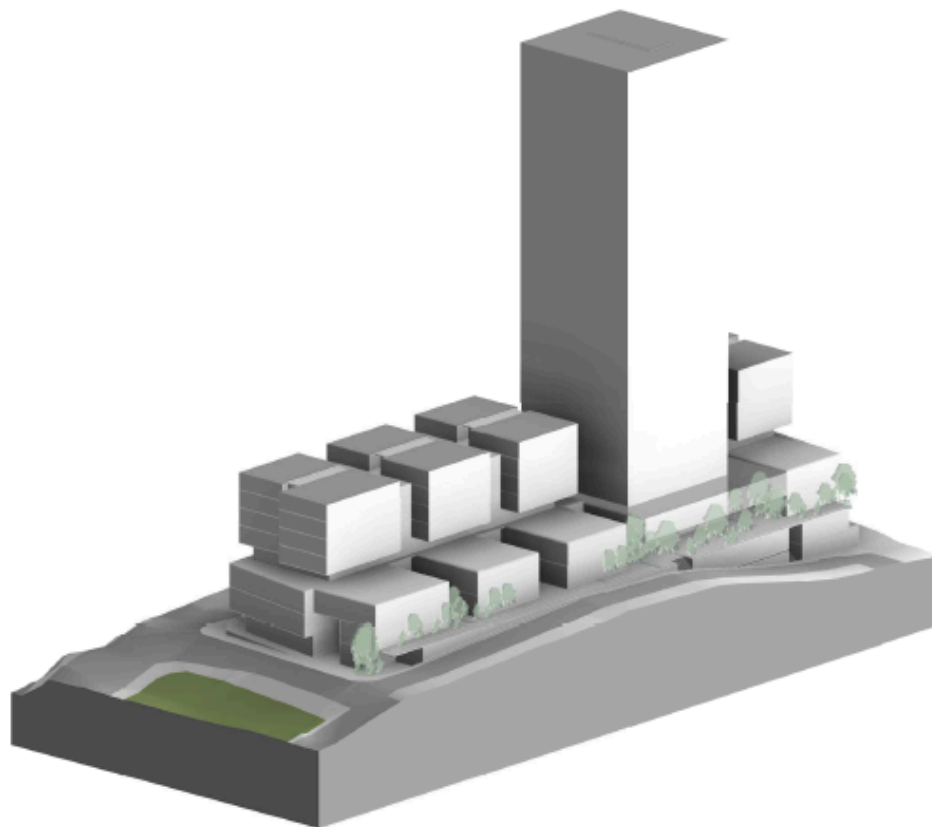


Figure 3 – 3D image along Little Alfred Street

Source: Grimshaw

A pedestrian arcade will be linked through the Precinct at ground level and centred around the Bayer Building. The arcade incorporates a series of laneways which are

activated with retail shops to promote social interaction and provide connections between the adjoining residential areas and North Sydney CBD.

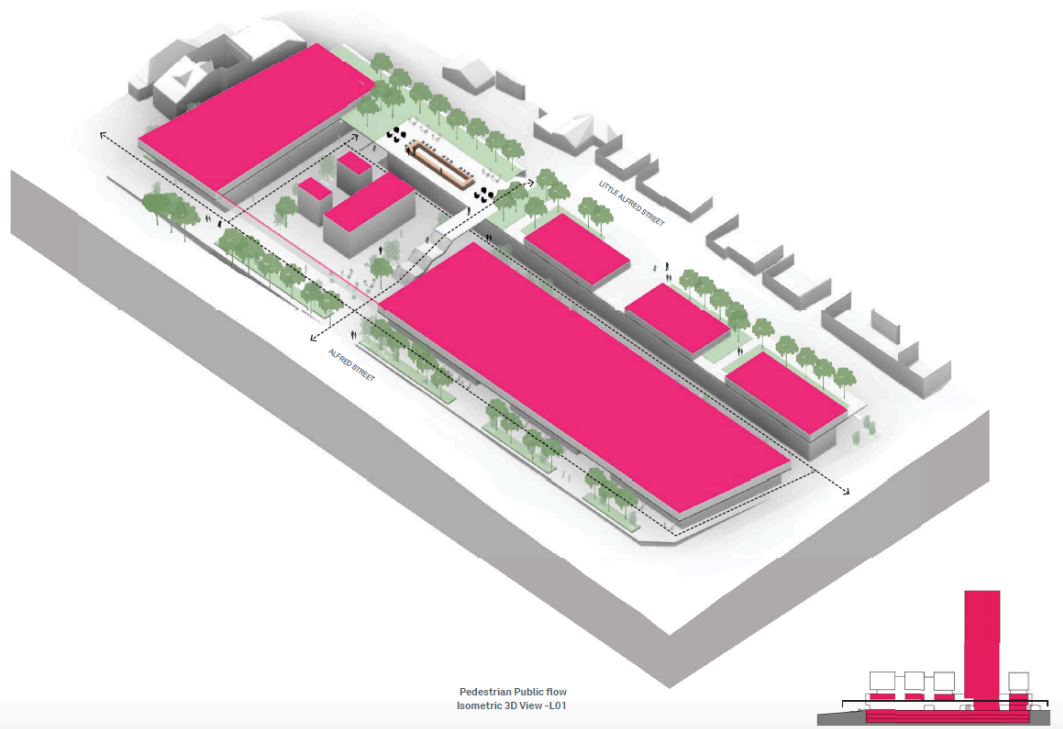


Figure 4 – Public benefits

Source: Grimshaw

5 Strategic Planning Chronology

The Planning Proposal has been prepared as a direct result of the draft Alfred Street Precinct Planning Study. It is reiterated that whilst this study was not formally adopted by Council, it was undertaken in response to the JRPP determination and the purpose of the Study was to create a framework for a future land owner led Planning Proposal for the entire Precinct. The draft Study provides a guide of what Council and the wider community would like to see in the future redevelopment of the Precinct.

Furthermore, the proposal is consistent with the principles, objectives and planning priorities of the relevant District (North District Plan) and Regional (A Metropolis of three cities – The Greater Sydney Regional Plan) strategic planning documents and the North Sydney Planning Area in the North Sydney Development Control Plan 2013.

The table provides a chronology of the strategic planning documents that are applicable to the Precinct and briefly outlines the consistency with these.

Table 4 – Chronology of Strategic Planning Documents	
Strategy	Outline of strategy and consistency
Draft Alfred Street Precinct Planning Study (January 2019)	<p>The Draft Alfred Street Precinct Study was prepared by Council to guide the preparation of any future Planning Proposal for the Alfred Street Precinct and was prepared as a result of the JRPP decision which required a Precinct wide approach. Whilst the draft Study was not formally adopted at its Council meeting on 29 January 2019, it has been used as a framework to establish the built form for the proposal.</p> <p>Council staff's preferred scheme in the draft Study will result in the reduction of employment floor space; however the report supports this given the context of significant levels of employment supply both through approvals and amended planning controls. Council also recognises that a mix use development with residential accommodation is suitable for the Precinct given it is located in between the North Sydney CBD and a residential zone.</p> <p>Whilst the Planning Proposal is not a complete adoption of Council's preferred scheme, the proposal is consistent with the Study's objectives and design requirements. The proposal will slightly vary from the amalgamation patterns and provide improvements to the proposed built form, refer to table 8 of the Planning Proposal for further discussion (Appendix 1).</p>
A Metropolis of Three Cities – The Greater Sydney Regional Plan (March 2018)	<p>The Greater Sydney Regional Plan, "A Metropolis of Three Cities" provides a long-term guide for land use planning for the greater Sydney Region. The vision for the Region is to transform into a metropolis of three cities; Western Parkland City, Central River City and Eastern Harbour City. The Plan identifies the site as being within the Eastern Harbour City and within the Eastern Economic Corridor. The Eastern Economic Corridor extends from Macquarie Park to Green Square and currently contains 775,000 jobs.</p> <p>Whilst the site is within the Eastern Economic Corridor, the Precinct is considered to be isolated from the North Sydney CBD and adjoins a residential zone and therefore is not considered appropriate for employment growth. While the proposal will result in the loss of some commercial floor space, there appears to be in the order of 806,000sqm of additional commercial supply in the North Sydney Centre which would provide 40,300 additional jobs and exceed the job targets for the</p>

Table 4 – Chronology of Strategic Planning Documents

Strategy	Outline of strategy and consistency
	<p>North District Plan.</p> <p>However, the proposal will still provide some 10,127sqm of modern commercial floor space for potential small businesses, creative uses and start-ups within the Precinct. The proposed commercial spaces will be for businesses that cannot afford the rents within the CBD and will play a supportive role to the North Sydney CBD.</p> <p>Furthermore, the proposal will create an opportunity to provide additional housing which will contribute to housing objectives targets of 25,950 in the next 5 years (up to 2021) and 92,000 in the next 20 years (up to 2036) for the North District.</p>
<p>North District Plan (March 2018)</p>	<p>The District Plan sets a target for North Sydney CBD of 15,600-21,100 new jobs by 2036 which equates roughly to 300,000sqm plus of commercial floor space. However, the Precinct is located outside of the North Sydney CBD and is not within a strategic centre where jobs are to be focused.</p> <p>An objective of the North District Plan is to increase housing across the North Sydney LGA by contributing to the five-year (2016-2021) housing target of 3,000 additional dwellings. Housing provided is required to promote housing diversity and affordability as detailed in Planning Priority E5 of the North District Plan. The proposal represents an opportunity to provide additional housing which will contribute to the housing targets and allow for a greater diversity of residential accommodation.</p>
<p>North Sydney Planning Area – North Sydney DCP 2013</p>	<p>The North Sydney DCP 2013 identifies the site within the North Sydney Planning Area and the relevant principles for the area are outlined below:</p> <ul style="list-style-type: none"> • A diverse range of living, employment, recreation and social opportunities being provided that attract both local and regional populations which contribute to the vibrancy of the North Sydney CBD. • Various grades and sizes of commercial floorspace accommodate a mix of small and larger business, services and retail. • New residential development will not occur in the commercial core, with further high density housing to be concentrated in the areas zoned mixed-use. • There is housing choice in the mix of dwelling sizes and in the range of affordability. <p>The proposal is consistent with these principles as it will create a mixed use Precinct with a diverse range of retail, commercial and residential uses. There is an opportunity to provide a range of commercial sizes for small businesses, creative uses and start ups. The proposal will provide a range of housing accommodation, including fine grain residential accommodation along Little Alfred Street and various unit sizes as detailed in the reference scheme.</p>

6 Specialist technical studies

In support of the Planning Proposal and in addition to the Urban Design Package the following technical studies were prepared with the Planning Proposal and are provided in **Attachment 1**:

- Economic Impact Report, prepared by AEC Group (refer to **Appendix 6**); and
- Traffic Impact Assessment, prepared by TTPP (refer to **Appendix 7**).

A brief overview of the key findings of the technical studies provided in support of the Planning Proposal is provided below.

6.1 Economic impacts

Section 7.3 of the Planning Proposal provides a detailed analysis of the economic impacts of the proposal (**Appendix 1**).

The Precinct falls just outside of the North Sydney CBD as defined by the North District Plan and the District Plan sets a target of 15,600-21,100 new jobs by 2036 for the North Sydney CBD which equates roughly to 300,000sqm plus of commercial floor space.

Within North Sydney Centre there are a number of initiatives which will provide significant commercial growth which are outlined below:

- **North Sydney Centre:** Council's CLUS and North Sydney Centre Planning Proposal will unlock 529,000sqm of additional commercial floorspace. It is noted that the Precinct falls just outside of the nominated Centre;
- **Ongoing Developments:** There is significant development and investor interest in the Centre and over the next 3-4 years an additional 112,000sqm floor space will be provided;
- **Ward Street Precinct Masterplan:** This Masterplan prepared by Council (which was publicly exhibited in August 2018) will result in the potential to deliver an additional 100,000sqm commercial floor space;
- **Victoria Cross Metro Station:** The over-station development above the Victoria Cross metro station will provide an additional 65,000sqm+ of office and retail space.

Cumulatively, there appears to be in the order of 806,000sqm of additional commercial supply capacity in the Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.

The proposal would result in 10,127sqm of modern retail, commercial, office and business floor space which would result in a reduction of approximately 4,000sqm from the existing floorspace (**note: this is a lot less than proposed in the draft Study which was 9,000sqm or equivalent to 450 jobs**). It is reiterated that the JRPP recommendation and North Sydney Council acknowledged that the Precinct is not a suitable location for employment growth given it is isolated and disconnected from the North Sydney CBD. Displaced businesses could seek space in the North Sydney Centre where there is large stock of secondary grade buildings with low rents which are comparable to the Precinct. The economic activity would therefore not be 'lost' from North Sydney but, merely relocated elsewhere within the LGA.

6.2 Parking and Traffic

Section 7.3 of the Planning Proposal provides a detailed analysis of the traffic and parking impacts of the proposal (**Appendix 1**).

Traffic generation

The site currently generates 233 trips in the AM peak and 175 trips in the PM peak and the proposal will reduce the future trips generated by 41 during the AM peak and 30 trips during the PM peak given the residential trip generation rates are lower than the commercial rates, refer to the table below.

Table 5 – Net changes in traffic generation		
Traffic generation	AM peak	PM peak
Existing traffic generation	233	175
Future traffic generation	192	145
Net change	-41	-30

Traffic modelling was undertaken for the existing base case and the proposed development to the intersections of Little Alfred Street/Whaling Road and Neutral Street/Whaling Road. The intersections are currently operating a, 'A' (good operation) level of service and will continue to operate as this level as a result of the proposal. The TIA concludes that the proposal is not expected to result in any noticeable traffic impacts on the surrounding road network and therefore, no mitigation measures are required as the existing road network is expected to accommodate the proposed development traffic.

Car parking

The North Sydney Development Control Plan 2013 (NSDCP 2013) incorporates a maximum parking rate for the Precinct. The proposal is required to provide the following maximum car parking numbers for the reference scheme:

- Site A – 13 spaces
- Site B – 68 spaces
- Site C – 15 spaces
- Site D – 36 spaces

The reference scheme in the Urban Design Report (refer to **Appendix 1**) demonstrates how these spaces can be accommodated for in the basement layouts. There may be an opportunity to reduce the car parking spaces given the Precinct is well serviced by public transport.

Vehicle access

The vehicle access along 271 Alfred Street is to be removed for the scheme and separate vehicle access points are proposed on Little Alfred Street to service the respective basement car parking and loading dock areas for each site. The proposal will amalgamate two existing vehicle access points for Site D into one. Further to this, access to the Site C basement car parking area is proposed via a car lift system due to the existing building constraints, i.e. available building footprint and car parking required for the site.

Bicycle parking

A cycle lane has been identified along Alfred Street by North Sydney Council. Based on the minimum bicycle parking rates in the NSDCP 2013, Sites A, B, C and D would require a total minimum of 31, 132, 33 and 73 spaces (respectively).

Loading facilities

Based on the existing building constraints and topography surrounding the site, it is proposed to provide on-site loading areas for Sites A and B and indented on-street kerbside loading areas for Sites C and D. These loading areas are expected to predominately cater for waste collection vehicles and occasional deliveries.

It is however expected that the existing loading zone on Alfred Street North would continue to service the site due to its proximity to the main road (where trucks travel to/from) in order to minimise truck movements along Little Alfred Street and Whaling Road.

7 Rezoning Review and Strategic Merit Test

In the recently reviewed *A Guide to Preparing Local Environmental Plans and Planning Proposals* (2018) and *Rezoning Reviews* (2016) it proposes that a request for rezoning review must pass two main tests. The strategic merit test and the site-specific merit test.

A consideration of the proposal against these two tests is provided below.

7.1 Strategic Merit Test

The strategic merit test poses three main criteria for assessing the strategic merit of a Planning Proposal:

1. Proposals must be consistent with the relevant 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; or
2. Consistent with a relevant local strategy that has been endorsed by the Department; or
3. Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognized by existing planning controls.

1. Proposals must be consistent with the relevant 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;

The Planning Proposal provides an assessment against *A Metropolis of Three Cities – The Greater Sydney Regional Plan* and the North District. Set out below is an analysis of the Planning Proposal's consistency with these strategic planning documents.

The Greater Sydney Regional Plan – A Metropolis of Three Cities

The Greater Sydney Regional Plan, "A Metropolis of Three Cities" provides a long-term guide for land use planning for the greater Sydney region. The vision for the region is to transform into a metropolis of three cities; Western Parkland City, Central River City and Eastern Harbour City. The subject site is located within the northern portion of the Eastern Harbour CBD City and within the Eastern Economic Corridor.

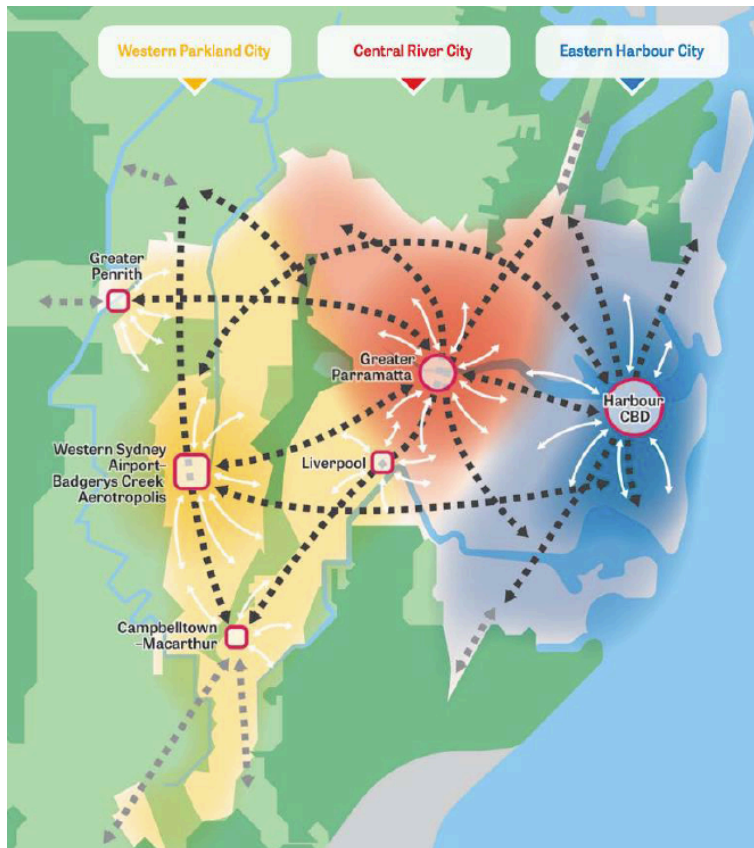


Figure 5 – Three Cities Mapping Extract

Source: *The Greater Sydney Regional Plan*

The Regional Plan sets additional housing targets of 25,950 in the next 5 years (up to 2021) and 92,000 in the next 20 years (up to 2036) for the North District. The Plan also sets employment targets to create 817,000 jobs over the next 20 years to 2036 which are to be focused within metropolitan and strategic centres. The Plan aims to achieve a 30-minute City through investment in infrastructure, locating housing and jobs in the right places and improving accessibility to places where people want to be.

The Precinct is isolated and dislocated from the North Sydney CBD and it was acknowledged by the JRPP and North Sydney Council that the Precinct is not a suitable location for employment growth given its dislocation from the North Sydney CBD. Furthermore, given the site is located in close proximity to residential accommodation, the site is considered suitable for a change in zoning to allow for residential uses.

The Regional Plan includes 40 Objectives that outline the intended outcomes of the Plan. The Objectives are supported by a series of Strategies and Actions to will give effect to the vision. These Strategies are to be adopted and Actions implemented by NSW Government agencies and Local Government. An assessment of the proposal against the relevant criteria and objectives is provided in the table below:

Table 6 – Assessment against the relevant Directions of the Greater Sydney Regional Plan

Criteria	Objectives	Response
Infrastructure and collaboration	A city supported by infrastructure <ul style="list-style-type: none"> • Infrastructure supports the three cities • Infrastructure aligns with forecast growth • Infrastructure adapts to future needs • Infrastructure use is optimised 	<p>The proposal is located within proximity to a number of public transport services and North Sydney CBD which includes employment opportunities, health and education, retail and other services. The proposal seeks to utilise new transport infrastructure in the Sydney Metro City and South West accessible via Victoria Cross Station. The proposal aligns with population, and housing demand for North Sydney LGA, by facilitating additional residential floor space.</p>
	A Collaborative City <ul style="list-style-type: none"> • Benefits of growth realised by collaboration of governments, community and business 	<p>The proposal has been subject to discussion and collaboration with Council in relation to realising the vision for the site and providing an outcome that is consistent with the directions of strategic planning.</p>
Liveability	A City for people <ul style="list-style-type: none"> • Services and infrastructure meet communities changing needs • Communities are healthy, resilient and socially connected • Greater Sydney's communities are culturally rich with diverse neighbourhoods • Greater Sydney celebrates the arts and supports creative industries and innovation 	<p>The proposal will facilitate additional housing in a location well serviced by education, health and community facilities and other infrastructure.</p> <p>The Proposal will establish improved pedestrian connections and links and ground floor retail, which will encourage socially connected communities. Bicycle parking will be provided in the scheme which will be detailed in the future Development Application and a bicycle lane has been identified along Alfred Street by North Sydney Council. The proposal will create a walkable place with the provision of retail and commercial uses conveniently located close to residential accommodation. The promotion of walking and cycling will improve the health of future residents and reduce traffic congestion.</p>
	Housing the City <ul style="list-style-type: none"> • Greater Housing Supply • Housing is more diverse and affordable 	<p>The reference scheme will account for a total of 156 residential dwellings which will contribute to the housing targets as mandated by the GSC. The Planning Proposal would provide additional housing supply of varying typologies and the additional supply would contribute to the affordability of housing within the area.</p> <p>The proposal will deliver a mix of housing types across the site including 1, 2 and 3-bedroom apartments, contributing to housing diversity.</p> <p>The draft Study stipulated that affordable housing is not recommended to be pursued given it would create greater pressure on the height and bulk of the development.</p>

Table 6 – Assessment against the relevant Directions of the Greater Sydney Regional Plan

		<p>However, we seek to include affordable housing (approximately 10%) within the scheme to ensure a diversity of housing is provided for the locality.</p>
	<p>A City of great places</p> <ul style="list-style-type: none"> • Great places that bring people together • Environmental heritage is identified, conserved and enhanced 	<p>The proposal will enable the initial steps toward the enhance of the sense of place for the Precinct. This will be achieved through urban design, amenity and safety improvements for the precinct and provide wider place making benefits for the North Sydney CBD.</p> <p>The proposal has been designed so that it is respectful to and will not adversely impact the Whaling Road Heritage Conservation Area adjacent to the site.</p>
Productivity	<p>A well connected city</p> <ul style="list-style-type: none"> • A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities • The Eastern, GOP and Western Economic Corridors are better connected and more competitive 	<p>The proposal provides housing and employment in close proximity to public transport services. It also will provide improved links between North Sydney CBD and the surrounding area improving walkability to jobs and services within 10 minutes of the centre.</p>
	<p>Jobs and skills for the city</p> <ul style="list-style-type: none"> • Harbour CBD is stronger and more competitive • Investment and business activity in centres 	<p>The site is within the Eastern Economic Corridor. However, the Precinct is considered to be isolated from the North Sydney CBD and adjoins a residential zone and therefore is not considered appropriate for employment growth.</p> <p>Whilst the proposal will result in the loss of some commercial floor space, there appears to be in the order of 806,000m² of additional commercial supply capacity in the North Sydney Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.</p> <p>The proposal will still provide some 10,127m² of modern commercial floor space for potential small businesses, creative and start ups within the Precinct. The proposed commercial spaces will be for businesses that can not afford the rents within the CBD and will play a supportive role to the North Sydney CBD.</p> <p>Whilst the proposal will result in the loss of commercial space, it will be replaced with residential accommodation and will contribute to the housing targets for the North District and North Sydney LGA.</p>
Sustainability	<p>A city in its landscape</p> <ul style="list-style-type: none"> • Urban tree canopy cover is increased 	<p>The proposal includes tree canopy improvements to the streetscape of Little Alfred Street and Alfred Street with some</p>

Table 6 – Assessment against the relevant Directions of the Greater Sydney Regional Plan

	<ul style="list-style-type: none"> Public open space is accessible, protected and enhanced The Green Grid links parks, open spaces, bushland and walking and cycling paths 	<p>elevated podium areas along Little Alfred Street for further landscaping opportunities. The proposal will provide links to surrounding open spaces and walking and cycling paths. The proposal will enhance access from North Sydney CBD, through the site itself to open space at Anderson park and the Harbour Foreshore.</p>
	<p>An efficient city</p> <ul style="list-style-type: none"> A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change Energy and water flows are captured, used and re-used More waste is re-used and recycled to support the development of a circular economy 	<p>The proposal will contribute to a more sustainable and resilient city through natural revegetation of the site and its surrounds. The proposal will create a development which integrates employment (commercial/retail) and housing which reduces the need to travel by car. The proposal will also incorporate sustainable construction methods and energy efficient design measures within the building which will be explored further as part of the Development Application process.</p> <p>The proposal will facilitate a mix of land uses that can utilise recycled water for landscaping and WSUD which will be explored further at Development Application stage.</p>
	<p>A resilient city</p> <ul style="list-style-type: none"> People and places adapt to climate change and future shocks and stresses Exposure to natural and urban hazards is reduced Heatwaves and extreme heat are managed 	<p>The proposal will deliver a gradual improvement of vegetation across the site by providing landscaping for mature trees.</p>

The North District Plan

The Planning Proposal provided an assessment of the proposal against the planning Priorities in the North District Plan, refer to Section 7.2 in **Appendix 1**.

Planning Priority N5 seeks to provide housing supply, choice and affordability with access to jobs, services and public transport. A housing supply target of 3,000 additional dwellings by 2021 in the North Sydney LGA has been set. The Precinct is within walking distance to jobs, health and education, retail and other services as well as a number of public transport services. The rezoning of the site to B4 Mixed Use will allow for residential accommodation to be provided in the Precinct. The reference scheme will include 156 residential units which will contribute to housing targets. A diversity of dwelling types will be provided through a range of studios, 1, 2 and 3 bedroom units and will provide for a range of price points.

The North District Plan expresses a need for housing to be coordinated with local infrastructure provided with adequate access to public transport and strategic centres which provide jobs and services. Strategic centres accessible from the Precinct via public transport include the Sydney CBD and St Leonards. Planning Priority N12 seeks to integrate land use and transport planning to create a 30 minute city.

The Planning Proposal capitalises on the investment and planned investments of the Sydney Metro City and South West, the Western Harbour Tunnel and Beaches Link. Development resulting from the Planning Proposal will increase the number of jobs and dwellings within the 30-minutes to a strategic centre through public and active transport.

The Planning Proposal is considered to be consistent with all of relevant strategic planning priorities outlined in the North District Plan. The proposal will provide new housing opportunities supported by social infrastructure, public transport, connections to employment centres.

2. Consistent with a relevant local strategy that has been endorsed by the Department;

Whilst the local strategies in North Sydney Council have not been endorsed by the DP&E, the proposal will be consistent with the following local strategies:

- Draft Alfred Street Precinct Planning Study (January 2019);
- North Sydney Centre Review - Capacity and Land Use Study (CLUS);
- North Sydney Development Control Plan 2013 - North Sydney Planning Area;
- North Sydney Local Development Strategy (2009);
- North Sydney Residential Strategy (2009); and
- North Sydney Community Strategic Plan 2018 - 2028.

The key strategies are discussed in further detail below:

Draft Alfred Street Precinct Planning Study (2017-2019)

Whilst, the draft Precinct Planning Study was not adopted by Council, the purpose of the Study was to create a framework for a future land owner led Planning Proposal for the entire Precinct. The Study considers site specific and wider implications with regard to solar access, building separation, visual impact, built form and heritage.

The subject Planning Proposal has been prepared as a result of the draft Precinct Planning Study not being adopted and whilst it is not a strict translation of Council's preferred option, it is generally consistent with the Study's objectives and design requirements and the proposed heights including the Bayer Building (maximum of 24 storeys).

The key recommendations in the draft Study (January 2019) were to amalgamate the Precinct into two sites and achieve an FSR of 3.9:1-4.4:1 across the Precinct with varied heights of 3, 9 and 24 storeys. Council's preferred scheme included a number of public benefits such as a through site link to the northern edge of Site A, a laneway which straddles Sites A and B, street frontage setbacks and an upgraded public domain. The proposal is generally consistent with the recommendations of the draft Study in that it will create a 3 storey fine grain topography along Little Alfred Street, provide street frontage setbacks, incorporate through site links and the proposed height of the Bayer Building will be 24 storeys.

North Sydney Centre Review – CLUS and the Planning Proposal

The CLUS was prepared to address a number of issues relating to land use matters, including residential uses, within the North Sydney Centre in relation to future development capacity and expansion opportunities. It is noted that the Precinct falls outside of the North Sydney Centre, however key objectives of the CLUS seek to:

- “identify residential development opportunities in mixed use periphery” and
- “identify and facilitate specific land uses to contribute to the Centre’s diversity, amenity and commercial sustainability.”

While the CLUS considers the importance of the Precinct as an employment generator, the economic viability of the existing commercial floor space is reaching stagnation. Therefore, the provision of an appropriate mix of residential and commercial use will ensure the ongoing economic feasibility of the Precinct.

North Sydney DCP 2013 – North Sydney Planning Area

The North Sydney DCP 2013 identifies the site within the North Sydney Planning Area and the relevant principles for the area are outlined below:

- A diverse range of living, employment, recreation and social opportunities being provided that attract both local and regional populations which contribute to the vibrancy of the North Sydney CBD.
- Various grades and sizes of commercial floorspace accommodate a mix of small and larger business, services and retail.
- New residential development will not occur in the commercial core, with further high density housing to be concentrated in the areas zoned mixed-use.
- There is housing choice in the mix of dwelling sizes and in the range of affordability.

The proposal is consistent with these principles as it will create a mixed use Precinct with a diverse range of retail, commercial and residential uses. There is an opportunity to provide a range of commercial sizes for small businesses, creative uses and start ups. The proposal will provide a range of housing accommodation, including fine grain residential accommodation along Little Alfred Street and various unit sizes as detailed in the reference scheme.

It is noted that whilst the Precinct is identified in the North Sydney Planning Area, in the more recent North Sydney Centre Review it was excluded from the North Sydney Centre and the North District Plan excludes the Precinct from the North Sydney CBD.

North Sydney Community Strategic Plan 2018-2028

The North Sydney Community Strategic Plan 2018 – 2028 (CSP) is an extensive plan developed from the ground up and based on the vision and desires of the North Sydney community.

The Planning Proposal seeks to enable the redevelopment of the Alfred Street Precinct which would provide for renewal of commercial, business and residential structures. The proposal would also allow for improved access to and through the Precinct improving integration with the broader area.

3. 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.

The Precinct is located in between North Sydney CBD and the low scale Heritage Conservation Area and the existing commercial floor space is in need of upgrading given it is coming to the end of its economic useful life. The introduction of residential accommodation will allow for a better transition with the adjoining Heritage Conservation Area. The uplift in density will encourage the future redevelopment of

the Precinct, while the provision of residential accommodation will provide a more efficient floor plate, thereby reducing significant bulk and scale. The proposal will provide further commercial and residential floor space within proximity to the future Victoria Cross Metro Station.

7.2 Site-specific merit test

A Guide for Preparing Local Environmental Plans states that having met the strategic merit test the Planning Proposal must demonstrate that it has site-specific merit. In order to establish site-specific merit, the guidelines put forward the following criteria.

1. The natural environment (including known significant environmental values, resources or hazards);
2. The existing uses approved uses and likely future uses of land in the vicinity of the land subject to the proposal; and
3. The services and infrastructure that are or will be available to meet the demands arising from the Planning Proposal and any proposed financial arrangements for infrastructure provision.

The Planning Proposal contains a number of specialist reports demonstrating the site is appropriate for the type of development proposed. The main studies are listed below and discussed in more detail above in Part 6 of this report. The reports include:

- Urban Design Report, prepared by Grimshaw (refer to **Appendix 1**);
- Economic Impact Report, prepared by AEC Group (refer to **Appendix 6**; and
- Traffic Impact Assessment, prepared by TTPP (refer to **Appendix 5**).

An assessment of the sites key characteristics against the site-specific criteria is provided below. More detailed assessment is provided in the attached Planning Proposal and specialist reports.

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

The Precinct adjoins the Whaling Road Heritage Conservation Area which incorporates low scale residential development (1-2 storeys in height). The built form was developed to seek a balance between amenity, public benefit, quality and economic viability. An urban form for the Precinct has been developed as a holistic approach, with massing responding to topography and existing residential context whilst maintaining it's unique character as a gateway precinct. The proposed development will create a smooth transition between the Heritage Conservation Area to the CBD in terms of heights, scale, function and connectivity.

The proposal will incorporate a 3 storey podium along all the edges of the Precinct which is consistent with the existing built form while the upper levels will be setback from the boundary of the Precinct to maximise articulation and transition, allow architectural and other features including landscaping and generally minimise the perception of bulk and scale. Fine grain residential accommodation will be located along Little Alfred Street and a generous elevated landscaping podium will be provided to create an appropriate transition with the low scale dwellings

The built form will be setback 4.2-4.85m along Little Alfred Street, 6-6.75m to the ground floor and 2.4m to the ground floor along the northern boundary. Landscaping buffer zones will be created along the northern, eastern and western elevations which will provide visual screening to the adjoining Heritage Conservation Area and Freeway which will provide for a beneficial and positive environmental outcome.

The proposal will not significantly impact upon the privacy of the adjoining residential zone given the generous separation distances. If at DA stage the consent authority considers privacy to be a concern, on top of the adequate separation that is provided, other mitigation mechanisms can be incorporated in the design.

Furthermore, the proposal will not significantly impact upon the solar access of the surrounding residential properties or the park to the south of the Precinct. The Urban Design Report (refer to **Appendix 4**) provides a shadow analysis of the proposed development versus the existing built form at mid winter which is the worst case scenario.

The shadow diagrams show that the proposal results in all residential properties in the adjacent conservation area maintaining existing solar access prior to 12pm midday. The residential properties to the south of Whaling Road incorporate semi-detached dwellings which are oriented north-south. These sites generally overshadow their own rear private open space given their orientation however the northern rooms of all these dwellings will receive 3 hours morning solar access and it is noted that the shadow from the Bayer Building is fast moving given it is slender and tall. Dwellings located in the adjacent residential block between Little Alfred Street and Neutral Street will only be overshadowed between 2 and 3pm however they will still retain 3 hours of morning solar access to their north and east elevations.

The development will overshadow the park to the south for a short time in mid winter. It should be noted that the Precinct has a number of parks within a 400m radius and thus the minor impact on the park which has limited amenity due to its proximity to the freeway should be considered together with the ample amount of public open space available to residential and other users in the area.

The Precinct has been previously used for residential and commercial purposes. Consideration of hazards relating to contamination, stormwater management and geotechnical considerations are to be considered as part of a future Development Application.

2. The existing uses, approved uses and likely future uses of land in the vicinity of the land subject to the proposal; and

Whilst the Precinct falls within the North Sydney Planning Area in the North Sydney DCP 2013, the more recent North Sydney Centre Review excludes it from the North Sydney Centre and the North District Plan excludes the Precinct from the North Sydney CBD.

As identified in the JRPP recommendation and acknowledged by North Sydney Council the Precinct is isolated from the North Sydney CBD and adjoins residential uses to the north and south. The land is currently zoned B3 Commercial Core and the Precinct is primarily been used for commercial purposes however 263-269 Alfred Street/4 Little Alfred Street includes residential accommodation (which is currently prohibited in the land use zone) which accounts for a quarter of the Precinct. Given this site has residential accommodation, it demonstrates that Council are generally supportive of mixed uses in the Precinct. This position is supported by the fact that the Council has previously formalised the mixed use for this site in their LEP by allowing for residential accommodation under the 'additional permitted uses' provision under schedule 1 of the LEP.

Furthermore, there would be some strategic merit in expanding the mixed use to the remainder of the Precinct. The proposal seeks to amend the land use zone to B4 Mixed Use to allow for a mixed use Precinct which will incorporate residential accommodation and ensure a more appropriate transition between North Sydney CBD and the residential Heritage Conservation Area.

Accompanying the Planning Proposal is a reference scheme which demonstrates how the Precinct could be redeveloped as mixed use development. The proposal incorporates ground floor retail which activates Alfred Street and the pedestrian arcade and encourages foot traffic within and through the Precinct. The commercial floor space will provide spaces for small businesses, creative uses and start ups which will play a supportive role to the North Sydney CBD. The residential accommodation (with fine grain residential accommodation along Little Alfred Street) will provide a better transition with the adjoining Conservation Area.

Based on the Urban Design Report undertaken, the proposed reference scheme will not have an unreasonable impact on surrounding development. The reference scheme will minimise overshadowing to the Conservation Area and will not impact upon the privacy of adjoining residential properties given the generous separation distances and orientation of the units.

3. *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.*

The Precinct has a number of public transport services which are within close proximity and will be able to meet the demands of the mixed use Precinct. The proposed Victoria Cross Metro Station is located approximately 500m from the Precinct whilst the North Sydney Railway Station is located approximately 400m to the west. The Precinct is located approximately 500m from bus services which operate regularly along the Pacific Highway and the North Sydney Ferry is located a kilometre south from the Precinct. The Precinct is also within a 10 minute walk to the North Sydney CBD which incorporates various services and employment opportunities for future residents.

In terms of the surrounding road infrastructure, the Traffic Impact Assessment (refer to **Appendix 5**) demonstrates the proposal will reduce the trips generated from the Precinct by 31 trips at the AM peak and 23 trips at the PM peak given the residential trip generation rates are lower than the commercial rates. The TIA concludes that the proposal is not expected to result in any noticeable traffic impacts on the surrounding road network and therefore, no mitigation measures are required as the existing road network is expected to accommodate the proposed development traffic.

The proposal provides a number of public domain upgrades and public benefits to improve existing infrastructure surrounding the Precinct. In particular, the scheme incorporates a number of improvements to the ground floor plane including additional landscaping to street frontages, a pedestrian arcade (to improve permeability through the Precinct), increased street setbacks with ground floor activation and upgrade of the Mount Street overpass. To ensure the delivery of the infrastructure upgrades, the site specific DCP (refer to **Appendix 9**) requires these to be provided as part of the redevelopment of the Precinct.

8 Conclusion

In summary it is requested that the North Planning Panel closely consider the strategic and site-based merit of this Planning Proposal for Alfred Street Precinct. The proposal represents a unique opportunity to renew the entire Precinct as a mixed use development which is generally consistent with the original 2016 JRPP recommendation, Council's draft Study and a number of local, district and regional planning strategic objectives and directions.

The Precinct is physically separated from the North Sydney CBD by the Warringah Freeway and the Planning Proposal seeks to amend the NSLEP zoning control to enable a mixed use topology which will create a more suitable transition between the CBD and residential areas. The existing commercial stock is coming to the end of its economic life cycle and the JRPP and Council have acknowledged that the site is not suitable for employment growth given its isolated nature. Whilst the proposal will result in the loss of commercial space, it will be replaced with residential accommodation which will contribute to the housing targets for the North District and North Sydney LGA.

The proposal will retain the existing FSR control for Buildings A, C and D (3.5:1) whilst it will increase the height control (from 4 to 8 storeys) to ensure they are consistent and these sites can be redeveloped to their full potential FSR. The proposal will increase the FSR control for Building B (Bayer Building) to reflect its existing FSR (7.3:1) whilst a Design Competition process will be triggered if a Development Application is lodged for a proposal which seeks a building height greater than 62m. This process will enable an additional 2:1 FSR and an increase in height from 20 storeys (including the Bayer Building signage) to 24 storeys. This will ensure that a landmark building is created which will exhibit design excellence and incorporate a high standard of architecture, urban and landscape design. In particular, this will ensure that façade of the Bayer Building is upgraded which is currently dated and deteriorated.

Given the commercial stock is coming to the end of its economic cycle and the isolated nature of Precinct, the Planning Proposal seeks to amend the NSLEP controls to ensure the renewal of the Precinct and an appropriate transition with the surrounding residential areas will be achieved. The amendments to the NSLEP are outlined below:

- Rezone the Precinct from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
 - 31m for 283 Alfred Street (Building A);
 - 80m for 275 Alfred Street (Building B);
 - 28m for 271-273 Alfred Street (Building C); and
 - 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site and is triggered if the height of the building exceeds 62m.

These proposed amendments are suggested to have strong strategic support when assessed against both the current strategic planning framework and the framework relevant at the time of submission. Key points highlighting the strategic merit of the site are summarised below:

- The Planning Proposal will contribute to the objectives of the North District Plan to increase housing across the North Sydney LGA from 2016 to 2021 by 3,000 additional dwellings by providing 156 dwellings. Additionally, the planning proposal will facilitate housing diversity and affordability, and increase supply.
- In line with the objectives of the North District Plan, the Planning Proposal will allow for housing to be coordinated with local infrastructure that has adequate access to public transport and strategic centres which provide jobs and services. The Planning Proposal capitalises on the investment and planned investments of the Sydney Metro City and South West, the Western Harbour Tunnel and Beaches Line and will increase the number of jobs and dwellings within the 30-minutes of a strategic centre (St Leonards and Sydney CBD).
- While the proposal will result in the loss of commercial floor space, it is not considered to be appropriate for employment growth given its isolated nature from the North Sydney CBD and adjoining residential zone. However the will still provide some 10,127m² of modern commercial floor space for potential small businesses, creative and start ups within the Precinct which will provide a supportive role to the North Sydney CBD. Furthermore, the loss of commercial space will be replaced with residential accommodation which will contribute to the North District and North Sydney LGA.

Additionally, the proposed NSLEP amendments seeking support through the rezoning review process are suggested to have strong site-specific merit as demonstrated by the following:

- The Planning Proposal seeks to amend the land use zone to B4 Mixed Use to allow for a mixed use Precinct which will incorporate residential accommodation. A mixed use development will create a better transition between the North Sydney CBD and adjoining residential areas and the Conservation Areas.
- The proposal incorporates ground floor retail/restaurants which activates Alfred Street and the pedestrian arcade and provides local employment opportunities. The commercial floor space will provide spaces for small businesses, creative uses and start ups which will play a supportive role to the North Sydney CBD.
- The surrounding infrastructure and services network is capable of facilitating the proposal as demonstrated by the relevant specialist reports.

Despite the merit of the Planning Proposal, Council did not indicate its support after 90 days and therefore the Applicant requests the Greater Sydney Commission be appointed as the Relevant Planning Authority to ensure that the Planning Proposal is considered on its merit and is efficiently and effectively progressed.

9 Supporting information

- Completed application form;
- Political disclosure form;
- \$20,000 administration and assessment fee;
- Appendix 1- Planning Proposal as lodged 22 March 2018;
- Appendix 2 – JRPP recommendation;
- Appendix 3 – Council officers report for draft Alfred Street Precinct Planning Study;
- Appendix 4 – Urban Design Package;
- Appendix 5 - Traffic Impact Assessment;
- Appendix 6 – Economic Impact Report;
- Appendix 7 – Economic Feasibility Analysis;
- Appendix 8 – Local Environmental Plan Maps;
- Appendix 9 – Site Specific Development Control Plan; and
- Appendix 10 - Letter of offer to purchase adjoining site/independent site valuation.



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