

PLANNING PROPOSAL

North Sydney Centre

V1_20 April 2017

1 INTRODUCTION

The North Sydney Centre has for a long time played a major employment role within the Sydney metropolitan area, and is a key component of Sydney's Global Economic Corridor. More than a decade of relatively low commercial growth and development, and the presence of negative perceptions of the Centre, led North Sydney Council in 2013 to embark on a comprehensive planning review process through the North Sydney Centre Review.

The Review was also necessitated by the triggering of a requirement under clause 28C of North Sydney Local Environmental Plan 2001 (NSLEP 2001) for a review of Division 4 to Part 3 of NSLEP 2001 when approval had been granted for more than 200,000sqm of additional non-residential floor space within the *North Sydney Centre* since 28 February 2003. The trigger was first activated in late 2012. This review mechanism is retained under the current environmental planning instrument - North Sydney Local Environmental Plan 2013 (NSLEP 2013).

Having completed the comprehensive review of the North Sydney Centre, it is proposed to amend NSLEP 2013, to incorporate the recommended outcomes of the Review. It is proposed to do this in a number of stages. Firstly, it is proposed to concentrate on amendments within the commercial core of the Centre, followed by amendments on the fringes within the mixed use areas of the Centre. In particular, it is proposed to implement the recommended actions of the adopted *North Sydney CBD Capacity and Land Use Strategy* which seeks to:

- Prohibit development for the purposes of 'serviced apartments' within the B3 Commercial Core zone;
- Apply new height controls to the North Sydney Centre based on the following:
 - Maintaining solar access to residential land outside of the North Sydney Centre between 10am to 2pm; and
 - The continued prohibition of additional overshadowing to land identified as 'Special Areas'.
- Enable development to occur on sites less than 1000sqm, but only where new development does not exceed 45m in height;
- Remove clauses relating to the provision of railway infrastructure within the North Sydney Centre;
- Remove clauses relating to the restriction on the amount of additional commercial floor space that can be accommodated within the North Sydney Centre;
- Removal of the Elizabeth Plaza, Blue Street, and Tower Square 'Special Areas'; and
- Applying a 'Special Area' to the rear of 100 Pacific Highway;

The intent of the Planning Proposal can be achieved by:

- Removing 'serviced apartments' from the list of permissible uses in the B3 Commercial Core zone to the Land Use Table.
- Amending the Height of Building Map to NSLEP 2013 to increase the maximum building height limit on the following sites, consistent with the North Sydney CBD Capacity and Land Use Strategy:
 - 122,132, 140 and 146 Arthur Street, North Sydney;
 - 65 and 77-81 Berry Street, North Sydney;
 - 1 Denison Street, North Sydney;

- o 54, 60, 73, 155-167, 181, 187 and 189 Miller Street, North Sydney;
- o 40, 60, 80, 90, 99, 100, 104, 107, 118 Mount Street, North Sydney;
- o 100 and 177 Pacific Highway, North Sydney;
- 86, 88, 99, 100, 107, 110, 118, 121, 122, 123, 124, 141, 153 and
 157 Walker Street, North Sydney; and
- o 1 Wheeler Lane, North Sydney.
- Amending the North Sydney Centre Map to NSLEP 2013 by:
 - o adding a special area to the rear of 100 Pacific Highway; and
 - o removing the special areas:
 - to 155-167 Miller Street (Tower Square), with the exception of a 6m wide strip across the western frontage to Miller Street;
 - to the Elizabeth Plaza road reserve; and
 - to 5 Blue Street.
- Amending clause 6.1 such that the objectives of Division 1 to Part 6 better relate to the provisions contained within that Division.
- Amending clause 6.3 to:
 - Ensure the objectives and provisions of the clause align with the outcomes of the North Sydney CBD Capacity and Land Use Strategy by preventing adverse overshadowing impacts occurring to important public places within the North Sydney Centre and to minimise overshadowing impacts to residential development and open space areas located outside of the North Sydney Centre; and
 - Restrict the development of sites less than 1000sqm in area to 45m in height.
- Deletion of clause 6.5 in its entirety.

The Planning Proposal has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act, 1979 (EP&A Act) and the Department of Planning and Environment's (DPE) document "A guide to preparing planning proposals" (August 2016).

2 BACKGROUND

2.1 North Sydney Centre Review

On 28 February 2003, Amendment No.9 to North Sydney Local Environmental Plan 2001 (NSLEP 2001) was gazetted. This Amendment sought to introduce planning controls for the North Sydney Centre, which had been deferred from NSLEP 2001 upon its commencement on 1 June 2001.

As part of the amendment, new planning controls for development within the North Sydney Centre were incorporated within Division 4 to Part 3 of NSLEP 2001. The principle aims of the new controls were to:

- maintain the status of North Sydney as a major commercial centre;
- ensure that new railway infrastructure was provided to cater for the increased demand generated by additional non-residential floor space;
- encourage the provision of high grade commercial space;
- prohibit additional residential development within the core of the Centre;
- promote high quality environments; and
- protect the amenity of residential zones and open space within and nearby to the Centre.

Of particular note, Clause 28C to NSLEP 2001 limited increases in commercial floor space within the North Sydney Centre to 250,000sqm, and set a trigger for a review of Division 4 when an additional 200,000sqm of commercial floor space had been approved since the amendment of Amendment No.9.

In late 2012, the trigger for a review was activated, after Council had approved a development application, which resulted in the total amount of non-residential floor space approved since 28 February 2003 exceeding 200,000sqm.

Council's Legal and Planning Committee considered a report on 11 March 2013, in response to the activation of this trigger. In particular, the report provided a background and recent historical overview of the Centre and outlined a scope for preparing a comprehensive planning review of the area. It was proposed that the results of the Review were to be used to recommend and inform any amendments to Council's planning controls identified during the process. The Committee resolved to recommend that the report be noted and that recommendation was subsequently adopted by Council on 18 March 2013.

On 23 September 2013, Council's Legal and Planning Committee considered a report seeking endorsement to prepare the *North Sydney Centre Review* (the Review), including the proposed structure and processes required to complete the Review.

The primary aim of the Review is to:

Identify and implement policies and strategies to ensure that the North Sydney Centre retains and strengthens its role as a key component Sydney's global economic arc, remains the principle economic engine of Sydney's North Shore, and becomes a more attractive, sustainable and vibrant place for residents, workers and businesses.

The Review consists of a number of components:

- Traffic and Pedestrian Management Study;
- Public Domain Review;
- Marketing and Promotion Strategy;
- Late Night Trading Review; and
- Capacity and Land Use Study

The Committee resolved to recommend the endorsement of the preparation of the Review and its associated structure and processes, which was subsequently adopted by Council on 14 October 2013.

Each component of the Review has been discussed in further detail in the following subsections.

2.1.1 Traffic and Pedestrian Management Study

In December 2013, Council appointed Arup to complete the 'North Sydney Centre Traffic and Pedestrian Management Study' (TPM Study).

The focus of the *TPM Study* was to identify recommendations which would improve pedestrian amenity/movability within the centre, whilst ensuring that there is no significant detrimental impact on traffic flow.

On 16 March 2015, Council resolved to adopt the *TPM Study*, following Council's consideration of public submissions. The final recommendations of the *TPM Study* include a range of initiatives such as:

- New mid-block pedestrian crossings;
- Works associated with the upgrade of Miller Street;
- Changes in traffic operations on the Pacific Highway;
- Opportunities for Shared zones;
- Footpath widening; and
- Location of new taxi ranks

Council also resolved at that time to implement the recommendations of the *TPM Study*.

2.1.2 Public Domain Review

In March 2015, Council engaged external place making consultancy Place Partners to undertake the *Public Domain Review* (PD Review). The objectives of this part of the Review was:

- To identify strengths and weaknesses of the North Sydney Centre's public domain;
- To assess the effectiveness or ability of current policy and program of works to address identified weaknesses;
- To inform the development of a signage policy; and
- To inform the development of a public domain strategy for the Centre.

The *PD Review* of June 2015 forms an assessment of the North Sydney Centre's public domain and its contribution to user experience in the Centre. It attempts to consider the current state of the Centre in terms of how it is working as a system or

network of places, and how these elements contribute to a positive or negative experience of place.

On 21 September 2015, Council considered a report addressing the outcomes of the *PD Review* and subsequently resolved to prepare a *Public Domain Strategy* informed by the outcomes of the *PD Review*. The preparation of the *Public Domain Strategy* has been commenced but has yet to be finalised.

2.1.3 Marketing and Promotion Strategy

The North Sydney Centre Marketing and Promotion Strategy (MP Strategy) was one of the key recommendations of the 'North Sydney Commercial Centre Study', which was completed by Urbis in February 2013. The recommendation stated that the strategy should highlight the following:

- The central location of North Sydney CBD within 'Global Sydney' and the 'Global Economic Arc';
- Access to a highly qualified white collar workforce;
- Competitiveness of rental levels in North Sydney versus Sydney CBD locations; and
- Current and future improved accessibility to rail transport, including future accessibility to workers located in the North West Growth Centre on completion of the North West Rail Link.

In December 2016, Council engaged Frost to prepare the MP Strategy, part of which included the development of a 'brand' for the North Sydney Centre to be used in the advertising campaign. The objectives of the MP Strategy were to:

- Reposition the North Sydney Centre with a clear strategic direction;
- Establish a brand for the North Sydney Centre to be promoted to all of the identified stakeholders;
- Publicise the benefits of North Sydney to workers, tenants, investors, building owners, developers and residents;
- Develop strategies for advertising to attract new tenants and retain existing tenants;
- Promote further development and investment in the centre;
- Devise strategies to address any negative perceptions regarding the centre; and
- Identify and develop suitable mediums to be utilised in any advertising campaign.

Frost, in collaboration with Council and other local stakeholders, developed a marketing campaign based on the theme of promoting the virtues of North Sydney's work/life balance. The *MP Strategy* recommends a focus on initiatives such as events and activities, rather than a reliance on more traditional print-based advertising campaigns. A corporate branding, incorporating a wordmark and tagline, has also been developed to support the *MP Strategy*. Council adopted the *MP Strategy* on 19 May 2014.

The Strategy campaign - *Happiness Works Here* – was publically launched in May 2015 with a street festival. Since then, events and activities have been generally held in the North Sydney Centre on a weekly basis.

The Happiness Works Here campaign is very flexible in its approach and allows Council to offer a wide range of activities that inject life into the Centre. It also encourages businesses to contribute their own activities and life to the Centre.

The campaign seeks to encourage a sense of community in the CBD, through social media and by posting photos using the #nthsyd on the nthsyd.com website.

To date, Council has received very strong support and encouragement for initiating this component of the Review.

2.1.4 Late Night Trading Review

In July 2013, Council Officers commenced the 'Late Night Trading, Extended Hours and Small Bars Review' (LNT Review). The objectives of the LNT Review were to:

- provide greater certainty for applicants and residents;
- give a clearer direction and expectation for late night trading across all areas of the LGA;
- allow Council to adopt a consistent approach when considering development applications for late night trading; and
- set clear objectives and controls for these applications.

Council undertook preliminary consultation throughout November 2013 - January 2014 through the distribution of a brochure and questionnaire to over 18,000 residents, businesses and property owners within and surrounding those areas where late night trading is permitted.

Council received over 800 submissions in response to the brochure and questionnaire, which helped to inform the preparation of a draft amendment to North Sydney Development Control Plan 2013 (NSDCP 2013). Council resolved to adopt the draft amendment to NSDCP 2013 on 23 June 2014 and place the draft amendment on public exhibition.

On 17 November 2014 Council considered a post exhibition report to the draft amendment to NSDCP 2013. Having given consideration to the submissions made to the draft amendment, Council resolved to adopt a revised version of the draft amendment to NSDCP 2013 and re-exhibit the revised draft amendment to NSDCP 2013.

On 16 March 2015 Council considered a post exhibition report to the revised draft amendment to NSDCP 2013. Having given consideration to the submissions made to the revised draft amendment, Council resolved to adopt the revised amendment to NSDCP 2013. The draft amendment to NSDCP 2013 came into force on the 26 March 2015.

2.1.5 Capacity and Land Use Study

The North Sydney Centre Capacity and Land Use Study (CLU Study) seeks to:

- Develop a framework that allows for the growth of the North Sydney Centre to ensure it maintains and improves its status as a resilient, vibrant and globally relevant commercial centre;
- Accommodate forecast demand for additional commercial floor space in the North Sydney Centre;

- Inform district planning, particularly employment and commercial floor space targets for the North Sydney Centre;
- Take advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure;
- Offset commercial floor space losses in the mixed use zone of the Centre:
- Identify residential development opportunities in the mixed use periphery;
 and
- Identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.

Council adopted the CLU Study on 26 October 2016 and resolved to place it on public exhibition between 3 November and 15 December 2016.

On 20 March 2017, Council considered a post exhibition report to the CLU Study, wherein it resolved to:

- Note the submissions made and Council staff's response to those submissions;
- Give additional consideration to a number of matters relating to solar access, building height, removing restrictions on the provisions of additional commercial floor space and ensuring the timely delivery of the Sydney Metro rail project;
- Prepare a final Capacity and Land Use Strategy and associated LEP and DCP amendments and have those reported back to Council.

On 1 May 2017, Council considered a finalised *North Sydney CBD Capacity and Land Use Strategy* (CLU Strategy), in conjunction with this Planning Proposal, wherein it resolved to adopt the *CLU Strategy* (refer to Annexure A). The Planning Proposal has been prepared with regard to the outcomes of the adopted *CLU Strategy*.

3 SITE LOCALITY

The Planning Proposal applies to all land within the North Sydney Centre, as identified under NSLEP 2013 and illustrated in Figure 1.



FIGURE 1: Aerial Photograph (2017)

The North Sydney Centre includes the North Sydney Commercial Business District (i.e. that generally zoned *B3 Commercial Core*) and high density mixed use areas (i.e. that generally zoned *B4 Mixed Use*) at its fringes.

The North Sydney Centre is an important commercial centre as reflected by its "CBD" status under *A Plan for Growing Sydney* and draft North District Plan, which represents the highest order commercial centre in NSW. At present, it is estimated that there is approximately 820,000sqm of non-residential floor space within the North Sydney Centre accommodating approximately 45,000 jobs.

4 STATUTORY CONTEXT

The relevant provisions of NSLEP 2013 that relate to the Planning Proposal are discussed in the following subsections.

4.1 Aims of Plan

Clause 1.2 of NSLEP 2013 outlines the aims of the LEP. In particular, it states:

- (1) This Plan aims to make local environmental planning provisions for land in North Sydney in accordance with the relevant standard environmental planning instrument under section 33A of the Act.
- (2) The particular aims of this Plan are as follows:
 - (a) to promote development that is appropriate to its context and enhances the amenity of the North Sydney community and environment,
 - (b) in relation to the character of North Sydney's neighbourhoods:
 - (i) to ensure that new development is compatible with the desired future character of an area in terms of bulk, scale and appearance, and
 - (ii) to maintain a diversity of activities while protecting residential accommodation and local amenity, and
 - (iii) to ensure that new development on foreshore land does not adversely affect the visual qualities of that foreshore land when viewed from Sydney Harbour and its tributaries,
 - (c) in relation to residential development:
 - (i) to ensure that new development does not adversely affect residential amenity in terms of visual and acoustic privacy, solar access and view sharing, and
 - (ii) to maintain and provide for an increase in dwelling stock, where appropriate,
 - (d) in relation to non-residential development:
 - (i) to maintain a diversity of employment, services, cultural and recreational activities, and
 - (ii) to ensure that non-residential development does not adversely affect the amenity of residential properties and public places, in terms of visual and acoustic privacy, solar access and view sharing, and
 - (iii) to maintain waterfront activities and ensure that those activities do not adversely affect local amenity and environmental quality,
 - (e) in relation to environmental quality:
 - (i) to maintain and protect natural landscapes, topographic features and existing ground levels, and
 - (ii) to minimise stormwater run-off and its adverse effects and improve the quality of local waterways,
 - (f) to identify and protect the natural, archaeological and built heritage of North Sydney and ensure that development does not adversely affect its significance,
 - (g) to provide for the growth of a permanent resident population and encourage the provision of a full range of housing, including affordable housing.

4.2 Land Use Table

The Planning Proposal applies to land in the following zones:

- R2 Low Density Residential;
- R3 Medium Density Residential (road reserve only);
- R4 High Density Residential (road reserve only;

- B3 Commercial Core:
- B4 Mixed Use:
- SP2 Infrastructure; and
- RE1 Public Recreation.

The relevant objectives and provisions of these zones, other than those zones that only apply to road reserves, state:

Zone R2 Low Density Residential

1 Objectives of zone

- To provide for the housing needs of the community within a low density residential environment.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To encourage development of sites for low density housing, including dual occupancies, if such development does not compromise the amenity of the surrounding area or the natural or cultural heritage of the area.
- To ensure that a high level of residential amenity is achieved and maintained.

2 Permitted without consent

Environmental protection works; Home occupations

3 Permitted with consent

Boarding houses; Child care centres; Dual occupancies (attached); Dwelling houses; Group homes; Health consulting rooms; Home-based child care; Information and education facilities; Medical centres; Places of public worship; Recreation areas; Respite day care centres; Roads; Semi-detached dwellings

4 Prohibited

Any development not specified in item 2 or 3

Zone B3 Commercial Core

1 Objectives of zone

- To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.
- To encourage appropriate employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To prohibit further residential development in the core of the North Sydney Centre.
- To minimise the adverse effects of development on residents and occupiers of existing and new development.

2 Permitted without consent

Nil

3 Permitted with consent

Amusement centres; Backpackers' accommodation; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Roads; Serviced apartments; Sex services premises; Signage; Vehicle repair stations; Veterinary hospitals

4 Prohibited

Any development not specified in item 2 or 3

Zone B4 Mixed Use

1 Objectives of zone

- To provide a mixture of compatible land uses.
- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling.
- To create interesting and vibrant mixed use centres with safe, high quality urban environments with residential amenity.
- To maintain existing commercial space and allow for residential development in mixed use buildings, with non-residential uses concentrated on the lower levels and residential uses predominantly on the higher levels.

2 Permitted without consent

Nil

3 Permitted with consent

Amusement centres; Backpackers' accommodation; Boarding houses; Car parks; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Hostels; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Roads; Seniors housing; Serviced apartments; Sex services premises; Shop top housing; Signage; Vehicle repair stations; Veterinary hospitals

4 Prohibited

Any development not specified in item 2 or 3

Zone SP2 Infrastructure

1 Objectives of zone

- To provide for infrastructure and related uses.
- To prevent development that is not compatible with or that may detract from the provision of infrastructure.

2 Permitted without consent

Environmental protection works

3 Permitted with consent

Roads; The purpose shown on the Land Zoning Map, including any development that is ordinarily incidental or ancillary to development for that purpose

4 Prohibited

Any development not specified in item 2 or 3

Zone RE1 Public Recreation

1 Objectives of zone

- To enable land to be used for public open space or recreational purposes.
- To provide a range of recreational settings and activities and compatible land uses.
- To protect and enhance the natural environment for recreational purposes.
- To ensure sufficient public recreation areas are available for the benefit and use of residents of, and visitors to, North Sydney.

2 Permitted without consent

Environmental protection works

3 Permitted with consent

Building identification signs; Business identification signs; Community facilities; Environmental facilities; Information and education facilities; Kiosks; Recreation areas; Recreation facilities (outdoor); Roads; Water recreation structures

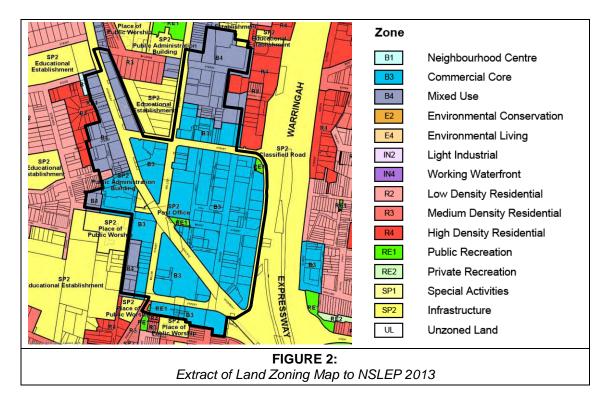
4 Prohibited

Any development not specified in item 2 or 3

The zoning of land is identified on the Land Zoning Map, which comprise the following sheets:

•	LNZ_001	5950_COM_LNZ_001_010_20140708
•	LNZ_002	5950_COM_LNZ_002_010_20140702
•	LNZ_002A	5950_COM_LNZ_002A_005_20130607
•	LNZ_003	5950_COM_LNZ_003_010_20130607
•	LNZ 004	5950 COM LNZ 004 010 20130607

Land to which the Planning Proposal relates is identified on Sheet LNZ_002A, an extract of which is illustrated in FIGURE 2.



4.3 Additional Permitted Uses

Clause 2.5 of NSLEP relates to additional permitted uses for particular land. In particular, the clause states:

- (1) Development on particular land that is described or referred to in Schedule 1 may be carried out:
 - (a) with development consent, or
 - (b) if the Schedule so provides—without development consent, in accordance with the conditions (if any) specified in that Schedule in relation to that development.
- (2) This clause has effect despite anything to the contrary in the Land Use Table or other provision of this Plan.

The following clauses within Schedule 1 to NSLEP 2013 are relevant to the Planning Proposal:

26 Use of certain land at 77–81 Berry Street, North Sydney

(1) This clause applies to land at 77–81 Berry Street, North Sydney, being Lots 1–241, SP 74602.

(2) Development for the purposes of shop top housing is permitted with development consent.

27 Use of certain land at 88 Berry Street, North Sydney

- (1) This clause applies to land at 88 Berry Street, North Sydney, being Lot 1, DP 1063620.
- (2) Development for the purposes of a registered club is permitted with development consent.

34 Use of certain land at 93–95 Pacific Highway, North Sydney

- (1) This clause applies to land at 93–95 Pacific Highway, North Sydney, being Lots 1–49, SP 73356.
- (2) Development for the purposes of shop top housing is permitted with development consent.

4.4 Building Height

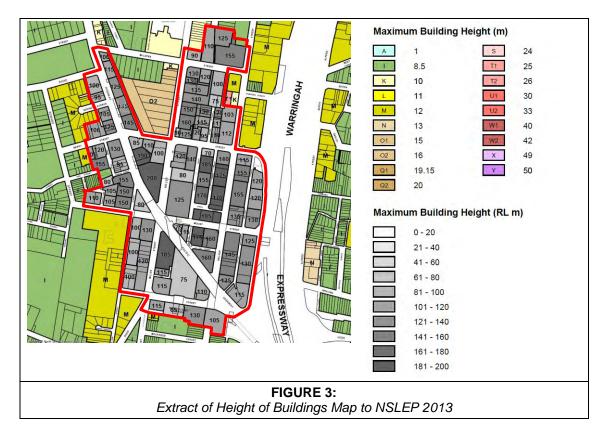
Clause 4.3 of NSLEP 2013 sets maximum building heights for all land identified on the Height of Buildings Map. In particular, it states:

- (1) The objectives of this clause are as follows:
 - (a) to promote development that conforms to and reflects natural landforms, by stepping development on sloping land to follow the natural gradient,
 - (b) to promote the retention and, if appropriate, sharing of existing views,
 - (c) to maintain solar access to existing dwellings, public reserves and streets, and to promote solar access for future development.
 - (d) to maintain privacy for residents of existing dwellings and to promote privacy for residents of new buildings,
 - (e) to ensure compatibility between development, particularly at zone boundaries,
 - (f) to encourage an appropriate scale and density of development that is in accordance with, and promotes the character of, an area.
- (2) The height of a building on any land is not to exceed the maximum height shown for the land on the Height of Buildings Map.
- (2A) (2C) (Repealed)

The Height of Buildings Map comprises the following sheets:

HOB_001 5950_COM_HOB_001_010_20161118
 HOB_002 5950_COM_HOB_002_010_20161118
 HOB_002A 5950_COM_HOB_002A_005_20161118
 HOB_003 5950_COM_HOB_003_010_20161118
 HOB_004 5950_COM_HOB_004_010_20161118

Land to which the Planning Proposal relates is identified on Sheet HOB_002A, an extract of which is illustrated in FIGURE 3.



4.5 Non-residential floor space ratios

Clause 4.4A of NSLEP 2013 sets minimum non-residential floor space ratios for all land identified on the Non-residential Floor Space Ratio Map. In particular, it states:

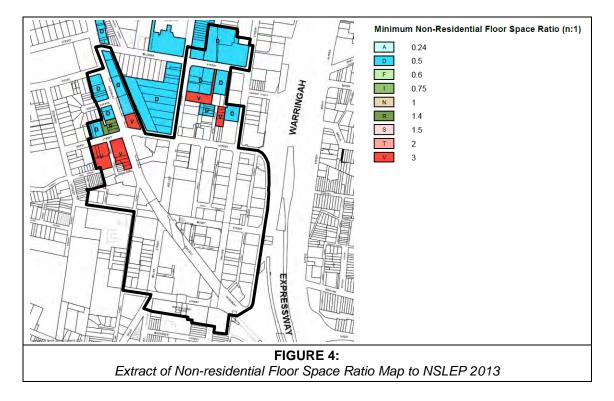
- (1) The objectives of this clause are as follows:
 - (a) to provide for development with continuous and active street frontages on certain land in Zone B1 Neighbourhood Centre, Zone B4 Mixed Use and Zone SP2 Infrastructure.
 - (b) to encourage an appropriate mix of residential and non-residential uses,
 - (c) to provide a level of flexibility in the mix of land uses to cater for market demands.
 - (d) to ensure that a suitable level of non-residential floor space is provided to promote employment and reflect the hierarchy of commercial centres.
- (2) The non-residential floor space ratio for all buildings within a site on any land must not be less than the ratio shown for the land on the Non-Residential Floor Space Ratio Map.
- (3), (4) (Repealed)
- (5) Development consent must not be granted to the erection of a building on land in Zone B1 Neighbourhood Centre or Zone B4 Mixed Use unless the consent authority is satisfied that the building will have an active street frontage after its erection.
- (6) Despite subclause (5), an active street frontage is not required for any part of a building that is used for any of the following:
 - (a) entrances and lobbies (including as part of a mixed use development),
 - (b) access for fire services,
 - (c) vehicular access.
- (7) In this clause, a building has an active street frontage if no part of the ground floor of the building facing a street is used for residential accommodation.
- (8) In this clause, non-residential floor space ratio means the ratio of the gross floor area of that part of a building used or proposed to be used for any purpose in all buildings within a site to the site area, other than for any of the following purposes:
 - (a) residential accommodation,

- (b) serviced apartments, if less than 50 serviced apartments are or will be contained within the site,
- (c) a car park,
- (d) a telecommunications facility.

The Non-Residential Floor Space Ratio Map comprises the following:

•	LCL_001	5950_COM_LCL_001_010_20151104
•	LCL_002	5950_COM_LCL_002_010_20151104
•	LCL_002A	5950_COM_LCL_002A_005_20151104
•	LCL_003	5950_COM_LCL_003_010_20151104
•	LCL 004	5950 COM LCL 004 010 20151104

Land to which the Planning Proposal relates is identified on Sheet LCL_002A, an extract of which is illustrated in FIGURE 4.



4.6 Variation of Development Standards

Clause 4.6 of NSLEP 2013 enables certain development standards to be varied subject to a merit assessment against relevant assessment criteria. Of particular note, is that a number of development standards that apply within the North Sydney Centre may not be varied under clause 4.6 of the LEP. In particular, development consent cannot be issued to a development where a proposal seeks a variation to the development standards under clauses 6.3(2)(a) and (b) of NSLEP 2013.

4.7 Heritage conservation

Clause 5.10 of NSLEP contains specific provisions relating to heritage conservation and states:

- (1) Objectives
 - The objectives of this clause are as follows:
 - (a) to conserve the environmental heritage of North Sydney,

- (b) to conserve the heritage significance of heritage items and heritage conservation areas, including associated fabric, settings and views,
- (c) to conserve archaeological sites,
- (d) to conserve Aboriginal objects and Aboriginal places of heritage significance.
- (2) Requirement for consent

Development consent is required for any of the following:

- (a) demolishing or moving any of the following or altering the exterior of any of the following (including, in the case of a building, making changes to its detail, fabric, finish or appearance):
 - (i) a heritage item,
 - (ii) an Aboriginal object,
 - (iii) a building, work, relic or tree within a heritage conservation area,
- (b) altering a heritage item that is a building by making structural changes to its interior or by making changes to anything inside the item that is specified in Schedule 5 in relation to the item,
- (c) disturbing or excavating an archaeological site while knowing, or having reasonable cause to suspect, that the disturbance or excavation will or is likely to result in a relic being discovered, exposed, moved, damaged or destroyed.
- (d) disturbing or excavating an Aboriginal place of heritage significance,
- (e) erecting a building on land:
 - (i) on which a heritage item is located or that is within a heritage conservation area, or
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance,
- (f) subdividing land:
 - (i) on which a heritage item is located or that is within a heritage conservation area, or
 - (ii) on which an Aboriginal object is located or that is within an Aboriginal place of heritage significance.
- (3) When consent not required

However, development consent under this clause is not required if:

- (a) the applicant has notified the consent authority of the proposed development and the consent authority has advised the applicant in writing before any work is carried out that it is satisfied that the proposed development:
 - (i) is of a minor nature or is for the maintenance of the heritage item, Aboriginal object, Aboriginal place of heritage significance or archaeological site or a building, work, relic, tree or place within the heritage conservation area, and
 - (ii) would not adversely affect the heritage significance of the heritage item, Aboriginal object, Aboriginal place, archaeological site or heritage conservation area, or
- (b) the development is in a cemetery or burial ground and the proposed development:
 - (i) is the creation of a new grave or monument, or excavation or disturbance of land for the purpose of conserving or repairing monuments or grave markers, and
 - (ii) would not cause disturbance to human remains, relics, Aboriginal objects in the form of grave goods, or to an Aboriginal place of heritage significance, or
- (c) the development is limited to the removal of a tree or other vegetation that the Council is satisfied is a risk to human life or property, or
- (d) the development is exempt development.
- (4) Effect of proposed development on heritage significance

The consent authority must, before granting consent under this clause in respect of a heritage item or heritage conservation area, consider the effect of the proposed development on the heritage significance of the item or area concerned. This subclause applies regardless of whether a heritage management document is prepared under subclause (5) or a heritage conservation management plan is submitted under subclause (6).

(5) Heritage assessment

The consent authority may, before granting consent to any development:

- (a) on land on which a heritage item is located, or
- (b) on land that is within a heritage conservation area, or
- (c) on land that is within the vicinity of land referred to in paragraph (a) or (b), require a heritage management document to be prepared that assesses the extent to which the carrying out of the proposed development would affect the heritage significance of the heritage item or heritage conservation area concerned.
- (6) Heritage conservation management plans

The consent authority may require, after considering the heritage significance of a heritage item and the extent of change proposed to it, the submission of a heritage conservation management plan before granting consent under this clause.

(7) Archaeological sites

The consent authority must, before granting consent under this clause to the carrying out of development on an archaeological site (other than land listed on the State Heritage Register or to which an interim heritage order under the Heritage Act 1977 applies):

- (a) notify the Heritage Council of its intention to grant consent, and
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.
- (8) Aboriginal places of heritage significance

The consent authority must, before granting consent under this clause to the carrying out of development in an Aboriginal place of heritage significance:

- (a) consider the effect of the proposed development on the heritage significance of the place and any Aboriginal object known or reasonably likely to be located at the place by means of an adequate investigation and assessment (which may involve consideration of a heritage impact statement), and
- (b) notify the local Aboriginal communities, in writing or in such other manner as may be appropriate, about the application and take into consideration any response received within 28 days after the notice is sent.
- (9) Demolition of nominated State heritage items

The consent authority must, before granting consent under this clause for the demolition of a nominated State heritage item:

- (a) notify the Heritage Council about the application, and
- (b) take into consideration any response received from the Heritage Council within 28 days after the notice is sent.
- (10) Conservation incentives

The consent authority may grant consent to development for any purpose of a building that is a heritage item or of the land on which such a building is erected, or for any purpose on an Aboriginal place of heritage significance, even though development for that purpose would otherwise not be allowed by this Plan, if the consent authority is satisfied that:

- (a) the conservation of the heritage item or Aboriginal place of heritage significance is facilitated by the granting of consent, and
- (b) the proposed development is in accordance with a heritage management document that has been approved by the consent authority, and
- (c) the consent to the proposed development would require that all necessary conservation work identified in the heritage management document is carried out, and
- (d) the proposed development would not adversely affect the heritage significance of the heritage item, including its setting, or the heritage significance of the Aboriginal place of heritage significance, and
- (e) the proposed development would not have any significant adverse effect on the amenity of the surrounding area.

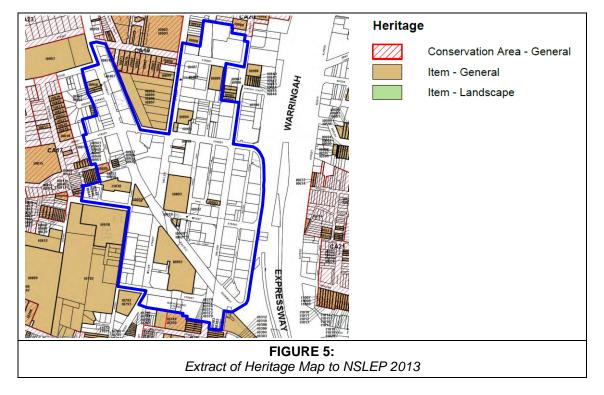
A note is also attached to this clause which states:

Note. Heritage items (if any) are listed and described in Schedule 5. Heritage conservation areas (if any) are shown on the Heritage Map as well as being described in Schedule 5.

The Heritage Map comprises the following sheets:

•	HER_001	5950_COM_HER_001_010_20130607
•	HER_002	5950_COM_HER_002_010_20130607
•	HER_002A	5950_COM_HER_002A_005_20150825
•	HER_003	5950_COM_HER_003_010_20150825
•	HER_004	5950_COM_HER_004_010_20160308

Land to which the Planning Proposal relates is identified on Sheet HER_002A, an extract of which is illustrated in FIGURE 5.



The following clauses within Schedule 5 to NSLEP 2013 are relevant to the Planning Proposal:

Locality	Item Name	Address	Property description	Significance	Item No.
	North Sydney bus shelters	Various	Various	Local	10407
North Sydney	Simsmetal House	41 McLaren Street	Lot 1, DP 557103	Local	10889
North Sydney	Greenwood (former North Sydney Technical High School)	101–103 Miller Street (36 Blue Street)	Lot 1, DP 814292	State	10892
North Sydney	MLC Building	105–153 Miller Street	Lot 2, DP 792740	Local	10893
North Sydney	shop	187 Miller Street	Lot 1, DP 1008019	Local	10898
North Sydney	The Rag & Famish Hotel	199 Miller Street	Lot 1, DP 708306	Local	10901
North	Commercial	201 Miller	Lot 1, DP 706146	Local	10904

Sydney	building	Street			
North Sydney	Old GPO column	Mount Street Plaza	Part of Mount Street Plaza	Local	10922
North Sydney	Former Bank of NSW	51 Mount Street	Lot 1, DP 224124	Local	10919
North Sydney	Facade of S. Thompson Building (No 67A)	67–69 Mount Street	Lot 1, DP 200724	Local	10920
North Sydney	House	67–69 Mount Street	Lot 1, DP 200724	Local	10921
North Sydney	House	1 Napier Street	Lot 21, DP 564122	Local	10923
North Sydney	House	3 Napier Street	Lot 22, DP 564122	Local	10924
North Sydney	House	5 Napier Street	Lot 23, DP 564122	Local	10925
North Sydney	Don Bank Museum	6 Napier Street	Lot 9, DP 4120	State	10926
North Sydney	House	7 Napier Street	Lot 12, DP 605732	Local	10927
North Sydney	North Sydney Post Office and court house (former police station)	92–94 Pacific Highway	Lot 1203, DP 752067; Lot 7002, DP 1075452	State*	10953
North Sydney	Telephone exchange	1 Wheeler Lane	Lot 101, DP 1076397	Local	I1030

A small portion of the subject site (6 Napier Street, North Sydney – 'Don Bank Museum') is located within the Eden Street Heritage Conservation area (CA 17).

4.8 North Sydney Centre

Division 1 to Part 6 of NSLEP 2013 applies to land within the North Sydney Centre as identified on the North Sydney Centre Map. In particular, it states:

6.1 Objectives of Division

The objectives of this Division are as follows:

- (a) to maintain the status of the North Sydney Centre as a major commercial centre,
- (b) to require arrangements for railway infrastructure to be in place before any additional non-residential gross floor area is permissible in relation to any proposed development in the North Sydney Centre,
- (c) to permit an additional 250,000 square metres of non-residential gross floor area in addition to the estimated existing (as at 28 February 2003) 700,000 square metres of non-residential gross floor area,
- (d) to ensure that transport infrastructure, and in particular North Sydney station, will enable and encourage a greater percentage of people to access the North Sydney Centre by public transport than by private transport and:
 - (i) be convenient and accessible, and
 - (ii) ensure that additional car parking is not required in the North Sydney Centre, and

- (iii) have the capacity to service the demands generated by development in the North Sydney Centre,
- (e) to encourage the provision of high-grade commercial space with a floor plate, where appropriate, of at least 1,000 square metres,
- (f) to protect the privacy of residents, and the amenity of residential and open space areas, within and around the North Sydney Centre,
- (g) to prevent any net increase in overshadowing of any land in Zone RE1 Public Recreation (other than Mount Street Plaza) or any land identified as "Special Area" on the North Sydney Centre Map,
- (h) to prevent any increase in overshadowing that would adversely impact on any land within a residential zone,
- (i) to maintain areas of open space on private land and promote the preservation of existing setbacks and landscaped areas, and to protect the amenity of those areas.

6.2 Land to which this Division applies

- (1) This Division applies to the North Sydney Centre.
- (2) A provision in this Division prevails over any other provision of this Plan to the extent of any inconsistency.

6.3 Building heights and massing

- (1) The objectives of this clause are as follows:
 - to achieve a transition of building heights generally from 100 Miller Street and 79–81 Berry Street to the boundaries of the North Sydney Centre,
 - (b) to promote a height and massing that has no adverse impact on land in Zone RE1 Public Recreation or land identified as "Special Area" on the North Sydney Centre Map or on the land known as the Don Bank Museum at 6 Napier Street, North Sydney,
 - (c) to minimise overshadowing of, and loss of solar access to, land in Zone R2 Low Density Residential, Zone R3 Medium Density Residential, Zone R4 High Density Residential, Zone RE1 Public Recreation or land identified as "Special Area" on the North Sydney Centre Map,
 - (d) to promote scale and massing that provides for pedestrian comfort in relation to protection from the weather, solar access, human scale and visual dominance.
 - (e) to encourage the consolidation of sites for the provision of high grade commercial space.
- (2) Development consent must not be granted for the erection of a building on land to which this Division applies if:
 - (a) the development would result in a net increase in overshadowing between 12 pm and 2 pm on land to which this Division applies that is within Zone RE1 Public Recreation or that is identified as "Special Area" on the North Sydney Centre Map, or
 - (b) the development would result in a net increase in overshadowing between 10 am and 2 pm of the Don Bank Museum, or
 - (c) the site area of the development is less than 1,000 square metres.
- (3) Development consent for development on land to which this Division applies may be granted for development that would exceed the maximum height of buildings shown for the land on the Height of Buildings Map if the consent authority is satisfied that any increase in overshadowing between 9 am and 3 pm is not likely to reduce the amenity of any dwelling located on land to which this Division does not apply.
- (4) Mount Street Plaza Development consent may be granted to development on land at 105–153 Miller Street, North Sydney, known as the MLC Building, that would result in a net increase in overshadowing of the land known as Mount Street Plaza that is within Zone RE1 Public Recreation.
- (5) In determining whether to grant development consent for development on land to which this Division applies, the consent authority must consider the following:
 - (a) the likely impact of the proposed development on the scale, form and massing of the locality, the natural environment and neighbouring development and, in particular, the lower scale development adjoining North Sydney Centre,
 - (b) whether the proposed development preserves significant view lines and vistas.

(c) whether the proposed development enhances the streetscape in relation to scale, materials and external treatments.

6.4 Miller Street setback

- (1) The objective of this clause is to maintain the established setback and landscaped setting on the eastern side of Miller Street between McLaren Street and Mount Street.
- (2) Development consent must not be granted for the erection of a building on land identified as "Miller Street Setback" on the North Sydney Centre Map unless:
 - (a) the building height will be less than 1.5 metres, and
 - (b) the part of the building that will be on that land is used only for access to the building or landscaping purposes.

6.5 Railway infrastructure—transitional arrangements

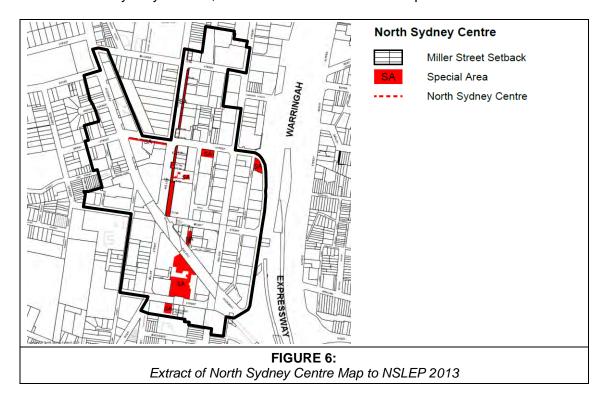
- (1) The objective of this clause is to require satisfactory arrangements to be made for the provision of railway infrastructure to satisfy needs that arise from development in North Sydney Centre.
- (2) Development consent must not be granted for development on land to which this Division applies if the total non-residential gross floor area of buildings on the land after the development is carried out would exceed the total non-residential gross floor area of buildings lawfully existing on the land immediately before the development is carried out, unless:
 - (a) the Director-General has certified, in writing to the consent authority, that satisfactory arrangements have been made for railway infrastructure that will provide for the increased demand for railway infrastructure generated by the development, and
 - (b) the consent authority is satisfied that the increase in non-residential gross floor area authorised under the development consent concerned when added to the increases (reduced by any decreases) in non-residential gross floor area authorised under all consents granted since 28 February 2003 in relation to land in the North Sydney Centre would not exceed 250,000 square metres.
- (3) In determining whether to certify arrangements in accordance with subclause (2) (a), the Director-General must consider the views of:
 - (a) Transport for NSW, and
 - (b) any other public authority the Director-General considers relevant.
- (4) The Council is to review this Division to determine whether the policy objectives of the Division remain valid and whether the terms of the Division remain appropriate for securing those objectives. The review is to be undertaken as soon as practicable after development consent has been granted that would result in the sum of increases (reduced by any decreases) in the non-residential gross floor area authorised under all consents granted in relation to land in the North Sydney Centre since 28 February 2003 exceeding 200,000 square metres.
- (5) For the purposes of this clause:
 - (a) an increase in non-residential gross floor area is the amount by which the non-residential gross floor area authorised on land after a development consent is granted exceeds the non-residential gross floor area authorised on the land immediately before the development consent was granted, and
 - (b) a decrease in non-residential gross floor area is the amount by which the non-residential gross floor area authorised on land after a development consent is granted is less than the non-residential gross floor area authorised on the land immediately before the development consent was granted, and
 - (c) a development consent does not include a development consent that has lapsed or been surrendered.
- (6) In this clause, non-residential gross floor area means that part of the gross floor area of a building that is used for the purposes of business premises (excluding funeral homes), hotel or motel accommodation, office premises, retail premises (excluding pubs), serviced apartments or recreation facilities (indoor) (but only where those facilities are used for the purpose of gain).

The North Sydney Centre Map comprises the following sheets:

- CL1_001 5950_COM_CL1_001_010_20130607
- CL1 002 5950 COM CL1 002 010 20130607

CL1_002A 5950_COM_CL1_002A_005_20130607
 CL1_003 5950_COM_CL1_003_010_20130607
 CL1_004 5950_COM_CL1_004_010_20130607

Land to which the Planning Proposal relates is identified on Sheet CL1_002A, an extract of which is illustrated in FIGURE 6. In particular, the Map identifies the extent of the 'North Sydney Centre', 'Miller Street Setbacks' and 'Special Areas'.



4.9 Development in the RE1 or RE2 Zone

Clause 6.7 to NSLEP 2013 relates to development undertaken in *RE1 Public Recreation* or *RE2 Private Recreation* zones. In particular, it states:

- (1) This clause applies to land in the following zones:
 - (a) Zone RE1 Public Recreation,
 - (b) Zone RE2 Private Recreation.
- (2) Development consent must not be granted for development on land to which this clause applies unless the consent authority has considered the following:
 - (a) the need for the proposed development on the land,
 - (b) whether the proposed development is likely to have a detrimental impact on the existing or likely future use of the land,
 - (c) whether the height and bulk of any proposed building or structure has regard to the existing vegetation and topography,
 - (d) whether the proposed development will adversely impact on bushland and remnant bushland,
 - (e) whether the proposed development will adversely impact on stormwater flow,
 - (f) in the case of land in Zone RE1 Public Recreation, whether the proposed development will significantly diminish public access to, and use of, that public recreation area.
- (3) Development consent must not be granted for development on land to which this clause applies unless the consent authority is satisfied that:
 - (a) the proposed development is consistent with the objectives of the zone of any adjacent land, and

- (b) the proposed development is not likely to result in any adverse impacts on development that is permissible on any adjacent land, and
- (c) the proposed development is consistent with the most restrictive development standards applying to any adjacent land in the following zones in relation to the height of buildings, floor space ratios and setbacks:
 - (i) Zone R2 Low Density Residential,
 - (ii) Zone R3 Medium Density Residential,
 - (iii) Zone R4 High Density Residential,
 - (iv) Zone B1 Neighbourhood Centre,
 - (v) Zone B3 Commercial Core,
 - (vi) Zone B4 Mixed Use,
 - (vii) Zone IN2 Light Industrial,
 - (viii) Zone IN4 Working Waterfront,
 - (ix) Zone E4 Environmental Living.

4.10 Residential Flat Buildings in the B4 Zone

Clause 6.12A to NSLEP 2013 relates to development for the purposes residential flat buildings in the *B4 Mixed Use* zone. In particular, it states:

- (1) The objective of this clause is to ensure that development for residential flat buildings on land in Zone B4 Mixed Use forms part of mixed use developments and does not impact on the activation of street frontages.
- (2) This clause applies to land in Zone B4 Mixed Use.
- (3) Development consent must not be granted for development for the purpose of a residential flat building on land to which this clause applies unless the consent authority is satisfied that:
 - (a) the residential flat building is part of a mixed use development, and
 - (b) no part of the ground floor of the building that is facing a street is used for residential accommodation.

4.11 Airspace Operations

Clause 6.15 to NSLEP 2013 relates to development that will impact on airspace operations. In particular, it states:

- (1) The objectives of this clause are as follows:
 - (a) to provide for the effective and ongoing operation of the Sydney (Kingsford Smith) Airport by ensuring that such operation is not compromised by proposed development that penetrates the Limitation or Operations Surface for that airport.
 - (b) to protect the community from undue risk from that operation.
- (2) If a development application is received and the consent authority is satisfied that the proposed development will penetrate the Limitation or Operations Surface, the consent authority must not grant development consent unless it has consulted with the relevant Commonwealth body about the application.
- (3) The consent authority may grant development consent for the development if the relevant Commonwealth body advises that:
 - (a) the development will penetrate the Limitation or Operations Surface but it has no objection to its construction, or
 - (b) the development will not penetrate the Limitation or Operations Surface.
- (4) The consent authority must not grant development consent for the development if the relevant Commonwealth body advises that the development will penetrate the Limitation or Operations Surface and should not be constructed.
- (5) In this clause:
 Limitation or Operations Surface means the Obstacle Limitation Surface or the Procedures for Air Navigation Services Operations Surface as shown on the Obstacle Limitation Surface Map or the Procedures for Air Navigation Services Operations Surface Map for the Sydney (Kingsford Smith) Airport.

Obstacle Limitation Surface Map means the Obstacle Limitation Surface Map for the Sydney (Kingsford Smith) Airport prepared by the relevant Commonwealth body. relevant Commonwealth body means the body, under Commonwealth legislation, that is responsible for development approvals for development that penetrates the Limitation or Operations Surface for the Sydney (Kingsford Smith) Airport.

4.12 Definitions

Clause 1.4 of NSLEP 2013 makes reference to the Dictionary which provides definitions of terms used within the LEP. In particular, the relevant terms to the Planning Proposal are defined as follows:

North Sydney Centre means the land identified as "North Sydney Centre" on the North Sydney Centre Map.

North Sydney Centre Map means the North Sydney Local Environmental Plan 2013 North Sydney Centre Map.

serviced apartment means a building (or part of a building) providing self-contained accommodation to tourists or visitors on a commercial basis and that is regularly serviced or cleaned by the owner or manager of the building or part of the building or the owner's or manager's agents.

Note. Serviced apartments are a type of tourist and visitor accommodation—see the definition of that term in this Dictionary.

5 THE PLANNING PROPOSAL

5.1 PART 1: STATEMENT OF OBJECTIVES

The primary purpose of this Planning Proposal is to give effect to the outcomes of the North Sydney Centre Review. In particular, it is proposed to implement the recommended actions of the adopted *North Sydney CBD Capacity and Land Use Strategy* which seeks to:

- Prohibit development for the purposes of 'serviced apartments' within the B3 Commercial Core zone;
- Apply new height controls to the North Sydney Centre based on the following:
 - Maintaining solar access to residential land outside of the North Sydney Centre between 10am to 2pm; and
 - The continued prohibition of additional overshadowing to land identified as 'Special Areas'.
- Enable development to occur on sites less than 1000sqm, but only where new development does not exceed 45m in height;
- Remove clauses relating to the provision of railway infrastructure within the North Sydney Centre;
- Remove clauses relating to the restriction on the amount of additional commercial floor space that can be accommodated within the North Sydney Centre;
- Removal of the Elizabeth Plaza, Blue Street, and Tower Square 'Special Areas'; and
- Applying a 'Special Area' to the rear of 100 Pacific Highway;

5.2 PART 2: EXPLANATIONS OF PROVISIONS

The intent of the Planning Proposal can be achieved by:

- Removing 'serviced apartments' from the list of permissible uses in the B3 Commercial Core zone to the Land Use Table.
- Amending the Height of Building Map to NSLEP 2013 to increase the maximum building height limit on the following sites, consistent with the North Sydney CBD Capacity and Land Use Strategy:
 - o 122,132, 140 and 146 Arthur Street, North Sydney;
 - 65 and 77-81 Berry Street, North Sydney;
 - 1 Denison Street, North Sydney;
 - o 54, 60, 73, 155-167, 181, 187 and 189 Miller Street, North Sydney;
 - o 40, 60, 80, 90, 99, 100, 104, 107, 118 Mount Street, North Sydney;
 - 100 and 177 Pacific Highway, North Sydney;
 - 86, 88, 99, 100, 107, 110, 118, 121, 122, 123, 124, 141, 153 and
 157 Walker Street, North Sydney; and
 - 1 Wheeler Lane, North Sydney.
- Amending the North Sydney Centre Map to NSLEP 2013 by:
 - o adding a special area to the rear of 100 Pacific Highway; and
 - o removing the special areas:
 - to 155-167 Miller Street (Tower Square), with the exception of a 6m wide strip across the western frontage to Miller Street;
 - to the Elizabeth Plaza road reserve; and
 - to 5 Blue Street.

- Amending clause 6.1 such that the objectives of Division 1 to Part 6 better relate to the provisions contained within that Division.
- Amending clause 6.3 to:
 - Ensure the objectives and provisions of the clause align with the outcomes of the North Sydney CBD Capacity and Land Use Strategy by preventing adverse overshadowing impacts occurring to important public places within the North Sydney Centre and to minimise overshadowing impacts to residential development and open space areas located outside of the North Sydney Centre; and
 - Restrict the development of sites less than 1000sqm in area to 45m in height.
- Deletion of clause 6.5 in its entirety.

The specific amendments sought to the written instrument and associated maps are identified in the following subsections.

5.2.1 Land Use Table

The intent of the Planning Proposal is proposed to be achieved by the Land Use Table being amended as follows (red strike through represents a deletion):

Zone B3 Commercial Core

1 Objectives of zone

- To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.
- To encourage appropriate employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To prohibit further residential development in the core of the North Sydney Centre.
- To minimise the adverse effects of development on residents and occupiers of existing and new development.

2 Permitted without consent

3 Permitted with consent

Amusement centres; Backpackers' accommodation; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Roads; Serviced apartments; Sex services premises; Signage; Vehicle repair stations; Veterinary hospitals

4 Prohibited

Any development not specified in item 2 or 3

5.2.2 North Sydney Centre Provisions

The intent of the Planning Proposal is proposed to be achieved by amending Division 1 to Part 6 of NSLEP 2013 (comprising clauses 6.1 to 6.5 inclusive) being amended as follows (red strike through represents a deletion and blue underline represents an insertion):

Division 1 - North Sydney Centre

6.1 Objectives of Division

The objectives of this Division are as follows:

(a) to maintain the status of the North Sydney Centre as a major commercial centre,

- (b) to require arrangements for railway infrastructure to be in place before any additional non-residential gross floor area is permissible in relation to any proposed development in the North Sydney Centre.
- (c) to permit an additional 250,000 square metres of non-residential gross floor area in addition to the estimated existing (as at 28 February 2003) 700,000 square metres of non-residential gross floor area,
- (d) to ensure that transport infrastructure, will enable and encourage a greater percentage of people to access the North Sydney Centre by public transport than by private transport and:
 - (i) be convenient and accessible, and
 - (ii) ensure that additional car parking is not required in the North Sydney Centre, and
 - (iii) have the capacity to service the demands generated by development in the North Sydney Centre,
- (b) to maximise commercial floor space capacity and employment growth within the constraints of the North Sydney Centre's environmental context,
- (ce) to encourage the provision of high-grade commercial space with a floor plate, where appropriate, of at least 1,000 square metres,
- (df) to protect the privacy of residents, and the amenity of residential and open space areas, within and around the North Sydney Centre,
- (dg) to prevent any net increase in overshadowing of any land in Zone RE1 Public Recreation (other than Mount Street Brett Whiteley Plaza) or any land identified as a "Special Area" on the North Sydney Centre Map,
- (eh) to prevent minimise any increase in overshadowing that would adversely impact on any land within a residential zone to ensure that any land within a residential zone is afforded a reasonable amount of solar access.
- (fi) to maintain areas of open space on private land and promote the preservation of existing setbacks and landscaped areas, and to protect the amenity of those areas.

6.2 Land to which this Division applies

- (1) This Division applies to the North Sydney Centre.
- (2) A provision in this Division prevails over any other provision of this Plan to the extent of any inconsistency.

6.3 Building heights and massing

- (1) The objectives of this clause are as follows:
 - (a) to achieve a transition of building heights generally from 100 Miller Street and 79–81 Berry Street to the boundaries of the North Sydney Centre,
 - (ab) to promote a height and massing that has no adverse impact on land within the North Sydney Centre that is:
 - (i) located in Zone RE1 Public Recreation; or
 - (ii) land identified as a "Special Area" on the North Sydney Centre Map; or
 - (iii) on the land known as the Don Bank Museum at 6 Napier Street, North Sydney,
 - (be) to minimise overshadowing of, and loss of solar access to, land in Zone R2 Low Density Residential, Zone R3 Medium Density Residential, Zone R4 High Density Residential or, Zone RE1 Public Recreation or land identified as "Special Area" on that is located outside of the North Sydney Centre Map,
 - (cd) to promote scale and massing that provides for pedestrian comfort in relation to protection from the weather, solar access, human scale and visual dominance,
 - (de) to encourage the consolidation of sites for the provision of high grade commercial space.
- (2) Development consent must not be granted for the erection of a building on land to which this Division applies if:
 - (a) the development would result in a net increase in overshadowing between 12 pm and 2 pm on land to which this Division applies that is within Zone RE1 Public Recreation or that is identified as "Special Area" on the North Sydney Centre Map, or
 - (b) the development would result in a net increase in overshadowing between 10 am and 2 pm of the Don Bank Museum, or
 - (c) <u>the development exceeds a building height of 45m where</u> the site area of the development is less than 1,000 square metres.

- (3) Development consent for development on land to which this Division applies may be granted for development that would exceed the maximum height of buildings shown for the land on the Height of Buildings Map if the consent authority is satisfied that any increase in overshadowing between 9 am and 3 pm is not likely to reduce the amenity of will not result in any dwelling located on land to which this Division does not apply:
 - (a) receiving less than 2 hours of direct sunlight to any window of a habitable room or principle private open space; or
 - (b) where any window to a habitable room or principle private open space currently receives less than 2 hours of direct sunlight, the amount of direct sunlight access must not be further reduced.

(4) Mount Street Brett Whiteley Plaza

Development consent may be granted to development on land at 105–153 Miller Street, North Sydney, known as the MLC Building, that would result in a net increase in overshadowing of the land known as Mount Street Brett Whiteley Plaza that is within Zone RE1 Public Recreation.

- (5) In determining whether to grant development consent for development on land to which this Division applies, the consent authority must consider the following:
 - (a) the likely impact of the proposed development on the scale, form and massing of the locality, the natural environment and neighbouring development and, in particular, the lower scale development adjoining North Sydney Centre,
 - (b) whether the proposed development preserves significant view lines and vistas,
 - (c) whether the proposed development enhances the streetscape in relation to scale, materials and external treatments.

6.4 Miller Street setback

- (1) The objective of this clause is to maintain the established setback and landscaped setting on the eastern side of Miller Street between McLaren Street and Mount Street.
- (2) Development consent must not be granted for the erection of a building on land identified as "Miller Street Setback" on the North Sydney Centre Map unless:
 - (a) the building height will be less than 1.5 metres, and
 - (b) the part of the building that will be on that land is used only for access to the building or landscaping purposes.

6.5 Railway infrastructure—transitional arrangements

- (1) The objective of this clause is to require satisfactory arrangements to be made for the provision of railway infrastructure to satisfy needs that arise from development in North Sydney Centre.
- (2) Development consent must not be granted for development on land to which this Division applies if the total non-residential gross floor area of buildings on the land after the development is carried out would exceed the total non-residential gross floor area of buildings lawfully existing on the land immediately before the development is carried out, unless:
 - (a) the Director-General has certified, in writing to the consent authority, that satisfactory arrangements have been made for railway infrastructure that will provide for the increased demand for railway infrastructure generated by the development, and
 - (b) the consent authority is satisfied that the increase in non-residential gross floor area authorised under the development consent concerned when added to the increases (reduced by any decreases) in non-residential gross floor area authorised under all consents granted since 28 February 2003 in relation to land in the North Sydney Centre would not exceed 250,000 square metres.
- (3) In determining whether to certify arrangements in accordance with subclause (2) (a), the Director-General must consider the views of:
 - (a) Transport for NSW, and
 - (b) any other public authority the Director-General considers relevant.
- (4) The Council is to review this Division to determine whether the policy objectives of the Division remain valid and whether the terms of the Division remain appropriate for securing those objectives. The review is to be undertaken as soon as practicable after development consent has been granted that would result in the sum of increases (reduced by any decreases) in the non-residential gross floor area authorised under all consents granted in relation to land in the North Sydney Centre since 28 February 2003 exceeding 200,000 square metres.
- (5) For the purposes of this clause:

- (a) an increase in non-residential gross floor area is the amount by which the non-residential gross floor area authorised on land after a development consent is granted exceeds the non-residential gross floor area authorised on the land immediately before the development consent was granted, and
- (b) a decrease in non-residential gross floor area is the amount by which the non-residential gross floor area authorised on land after a development consent is granted is less than the non-residential gross floor area authorised on the land immediately before the development consent was granted, and
- (c) a development consent does not include a development consent that has lapsed or been surrendered.
- (6) In this clause, non-residential gross floor area means that part of the gross floor area of a building that is used for the purposes of business premises (excluding funeral homes), hotel or motel accommodation, office premises, retail premises (excluding pubs), serviced apartments or recreation facilities (indoor) (but only where those facilities are used for the purpose of gain).

5.2.3 Height of Buildings Map

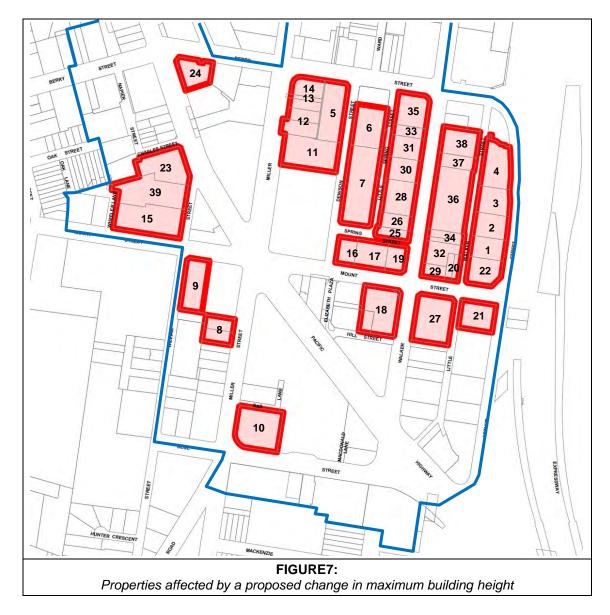
The Planning Proposal requires the replacement of all existing sheets to the Height of Buildings Map (refer to Annexure B) comprising:

•	HOB_001	5950_COM_HOB_001_010_20161118
•	HOB_002	5950_COM_HOB_002_010_20161118
•	HOB_002A	5950_COM_HOB_002A_005_20161118
•	HOB_003	5950_COM_HOB_003_010_20161118
•	HOB 004	5950 COM HOB 004 010 20161118

with new sheets that incorporate updated legends on all sheets and the proposed amendments to specific properties as outlined in TABLE 1 and FIGURE 7 on Sheet HOB_002A. Copies of the replacement maps are provided in Annexure C.

TABLE 1: Change in Maximum Building Height					
Site			Existing Height (RL m)	New Height (RL m)	Increase (m)
1	122 Arthur St	SP 57439	130	179	49
2	132 Arthur St	Lot 1 DP 539864	120	180	60
3	140 Arthur St	Lot 202 DP 534733	120	180	60
4	146 Arthur St	Lot 1 DP 788579	120	188	68
5	65 Berry St	Lot 155 DP 70119	140	230	90
	77-81 Berry St	SP 74602; SP 77895; SP 88618	70 (north)	70	0
6			185 (south)	289	104
7	4 Danisan Ct	Lots 2, 3 and 4 DP 1078998	155 (north)	238	83
7	1 Denison St		170 (south)	238	68
8	54 Miller St	Lots 1 & 2 DP 362642	120	135	15
	60 Miller St	L at 40 DD 740740	100 (west)	166	66
9	60 Miller St	Lot 10 DP 749713	130 (east)	130	0
10	73 Miller St	Lot 38 DP 868462	115	128 (north)	13
10				115 (south)	0
11	155-167 Miller St	SP 35644; SP 79612; SP 81092	80	193 (west)	113
11			00	135 (east)	55

TABLE 1: Change in Maximum Building Height					
Site			Existing Height (RL m)	New Height (RL m)	Increase (m)
		Lot 15 DP 69345	120	201	81
		Lot 1 DD 122056	120	201 (south)	81
12	181 Miller St	Lot 1 DP 123056	120	230 (north)	110
		Lot 2 DP 123056	120	201	81
		Lot 10 DP 70667	140	230	90
13	187 Miller St	Lot A DP 160018	120	230	110
14	189 Miller St	Lot 1 DP 633088	120	230	110
15	40 Mount St	Lot 102 DP 1076397	105	220	115
15	40 Mourit St	LOT 102 DF 1070397	150	220	70
16	80 Mount St	Lot 1 DP 566189	195	209	14
17	90 Mount St	Lot 1 DP 702144	195	209	14
18	99 Mount Street	Lot 6 DP 215737 Lots 10 & 12 DP621745 Lot 112 DP 632759 Lots 1 & 3 DP 635319	160	180	20
19	100 Mount St	SP 76561	195	209	14
20	104 Mount St	Lot 1 DP 102264 Lot 6 Sec A DP 977100	135	219	84
21	107 Mount St	Lot 1 DP 533647	125	178	53
22	118 Mount St	Lot 1 DP 635642	130	179	49
23	100 Pacific Hwy	Lot 1 DP 1119395	155	171	16
24	177 Decific Hung	Lot 1 DP 1190933	85	131	46
24	177 Pacific Hwy	LOCI DP 1190933	190	190	0
25	86 Walker St	Lot 1 DP 857756	170	227	57
26	88 Walker St	Lot 1 DP 832416	170	227	57
27	99 Walker St	Lot 101 DP 748911	145	174	29
28	100 Walker St	Lots 1 & 2 DP 542915	170	227	57
29	107 Walker St	SP 21592; SP 22966; SP 30432; SP 31342	135	219	84
30	110 Walker St	Lot 1 DP 777779	175	260	85
31	118 Walker St	Lot 101 DP 730995	175	260	85
32	121 Walker St	SP 35343; SP 49345; SP 50222; SP 50399	135	219	84
33	122 Walker St	Lot 8 DP 304	175	260	85
34	123 Walker St	Lot 1 DP438095 Lot 10 DP 531795	135	219	84
35	124 Walker St	Lot 1 DP 551401	140	260	120
36	141 Walker St	Lot 1 DP 738392	155	215	60
37	153 Walker St	SP 50411	155	215	60
38	157 Walker St	Lot 1 DP 84729	155	215	60
20	1 Whoolar L =	Lot 101 DD 1070007	105 (west)	171	66
39	1 Wheeler Ln	Lot 101 DP 1076397	150 (east)	171	31



5.2.4 North Sydney Centre Map

The Planning Proposal requires the replacement of the following sheet to the North Sydney Centre Map:

 CL1_002A 5950_COM_CL1_002A_005_20130607 (refer to Annexure D)

with:

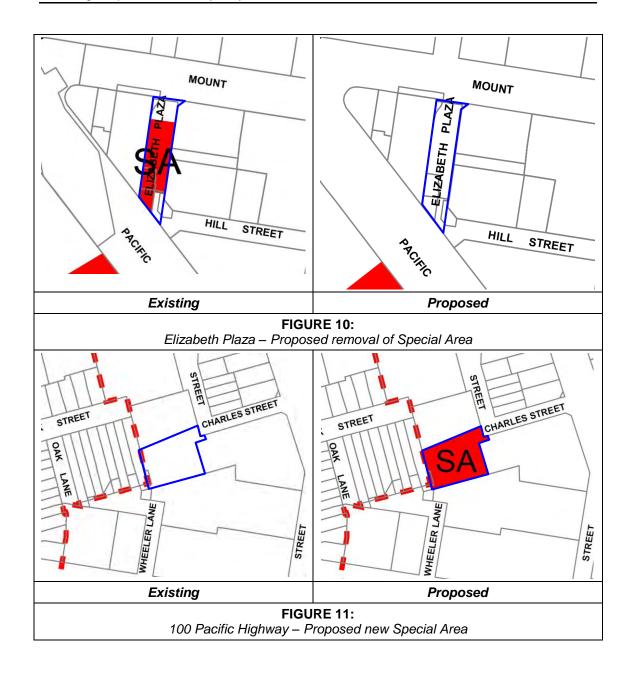
 CL1_002A 5950_COM_CL1_002A_005_20170410 (refer to Annexure E)

The replacement of Sheet CL1_002A will incorporate the following amendments:

- Removal of the special area in its entirety to:
 - 5 Blue Street comprising Lot 4 DP 1134234 and Lot 2 DP 713944 (refer to FIGURE 8); and
 - Elizabeth Plaza comprising Lots 101 and 102 DP 837893 (refer to FIGURE 9);

- Amendment of the special area to 155-167 Pacific Highway comprising SP 35644, SP 79612 and SP 81092 to remove the special area in its entirety, with the exception of a 6m wide strip located adjacent to Miller Street (refer to FIGURE 10); and
- Adding a new special area to 100 Miller Street comprising Lot 2 DP 1119395 (refer to FIGURE 11)





5.3 PART 3: JUSTIFICATION

5.3.1 Section A – Need for the planning proposal

Is the planning proposal a result of any strategic study or report?
 YES.

The Planning Proposal is informed by the outcomes of the *North Sydney Centre Review*. In particular, it implements the outcomes of the *North Sydney Land Use and Capacity Study* which was adopted by Council on 1 May 2017 (refer to Annexure A).

2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

YES

There are no known alternative mechanisms available to achieve the intent of the Planning Proposal.

5.3.2 Section B – Relationship to strategic planning framework

3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

A Plan for Growing Sydney (2014)

Released in December 2014, *A Plan for Growing Sydney* (Metropolitan Plan) sets the planning framework for the growth of the Sydney metropolitan area over the next 25 years. The Metropolitan Plan sets targets for an additional 664,000 homes and 689,000 jobs by 2031.

Goals, Directions and Actions identified in the Metropolitan Plan which are relevant to the Planning Proposal are as follows:

Goal 1: A competitive economy with world-class services and transport

- Direction 1.1: Grow a more internationally competitive Sydney CBD
 - Action 1.1.1: Create new and innovative opportunities to grow Sydney CBD office space by identifying redevelopment opportunities and increasing building heights in the right locations
- Direction 1.6: Expand the Global Economic Corridor
 - Action 1.6.1: Grow high-skilled jobs in the Global Economic Corridor by expanding employment opportunities and mixeduse activities
 - Action 1.6.2: Invest to improve infrastructure and remove bottlenecks to grow economic activity
- Direction 1.7: Grow strategic centres providing more jobs closer to home
 - Action 1.7.1: Invest in strategic centres across Sydney to grow jobs and housing and create vibrant hubs of activity
- Direction 1.11: Deliver infrastructure
 - Action 1.11.1: Preserve future transport and road corridors to support future growth

 Action 1.11.3: Undertake long-term planning for social infrastructure to support growing communities

The Planning Proposal is considered to be generally consistent with the relevant goals, directions and actions of the Metropolitan Plan, as it will provide opportunities to substantially increase the provision of jobs, helping to reinforce North Sydney as a primary commercial centre located along the Global Economic Corridor.

The Regional Plan also sets out a number of priorities for the North Subregion and Strategic Centres within the subregion. The relevant priorities as they relate to the subject site are as follows:

Priorities for the North Subregion

A competitive economy

- Improve transit connections throughout the Global Economic Corridor to better link centres and transport gateways.
- Improve subregional connections, particularly from the Northern Beaches to Global Sydney and to the Global Economic Corridor.
- Preserve the corridor for Sydney Rapid Transit including a second harbour rail crossing.
- Facilitate the movement of people and freight through the North subregion to the Central Coast, Newcastle, the Hunter, Northern NSW and Brisbane, including through delivery of the NorthConnex project (a twin tunnel motorway linking the M2 and M1 under Pennant Hills Road).

Accelerate housing supply, choice and affordability and build great places to live

 Work with councils to identify suitable locations for housing and employment growth coordinated with infrastructure delivery (urban renewal) and train services, established and new centres, and along key public transport corridors including the North West Rail Link, the Western Line, the Cumberland Line, the Carlingford Line, the Bankstown Line and Sydney Rapid Transit.

Priorities for Strategic Centres – North Sydney

- Retain a commercial core in North Sydney CBD for long-term employment growth.
- Investigate potential future employment and housing opportunities associated with a Sydney Rapid Transit train station at Victoria Cross (North Sydney).
- Work with the City of Sydney and North Sydney Council to:
 - o recognise and plan Global Sydney as a transformational place;
 - plan Sydney CBD as Australia's premier location for employment, supported by a vibrant mixture of land uses and cultural activity, and iconic places and buildings including Sydney Harbour, the Opera House and the Sydney Harbour Bridge;
 - provide capacity for long-term office growth in Sydney CBD;
 - provide capacity for additional mixed-use development in the precincts that make up Global Sydney for offices, retail, tourism, arts, culture, services and housing;
 - o improve access to the CBD including through Sydney Rapid Transit and the CBD and South East Light Rail;

o improve walking and cycling connections between Global Sydney precincts and to the surrounding area.

The Planning Proposal is unlikely to adversely impact upon the implementation of these priorities. Whilst the proposal does not directly increase the potential for increased residential accommodation, this objective can be achieved, when Council looks to implement the outcomes of the North Sydney Centre Review which focus on the mixed use fringe areas of the Centre.

Draft North District Plan

In November 2016, the NSW Government released the draft North District Plan (draft NDP). The North Sydney LGA is located within the North District along with the other LGAs of Hornsby, Ku-ring-gai, Ryde, Hunter Hill, Lane Cove, Willoughby, Mosman and Northern Beaches. The Draft NDP sets the following relevant targets:

• Employment: an additional 15,600-21,100 jobs by 2036 in the

North Sydney Strategic Centre; and

• Housing: an additional 3,000 dwellings by 2021 for the North

Sydney LGA; and

an additional 97,000 dwellings by 2036 for the North

District.

Priorities identified in the draft NDP which are relevant to the Planning Proposal are as follows:

Productivity Priority 2: Manage growth and change in strategic and

district centres and, as relevant, local

centres

Productivity Priority 3: Prioritise the provision of retail floor space in

centres

• Liveability Priority 1: Deliver the North District 5 year housing

supply target.

• Liveability Priority 2: Deliver housing diversity

Liveability Priority 3: Implement the Affordable Rental Housing

Target

• Liveability Priority 4: Increase social housing provision.

Liveability Priority 5: Facilitate the delivery of safe and healthy

places.

• Liveability Priority 6: Facilitate enhanced walking and cycling

connections.

Liveability Priority 7: Conserve heritage and unique local

characteristics.

• Liveability Priority 8: Support the creative arts and culture

• Liveability Priority 9: Share resources and spaces.

Liveability Priority 11: Provide socially and culturally appropriate

infrastructure and services.

Liveability Priority 12: Support planning for health infrastructure.

Sustainability Priority 1: Maintain and improve water quality and

waterway health.

Sustainability Priority 2: Protect and conserve the values of Sydney

Harbour.

• Sustainability Priority 4: Avoid and minimise impacts on biodiversity.

• Sustainability Priority 12: Mitigate the urban heat island effect.

• Sustainability Priority 13: Integrate land use and transport planning to consider emergency evacuation needs.

The Planning Proposal is considered to be consistent with the above priorities of the draft NDP as it will enable the future growth of the North Sydney Centre to help accommodate the number of jobs targeted for North Sydney. As indicated, whilst the proposal does not directly increase the potential for increased residential accommodation, this priority can be achieved, when Council looks to implement the outcomes of the North Sydney Centre Review which focus on the mixed use fringe areas of the Centre.

4. Is the planning proposal consistent with a council's local strategy or other local strategic plan?

YES

North Sydney Residential Development Strategy

The North Sydney Residential Development Strategy (RDS) identifies the potential for an additional 6,199 dwellings in the North Sydney LGA by 2031 under the provisions of NSLEP 2013. Of that potential it was envisaged that 2,097 additional dwellings would be located in the suburb of North Sydney, 2,023 of which would be within the Mixed Use zone.

Implementing the Planning Proposal is unlikely to affect the attainment of the forecast residential potential envisaged under the RDS.

North Sydney Local Development Strategy

The North Sydney Local Development Strategy (LDS) reflects the outcomes sought by the Metropolitan Plan, former draft Inner North Subregional Strategy. These issues are addressed in the previous subsection to this report.

North Sydney CBD Capacity and Land Use Strategy

This Planning Proposal has specifically been prepared to give effect to the recommendations of the *North Sydney CBD Capacity and Land Use Strategy* (refer to Annexure A).

Community Strategic Plan 2013-2023

The North Sydney Community Strategic Plan 2013–2023 (CSP) outlines the community-wide priorities and aspirations for the LGA, and provides long-term goals, objectives and actions to achieve these visions. The CSP is Council's most important strategic document and is used to guide and inform Council's decision making and planning for the next ten years.

The relevant Directions, Outcomes, and Strategies of the CSP are as follows:

Direction:	1	Our Living Environment
Outcome	1.2	Quality urban green spaces
Outcome	1.4	Improved environmental footprint and responsible use of natural resources
Strategies	1.4.1	Promote sustainable energy, water and waste practices
Outcome	1.5	Public open space, recreation facilities and services that meet community needs
Strategies	1.5.1	Provide a range of recreational facilities and services for people of all ages and abilities

1.5.2 Improve equity of access to open space and recreation facilities

Direction: 2 Our Built Environment

Outcome: 2.1 Infrastructure, assets and facilities that meet community needs

Strategies: 2.1.2 Expand capacity of existing community infrastructure

2.1.3 Advocate for improved state infrastructure and adequate funding for maintenance and improvement of community assets

Outcome: 2.2 Improved mix of land use and quality development through design excellence

Strategies: 2.2.1 Maintain a contemporary Local Environmental Plan (LEP)

2.2.3 Encourage sustainable design in future development and refurbishment of existing buildings for better environmental performance

Outcome: 2.4 North Sydney's heritage is preserved and valued

Strategies: 2.4.1 Protect and promote the heritage values of residential amenity including significant architecture, objects, places and landscapes

2.4.2 Encourage the use and adaptation of heritage and other existing buildings

Outcome: 2.5 Sustainable transport is encouraged

Strategies: 2.5.1 Promote the use of public transport and encourage the use of alternative modes of transport e.g. car share schemes

Outcome: 2.6 Improved traffic management

Strategies: 2.6.1 Plan, design, investigate and manage traffic and transport in accordance with safety and community priorities

Outcome: 2.7 Improved parking options and supply

Strategies: 2.7.1 Provide integrated and efficient parking options in residential and commercial areas

Direction: 3 Our Economic Vitality

Outcome: 3.1 Diverse, strong, sustainable and vibrant local economy

Strategies: 3.1.1 Expand opportunities for business particularly after hours and weekends through planning initiatives e.g. late night trading and small bars

3.1.2 Encourage a diverse mix of businesses

3.1.3 Expand employment growth capacity

Outcome: 3.2 North Sydney CBD is one of Australia's largest commercial centres

Strategies: 3.2.2 Ensure major infrastructure and public domain design contributes to North Sydney's business needs

Outcome: 3.3 North Sydney is a place that attracts events

Strategies: 3.3.1 Balance visitor impacts with residents' lifestyles and economic development

Direction: 4 Our Social Vitality

Outcome: 4.4 North Sydney's history is preserved and recognised Strategies: 4.4.1 Protect and maintain sacred and historic sites

The Planning Proposal will allow these Directions, Outcomes and Strategies to be pursued in a robust and strategic manner. In particular, it will:

- Enable the North Sydney Centre to maintain its status as one of Australia's largest commercial centres; and
- Encourage public and sustainable transport as the mode choice for movements to, from and within the LGA.

North Sydney Council Delivery Program 2013/14-2016/17

The North Sydney Council Delivery Program 2013/14-2016/17 (Delivery Program) was prepared in accordance with NSW State Government's Integrated Planning and Reporting Framework requirements. The Delivery Program outlines Council's priorities and service delivery programs over four years that will contribute to the long-term strategies and desired outcomes of the Plan.

The Planning Proposal directly supports the vision of the Delivery Program as the five Directions mirror those of the CSP.

5. Is the planning proposal consistent with applicable state environmental planning policies?

The Planning Proposal is consistent with those State Environmental Planning Policies (SEPPs) which are relevant to the North Sydney Local Government Area, as demonstrated in TABLE 2.

TABLE 2: Consistency with SEPPs							
Direction	Consist -ency	Comment					
SEPP No. 1 – Development Standards	N/A	This SEPP does not apply pursuant to Clause 1.9 of NSLEP 2013.					
SEPP No. 19 - Bushland in urban areas	N/A	This SEPP does not apply as the lands affected by the Planning Proposal do not contain bushland or are located adjacent to land containing bushland.					
SEPP No. 33 - Hazardous and offensive development	N/A	This SEPP does not apply as the Planning Proposal does not relate to land upon which hazardous and offensive development is permitted.					
SEPP No. 50 - Canal estate development	YES	The Planning Proposal is consistent with the SEPP by maintaining a prohibition on canal estate development.					
SEPP No. 55 - Remediation of land	N/A	The Planning Proposal does not seek to amend the permissibility of land use within any zone, nor introduce a site specific use which may be sensitive to contamination issues.					
SEPP No. 64 - Advertising and signage	N/A	The Planning Proposal is consistent with the SEPP as it does not affect the attainment of the SEPP's aims and objectives.					
SEPP No. 65 - Design Quality of Residential Apartment Development	YES	The Planning Proposal is consistent with the SEPP as it does not affect the attainment of the SEPP's aims and objectives.					

TABLE 2: Consistency with SEPPs						
Direction	Consist -ency	Comment				
SEPP (Affordable Rental Housing) 2009	YES	The Planning Proposal is consistent with the SEPP as it does not affect the attainment of the SEPP's aims and objectives.				
SEPP (Building Sustainability Index: BASIX) 2004	N/A	The Planning Proposal does not relate to building sustainability.				
SEPP (Exempt and Complying Development Codes) 2008	N/A	The Planning Proposal does not seek to introduce any additional exempt or complying development types.				
SEPP (Housing for Seniors or People with a Disability) 2004 - formerly SEPP (Seniors Living) 2004	YES	The Planning Proposal is consistent with the SEPP as it does not affect the attainment of the SEPP's aims and objectives.				
SEPP (Infrastructure) 2007	YES	The Planning Proposal is consistent with the SEPP as it does not affect the attainment of the SEPP's aims and objectives.				
SEPP (Major Development) 2005 - formerly SEPP Major Projects & SEPP State Significant Development	N/A	The Planning Proposal does not relate to any state significant sites identified under this SEPP and therefore does not apply.				
SEPP (Mining, Petroleum Production and Extractive Industries) 2007	YES	The Planning Proposal is consistent with the SEPP as it will not impede the attainment of the aims and objectives of this SEPP.				
SEPP (Miscellaneous Consent Provisions) 2007 - formerly SEPP (Temporary Structures) 2007	N/A	This SEPP does not apply as the Planning Proposal does not relate to development for the purposes of temporary structures.				
SEPP (State and Regional Development) 2011	N/A	This SEPP does not apply as the Planning Proposal does not relate to state or regional development nor the operation of joint regional planning panels.				
Sydney REP (Sydney Harbour Catchment) 2005	YES	The Planning Proposal is consistent with the SEPP as it will not impede the attainment of the aims and objectives of this SEPP.				

6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The Planning Proposal is consistent with the relevant Directions issued under Section 117(2) of the EP&A Act by the Minister to Councils, as demonstrated in TABLE 3.

	TABLE 3: Consistency with s.117 Directions							
	Direction	Consist -ency	Comment					
1.	Employment and Resources							
1.1	Business & Industrial Zones	YES	The Planning Proposal does not seek to reduce any commercial or industrial zoning under NSLEP 2013 nor does it seek to reduce the level of permissible non-residential floor space achievable on the affected lands.					
1.2	Rural Zones	N/A	This Direction does not apply as there are no existing rural zones under NSLEP 2013 or proposed under the Planning Proposal.					
1.3	Mining, Petroleum Production & Extractive Industries	YES	The Planning Proposal does not seek to alter the permissibility of these types of land uses.					
1.4	Oyster Aquaculture	N/A	This Direction does not apply as the Planning Proposal is not located in a water catchment area that directly drains to a water body containing a Priority Oyster Aquaculture Area or a current oyster aquaculture lease in the national parks estate.					
1.5	Rural Lands	N/A	This Direction does not apply as the Planning Proposal does not propose any changes that will affect development in a rural or environmental protection zone.					
2	Environmental Heritage							
2.1	Environmental Protection Zones	N/A	This Direction does not apply as the Planning Proposal does not affect land in an environmental protection zone.					
2.2	Coastal Protection	N/A	This Direction does not apply as the Planning Proposal does not affect land within a coastal zone.					
2.3	Heritage Conservation	YES	The Planning Proposal does not alter the existing heritage conservation provisions within NSLEP 2013 which already satisfy the requirements of the Direction. Nor is it proposed to remove any heritage					
			items from Schedule 5.					
2.4	Recreation Vehicle Areas	N/A	The Planning Proposal does not enable land to be developed for the purposes of a recreational vehicle area.					
2.5	Application of E2 and E3 Zones and Environmental Overlays in Far North Coast LEPs	N/A	This Direction does not apply as the Planning Proposal does not relate to any of the identified LGAs.					
3	Housing, Infrastructure & Urbar	n Developn	nent					
3.1	Residential Zones	YES	The Planning Proposal is consistent with the requirements of the Direction as it may enhance the ability to provide limited increased residential development potential through increased height limits at 77-81 Berry Street.					

	TABLE 3: Consistency with s.117 Directions							
	Direction	Consist -ency	Comment					
3.2	Caravan Parks & Manufactured Home Estates	N/A	This Direction does not apply as the Planning Proposal does not seek to permit caravan parks or manufactured home estates under NSLEP 2013.					
3.3	Home Occupations	YES	The Planning Proposal does not alter the existing provisions within NSLEP 2013 that relate to home occupations, which already satisfy the requirements of the Direction.					
3.4	Integrating Land Use & Transport	YES	The Planning Proposal seeks to significantly increase development potential within the core of the North Sydney Centre, directly servicing both the existing North Sydney Railway Station and the proposed Victoria Cross Metro Station and thereby maximising public transportation use.					
3.5	Development Near Licensed Aerodromes	NO	Despite not being located in close proximity to Sydney Airport, the subject site is affected by an Obstacle Limitation Surface (OLS) of 156m AHD. The Planning Proposal seeks to introduce new maximum building heights within the North Sydney Centre which exceed the OLS by approximately 133m (based on a proposed maximum RL of 289m AHD). It is also considered that any activities associated with the construction of development in accordance with the proposed height controls, would further encroach above the OLS on a temporary basis. The Planning Proposal has not been referred to the Commonwealth Department of Infrastructure and Regional Development, nor the Sydney Airport Corporation for their comment and permission in accordance with subclauses (4)(a) and (d) of the Direction. Notwithstanding, referral can still be undertaken and permission obtained as a requirement of any future Gateway Determination and before public exhibition consistent with the requirements of the Direction.					
3.6	Shooting Ranges	N/A	This Direction does not apply as the Planning Proposal does not relate to land in the vicinity of a shooting range.					
4	Hazard and Risk	ı						
4.1	Acid Sulfate Soils	N/A	This Direction does not apply as the Planning Proposal does not relate to land affected by Acid Sulfate Soils.					

	TABLE 3: Consistency with s.117 Directions							
	Direction	Consist -ency	Comment					
4.2	Mine Subsidence & Unstable Land	N/A	This Direction does not apply as the Planning Proposal does not relate to land affected by mine subsidence nor has it been identified as being unstable land.					
4.3	Flood Prone Land	N/A	This Direction does not apply as the Planning Proposal does not relate to land identified as being flood prone land.					
4.4	Planning for Bushfire Protection	N/A	This Direction does not apply as the Planning Proposal does not relate to land identified as being bushfire prone land.					
5	Regional Planning							
5.1	Implementation of Regional Strategies	N/A	This Direction does not apply as the Planning Proposal does not relate to land affected by one of the identified strategies.					
5.2	Sydney Drinking Water Catchment	N/A	This Direction does not apply as the Planning Proposal does not relate to any of the identified LGAs.					
5.3	Farmland of State and Regional Significance on the NSW Far North Coast.	N/A	This Direction does not apply as the Planning Proposal does not relate to any of the identified LGAs.					
5.4	Commercial and Retail Development along the Pacific Highway, North Coast.	N/A	This Direction does not apply as the Planning Proposal does not relate to any the identified LGAs.					
5.8	Second Sydney Airport: Badgerys Creek	N/A	This Direction does not apply as the Planning Proposal does not relate to any of the identified LGAs.					
5.9	North West Rail Link Corridor Strategy	N/A	This Direction does not apply as the Planning Proposal does not relate to any of the identified LGAs.					
5.10	Implementation of Regional Plans	YES	Refer to question 3 to Section 5.3.2 of this report.					
6	Local Plan Making							
6.1.	Approval & Referral Requirements	YES	The Planning Proposal seeks to remove the Director General's certification requirements for the satisfactory provision of railway infrastructure.					
6.2	Reserving Land for Public Purposes	YES	The Planning Proposal does not create, alter or reduce existing zonings or reservations of land for public purposes.					
6.3	Site Specific Provisions	N/A	This Direction does not apply, as it does not allow a particular type of development to be carried out.					
7	Metropolitan Planning							
7.1	Implementation of the A Plan for Growing Sydney	YES	Refer to question 3 to Section 5.3.2 of this report.					
7.2	Implementation of Greater Macarthur Land Release Investigation	N/A	This Direction does not apply as the Planning Proposal does not relate to any the identified LGAs.					

	TABLE 3: Consistency with s.117 Directions							
	Direction Consist -ency Comment							
7.3	Parramatta Road Corridor Urban Transformation Strategy	N/A	This Direction does not apply as the Planning Proposal does not relate to any the identified LGAs.					

5.3.3 Section C – Environmental, social and economic impact.

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

The Planning Proposal relates to land in densely urbanised areas and it is unlikely that the Planning Proposal will adversely affect any critical habitat or threatened species, populations or ecological communities, or their habitats.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The Planning Proposal will result in some increased overshadowing of residential properties located outside of the North Sydney Centre due to the proposed increase in the maximum building height on a number of sites.

North Sydney Council has an established tradition of protecting residential properties located outside of the North Sydney Centre from the impacts of a growing North Sydney Centre, especially in terms of solar access and overshadowing. However, this is often difficult to achieve when trying to balance the need to accommodate additional commercial floor space to meet regional and district level employment targets.

The premise of the *North Sydney CBD Capacity and Land Use Strategy* has been to unlock additional commercial floor space capacity in the CBD, whilst maintaining a reasonable standard of solar amenity protection to surrounding areas. The Strategy has sought to achieve this by marginally reducing the time period within which residential properties located outside of the North Sydney Centre have their solar access protected. In particular, the time frame has been reduced from 9am to 3pm down to 10am to 2pm at the Winter Solstice.

Additional height may also be achieved if dwellings located outside of the North Sydney Centre are able to receive a minimum 2 hours of direct sunlight between 9am and 3pm at the Winter Solstice.

This approach provides an acceptable balance between allowing the Centre to grow whilst minimising impacts on residents located adjacent to a very important employment and economic centre.

Proposed increases in building height may also result in adverse wind impacts on the public domain. However, such issues can be appropriately addressed at the development application stage through the incorporation of suitable design elements and treatments.

No other adverse environmental effects are anticipated by the implementation of the Planning Proposal.

9. How has the planning proposal adequately addressed any social and economic effects?

The Planning Proposal principally seeks to remove existing restrictions within NSLEP 2013 that prevent the North Sydney Centre from achieving the desired outcomes of regional, district and strategic plans. In particular, the Planning Proposal will enable Council accommodate a significant increase in commercial floor space afforded by increased maximum building heights and therefore contribute to meeting the employment targets set for North Sydney.

It is acknowledged that the removal of serviced apartments as a permissible use in the B3 Commercial Core zone may have a minor economic impact.

However, serviced apartments have the ability to undermine the employment generation potential of commercial floor space in the North Sydney Centre, due to their extremely low employee to floor space ratio. This has been partially addressed in the *B4 Mixed Use* zone, whereby NSLEP 2013 requires a minimum of 50 serviced apartments be provided to qualify as non-residential floor space within the *B4 Mixed Use* zone.

The North Sydney Centre has a relatively small footprint. The intrinsic value of commercially zoned land and its contribution to employment is therefore high, particularly in the current and recent climate of residential development easily eclipsing the commercial property market in terms of feasibility and risk.

As serviced apartments are still permissible in the *B4 Mixed Use* zone, they are not prohibited outright are can still be undertaken in the LGA. Therefore, the prohibition of 'serviced apartments in the *B3 Commercial Core* zone is considered appropriate in this instance.

5.3.4 Section D – State and Commonwealth interests

10. Is there adequate public infrastructure for the planning proposal?

NSLEP 2103 currently restricts the level of commercial floor space being provided within the North Sydney Centre until such time as sufficient public transport infrastructure is provided to cater for the increased demand in public transport services.

The State Government's announcement in November 2015 to construct the Sydney Metro rail line and a new railway station (Victoria Cross) within the heart of the North Sydney Centre provides the impetus for removing the commercial floor space cap and increasing the development potential of sites in the North Sydney Centre. A new railway station will cater for more than the additional uplift in floor space capable under this Planning Proposal.

Implementation of the Planning Proposal is unlikely to adversely impact upon the provision of other public infrastructure services within the locality.

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

The Planning Proposal has not yet been considered by State or Commonwealth public authorities.

Views of the State will be gained through the Gateway Determination process.

In particular, the Planning Proposal will be referred to:

- (a) Commonwealth Department of Infrastructure and Regional Development in accordance with Direction 3.5 of the s.117 Directions for their comment and concurrence;
- (b) Sydney Airport Corporation in accordance with Direction 3.5 of the s.117 Directions for their comment;
- (c) Transport for NSW with regard to the proposed removal of the clauses that require the provision of public infrastructure.

It is intended that these referrals are undertaken prior to publicly exhibiting the Planning Proposal in accordance with any Gateway Determination.

5.4 PART 4: MAPPING

Table 3 identifies all the maps which are required to be replaced to achieve the intent of the Planning Proposal. Copies of the existing and proposed maps are contained within Annexures B, C, D and E.

TABLE 3 – REPLACEMENT MAPS									
Map Types	Existing Map Sheet Identification No.	Proposed Map Sheet Identification No.							
Height of Bu	Height of Buildings Map								
HOB_001	5950_COM_HOB_001_010_20161118	5950_COM_HOB_001_010_20170410							
HOB_002	5950_COM_HOB_002_010_20161118	5950_COM_HOB_002_010_20170410							
HOB_002A	5950_COM_HOB_002A_005_20161118	5950_COM_HOB_002A_005_20170410							
HOB_003	5950_COM_HOB_003_010_20161118	5950_COM_HOB_003_010_20170410							
HOB_004	HOB_004 5950_COM_HOB_004_010_20161118 5950_COM_HOB_004_010_20170410								
North Sydney Centre Map									
CL1_002A	5950_COM_CL1_002A_005_20130607	5950_COM_CL1_002A_005_20170410							

5.5 PART 5: COMMUNITY CONSULTATION

Consultation will be undertaken in accordance with the requirements made by the Gateway Determination and Council's guidelines.

5.6 PART 6: PROJECT TIMELINE

TABLE 3 provides a project timeline having regard to identified milestones and estimating approximately 12 months from submitting the proposal to the DPE to the amending LEP being made.

	TABLE 3 – Project Timeline												
Milestone			June 2017	July 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2017	Apr 2017
1.	Request for Gateway Determination sent to DPE												
2.	DPE considers Request												
3.	Gateway Determination Issued to Council												
4.	Public Exhibition Undertaken												
5.	Council considers post exhibition report												
6.	Submission to DPE requesting making of LEP												
7.	Drafting of LEP and making												

ANNEXURE A

- North Sydney CBD Capacity and Land Use Strategy



North Sydney CBD

Capacity and Land Use Strategy

Final Strategy Document

May 2017







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Appendix 1 - Council Report and Resolution 20 March 2017 Appendix 2 - Council Report and Resolution 1 May 2017

Note on Terminology

The term 'North Sydney Centre' will no longer be used in an official capacity to describe the area defined by North Sydney LEP 2013 and referred to throughout the North Sydney Centre Review process.

The word 'Centre' will be replaced by 'CBD' (Central Business District) within this document. Reference may still be made to the 'commercial core', referring specifically to that part of the CBD that is zoned B3 Commercial Core under LEP 2013.

NSLEP 2013 will maintain the use of the term 'North Sydney Centre' and be amended at a later date.



Background





1.1 Strategic Context

The North Sydney Centre Capacity and Land Use Study forms part of Council's comprehensive North Sydney Centre Planning Review.

The aim of the North Sydney Centre Planning Review is to Identify and implement policies and strategies to ensure that the North Sydney Centre retains and strengthens its role as a key component Sydney's global economic arc, remains the principle economic engine of Sydney's North Shore, and becomes a more attractive, sustainable and vibrant place for residents, workers and businesses.

1.2 Catalyst for Study

The Capacity and Land Use Study was undertaken as a policy response to the following key drivers:

- Council has a statutory obligation to review its North Sydney Centre controls upon approval of an additional 200,000 m2 of commercial floor space is approved (reached in 2015);
- State government metropolitan planning requires employment and housing growth within the North Sydney LGA; and
- Proposed new public transport infrastructure presents opportunities will improve the amenity, accessibility and competitiveness of the North Sydney Centre.

1.3 Objectives

The Capacity and Land Use Study is the final component of the wider Review, and seeks to:

- Develop a framework that allows for the growth of the North Sydney Centre to ensure it maintains and improves its status as a resilient, vibrant and globally relevant commercial centre;
- Accommodate forecast demand for additional commercial floor space in the North Sydney Centre;

- Inform and respond to district planning, particularly employment and commercial floor space targets for the North Sydney Centre;
- Take advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure;
- Offset commercial floor space losses in the mixed use zone of the Centre;
- Identify residential development opportunities in the mixed use periphery; and
- Identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.

At its meeting on 24 October 2016, Council adopted the draft Study, without amendment, for the purposes of public exhibition.

1.4 General Approach

The Study and wider North Sydney Centre Review have been informed by a number of significant pieces of work undertaken by external consultants, including the North Sydney Commercial Centre Study (2015) by Urbis and the North Sydney Centre Economic Study (2013), prepared by Hill PDA.

The capacity and planning scenario analysis (Section 5 of the Study) was based on 3D modelling work undertaken by SJB Architects in 2016.

The Special Areas Review was undertaken by Council staff, drawing on the work undertaken by Place Partners in the preparation of the North Sydney Public Domain Review 2015.

Informing studies and other information can be accessed at https://www.northsydney.nsw.gov.au/Building_
Development/North_Sydney_CBD.



Process Flowchart

1.5 Recommendations of Study

The Capacity and Land Use Study recommended that the following strategies be implemented to help achieve the above objectives:

Strategy 1

Apply new height controls to the North Sydney Centre based on the following:

- A 10 am to 2 pm restriction on additional overshadowing to residential land outside of the North Sydney Centre; and
- The continued prohibition of additional overshadowing to land identified as special areas under NSLEP 2013.
- Any other measure identified as a result of further detailed consideration.

Strategy 2

Apply new height controls via the following mechanisms:

B3 Commercial Zone

New heights controls will be applied via a Councilinitiated planning proposal.

B4 Mixed Use

The achievement of potential additional height identified by the Study will be subject to the consideration of a proponent-initiated planning proposal, where appropriate land uses and development mix can be assessed and assured.

Strategy 3

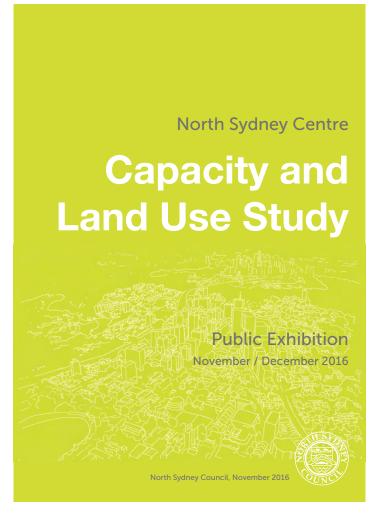
- Amend the Special Areas Map of NSLEP 2013 to remove Blue Street and Elizabeth Plaza special areas and add the green space at the rear of 100 Pacific Highway.
- Revisit Miller Street Central and Tower Square special areas to align with the public domain outcomes of the Victoria Cross Metro station.
- Review Berry Square as part of the Ward Street Masterplan.

Strategy 4

Prohibit the development of serviced apartments within the B3 Commercial Core zone.

Strategy 5

Undertake a review of North Sydney DCP 2013 Part B Section 2 Commercial Development and Part 3 Section 2 North Sydney Planning Area Character Statement, to further consider built form issues within the Centre.



1.6 Special Areas Review

The Study included, as an appendix, a review of all areas within the North Sydney Centre identified by NSLEP 2013 as 'special areas'. The purpose of the Review was to assess the relative value or contribution of existing special areas to the amenity of the North Sydney Centre, and to ascertain whether they should continue to be protected under existing policy settings. The Study made the following recommendations:

Recommendation 1: Retain Special Areas

The following outdoor spaces, as identified under NSLEP2013, are recommended to be retained as special areas:

- Miller Street (North);
- Miller Street (Central);
- Tower Square;
- Berry Street (West);
- Berry Square (subject to further detailed consideration in Ward Street Masterplan);
- Doris Fitton Park;
- Greenwood Plaza:
- · Brett Whitely Place; and
- Don Bank Museum.

Recommendation 2: Remove Special Areas

The following special areas, as identified under NSLEP 2013, are recommended to be removed as their existing shadow and context does not qualify their status as special areas:

- Elizabeth Plaza; and
- Blue Street Plaza.

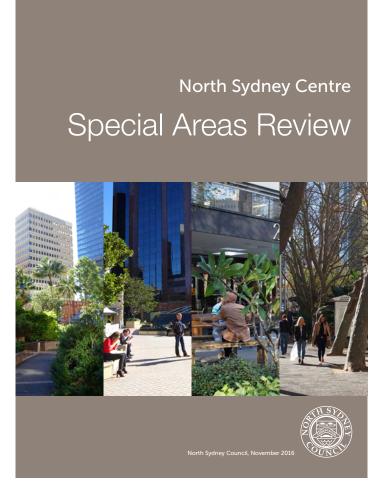
Recommendation 3: Add New Special Areas

It is recommended that the park located on the western portion of 100 Pacific Highway, directly adjacent to the Don Bank Museum, become a new special area. Both this site and the Don Bank Museum are identified important open spaces in the Education Precinct Planning Study (2015). The value of these spaces is expected to increase with the scheduled upgrades to Charles and Napier Streets, due to commence in mid 2016.

Recommendation 4: Further Consideration

The review recommends the following amendments to NSLEP 2013, pending North Sydney Centre strategic policy outcomes:

 Tower Square: Review the status of the Tower Square special area once the built form and public domain outcomes of the Sydney Metro are known;



- Miller Street (Central): Consideration should be given to potentially expanding the Miller Street (Central) special area in accordance with Sydney Metro public domain outcomes;
- Victoria Cross Plaza: Consideration should be given to potentially identifying Victoria Cross Plaza a special area, pending Sydney Metro and North Sydney Centre Public Domain Strategy outcomes; and
- Ward Street Precinct: Review existing special areas and investigate opportunities for new special areas in line with the outcomes of the Ward Street Precinct Masterplan.

Recommendation 5: Minor Variations

Prepare a Planning Proposal to amend NSLEP 2013 to enable consideration to be given for the re-cladding or other cosmetic upgrades of existing buildings that seek to improve their appearance in the North Sydney Centre, as long as such proposals do not constitute additional floor space.



2

Public Exhibition & Report to Council





The Capacity and Land Use Study was publicly exhibited from Thursday 3 November 2016 to Thursday 15 December 2016.

Public consultation during this time included the following:

- · Notification in the Mosman Daily;
- Approximately 9,400 letters sent to owners and residents in and around the North Sydney Centre;
- A presentation to the Combined Precincts Committee and written notification to all Precincts:
- An 8-page summary brochure made available online and in hard copy;
- A dedicated exhibition web page including all documentation, contact information and on-line submission form; and
- Hard copy documentation made available for viewing at Council Chambers and Stanton Library.

The Study was also the subject of a Mosman Daily article published on 17 November 2016.

A total of 35 submissions were received, including several lodged after the formal exhibition period.

The key themes of the submissions can be generally characterised as follows:

- Concerns regarding potential losses of amenity to land within and outside of the North Sydney Centre;
- The identification of specific amendments required to realise development outcomes on particular sites within the North Sydney Centre; and
- Comments or concerns regarding the wider strategic approach recommended by the Study.

A complete summary of and response to submissions formed a part of the post-exhibition report to Council, which forms an attachment to this Strategy.

North Sydney Centre

Capacity and Land Use Study



Public Exhibition Summary November / December 2016



2.3 Post-Exhibition Report to Council

2.3.1 Report

As noted above in Section 2.2, a post-exhibition report was prepared for and considered by Council at its meeting of 20 March 2017.

The report provided a summary of all submissions received, accompanied by Council's response to each issue raised. The report also provided detailed discussion of a number of issues, and highlighted matters that required further consideration prior to the finalisation of a strategy.

The complete Council report and resolution forms Appendix 1 to this document.

2.3.2 Key Elements of Report

Section 3 Further Detailed Consideration of the Council report included discussion of the following key issues:

- Capacity Study summary and clarifications
- Height of buildings
- Variation controls
- Interface issues
- · Limits to additional commercial floor space
- Special areas
- · Opportunity sites
- Sydney Metro
- Ward Street Masterplan
- Voluntary planning agreements and mixed use development

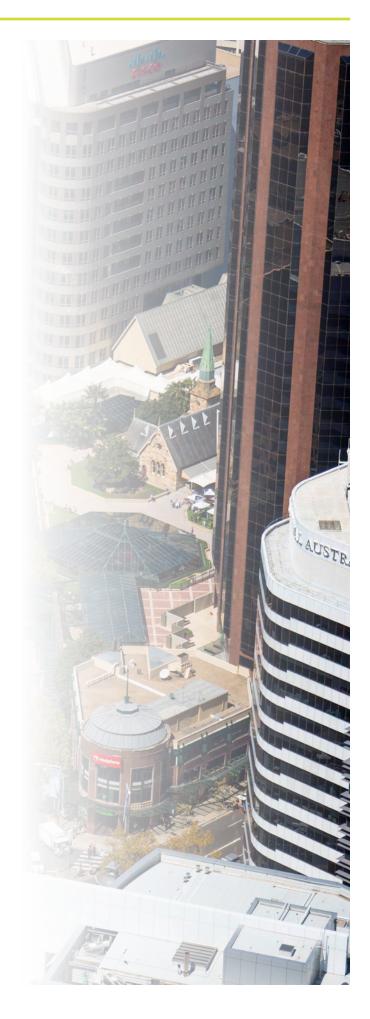
The directions contained within the resolution of Council reflect the outcomes of that detailed discussion.

2.3.3 Resolution

Council adopted the recommendations of the report, resolving:

- THAT Council note the submissions and staff response;
- THAT additional consideration be given to matters detailed in this report, particularly Directions 1-6 as follows:
 - 1.1 DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.
 - 1.2 DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.
 - 1.3 DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues.
 - 1.4 DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre.
 - 1.5 DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.
 - 1.6 DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.
- THAT a final Capacity and Land Use Strategy and associated draft LEP 2013 and DCP 2013 amendments be prepared and reported to Council.

Section 3 of this Strategy incorporates consideration of each of the above directions.

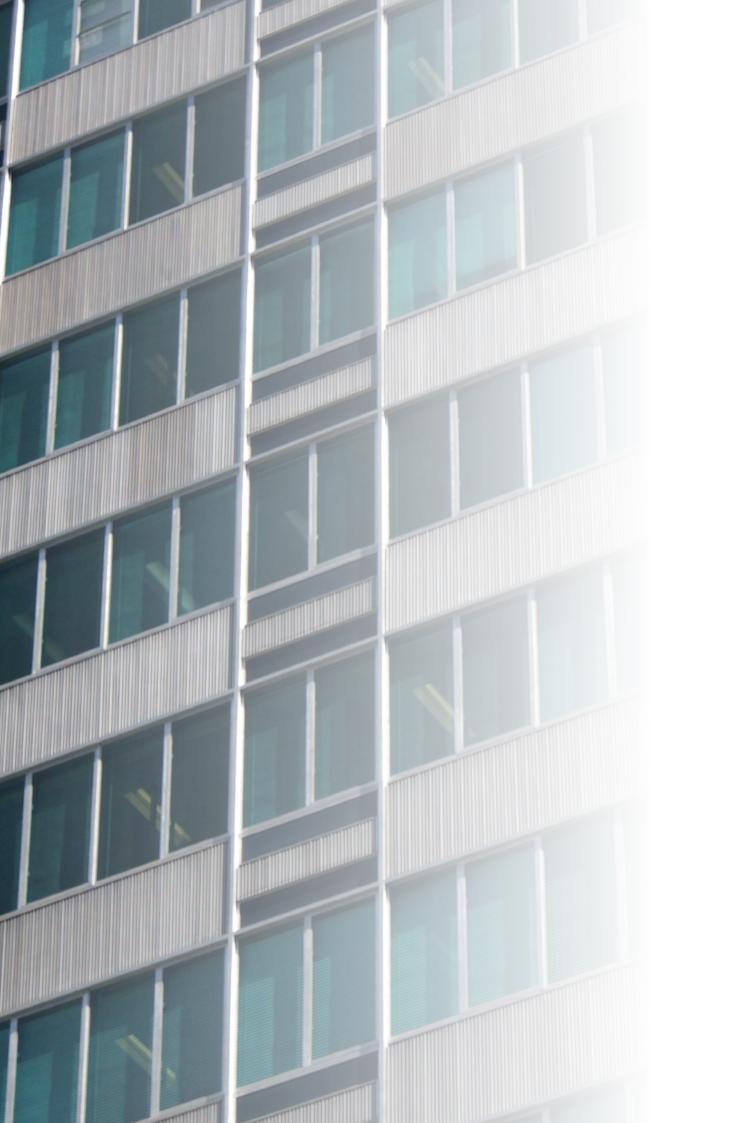




3

Strategy Development





This section outlines the key elements and further considerations required to develop a final strategy for implementation.

3.1.1 Key Drivers

The final North Sydney CBD Capacity and Land Use Strategy will be based upon the recommendations of the publicly exhibited Capacity and Land Use Study, and the directions contained within Council's resolution of 20 March 2017. The following sub-sections detail each of these matters in turn.

3.1.2 Key Elements

The following key elements make up the final Strategy:

- A refined indicative height of buildings map, reflecting both the 10-2 overshadowing restriction approach and further detailed consideration as described within the section;
- Confirmation of the recommendations of the Special Areas Review undertaken as part of the Capacity and Land Use Study;
- A relaxation of the small sites redevelopment prohibition, to allow redevelopment to take place under certain circumstances;
- The prohibition of serviced apartments within the commercial core of the CBD;
- A refined height of buildings variation clause; and
- The removal of certain existing statutory restrictions on further commercial growth within the CBD.

3.2 Height of Buildings

3.2.1 Introduction

The Capacity and Land Use Study recommended that height controls within the North Sydney CBD be based upon the continued protection of 'special areas' within the CBD and the application of a 10 am to 2 pm mid-winter restriction of overshadowing to residential properties outside of the CBD.

The Indicative Future Height Controls map of Section 7.6 of the Capacity and Land Use Study (reproduced below) represents the application of those two planning elements.

Subject to further consideration 162 under Ward Street 140 Masterplan 103 1 100 193 135 135

Capacity and Land Use Study Indicative Future Height Controls map as exhibited.

Both Recommendation 1 of the exhibited Study and Directions 3 and 5 of the 20 March 2017 Council resolution require the refinement of this map, which is the basis of a planning proposal to amend NSLEP 2013 and consider future planning proposals within the CBD.

It is proposed that this indicative map be refined to reflect the further detailed consideration undertaken and outlined throughout this Section. Specifically, the following considerations will impact on the existing indicative heights map:

- Height controls on heritage sites;
- · Interface issues; and
- Further consideration of 'opportunity sites' as identified in the post-exhibition report to Council.

3.2.2 Heritage Items

The exhibited Capacity and Land Use Study did not include a detailed analysis or discussion of heritage sites within the CBD.

North Sydney is proud of its rich built form heritage, and this planning process does not seek to diminish the role or significance of heritage items within the CBD.

As such, it is proposed that heritage sites within the CBD retain their existing building height controls, with exceptions as noted below. These will be reflected in an amended indicative height map (see Section 3.2.5).

Heritage Site	LEP 2013 Height Control (RL)	Capacity Study Indicative Height (RL)	Recommended Indicative Height (RL)
41 McLaren Street	100	105	*
101-103 Miller Street (Greenwood)	75	75	75
105 Miller Street (MLC)	125	125	125
187 Miller Street (Watchmaker)	120	201	230**
199 Miller Street (Rag & Famish)	80	80	*
201 Miller Street	160	160	*
51 & 67-69 Mount Street	75 / 115	95 / 115	75 / 115
1-7 Napier Street	95	95	95
92-94 Pacific Hwy (Post Office & Court House)	80	130	80
168-172 Pacific Hwy	95 / 100	95 / 100	95 / 100
86 Walker Street (Firehouse)	170	227	227***
1 Wheeler Lane (telephone exchange)	105 / 150	245 / 171	171****

^{*} Sites within the Ward Street Precinct are deferred from this Strategy's indicative height map, pending the outcomes of the Ward Street Masterplan (see Section 3.7 for further details).

^{**} The property is set to be demolished as part of the Sydney Metro project. The recommended indicative height is the result of further detailed consideration under Direction 5 of Council's 20 March 2017 resolution (see Section 3.2.4 and 3.8 for further details).

^{***} The old firehouse site has an existing height control (RL 170) which is well beyond the height of the existing building (RL 62), and shares that control with properties to the north. For consistency, the recommended height control for the site will follow those that it is currently grouped with.

^{****} The heritage listing of the site is a mapping anomaly to be dealt with separately to this process. See Section 3.2.3 for further details on this site.

3.2.3 Interface Issues

As in the introduction to this section, Section 3.6 of the 20 March 2017 Council report (Appendix 1) reiterated that the indicative future height control map presented in the Capacity and Land Use Study demonstrated the result of a blanket 10 - 2 shadow restriction approach.

It was also noted that these indicative heights would be subject to further consideration, particularly where sites interface directly with lower-scale and residential properties outside of the North Sydney Centre. The report specifically identified the following properties for further consideration:

50 & 52 Mclaren Street

These properties are located at the northern boundary of the North Sydney CBD, and directly adjoin both large scale development and low-scale properties. Submission 33 presents an argument for further increases in permissible height to that indicated by the indicative future height controls map in the exhibited Study.

The site is subject to an existing 2011 Joint Regional Planning Panel development approval that allows a building height on the larger site (No.52) above that of the existing LEP 2013 height controls. It is considered that the indicative height controls produced by the 10-2 approach produce unsupportable potential height and scale outcomes on the site.

The site was given significant consideration during both the DA assessment and the preparation of LEP 2013. As such, the existing approved maximum building heights of RL 101 (50 McLaren) and RL 118 (52 McLaren) are considered appropriate as indicative heights in this Strategy, particularly given the site's transition toward the low scale Miller Street streetscape, which is rich in heritage value.

It is recommended that the indicative future height control map at Section 3.2.5 show RL 101 and RL 118 as detailed above.

1 McLaren Street

Submission 13 to the exhibited Study raised concerns with the indicative height control for 1 McLaren Street, primarily in relation to potential overshadowing of a rooftop garden at 245 Pacific Highway and issues relating to urban design and scale.

The site is located at the northern boundary of the North Sydney Centre. The LEP 2013 height control for the site is RL 106, which increases on neighbouring sites, southwards towards the centre of the CBD. The site is surrounded by lower scale 1-2 storey buildings, with the exception of the apartment building to the south.

In-house modelling suggests that a building to RL 133 would impact upon the communal open space at 245 Pacific Highway, with a likely non-compliance with the relevant NSDCP 2013 controls. It is considered, however, that impact could be reduced through the design process.

Of more importance, however, is the issue of scale and interface impacts that such a building may produce. A reduction in potential height to RL 118 will better address these issues and produce a more suitable built form outcome within its context. A building to this height would also ensure compliance with solar access provisions under Part B Section 2.3 of NSDCP 2013.

It is recommended that the indicative future height map at Section 3.2.5 show RL 118 for this site.





10 & 12 Mount Street

The indicative height control across these sites represents an 18m increase over existing LEP 2013 controls. Number 10 Mount Street directly adjoins two storey dwellings on Edward Street. The impact of a 5-6 storey increase to a neighbouring property is considered unsupportable.

As outlined in the post-exhibition report to Council, consideration has been given to splitting the indicative future height to maintain RL 110 at 10 Mount Street and indicate a supportable height of RL 128 at 12 Mount Street.

It is recommended that the indicative future height map at Section 3.2.5 show RL 110 and RL 128 as described above.

1 Wheeler Lane

The existing telephone exchange site receives an increase in potential building height under the 10-2 approach from RL 105 to RL 245 at the rear or western portion of the site, and RL 150 to RL 171 on the eastern side.

A building height limit of around 165m on the western portion of this site is not considered supportable, given its proximity to single storey residential properties in Oak Street. There is, however, support for some level of potential height increase, given the absence of overshadowing impact of these lower scale properties, and the context of adjoining commercial development.

It is recommended that a single height control of RL 171 be applied across the site, and that being on land zoned B3 Commercial Core, this form part of the planning proposal to amend NSLEP 2013.





3.2.4 Site-Specific Opportunities

Several submissions to the Study's exhibition provided more detailed modelling on specific sites, demonstrating additional capacity under a 10-2 approach than that shown in the indicative height control map of Section 7.6 of the Study.

The ability for more detailed modelling being able to demonstrate additional capacity is acknowledged. The methodology undertaken to derive heights used whole-of-site envelopes when modelling potential height. On some sites, particularly large ones, there may be instances where breaches of the applied controls apply to only a small portion of the site. The methodology was unable, in most cases, to provide the level of detail to reflect these modelling outcomes. By 'splitting' sites for the purposes of height mapping, additional capacity may exist, along with the potential to more accurately reflect this in the height controls.

NSLEP 2013 currently contains controls which provide some flexibility in considering variations to height controls, provided certain environmental outcomes are met as part of the DA assessment process. However, variation controls have been quite conservatively applied in the past during the development assessment process and are not considered to represent an avenue to demonstrate significant additional development potential. Relying on variation clauses also creates a level of uncertainty for property owners and other stakeholders in terms of development yield and expectations.

It is considered that a future planning proposal to give effect to an adopted final strategy should, wherever possible, give the most accurate representation of development standards under the preferred approach.

The following sites have been highlighted by submissions or approaches made through the exhibition and post-exhibition period as having additional commercial floor space capacity beyond that presented in the exhibited Study. The planning proposal and final Strategy presented to Council reflects the additional modelling and policy work that was undertaken.

The public exhibition of a planning proposal giving effect to an adopted final strategy is likely to result in further detailed modelling of individual sites being submitted. Insofar as this gives a more accurate reflection of development potential under a 10-2 solar access approach, such submissions will be welcomed and considered.

73 Miller Street

Further consideration of this site indicates that a more nuanced building envelope could avoid additional overshadowing of the Greenwood Plaza special area and provide a limited additional amount of building height across some of the site, if split for the purposes of 10-2 solar modelling.

It is recommended that the indicative future height map at Section 3.2.5 be amended to show RL 115 (south) and RL 128 (north).



76 Berry Street

In reviewing the submission for this site, it was noted that a significant portion of this site could achieve additional height under the recommended 10-2 planning approach.

This site falls within the Ward Street Precinct - therefore any potential changes to planning controls will be deferred to the Ward Street Masterplan process. It is noted that any uplift in development potential may be subject to a voluntary planning agreement to aid the achievement of the objectives of the Ward Street Masterplan (see Section 3.7).

Sydney Metro Site

For the purposes of height modelling, this large site was split into three height zones. Initial testing suggests that splitting the northern portion of the site again may provide a more accurate reflection of the 10-2 solar access approach, i.e. increased height potential at the corner of Miller and Berry Streets.

It is recommended that this large site be split into four height zones, as per the indicative future height map at Section 3.2.5, and that this form part of the planning proposal to amend LEP 2013.





3.2 Height of Buildings (cont.)

3.2.5 Indicative Future Height Controls Map

The preceding sections have reviewed a number of issues and sites in accordance with the recommendations and directions of the exhibited Capacity and Land Use Study and Council's resolution of 20 March 2017.

The map on page 27 represents an updated indicative future height controls map, amended in accordance with the recommendations made in previous sections. This map will form the basis of amendments to NSLEP 2013 as outlined in Section 4 of this Strategy. For sites not within the area bordered by the blue line, the map will be used as the basis for consideration of developer-led planning proposals which seek to amend height controls applying to their site.

An extract of the NSLEP 2013 Height of Buildings map (existing height controls) is provided below for reference purposes.

Ward Street Precinct

In the interests of clarity, the portion of the North Sydney CBD known as the Ward Street Precinct and subject to the Ward Street Precinct Masterplan, has been omitted from this map. Amendments to indicative height controls or actual controls under LEP 2013 will be subject to the outcomes of the Masterplan process.

The Ward Street Precinct Masterplan is further discussed in Section 3.7 of this Strategy.



Existing LEP 2013 Building Height Controls (RLs)



Sites with amended indicative height to that exhibited in the Capacity and Land Use Study Nov / Dec 2016.

Indicative Future Height Controls Map - Updated

3.2.6 Variation to Height Controls

Direction 2 of Council's 20 March 2017 resolution states:

Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.

The post-exhibition report noted that Clause 6.3(3) of North Sydney LEP 2013 provides an avenue to vary existing height controls within the North Sydney CBD, and that under a 10-2 planning approach, this would need to be revised.

Having considered the submissions relating to the variation of height controls, it is reiterated that applying a variation clause of this type has merit for two reasons – it would potentially 'unlock' certain development that may, for example, cause additional overshadowing between 10-2 to a residential property, but where that property currently enjoys significant amounts of solar access and may not be disproportionately impacted by a decrease in that direct solar access. Similarly, a site that enjoys more limited solar access would be protected to ensure a minimum level of solar access amenity.

It is noted that, historically, Clause 6.3(3) of NSLEP 2013 has been applied in a reasonably conservative manner by Council. Where proposed variations are considered significant, proponents have been urged to pursue changes to the planning controls via the planning proposal process. It is expected that this approach will continue.

The purpose, therefore, of the proposed variation control is to provide some level of flexibility where it can be demonstrated that residential amenity outside the North Sydney CBD is not unreasonably affected.

It is recommended that the planning proposal include a height variation control based on the maintenance of two hours solar access to residential properties outside the North Sydney CBD.

3.2.7 Variations to 10-2 Approach

The indicative future height controls map at Section 3.2.5 represents, with exceptions as described, the wholesale application of the 10-2 approach adopted during this process.

This has been a purely quantitative approach. It is acknowledged, however, that there may, under certain circumstances, be merit for the base NSLEP 2013 height controls to vary from the strict 10-2 application.

The consideration of submissions to the planning proposal demonstrating minor or insignificant instances of additional overshadowing between 10 am and 2 pm caused by proposed increases in the height control, may allow for an increase in height on commercial sites, thereby contributing positively to the overall employment objectives of this Strategy, specifically, increases in commercial floor space.



Blue Street Special Area



Elizabeth Plaza



Tower Square

Appendix 1 - Special Areas Review of the exhibited Capacity and Land Use Study, made a number of recommendations with regard to special areas in the North Sydney CBD.

This section details the final recommendations of this Strategy. Proposed changes to special areas will form part of the planning proposal to amend NSLEP 2013.

Blue Street Special Area

No change is made to the recommendation to remove this special area.

Elizabeth Plaza Special Area

No change is made to the recommendation to remove this special area.

100 Pacific Highway

No change is made to the recommended addition of this area to the special areas map.

Tower Square Special Area

The site known as Tower Square forms a part of the Sydney Metro Victoria Cross Station site. As the building is currently being demolished, the special area is redundant. The existing control represents a significant statutory barrier to development on the Metro site. It is, therefore, recommended that the special area be formally removed from NSLEP 2013.

As recommended by the Land Use and Capacity Study, other special area controls in and around the Metro site will be reviewed once the built form and public domain outcomes of the Metro station are known. This will include the opportunity to create new areas of lunchtime solar access protection.

Section 3.8 provides more detail on the Victoria Cross Metro site.



Rear 100 Pacific Highway

3.4 Small Sites

Clause 6.3(2)(c) of NSLEP 2013 currently prevents development consent from being granted on sites that are less than 1000m² in area. The purpose of this clause is to encourage the consolidation of sites to provide high grade commercial floor space and to ensure that the scale and massing of buildings provides for pedestrian comfort in relation to solar access, human scale, weather protection and visual dominance.

The exhibited Capacity and Land Use Study concluded that, on balance, the ability for smaller commercial sites to redevelop is considered desirable, and that the market will ultimately deliver the building and floor plate sizes demanded by it.

It is therefore recommended that the planning proposal amend NSLEP 2013 to allow development on commercial sites less than 1000 m2.

To ensure that built form and massing of such buildings do not negatively impact on the amenity of the public realm, and that amalgamation continues to be encouraged, it is also recommended that a height limit of 45m be applied to such sites where development is proposed.



The exhibited Capacity and Land Use Study recommended that serviced apartments be removed as a permissible use within the B3 Commercial Core zone.

Currently, serviced apartments are permissible within the B3 – Commercial Core zone and B4 - Mixed Use zone under the North Sydney LEP 2013. Council has expressed concern that serviced apartments are undermining the employment generation potential of commercial floorspace in the CBD. This has been addressed in the B4 Mixed Use zone, via an LEP control requiring a minimum of 50 serviced apartments be provided to qualify as non residential floor space within the B4 zone.

As noted in the Study, the North Sydney CBD has a relatively small footprint. The intrinsic value of commercially zoned land and its contribution to employment is therefore high, particularly in the current and recent climate of residential development easily eclipsing the commercial property market in terms of feasibility and risk.

Council has a long standing policy of prohibiting residential development within the Commercial Core (discussed further at 7.4 and 7.8).

Consistent with Council's previous amendment to the North Sydney LEP outlined above, it is considered prudent to prohibit serviced apartments within the B3 zone. Specifically, the following points are made to support this recommendation:

- The recent history of serviced apartments being proposed to be converted to residential uses (eight sites in total) and the relative physical ease in which this can be achieved;
- The relatively minimal employment contribution that serviced apartments make to the CBD;
- The permissibility of hotels within the B3 zone which make a greater employment contribution to the North Sydney centre; and
- The development of serviced apartments displace the limited opportunities of more traditional commercial floor space which makes a greater economic contribution to the centre.

It is recommended that the planning proposal giving effect to this Strategy prohibit further serviced apartment development within the B3 Commercial Core zone.



3.6 Floor Space Limitations and Railway Contributions

Direction 4 of Council's 20 March resolution stated that Clause 6.5(2) specifies that 'satisfactory arrangements' must also be made for railway infrastructure prior to the

Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre.

The existing restrictions referred to are those under Clause 6.5 Railway Infrastructure Transitional Arrangements of North Sydney LEP 2013. Clause 6.5(2)(b) in particular prohibits approvals of additional commercial floorspace within the North Sydney Centre above 250,000 m2 above that existing on 28 February 2003.

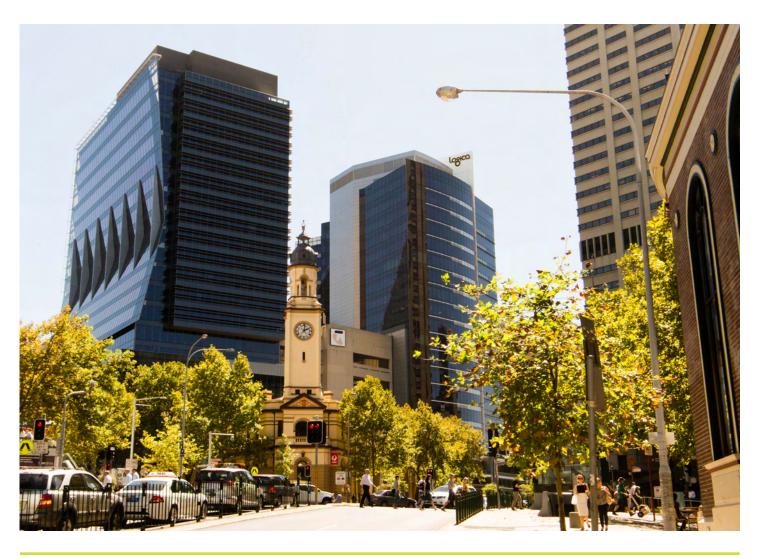
Further, Clause 6.5(4) requires that Council review the North Sydney Centre Division of LEP 2013 once 200,000 m2 of additional commercial floor space is approved under that plan. This review trigger point was reached in 2012 and is a key driver of the Capacity and Land Use review process.

Clause 6.5(2) specifies that 'satisfactory arrangements' must also be made for railway infrastructure prior to the granting of consent for additional commercial floor space. This contribution is levied by the Ministry of Transport and collected by Council on its behalf.

Council has engaged with both the Department of Planning and Environment and Transport for NSW on this matter, identifying both the statutory barriers to future growth and suggesting avenues to address them.

Council has been advised to proceed with a planning proposal to amend NSLEP 2013. The issue of any future floor space limit and / or the continuation of a transport infrastructure contribution levy will be considered by the relevant State agencies in their assessment of the planning proposal lodged by Council.

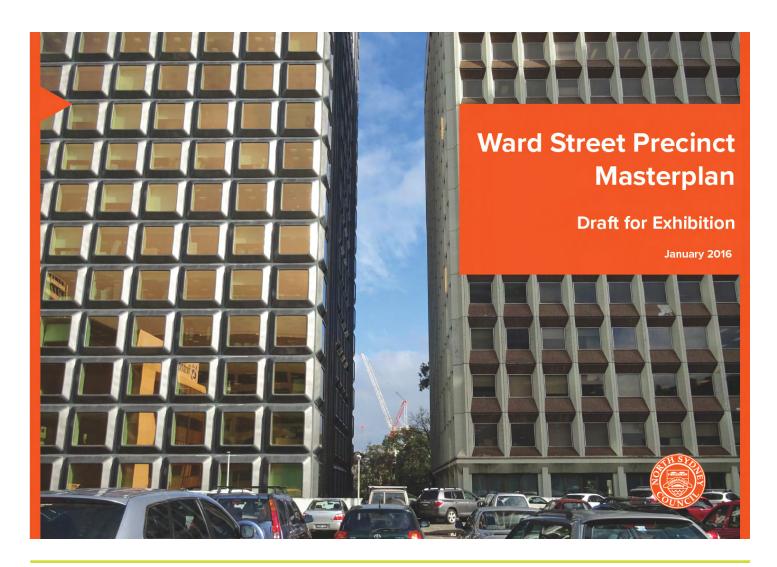
It is recommended that the planning proposal giving effect to this Strategy seek to amend NSLEP 2013 to remove limitations to future commercial floor space development.



The draft Ward Street Masterplan was publicly exhibited from 26 January to 10 March 2017. The Capacity and Land Use Study's indicative height control exercise included sites within the Ward Street Precinct for demonstrative purposes, but indicated that sites within the Precinct would be subject to more detailed consideration during the masterplan process.

The on-going Masterplan process will incorporate further specialist input and design development that responds to community, industry and landowner input received during public exhibition.

Given this, the indicative height map at Section 3.2.5 and any related planning proposal related to this Capacity and Land Use Strategy do not include sites within the Ward Street Precinct, pending the further detailed consideration outlined above.



3.8 Sydney Metro

Direction 6 of the 20 March Council resolution states:

Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.

The site of the future Victoria Cross Metro station represents an opportunity for significant additional commercial floor space within the North Sydney CBD. Existing NSLEP 2013 prohibitions, including those described in Section 3.6, severely curtail potential development outcomes on the site.

The other limitation is the Tower Square special area. Section 3.3 identified that the existing building is proposed to be demolished as part of the Metro project, thus rendering the special area obsolete. A reasonable built form cannot be approved on the station site whilst the special area control remains in place.

The Council report of 20 March 2017 advised that a separate planning proposal may be desirable to enable assessment of development proposals on the Metro site in line with the objectives of the final endorsed strategy. It is not, however, considered necessary for a separate planning proposal process to be undertaken.

It is recommended that the planning proposal giving effect to this Strategy include provisions for:

- The amendment of the Metro site's height control as per the indicative future height control map at Section 3.2.5;
- The removal of the Tower Square special area; and
- Amendments to Part 6 Division 1 of NSLEP 2013 as detailed in Section 3.6.



As per the recommendations of the exhibited Capacity and Land Use Study, it is proposed that a planning proposal giving effect to this Strategy will include changes to height controls based on the 10-2 approach for sites zoned B3 Commercial Core within the North Sydney Centre (not including sites within the Ward Street Precinct).

In a competitive market for commercial floor space, decisions to redevelop in North Sydney's commercial centre will be aided by Council increasing certainty for landowners and investors. Preparing a Council-initiated planning proposal that identifies increased height limits on B3 Commercial Core zoned land consistent with this Strategy will provide such certainty and facilitate the growth and rejuvenation of the CBD that the Strategy seeks to achieve. The planning proposal will not contain changes to height controls on land zoned B4 Mixed Use.

With regard to land zoned B4 Mixed Use in the North Sydney CBD, any increases in development yield based on the indicative future height control map at Section 3.2.5 will be subject to a proponent-led planning proposal process. Such a process will seek to capture developer contributions (or works in kind), via a voluntary planning agreement, for key public domain and land use works within the CBD. These works will be specified in the North Sydney CBD Public Domain Strategy, currently being undertaken.

Value sharing mechanisms have been used in St Leonards and Crows Nest to leverage public benefit from recent development and planning proposals. This approach acknowledges that large scale residential redevelopment in Sydney is characterised by different economic cycles to commercial development and is more likely to sustain a value sharing approach to increases in density and height.

The implementation approaches identified in the Study have the benefits of increasing the likelihood of attracting commercial investment to the Centre in a timely manner, whilst sharing in value increases from mixed use development that will represent benefits to the CBD's infrastructure and amenity.

Ward Street Precinct

Notwithstanding the above approach, for sites within the Ward Street Precinct, the current Ward Street Masterplan process will identify all sites that will be subject to a value sharing process. This may include sites regardless of zoning. The final Masterplan will include a schedule of public benefits that development proposals within the precinct will be required to contribute to.

This section has considered a number of directions made and issues raised by the exhibited Capacity and Land Use Study and Council's resolution of 20 March 2017.

3.10.1 Recommendations of this Document

The following recommendations are made within this section and are reproduced here for clarity:

Section	Recommendation Summary	Reflected in Final Recommendation #
3.2.2	Assign height controls on heritage listed sites in accordance with the table at Section 3.2.2 of this Strategy.	1
3.2.3	Amend the indicative height control on 50 & 52 McLaren Streets to RL 101 and RL 118.	1
3.2.3	Amend the indicative height control on 1 McLaren Street to RL 118.	1, 2
3.2.3	Amend the indicative height control on 10 Mount Street to RL 110	1, 2
3.2.3	Amend the indicative height control on 73 Miller Street to RL 115 (south) and RL 128 (north).	1
3.2.4	Amend the indicative height control map on the Sydney Metro Victoria Cross Station site.	1
3.2.6	Amend the NSLEP height variation provision to be based on the maintenance of two hours solar access to residential properties outside the North Sydney CBD.	3
3.3	Remove Tower Square Special Area.	4
3.4	Amend NSLEP 2013 to allow development on commercial sites less than 1000 m2. Impose a building height limit of 45m to such sites.	10
3.6	Amend NSLEP 2013 to remove clauses relating to railway infrastructure and limitations on future commercial floor space development.	9

3.10.2 Overall / Final Recommendations

The following recommendations represent the combined recommendations listed in Section 3.10.1 and those recommendations remaining unchanged from the exhibited Capacity and Land Use Study.

The implementation mechanisms of the recommendations below are detailed at Section 4 of this Study.

Rec. #	Recommendation Recommendation
1	Apply new height controls to B3 Commercial Core sites in accordance with the future indicative height map at Section 3.2.5.
2	Consider planning proposals for sites within the B4 Mixed Use zone, based on the future indicative height map at Section 3.2.5.
3	Apply a new height variation control based on the maintenance of at least two hours of solar access to residential properties outside of the North Sydney CBD.
4	Remove the Elizabeth Plaza, Blue Street, and Tower Square special areas.
5	Apply special area status to the rear of 100 Pacific Highway.
6	Prohibit development for the purposes of serviced apartments within the B3 Commercial Core zone.
7	Amend NSDCP 2013 in accordance with the recommendations of this Strategy and the planning proposal to amend NSLEP 2013.
8	Ensure that adequate future provisions are made for a mechanism to capture value share from development within the B4 Mixed Use zone and within the Ward Street Precinct as defined by the Ward Street Masterplan 2017.
9	Amend NSLEP 2013 to remove clauses relating to railway infrastructure and limitations on future commercial floor space development.
10	Amend NSLEP 2013 to allow development on commercial sites less than 1000 m2. Impose a building height limit of 45m to such sites.



4

Implementation





Recommendation

- Apply new height controls to B3 Commercial

 Core sites in accordance with the future indicative height map at Section 3.2.5.
- Consider planning proposals for sites within the B4 Mixed Use zone, based on the future indicative height map at Section 3.2.5.
- Apply a new height variation control based on the maintenance of at least two hours of solar access to residential properties outside of the North Sydney CBD.
- Remove the Elizabeth Plaza, Blue Street, and Tower Square special areas.
- Apply special area status to the rear of 100 Pacific Highway.
- Prohibit development for the purposes of serviced apartments within the B3 Commercial Core zone.
- Amend NSDCP 2013 in accordance with the recommendations of this Strategy and the planning proposal to amend NSLEP 2013.
- Ensure that adequate future provisions are made for a mechanism to capture value share from development within the B4 Mixed Use zone and within the Ward Street Precinct as defined by the Ward Street Masterplan 2017.
- Amend NSLEP 2013 to remove clauses relating 9 to railway infrastructure and limitations on future commercial floor space development.
- Amend NSLEP 2013 to allow development on commercial sites less than 1000 m2. Impose a building height limit of 45m to such sites.

The table below indicates the mechanism via which the final recommendations listed in Section 3.10.2 will be implemented.

Implementation Mechanism	Expected Timing
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Developer-led planning proposal process.	Assessment and processing times vary. 9-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Draft NSDCP amendment to relevant clauses of Part B Section 2 Commercial and Mixed Use Development and Part C Section 2 North Sydney Planning Area.	Amendment will be prepared once this Strategy and planning proposal are adopted. Exhibited concurrently with planning proposal. 6-12 months.
Policy document to be prepared or form part of the North Sydney CBD Public Domain Strategy. For Ward Street Precinct, Masterplan process to provide policy and process guidance.	Public Domain Strategy 6-12 months. Ward Street Masterplan 6-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
Council-initiated planning proposal to amend NSLEP 2013.	Initiation May 2017. Estimated process time to gazettal - 9-12 months.



Appendix 1:

Council Report and Resolution 20 March 2017



DECISION OF 3689th COUNCIL MEETING HELD ON 20 MARCH 2017

50. CiS05: North Sydney Centre Capacity and Land Use Study - Post-Exhibition Report

Report of Brad Stafford, Executive Planner Metro Project and Katerina Papas, Graduate Strategic Planner

A capacity and land use study was undertaken for the North Sydney Centre, as part of the wider North Sydney Centre Review, initiated in 2014. The draft Capacity and Land Use Study (Attachment 1) seeks primarily to explore and assess mechanisms to increase commercial floor space capacity within the Centre. The draft Study also included a review of the North Sydney Centre's special areas, recommending the removal of two areas and the addition of a new special area.

The draft Study was adopted by Council at its meeting of 24 October 2016 for the purposes of public exhibition. A total of 35 submissions were received during and after the exhibition period, which ran from 3 November 2016 to 15 December 2016.

This is an interim report prior to finalisation of the draft Study, providing a background overview of the Capacity and Land Use Study, a summary of submissions and a response to each, and additional detail regarding certain key issues and future directions required to finalise the Study.

It is expected that a final Strategy will be reported to an upcoming Council meeting, accompanied by a planning proposal to amend NSLEP 2013 and a draft amendment to DCP 2013 to give effect to the final Strategy.

A copy of submissions has been made available in the Councillors' Room.

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

Recommending:

- **1. THAT** Council note the submissions and staff response;
- **2. THAT** additional consideration be given to matters detailed in this report, particularly Directions 1-6 as follows:
- 1.1 DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.
- 1.2 DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.
- 1.3 DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues
- 1.4 DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre
- 1.5 DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.
- 1.6 DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.
- **3. THAT** a final Capacity and Land Use Strategy and associated draft LEP 2013 and DCP 2013 amendments be prepared and reported to Council.

Ms Yvette Carr addressed Council.

The Motion was moved by Councillor Baker and seconded by Councillor Barbour.

Councillor	Yes No		Councillor	Yes	No
Gibson	Y		Beregi	Y	
Reymond	Y		Barbour	Y	
Clare	Y		Morris	Absent	
Baker	Y		Marchandeau	Y	
Carr	Absent		Bevan	Y	

RESOLVED:

- 1. THAT Council note the submissions and staff response;
- **2. THAT** additional consideration be given to matters detailed in this report, particularly Directions 1-6 as follows:
- 1.1 DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.
- 1.2 DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.
- 1.3 DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues
- 1.4 DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre
- 1.5 DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.
- 1.6 DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.
- **3. THAT** a final Capacity and Land Use Strategy and associated draft LEP 2013 and DCP 2013 amendments be prepared and reported to Council.

NORTH SYDNEY COUNCIL REPORTS



Report to General Manager

Attachments:

1. Submissions Summary Table

2. Capacity and Land Use Study October 2016 (as exhibited)

SUBJECT: North Sydney Centre Capacity and Land Use Study – Post-Exhibition Report

AUTHOR: Brad Stafford, Executive Planner Metro Project and Katerina Papas, Graduate Strategic Planner

ENDORSED BY: Joseph Hill, Director City Strategy

EXECUTIVE SUMMARY:

A capacity and land use study was undertaken for the North Sydney Centre, as part of the wider North Sydney Centre Review, initiated in 2014. The draft Capacity and Land Use Study (Attachment 1) seeks primarily to explore and assess mechanisms to increase commercial floor space capacity within the Centre. The draft Study also included a review of the North Sydney Centre's special areas, recommending the removal of two areas and the addition of a new special area.

The draft Study was adopted by Council at its meeting of 24 October 2016 for the purposes of public exhibition. A total of 35 submissions were received during and after the exhibition period, which ran from 3 November 2016 to 15 December 2016.

This is an interim report prior to finalisation of the draft Study, providing a background overview of the Capacity and Land Use Study, a summary of submissions and a response to each, and additional detail regarding certain key issues and future directions required to finalise the Study.

It is expected that a final Strategy will be reported to an upcoming Council meeting, accompanied by a planning proposal to amend NSLEP 2013 and a draft amendment to DCP 2013 to give effect to the final Strategy.

A copy of submissions has been made available in the Councillors' Room.

FINANCIAL IMPLICATIONS:

Nil

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

(2)

RECOMMENDATION:

- 1. THAT Council note the submissions and staff response;
- **2. THAT** additional consideration be given to matters detailed in this report, particularly Directions 1-6 as follows;
 - 2.1. DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.
 - 2.2. DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.
 - 2.3. DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues
 - 2.4. DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre
 - 2.5. DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.
 - 2.6. DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.
- **3. THAT** a final Capacity and Land Use Strategy and associated draft LEP 2013 and DCP 2013 amendments be prepared and reported to Council.

Report of Brad Stafford, Executive Planner Metro Project and Katerina Papas, Graduate Strategic Planner

Re: North Sydney Centre Capacity and Land Use Study – Post-Exhibition Report

(3)

LINK TO DELIVERY PROGRAM

The relationship with the Delivery Program is as follows:

Direction: 3. Our Economic Vitality

Outcome: 3.1 Diverse, strong, sustainable and vibrant local economy

Outcome: 3.2 North Sydney is one of Australia's largest commercial centres

Direction: 5. Our Civic Leadership

Outcome: 5.1 Council leads the strategic direction of North Sydney

BACKGROUND

1.1 Strategic Context

The North Sydney Centre Capacity and Land Use Study forms part of Council's comprehensive North Sydney Centre Planning Review.

The aim of the North Sydney Centre Planning Review is to identify and implement policies and strategies to ensure that the North Sydney Centre retains and strengthens its role as a key component Sydney's global economic arc, remains the principle economic engine of Sydney's North Shore, and becomes a more attractive, sustainable and vibrant place for residents, workers and businesses.

1.2 Catalyst for Study

The Capacity and Land Use Study was undertaken as a policy response to the following key drivers:

- Council has a statutory obligation to review its North Sydney Centre controls upon approval of an additional 200,000m² of commercial floor space is approved (reached in 2015);
- State government metropolitan planning requires employment and housing growth within the North Sydney LGA; and
- Proposed new public transport infrastructure presents opportunities will improve the amenity, accessibility and competitiveness of the North Sydney Centre.

1.3 Objectives

The Capacity and Land Use Study is the final component of the wider Review, and seeks to:

- Develop a framework that allows for the growth of the North Sydney Centre to ensure it maintains and improves its status as a resilient, vibrant and globally relevant commercial centre;
- Accommodate forecast demand for additional commercial floor space in the North Sydney Centre;
- Inform and respond to district planning, particularly employment and commercial floor space targets for the North Sydney Centre;
- Take advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure;
- Offset commercial floor space losses in the mixed use zone of the Centre;
- Identify residential development opportunities in the mixed use periphery; and

(4)

• Identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.

At its meeting on 24 October 2016, Council adopted the draft Study, without amendment, for the purposes of public exhibition.

1.4 Recommendations of Study

The Capacity and Land Use Study recommended that the following strategies be implemented to help achieve the above objectives:

Strategy 1

Apply new height controls to the North Sydney Centre based on the following:

- A 10 am to 2 pm restriction on additional overshadowing to residential land outside of the North Sydney Centre; and
- The continued prohibition of additional overshadowing to land identified as special areas under NSLEP 2013.
- Any other measure identified as a result of further detailed consideration

Strategy 2

Apply new height controls via the following mechanisms:

- B3 Commercial Zone New heights controls will be applied via a Council-initiated planning proposal.
- B4 Mixed Use

The achievement of potential additional height identified by the Study will be subject to the consideration of a proponent-initiated planning proposal, where appropriate land uses and development mix can be assessed and assured.

Strategy 3

- Amend the Special Areas Map of NSLEP 2013 to remove Blue Street and Elizabeth Plaza special areas and add the green space at the rear of 100 Pacific Highway.
- Revisit Miller Street Central and Tower Square special areas to align with the public domain outcomes of the Victoria Cross Metro station.
- Review Berry Square as part of the Ward Street Masterplan

Strategy 4

Prohibit the development of serviced apartments within the B3 Commercial Core zone.

Strategy 5

Undertake a review of North Sydney DCP 2013 Part B Section 2 Commercial Development and Part 3 Section 2 North Sydney Planning Area Character Statement, to further consider built form issues within the Centre.

(5)

1.5 Special Areas Review

The Study included, as an appendix, a review of all areas within the North Sydney Centre identified by NSLEP 2013 as 'special areas'. The purpose of the Review was to assess the relative value or contribution of existing special areas to the amenity of the North Sydney Centre, and to ascertain whether they should continue to be protected under existing policy settings.

Recommendation 1: Retain Special Areas

The following outdoor spaces, as identified under NSLEP2013, are recommended to be retained as special areas:

- Miller Street (North);
- Miller Street (Central);
- Tower Square;
- Berry Street (West);
- Berry Square (subject to further detailed consideration in Ward Street Masterplan);
- Doris Fitton Park:
- Greenwood Plaza;
- Brett Whitely Place; and
- Don Bank Museum*.

*Don Bank Museum is not technically a special area but is subject to similar provisions and protection as valuable publicly accessible space serving the North Sydney Centre.

Recommendation 2: Remove Special Areas

The following special areas, as identified under NSLEP 2013, are recommended to be removed as their existing shadow and context does not qualify their status as special areas:

- Elizabeth Plaza: and
- Blue Street Plaza.

Recommendation 3: Add New Special Areas

It is recommended that the park located on the western portion of 100 Pacific Highway, directly adjacent to the Don Bank Museum, become a new special area. Both this site and the Don Bank Museum are identified important open spaces in the Education Precinct Planning Study (2015). The value of these spaces is expected to increase with the scheduled upgrades to Charles and Napier Streets currently underway.

Recommendation 4: Further Consideration

The review recommends the following amendments to NSLEP 2013, pending North Sydney Centre strategic policy outcomes:

- Tower Square: Review the status of the Tower Square special area once the built form and public domain outcomes of the Sydney Metro are known.
- Miller Street (Central): Consideration should be given to potentially expanding the Miller Street (Central) special area in accordance with Sydney Metro public domain outcomes.
- Victoria Cross Plaza: Consideration should be given to potentially identifying Victoria Cross Plaza a special area, pending Sydney Metro and North Sydney Centre Public Domain Strategy outcomes.

(6)

• Ward Street Precinct: Review existing special areas and investigate opportunities for new special areas in line with the outcomes of the Ward Street Precinct Masterplan.

Recommendation 5: Minor Variations

Prepare a Planning Proposal to amend NSLEP 2013 to enable consideration to be given for the recladding or other cosmetic upgrades of existing buildings that seek to improve their appearance in the North Sydney Centre, provided such proposals do not constitute additional floor space.

2 PUBLIC EXHIBITION AND SUBMISSIONS

2.1 Public Exhibition

The Capacity and Land Use Study was publicly exhibited from Thursday 3 November 2016 to Thursday 15 December 2016. Public consultation during this time included the following:

- Notification in the Mosman Daily;
- Approximately 9,400 letters sent to owners and residents in and around the North Sydney Centre:
- A presentation to the Combined Precincts Committee and written notification to all Precincts;
- An 8-page summary brochure made available on-line and in hard copy;
- A dedicated exhibition web page including all documentation, contact information and online submission form; and
- Hard copy documentation at made available for viewing at Council Chambers and Stanton Library.

The Study was also the subject of a Mosman Daily article published on 17 November 2016.

2.2 Submissions Overview

A total of 35 submissions were received, including several lodged after the formal exhibition period. The key themes of the submissions can be generally characterised as follows:

- Concerns regarding potential losses of amenity to land within and outside of the North Sydney Centre;
- The identification of specific amendments required to realise development outcome on particular sites within the North Sydney Centre; and
- Comments or concerns regarding the wider strategic approach recommended by the Study.

Section 2.3 provides a summary of and response to all submissions, while Section 3 provides further detailed consideration of key or complex matters raised during public exhibition.

2.3 Submissions Summary and Response

Attachment 1 summarises each submission received (in order of lodgement) and provides a response and recommended action where applicable. The table also specifies matters which are subject to further detailed consideration in Section 3. In accordance with Council policy, names and addresses of public submitters are not provided.

(7)

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council's Community Engagement Protocol.

The recommendations of the Study include a significant amendment to the basis upon which planning controls for the North Sydney Centre are developed and applied. This will necessitate the engagement of a broad range of stakeholders, including land owners, residents and commercial entities.

SUSTAINABILITY STATEMENT

The sustainability implications were considered and reported on during the initiation phase of this project.

3 FURTHER DETAILED CONSIDERATION

3.1 Introduction

This section considers several matters in further detail, either raised in the submissions or brought to light since the draft Study was finalised for exhibition purposes.

The following key issues are discussed in this section:

- Capacity Study summary and clarifications
- Height of buildings
- Variation controls
- Interface issues
- Limits to additional commercial floor space
- Special areas
- Opportunity sites
- Sydney Metro
- Ward Street Masterplan
- Voluntary planning agreements and mixed use development

3.2 Capacity Study Summary and Clarification

Architectural consultants SJB Architects were engaged to undertake a future capacity analysis. A number of hypothetical planning scenarios were undertaken to assess both the potential impact on floor space capacity within the North Sydney Centre, and the viability or acceptability of certain potential planning interventions.

The tests are summarised below:

- Base Case a business as usual scenario used as a basis for relative comparison of each scenario and its potential to accommodate growth;
- Test 1 removal of the LEP 2013 'special area' controls;

(8)

- Test 2 removal of LEP 2013 controls relating to small sites;
- Test 3 removal of LEP 2013 height of buildings controls;
- Test 3A a refinement of Test 3 to apply a level of market reality;
- Test 4 the application of new height controls based on revised solar access parameters to special areas and residential land outside the North Sydney Centre; and
- Test 4A refinement of Test 4.

Clarification and Use of Capacity Data

Two submissions noted a small number of discrepancies in the capacity data provided in Section 5.2 of the Study. For clarification, the table below provides the correct figures. The noted discrepancies are considered to have no material impact on the outcomes or recommendations of the Study, and should not have caused a fundamental misunderstanding of the objectives or relative outcomes of each test.

It is noted that existing GFA figures were derived from the 3D model created for the capacity testing. As such, it differs from the actual estimated GFA within the North Sydney Centre (822,496m² commercial GFA - Property Council of Australia, January 2017). This is the result of applying a standard methodology to convert the gross building area (GBA) of a 3D model to a gross floor space area (GFA) figure – it is not possible to capture the true variations between GBA and GFA on individual sites across the North Sydney Centre.

It is, therefore, important to note the limitations of the GFA figures in the table below, which should be viewed as a basis from which tests were compared. As such, the percentages are of greater importance in estimating potential capacity uplift of each test.

It is also noted that there were some instances where, as a result of the methodology applied to the tests, certain sites were excluded from tests that are known to either actually or potentially contribute to future increases in commercial floor space in the Centre. These include 100 Mount Street and the Sydney Metro site.

	Existing	Base Case	Test 1	Test 2	Test 3	Test 3A	Test 4	Test 4A
Total GFA	1,142,524	1,537,369	1,837,924	1,570,421	3,331,282	2,067,194	1,990,664	1,684,800
Commercial GFA	908,192	1,290,988	1,567,300	1,336,089	2,964,426	1,689,129	1,743,009	1,437,145
Residential GFA	234,332	246,381	270,624	234,332	366,856	378,066	247,655	247,655
Additional GFA	-	394,845	695,400	427,897	2,188,758	924,670	848,140	542,276
Commercial GFA	-	382,796	659,108	427,897	2,056,234	780,937	834,817	528,953
Residential GFA	-	12,049	36,292	0	132,524	143,734	13,323	13,323

(9)

	Existing	Base Case	Test 1	Test 2	Test 3	Test 3A	Test 4	Test 4A
Total GFA	1,142,524	1,537,369	1,837,924	1,570,421	3,331,282	2,067,194	1,990,664	1,684,800
Total GFA Uplift (above existing)	-	35%	61%	37%	192%	81%	74%	47%
Commercial	-	42%	73%	47%	226%	86%	92%	58%
Residential	-	5%	15%	0%	57%	61%	6%	6%
Total Additional GFA (above Base Case)	-	-	300,555	33,052	1,793,913	529,825	467,600	140,486
%	-	-	20%	2%	117%	34%	30%	9%
Total Additional Commercial GFA (above Base Case) %	-	-	21%	3%	130%	31%	35%	11%

Capacity Review Outcomes

As a basis for unlocking additional floor space capacity in the North Sydney Centre, tests 1 to 3 were not considered to deliver both a theoretical increase in floor space nor respect the established principles that seek to protect amenity both inside and outside the Centre.

Test 4 was based on the application of a restriction on additional overshadowing to special areas and residential land outside the North Sydney Centre between 10 am and 2 pm at the Winter solstice. This scenario was considered to have the potential to achieve the unlocking of additional floor space capacity within the North Sydney Centre, whilst avoiding wholesale changes to established principles of environmental and amenity protection.

This test then set the basis from which an indicative future height control map was developed (see Section 7.6 of draft Study).

Regional Planning Context

Since preparation and exhibition of the draft Study, the NSW Government has placed on public exhibition a draft North District Plan, prepared by the Greater Sydney Commission. The draft North District Plan details the priorities and actions required to realise the objectives and strategies of the *A Plan for Growing Sydney*.

The draft Plan sets out that the North Sydney Centre will accommodate an increase in employment floor space of between 26% and 34% above existing over the next 20 years. This

(10)

represents (using a reasonably conservative figure of 15m² per worker) an increase of between 175,000 and 225,000m² of commercial floor space.

Given the limitations of the future capacity analysis and the feasibility testing undertaken, it is difficult to assess the preferred approach outlined in this report as to its ability to deliver on the above targets. It is noted, however, that there is evidence to suggest that the commercial market is improving, and that the demand for commercial floor space, coupled with improvements in the overall attractiveness of North Sydney, will assist in the meeting of these targets.

3.3 Protecting Amenity

North Sydney Council has an established tradition of protecting residential properties outside of the North Sydney Centre from the impacts of a growing North Sydney Centre, especially in terms of solar access and overshadowing. The premise of the Capacity and Land Use Study has been to unlock additional commercial floor space capacity in the CBD, but maintain a reasonable standard of solar amenity protection to surrounding areas.

Several submissions related to the potential impacts of increased floor space and overshadowing in and around the North Sydney Centre. It is acknowledged that given its context within a major commercial CBD, there will be some impact on residential development both within and outside of the Centre as a result of the CBD's growth.

SEPP 65 and Part B Section 2.3 and 2.4 to NSDCP 2013 contains provisions regarding residential amenity, including solar access, views, visual privacy and setbacks provisions. Should development of surrounding sites occur, the application of these provisions are designed to provide for a reasonable and accepted level of amenity for residents.

Special provisions beyond those provided by the above mentioned protections are considered an unreasonable constraint of development within a growing central business district that will continue to perform an important employment and economic function within the Sydney Metropolitan Area.

Sections 3.4 and 3.5 explore this matter further in terms of the application of and response to the 10-2 approach.

3.4 Height of Buildings

Basis of 10-2 Approach

As outlined in Section 3.2, the Capacity Study presented a map (see below) of potential building heights that were based on a planning approach restricting additional overshadowing of special areas within the North Sydney Centre, and residential property outside it between the hours of 10 am and 2 pm on the 21 June.

The rationale of this approach is that the height limits currently applied to the North Sydney Centre are based on a composite shadow map that formed part of LEP 2001. The Composite Shadow Map illustrated shadows cast by the Centre between 9 am and 3 pm, 21 June. The current height controls under LEP 2013 are essentially a translation of that map into heights, expressed as reduced levels (RLs - metres above sea level).

(11)

Potentially re-setting height controls to reflect a 10-2 additional overshadowing restriction are considered to represent a supportable balance between unlocking capacity and maintaining a level of amenity protection that has been the foundation of past and present controls.

Application of 10-2 Approach

The map below was developed by applying the 10-2 approach across all sites within the North Sydney Centre, as opposed to Test 4 of the capacity scenarios, which, owing to the methodology applied, discounted numerous sites from inclusion in the test.

The objective of this mapping exercise was to ascertain what this approach may look like and how its impact on height controls may be spatially distributed. The 3D model opposite gives an indication of the spatial outcomes of the approach, with potential uplift distributed unevenly throughout the Centre.

The recommendations of the Study made clear that whilst this was considered an appropriate basis from which to develop height controls, the indicative heights of Section 7.6 of the Study would be subject to further refinement. The following sections discuss some of the key issues that need to be addressed in developing a final strategy and planning proposal for the Centre.

Response to 10-2 Approach

Submissions received during public exhibition are detailed in Section 2 of this Report. Generally, submissions regarding the 10-2 approach fell into two categories:

- Those concerned with any potential loss to amenity, particularly from residential land, that the approach may cause; and
- Those referring to specific sites, particularly those not benefiting from any potential uplift as a result of the approach.

With regard to amenity, it should be noted that the 10-2 approach concerns itself only with solar access. It is acknowledged that the term 'amenity' can be applied to a number of different measures contributing to the liveability of a place.

As noted, the 10-2 approach created most potential uplift in building height controls towards the east of the CBD. The buffer provided by the Warringah Freeway ensures that whilst there is potential for additional overshadowing (to a maximum of one additional hour mid-winter), the impact of this would be mitigated, owing to the distance between new development and affected properties.

A number of submissions were received regarding the lack of additional potential for sites at the southern end of the CBD. This is due to 10 am to 2 pm shadows falling to the south of the CBD. Given the proximity of residential land in Lavender Bay to the North Sydney CBD, the relative lack of potential uplift is considered appropriate. Notwithstanding this, Sections 3.5 and 3.9 discuss options whereby some flexibility may improve opportunities for increased floor space in the southern portion of the CBD, whilst ensuring a minimum level of solar access to nearby residential land.

Report of Brad Stafford, Executive Planner Metro Project and Katerina Papas, Graduate Strategic Planner

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Shore School

Submission 2 outlined concerns regarding the potential overshadowing of Shore School as a result of the application of the 10-2 approach. The figures below give an indication of the potential shadow outcomes as created by the indicative height modelling undertaken. A more refined version of this approach – discounting unlikely built form outcomes – is also provided.

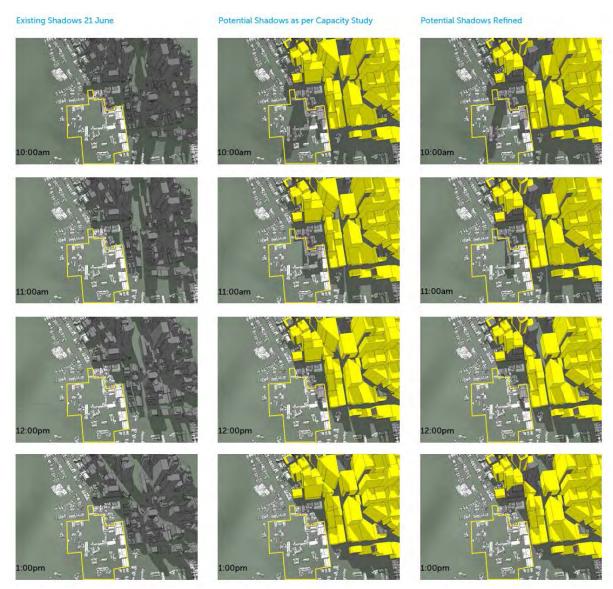
The submission stated that the potential building height controls identified in the Capacity Study will have unacceptable impacts on the school grounds and buildings. The mid-winter analysis below shows:

- Existing shadows;
- Potential shadows as per the exhibited capacity study; and
- A more refined potential shadow outcome.

The third scenario is provided, as the potential shadows model exaggerates potential increases in overshadowing, for the following reasons:

- The unlikelihood of 40 Mount Street (Coca Cola Place) being redeveloped in the short or medium term;
- The unlikelihood or inability of 100 Miller Street (Northpoint) to build a tower on the southern portion of that site).

(13)



Mid-Winter potential solar analysis, Shore School.

The refined scenario therefore has the potential building height envelopes removed on the above two sites.

It is noted also that the yellow building height envelopes are modelled to all boundaries on each site, therefore illustrating a very unlikely worst case built form scenario.

The modelling demonstrates that Shore School enjoys good solar access from 10 am. The potential shadows as per the Capacity Study heights produce reasonably significant potential additional shadows on some of the site until approx. 1 pm.

The refined block model at far right indicates that at worst, the site may potential be impacted by a tower built at 1 Wheeler Lane. A relatively fast moving tower shadow from this site would cease to impact the site by approx. 1 pm.

(14)

DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.

1.5 Variation Controls

Clause 6.3(3) of North Sydney LEP 2013 provides that:

Development consent for development on land to which this Division applies may be granted for development that would exceed the maximum height of buildings shown for the land on the Height of Buildings Map if the consent authority is satisfied that any increase in overshadowing between 9 am and 3 pm is not likely to reduce the amenity of any dwelling located on land to which this Division does not apply.

Adopting a 10-2 approach to derive height controls would necessitate an amendment to this clause.

One submission at least, however, raised the prospect of a variation control being developed to better align with established amenity controls, particularly those under the State Government's Apartment Design Guide and SEPP65. Specifically, it was suggested that a height variation control could allow for the variation of building heights, but only where it could be demonstrated that a dwelling (and associated private space) would not receive less than two hours of direct solar access between 9am and 3pm on 21 June, as a result of any additional overshadowing caused by a proposed development.

Applying a variation clause of this type has merit for two reasons – it would potentially 'unlock' certain development that may, for example, cause additional overshadowing between 10-2 to a residential property, but where that property currently enjoys significant amounts of solar access and may not be disproportionately impacted by a decrease in that direct solar access. Similarly, a site that enjoys more limited solar access would be protected to ensure a minimum level of solar access amenity.

It is noted that, historically, clause 6.3(3) has been applied in a reasonably conservative manner by Council. Where proposed variations are considered significant, proponents have been urged to pursue changes to the planning controls via the planning proposal process.

DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.

3.6 Interface Issues

The blanket application of the 10-2 approach produced an indicative height map, illustrated above in Section 3.4. It was advised in the Study that those indicative heights would be subject to further detailed consideration, particularly where sites interface directly with lower-scale and residential properties outside of the North Sydney Centre (but may not overshadow those properties).

(15)

Both LEP 2013 and DCP 2013 contain objectives regarding the principle of a general stepping down of building heights from the centre of the CBD to the periphery. This principle is still considered important in preserving the amenity of adjoining low scale development, and should be applied particularly where overshadowing constraints do not facilitate the meeting of that principle.

The final Capacity and Land Use Strategy and any accompanying planning proposal will reflect a more detailed consideration and application of this principle to sites where the broad application of the 10-2 approach has produced unreasonable or unsupportable results on the indicative height map.

<u>Identified Sites requiring further consideration</u>

Through the exhibition process, a number of sites have been identified that require further consideration in terms of their adherence to the principle above. Key sites include:

• 50 & 52 McLaren Street

These properties are located at the northern boundary of the North Sydney Centre, and directly adjoin both large scale development and low-scale properties. Submission 33 presents an argument for further increases in permissible height to that indicated under the exhibited Study.

The site is subject to an existing 2011 JRPP development approval that allows a building height on the larger No.52 site above that of the existing LEP 2013 height controls. It is considered that the indicative height controls produced by the 10-2 approach produce unsupportable potential height and scale outcomes on the site.

The site was the subject of much consideration during the preparation of LEP 2013, with Council maintaining that the height controls under LEP 2013 (when in draft form) were the most appropriate heights for that site, given its proximity to the adjacent low scale and heritage buildings on Miller Street, the Wenona School campus to the north, and the Civic precinct to the west.

The final Capacity and Land Use Strategy will reflect further consideration of the most appropriate height control for the site in this context.

• 1 McLaren Street

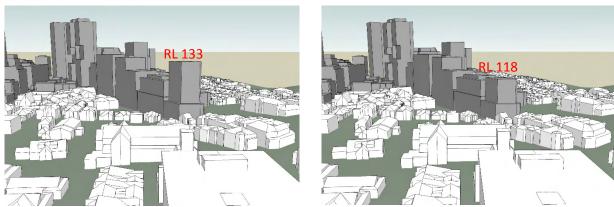
Submission 13 raised concerns with the indicative height control identified in Section 7.6 of the Study for 1 McLaren Street, primarily those of potential overshadowing of a rooftop garden at 245 Pacific Highway and issues relating to urban design and scale.

The site is located at the northern boundary of the North Sydney Centre. The LEP 2013 height control for the site is RL106, with that control increasing on neighbouring sites towards the centre of the CBD. The site is surrounded by lower scale 1-2 storey buildings, with the exception of the apartment building to the south.

Preliminary modelling suggests that a reduction in potential height to RL 118 may better

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address interface issues relating to scale and produce a more suitable built form outcome within its context. A building to this height would also ensure compliance with solar access provisions under Part B Section 2.3 of NSDCP 2013.



3D Model screen shot of potential building envelopes at 1 McLaren Street, as viewed from the north.

• 1 Wheeler Lane

The existing telephone exchange site receives an increase in potential building height under the 10-2 approach from RL 105 at the rear portion of the site, to RL 245. The indicative height limit at the front portion of the site increases from RL 150 to RL 171 under the Study.



1 Wheeler Lane as viewed from Oak Street.

Additional consideration is required as to whether a building height limit of around 165m on the rear portion of this site is supportable, given its proximity to single storey residential properties in Oak Street.

• 10 and 12 Mount Street

(17)

The indicative height control across these sites represents an 18m increase over existing LEP 2013 controls. Number 10 Mount Street directly adjoins two storey dwellings on Edward Street. Consideration needs to be given to splitting the indicative height controls on the sites to ensure an appropriate scale is maintained.



10 and 12 Mount Street (behind tree line) as viewed from Mount Street.

Design Excellence Panel

It is recommended that the Design Excellence Panel is consulted on the matter of interface issues and scale at the North Sydney Centre's boundaries.

DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues

3.7 Floor Space Limitations

The maximum additional floor space of 250,000 m² under LEP 2013, based on the carrying capacity of North Sydney Railway Station, represents a barrier to future commercial growth in the Centre. The arrival of the Sydney Metro line and Victoria Cross station renders this restriction redundant.

Council is working with TfNSW and the DPE to remove this restriction. It is expected that the planning proposal that accompanies the final strategy will contain provisions for the removal of all relevant railway contribution clauses.

DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre

3.8 Special Areas

The Special Areas Review formed an appendix to the Capacity and Land Use Study. The key recommendations of the Review included the removal of the Elizabeth Place Special Area and the Blue Street Special Area. A new special area at the rear of 100 Pacific Highway, adjacent to the Don Bank Museum, was also recommended.

Submissions relating to the Blue Street Special Area are addressed in Section 2 of this report.

(18)

In summary, the removal of the plaza's special area status is supported, due to the limited solar access the site receives. Amenity of surrounding land, particularly nearby residential zones, will be maintained, as no increase in the height control on the site is recommended.

One submission was received regarding the Berry Street West special area (between Pacific Highway and Miller Street). Submission 20 in Section 2 of this Report details the submission and the response. The submission demonstrated that significant development potential exists on the site, if special areas controls were to apply only to mid-winter and not all year round.

Whilst acknowledging the efforts made to demonstrate mid-winter solar compliance, it is considered that the all year-round solar protection of special areas serves an important amenity protection function in the North Sydney Centre. Amending controls to suit particular built form outcomes on certain special areas is not supported.

In summary, the special area is recommended for retention, owing primarily to its excellent solar access and future potential as a place of high pedestrian amenity and activity, particularly in light of its potential role linking Metro to the Education Precinct in future. It is prudent to apply a cautious approach to this special area, with potential to revisit the matter once the outcomes of Council's Public Domain Strategy and the Sydney Metro are known.

No submissions were received regarding the proposed removal of the Elizabeth Place Special Area.

3.9 Opportunity Sites

Several submissions have provided more detailed modelling on specific sites which demonstrate additional capacity under a 10-2 approach than that shown in the indicative height control map of Section 7.6 of the Study. The ability for more detailed modelling being able to demonstrate additional capacity is acknowledged. The methodology undertaken to derive heights, outlined above in Section 3.4, used whole-of-site envelopes when modelling potential height. On some sites, particularly large ones, there may be instances where breaches of the applied controls apply to only a small portion of the site. The methodology was unable in most cases to provide the level of detail to reflect these modelling outcomes. By 'splitting' sites for the purposes of height mapping, additional capacity may exist, along with the potential to more accurately reflect this in the controls.

As outlined in Section 3.5, controls exist in the LEP to provide some flexibility in considering variations to height controls, provided certain environmental outcomes are met as part of the DA assessment process. However, variation controls have been quite conservatively applied in the past during the development assessment process and are not considered to represent an avenue to demonstrate significant additional development potential. Relying on variation clauses also creates a level of uncertainty for property owners and other stakeholders in terms of development yield and expectations.

It is considered that a future planning proposal to give effect to an adopted final strategy should, wherever possible, give the most accurate representation of development standards under the preferred approach.

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The following sites have been identified through the exhibition and post-exhibition period as having additional commercial floor space capacity beyond that presented in the exhibited Study. The planning proposal and final strategy presented to Council will reflect the additional modelling and policy work that is currently being undertaken.

• 73 Miller Street

Modelling has been provided showing that a more nuanced building envelope could avoid additional overshadowing of the Greenwood Plaza special area and provide an additional amount of building height across the majority of the site.

• 76 Berry Street

Initial modelling suggests that a significant portion of this site could achieve additional height under a refined building envelope. This site falls within the Ward Street Precinct. Any uplift in development potential may be subject to a voluntary planning agreement to aid the achievement of the objectives of the Ward Street Masterplan (see Section 3.12).

• Sydney Metro Site, Miller Street

For the purposes of height modelling, this large site was split into three height zones. Initial testing suggests that splitting the northern portion of the site again may provide a more accurate reflection of a 10-2 solar access approach, i.e. increased height potential at the corner of Miller and Berry Streets.

The public exhibition of a planning proposal giving effect to an adopted final strategy is likely to result in further detailed modelling of individual sites being submitted. Insofar as this gives a more accurate reflection of development potential under a 10-2 solar access approach, such submissions will be welcomed and considered.

DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.

3.10 Sydney Metro

The site of the future Victoria Cross Metro station represents an opportunity for significant additional commercial floor space within the North Sydney CBD. Existing LEP 2013 prohibitions, however, severely curtail potential development outcomes on the site. Section 3.7 outlined one of these prohibitions – the floor space cap that currently applies to the North Sydney Centre.

The other limitation is the Tower Square special area. This special area applies to the land at the southern portion of the Metro site known as Tower Square. The building is proposed to be demolished as part of the Metro project, thus rendering the special area obsolete. As any over station development is severely curtailed by this special area, a future planning proposal will include the removal of the Tower Square special area.

It may, depending on confirmation of Transport for NSW's project timetable for over station

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development, be advisable that a separate planning proposal be prepared to enable assessment of development proposals on the Metro site in line with the objectives of the final endorsed strategy. It is unclear at the moment as to the necessity of this direction.

As per the recommendation of the Special Areas Review, the adjoining Miller Street special area will remain in place and be revisited once the built form and public domain outcomes of the Metro project are known.

DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.

3.11 Relationship to Ward Street Masterplan

The draft Ward Street Masterplan was publicly exhibition from 26 January to 10 March 2017. The Capacity and Land Use Study's indicative height control exercise included sites within the Ward Street Precinct for demonstrative purposes, but indicated that sites within the Precinct would be subject to more detailed consideration during the masterplan process. This further consideration relates to height controls for certain opportunity sites.

It is expected that a planning proposal giving effect to the final adopted Capacity and Land Use Study will defer sites within the Ward Street Precinct from the planning proposal, pending that further detailed consideration.

3.12 Voluntary Planning Agreements

As per the recommendations of the exhibited Capacity and Land Use Study, it is proposed that a planning proposal giving effect to a final adopted strategy will include, amongst other provisions, changes to height controls based on the 10-2 approach for sites zoned B3 Commercial Core within the North Sydney Centre (not including sites within the Ward Street Precinct).

In a competitive market for commercial floor space, decisions to redevelop in North Sydney's commercial centre will be aided by Council increasing certainty for landowners and investors. Preparing a planning proposal that identifies increased height limits on B3 – Commercial Core zoned land consistent with the Study will provide such certainty and facilitate the growth and rejuvenation of the Centre that the Study seeks to achieve. The planning proposal will not contain changes to height controls on land zoned B4 Mixed Use.

In relation to land zoned B4 Mixed Use in and around the Ward Street Masterplan area, increases in development yield based on the 10-2 approach will be subject to a proponent-led planning proposal process. Such a process will seek to capture developer contributions (or works in kind), via a voluntary planning agreement, for key public domain and land use works proposed by the Ward Street Masterplan.

Value sharing in this manner has worked well in St Leonards and Crows Nest for largely residential development. This approach acknowledges that large scale residential

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redevelopment in Sydney is characterised by different economic cycles to commercial development and is more likely to sustain a value sharing approach to increases in density and height.

The implementation approaches identified in the Study have the benefits of increasing the likelihood of attracting commercial investment to the Centre in a timely manner, whilst sharing in value increases from mixed use development that will represent benefits to the Centre's infrastructure.

The Ward Street Masterplan will identify all sites that will be subject to this value sharing process. A final adopted Capacity and Land Use Strategy will identify clear public benefits that mixed use sites outside of the Ward Street Precinct will be asked to contribute to which will seek to embellish Council infrastructure investment to make the Centre a more attractive and inviting place in the longer term.

4 CONCLUSION

The draft Capacity and Land Use Study has been publicly exhibited. A final Capacity and Land Use Strategy will now be prepared reflecting the directions and further required consideration outlined in Sections 2 and 3 of this Report.

Draft amendments to LEP 2013 and DCP 2013 will also be prepared to give effect to the final Strategy.



Appendix 2:

Council Report and Resolution 1 May 2017



DECISION OF 3690th COUNCIL MEETING HELD ON 1 MAY 2017

102. CiS06: North Sydney CBD Capacity and Land Use Strategy and Planning Proposal

(This matter was considered en globo. See page 86)

Report of Brad Stafford, Executive Planner Metro Project

The draft North Sydney Centre Capacity and Land Use Study was prepared to explore opportunities for growth in order to improve the Centre's employment capacity, its resilience and vibrancy as well as its investment attractiveness.

After Council endorsement, the Study was publicly exhibited in November and December of 2016. At its meeting of 20 March 2017, Council adopted a post-exhibition report, resolving, among other things, to produce a final Capacity and Land Use Strategy document and associated Planning Proposal to amend North Sydney Local Environmental Plan (NSLEP) 2013.

This report and Attachment 1 detail the additional consideration undertaken as a result of Council's 20 March 2017 resolution, and presents a final North Sydney CBD Capacity and Land Use Strategy.

In addition, in accordance with the recommendations of both Council's 20 March 2017 resolution and the attached North Sydney CBD Capacity and Land Use Strategy, a Planning Proposal has been prepared (Attachment 2) that seeks to amend NSLEP 2013 by amending certain planning controls as they relate to the North Sydney Centre.

The attached Planning Proposal:

- Generally complies with the relevant Local Environment Plan making provisions under the Environmental Planning & Assessment Act 1979; and
- Generally complies with the Department of Planning's 'A guide to preparing planning proposals' (August 2016);

The Planning Proposal will give statutory effect to the Strategy and is recommended to be forwarded to the Department of Planning and Environment for Gateway Determination.

Should a gateway determination be issued enabling public exhibition, both the Planning Proposal and informing North Sydney CBD Capacity and Land Use Strategy will be publicly exhibited in accordance with that determination.

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

Recommending:

- **1. THAT** Council adopts the North Sydney CBD Capacity and Land Use Strategy at Attachment 1.
- **2. THAT** Council adopts the Planning Proposal at Attachment 2 to give statutory effect to the Strategy.
- **3. THAT** the Planning Proposal and relevant accompanying information be forwarded to the Department of Planning and Environment seeking a Gateway Determination.

Councillor	Yes	No	Councillor	Yes	No
Gibson	Y		Beregi	Y	
Reymond	Y		Barbour	Abs	sent
Clare	Abs	sent	Morris	Abs	sent
Baker	Y		Marchandeau	Y	
Carr	Y		Bevan	Y	

RESOLVED:

- **1. THAT** Council adopts the North Sydney CBD Capacity and Land Use Strategy at Attachment 1.
- **2. THAT** Council adopts the Planning Proposal at Attachment 2 to give statutory effect to the Strategy.
- **3. THAT** the Planning Proposal and relevant accompanying information be forwarded to the Department of Planning and Environment seeking a Gateway Determination.

NORTH SYDNEY COUNCIL REPORTS



Report to General Manager

Attachments:

North Sydney CBD Capacity and Land Use Strategy
 Planning Proposal

SUBJECT: North Sydney CBD Capacity and Land Use Strategy and Planning Proposal

AUTHOR: Brad Stafford, Executive Planner Metro Project

ENDORSED BY: Joseph Hill, Director City Strategy

EXECUTIVE SUMMARY:

The draft North Sydney Centre Capacity and Land Use Study was prepared to explore opportunities for growth in order to improve the Centre's employment capacity, its resilience and vibrancy as well as its investment attractiveness.

After Council endorsement, the Study was publicly exhibited in November and December of 2016. At its meeting of 20 March 2017, Council adopted a post-exhibition report, resolving, among other things, to produce a final Capacity and Land Use Strategy document and associated Planning Proposal to amend North Sydney Local Environmental Plan (NSLEP) 2013.

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The Planning Proposal will give statutory effect to the Strategy and is recommended to be forwarded to the Department of Planning and Environment for Gateway Determination.

Should a gateway determination be issued enabling public exhibition, both the Planning Proposal and informing North Sydney CBD Capacity and Land Use Strategy will be publicly exhibited in accordance with that determination.

FINANCIAL IMPLICATIONS:

Nil

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

RECOMMENDATION:

- **1.THAT** Council adopts the North Sydney CBD Capacity and Land Use Strategy at Attachment 1.
- **2.THAT** Council adopts the Planning Proposal at Attachment 2 to give statutory effect to the Strategy.
- **3.THAT** the Planning Proposal and relevant accompanying information be forwarded to the Department of Planning and Environment seeking a Gateway Determination.

LINK TO DELIVERY PROGRAM

The relationship with the Delivery Program is as follows:

Direction: 3. Our Economic Vitality

Outcome: 3.1 Diverse, strong, sustainable and vibrant local economy

Outcome: 3.2 North Sydney is one of Australia's largest commercial centres

Direction: 5. Our Civic Leadership

Outcome: 5.1 Council leads the strategic direction of North Sydney

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council's Community Engagement Protocol.

It is not recommended that the North Sydney CBD Capacity and Land Use Strategy be publicly exhibited prior to the seeking of a gateway determination for the attached Planning Proposal. The attached Capacity and Land Use Strategy contains no significant departures from the recommendations of the exhibited Capacity and Land Use Study and subsequent directions of Council's 20 March 2017 resolution.

In any case, both the Planning Proposal and the North Sydney CBD Capacity and Land Use Strategy will be publicly exhibited once a gateway determination has been issued by the Department of Planning and Environment, enabling submissions to be made on both documents.

SUSTAINABILITY STATEMENT

The sustainability implications were considered and reported on during the initiation phase of this project.

1. Background - Capacity and Land Use Study

1.1 Strategic Context

The North Sydney Centre Capacity and Land Use Study (together with attached final Strategy document) forms the final component of Council's comprehensive North Sydney Centre Planning Review.

The aim of the North Sydney Centre Planning Review is to identify and implement policies and strategies to ensure that the North Sydney Centre retains and strengthens its role as a key component Sydney's global economic arc, remains the principle economic engine of Sydney's North Shore, and becomes a more attractive, sustainable and vibrant place for residents, workers and businesses.

1.2 Objectives

The Capacity and Land Use Study sought to:

- Develop a framework that allows for the growth of the North Sydney Centre to ensure
 it maintains and improves its status as a resilient, vibrant and globally relevant
 commercial centre;
- Accommodate forecast demand for additional commercial floor space in the North Sydney Centre;
- Inform and respond to district planning, particularly employment and commercial floor space targets for the North Sydney Centre;
- Take advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure;
- Offset commercial floor space losses in the mixed use zone of the Centre;
- Identify residential development opportunities in the mixed use periphery; and
- Identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.

1.3 Recommendations of Study

The Capacity and Land Use Study recommended that the following strategies be implemented to help achieve the above objectives:

Strategy 1	Apply new height controls to the North Sydney Centre based on the following:	
	• A 10 am to 2 pm restriction on additional overshadowing to residential land outside of the North Sydney CBD; and	
	• The continued prohibition of additional overshadowing to land identified as special areas under NSLEP 2013.	
	Any other measure identified as a result of further detailed consideration	
Strategy 2	Apply new height controls via the following mechanisms:	
	B3 Commercial Zone	
	New heights controls will be applied via a Council-initiated planning proposal.	
	B4 Mixed Use	
	The achievement of potential additional height identified by the Study will be subject to the consideration of a proponent-initiated planning proposal, where appropriate land uses and development mix can be assessed and assured.	
Strategy 3	 Amend the Special Areas Map of NSLEP 2013 to remove Blue Street and Elizabeth Plaza special areas and add the green space at the rear of 100 Pacific Highway. 	
	• Revisit Miller Street Central and Tower Square special areas to align with the public domain outcomes of the Victoria Cross Metro station.	
	Review Berry Square as part of the Ward Street Masterplan	
Strategy 4	Prohibit the development of serviced apartments within the B3 Commercial Core zone.	
Strategy 5	Undertake a review of North Sydney DCP 2013 Part B Section 2 Commercial Development and Part 3 Section 2 North Sydney Planning Area Character Statement, to further consider built form issues within the Centre.	

1.4 Special Areas Review

The exhibited Study included, as an appendix, a review of all areas within the North Sydney Centre identified by NSLEP 2013 as 'special areas'. The purpose of the Review was to assess the relative value or contribution of existing special areas to the amenity of the North Sydney Centre, and to ascertain whether they should continue to be protected under existing policy settings.

Key recommendations of the Review included the removal of the Blue Street and Elizabeth Plaza special areas, and the addition of a new special area at the rear of 100 Pacific Highway, North Sydney.

1.5 Council Adoption October 2016

At its meeting on 24 October 2016, Council adopted the draft Capacity and Land Use Study, without amendment, for the purposes of public exhibition.

1.6 Public Exhibition and Post-Exhibition Report to Council

The Capacity and Land Use Study was publicly exhibited from Thursday 3 November 2016 to Thursday 15 December 2016.

A total of 35 submissions were received, with key themes of the submissions generally characterised as follows:

- Concerns regarding potential losses of amenity to land within and outside of the North Sydney Centre;
- The identification of specific amendments required to realise development outcome on particular sites within the North Sydney Centre; and
- Comments or concerns regarding the wider strategic approach recommended by the Study.

At its meeting of 20 March 2017, Council considered a post-exhibition report and resolved:

- 1. THAT Council note the submissions and staff response;
- 2. THAT additional consideration be given to matters detailed in this report, particularly Directions 1-6 as follows:
 - 1.1 DIRECTION 1: Apply the 10 am to 2 pm solar access protection approach to set the basis for changes to LEP 2013 height limits for properties within the B3 Commercial zone.
 - 1.2 DIRECTION 2: Further consider amending Clause 6.3 of LEP 2013 to apply height variation controls based on ensuring a minimum of two hours solar access between 9 am and 3 pm to residential properties outside the North Sydney Centre, consistent with the provisions of the Apartment Design Guidelines.
 - 1.3 DIRECTION 3: Review indicative height controls for several sites identified in section 3.6 Interface Issues
 - 1.4 DIRECTION 4: Continue to work with the DPE and TfNSW to remove existing restrictions on new commercial floor space within the North Sydney Centre

1.5 DIRECTION 5: Ensure that height controls accurately reflect development potential of commercially zoned sites, and wherever possible, avoid the need for significant variations through the DA process.

1.6 DIRECTION 6: Take necessary steps to ensure that the potential for the Sydney Metro site to realise significant additional commercial floor space is facilitated in a timely manner.

3. THAT a final Capacity and Land Use Strategy and associated draft LEP 2013 and DCP 2013 amendments be prepared and reported to Council.

1.7 Note on Terminology

The term 'North Sydney Centre' is proposed to be replaced by 'North Sydney CBD' (Central Business District) within the final Strategy document. This represents a step towards greater consistency between Council's policy documentation and marketing material. The term 'CBD' as used here refers to the whole of North Sydney Centre as defined by NSLEP 2013, including land zoned *B4 Mixed Use*. NSLEP 2013 will maintain the use of the term 'North Sydney Centre' and may be amended at a later date.

2. North Sydney CBD Capacity and Land Use Strategy

2.1 Introduction

A final Strategy document has been prepared in accordance with the 20 March 2017 Council resolution and forms Attachment 1 to this report. The Strategy details the work and consideration undertaken in response to that resolution, in particular the directions detailed within it, resulting in a final set of recommendations for implementation.

2.2 Strategy Development

Section 3 of the Capacity and Land Use Strategy provides detailed responses to the following key matters raised either in or during public exhibition of the Capacity and Land Use Study, and in doing so informs the development of the Strategy's final recommendations:

- Height of Buildings;
- Small Sites;
- Serviced Apartments;
- Floor Space Limitations and Railway Contributions;
- Ward Street Masterplan;
- Sydney Metro; and
- Value Sharing.

Amendments, refinements or departures from the exhibited Study proposed as a result of directions or further detailed consideration are detailed in Section 3 of the Strategy. These include:

- A refined indicative height control map based on the consideration undertaken in Section 3.2 (Section 3.2.5);
- Clarification of proposed amendments to special areas (Section 3.3);
- Refinement of the proposed small sites control relaxation (Section 3.4);
- Proposed changes to floor space limitations and railway contributions (Section 3.6);
- Further consideration of the Sydney Metro site (Sections 3.2.4 and 3.8); and
- Further consideration of proposed value sharing arrangements.

${\bf 2.3~Recommendations~and~Implementation}$

The Capacity and Land Use Strategy at Attachment 1 makes the following final recommendations and outlines expected implementation mechanisms and timings. The table to Section 4.1 of the Strategy is reproduced below:

	Recommendation	Implementation Mechanism	Expected Timing
1	Apply new height controls to B3 Commercial Core sites in accordance with the future indicative height map at Section 3.2.5.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal – 9-12 months.
2	Consider planning proposals for sites within the B4 Mixed Use zone, based on the future indicative height map at Section 3.2.5.	Developer-led planning proposal process.	Assessment and processing times vary. 9-12 months.
3	Apply a new height variation control based on the maintenance of at least two hours of solar access to residential properties outside of the North Sydney CBD.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
4	Remove the Elizabeth Plaza, Blue Street, and Tower Square special areas.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
5	Apply special area status to the rear of 100 Pacific Highway.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
6	Prohibit development for the purposes of serviced apartments within the B3 Commercial Core zone.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.
7	Amend NSDCP 2013 in accordance with the recommendations of this Strategy and the planning proposal to amend NSLEP 2013.	Draft NSDCP amendment to relevant clauses of Part B Section 2 Commercial and Mixed Use Development and Part C Section 2 North Sydney Planning Area.	Amendment will be prepared once this Strategy and planning proposal are adopted. Exhibited concurrently with planning proposal. 6-12 months.
8	Ensure that adequate future provisions are made for a mechanism to capture value share from development within the B4 Mixed Use zone and within the Ward Street Precinct as defined by the Ward Street Masterplan 2017.	Policy document to be prepared or form part of the North Sydney CBD Public Domain Strategy. For Ward Street Precinct, Masterplan process to provide policy and process guidance.	Public Domain Strategy 6- 12 months. Ward Street Masterplan 6- 12 months.
9	Amend NSLEP 2013 to remove clauses relating to railway infrastructure and limitations on future commercial floor space development.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.

	Recommendation	Implementation Mechanism	Expected Timing
10	Amend NSLEP 2013 to allow development on commercial sites less than 1000 m2. Impose a building height limit of 45m to such sites.	Council-initiated planning proposal to amend NSLEP 2013. (Attachment 2)	Initiation May 2017. Estimated process time to gazettal - 9-12 months.

3. Planning Proposal

Attachment 2 represents a planning proposal giving effect to the relevant recommendations of the above table in Section 3.3 of this report.

3.1 Proposed LEP Amendment

The principle purpose of the Planning Proposal (refer to Attachment 2) is to amend NSLEP 2013 such that it incorporates the recommended outcomes of the North Sydney Centre Planning Review. In particular, it is proposed to implement the recommendations of the attached *North Sydney Capacity and Land Use Strategy* which seeks to:

- Prohibit development for the purposes of 'serviced apartments' within the *B3 Commercial Core* zone;
- Apply new height controls to the North Sydney Centre based on the following:
 - Maintaining solar access to residential land outside of the North Sydney Centre between 10am to 2pm; and
 - o The continued prohibition of additional overshadowing to land identified as 'Special Areas'.
- Enable development to occur on sites less than 1000sqm, but only where new development does not exceed 45m in height;
- Remove clauses relating to the provision of railway infrastructure within the North Sydney Centre;
- Remove clauses relating to the restriction on the amount of additional commercial floor space that can be accommodated within the North Sydney Centre;
- Removal of the Elizabeth Plaza, Blue Street, and Tower Square 'Special Areas';
- Applying a 'Special Area' to the rear of 100 Pacific Highway;

The intent of the Planning Proposal can be achieved by:

- Removing 'serviced apartments' from the list of permissible uses in the *B3 Commercial Core* zone to the Land Use Table;
- Amending the Height of Building Map to NSLEP 2013 to increase the maximum building height limit on the following sites, consistent with the *North Sydney Land Use and Capacity Strategy*:
 - o 122,132, 140 and 146 Arthur Street, North Sydney
 - o 65 and 77-81 Berry Street, North Sydney;
 - o 1 Denison Street, North Sydney;
 - o 54, 60, 73, 155-167, 181, 187 and 189 Miller Street, North Sydney;
 - o 40, 60, 80, 90, 99, 100, 104, 107, 118 Mount Street, North Sydney;
 - o 100 and 177 Pacific Highway, North Sydney;

- o 86, 88, 99, 100, 107, 110, 118, 121, 122, 123, 124, 141, 153 and 157 Walker Street, North Sydney; and
- o 1 Wheeler Lane, North Sydney;
- Amending the North Sydney Centre Map to NSLEP 2013 by:
 - o adding a special area to the rear of 100 Pacific Highway;
 - o removing the special areas:
 - to 155-167 Miller Street (Tower Square), with the exception of a 6m wide strip across the western frontage to Miller Street;
 - to the Elizabeth Plaza road reserve; and
 - to 5 Blue Street.
- Amending clause 6.1 such that the objectives of Division 1 to Part 6 better relate to the provisions contained within that Division.
- Amending clause 6.3 to:
 - o Ensure the objectives and provisions of the clause align with the outcomes of the *North Sydney Land Use and Capacity Strategy* by preventing adverse overshadowing impacts occurring to important public places within the North Sydney Centre and to minimise overshadowing impacts to residential development and open space areas located outside of the North Sydney Centre; and
 - o Restrict the development of sites less than 1000sqm in area to 45m in height.
- Deletion of clause 6.5 in its entirety.

3.2 Planning Proposal Structure

The Planning Proposal (Refer to Attachment 2) is generally in accordance with the requirements under Section 55(2) of the Environmental Planning and Assessment Act 1979 and the Department of Planning and Environment's (DPE) 'A guide to preparing planning proposals' (August 2016). In particular, the Planning Proposal adequately sets out the following:

- A statement of the objectives or intended outcomes of the proposed local environmental plan;
- An explanation of the provisions that are to be included in the proposed local environmental plan;
- Justification for those objectives, outcomes and provisions and the process for their implementation; and
- Details of the community consultation that is to be undertaken on the Planning Proposal.

3.3 Justification of the Planning Proposal

The proposed LEP amendment seeks to implement the recommendations of the *North Sydney Capacity and Land Use Strategy* which outlines the importance of removing the existing restrictions on commercial development within the North Sydney Centre as a means to achieving regional, sub-regional and local strategic plans.

3.4 Other Matters

Past experience has indicated that it can take up to 6 months to obtain the appropriate approvals from the Commonwealth Department of Infrastructure and Regional Development and Sydney Airport Corporation with regard to satisfying the requirements of Direction 3.5 to the s.117 Directions. Therefore, to minimise any delays in getting the Planning Proposal on public exhibition, it is recommended that Council forward a copy of the adopted Planning Proposal to

these two bodies currently with the request to the Department of Planning for a Gateway Determination.

4. Amendment to North Sydney Development Control Plan 2013

There will, as a result of the recommendations of the North Sydney CBD Capacity and Land Use Strategy and associated Planning Proposal, be a need to amend NSDCP 2013. Draft amendments will be prepared to ensure consistency between Strategy, Statutory and Policy documents.

It is expected that a draft amendment to NSDCP 2013 will be prepared following Council's adoption of the attached Strategy and Planning Proposal, and be publicly exhibited concurrently with those documents once a gateway determination has been issued by the Department of Planning and Environment.

5. Other Relevant Plans and Strategies

It is acknowledged that the effects of the Planning Proposal attached to this report to give effect to the objectives of the Strategy, will only generally deliver those components of the urban landscape that are relevant to the private domain. To more holistically plan for the future of the North Sydney CBD, Council staff are currently in the early stages of preparing documentation for the following:

North Sydney CBD Public Domain Strategy

The Public Domain Strategy will seek to integrate the private and public domain and investigate improvements to the latter. A draft Strategy is expected to be completed by Q4 2017.

North Sydney CBD Transport Masterplan

The Transport Masterplan will seek to exploit and build on the benefits of Metro by enhancing the walking, cycling and public transport usability and attractiveness of the Centre. A consultant team has been engaged, with a draft strategy expected by Q3 2017.

These component strategies will complement the Planning Proposal that has resulted from the North Sydney CBD Capacity and Land Use Strategy and assist in delivering its objectives.

6. Conclusion

The North Sydney CBD Capacity and Land Use Strategy (Attachment 1) represents the final component of the North Sydney Centre Planning Review.

In accordance with the recommendations of the Strategy, Council officers have prepared a Planning Proposal to amend NSLEP 2013 to give effect to the Strategy.

The relevant requirements under section 55 of the EP&A Act and the matters identified in the Department of Planning's 'A guide to preparing planning proposals' (August 2016) have been adequately addressed in the Planning Proposal. The proposal is appropriate and is adequately justified.

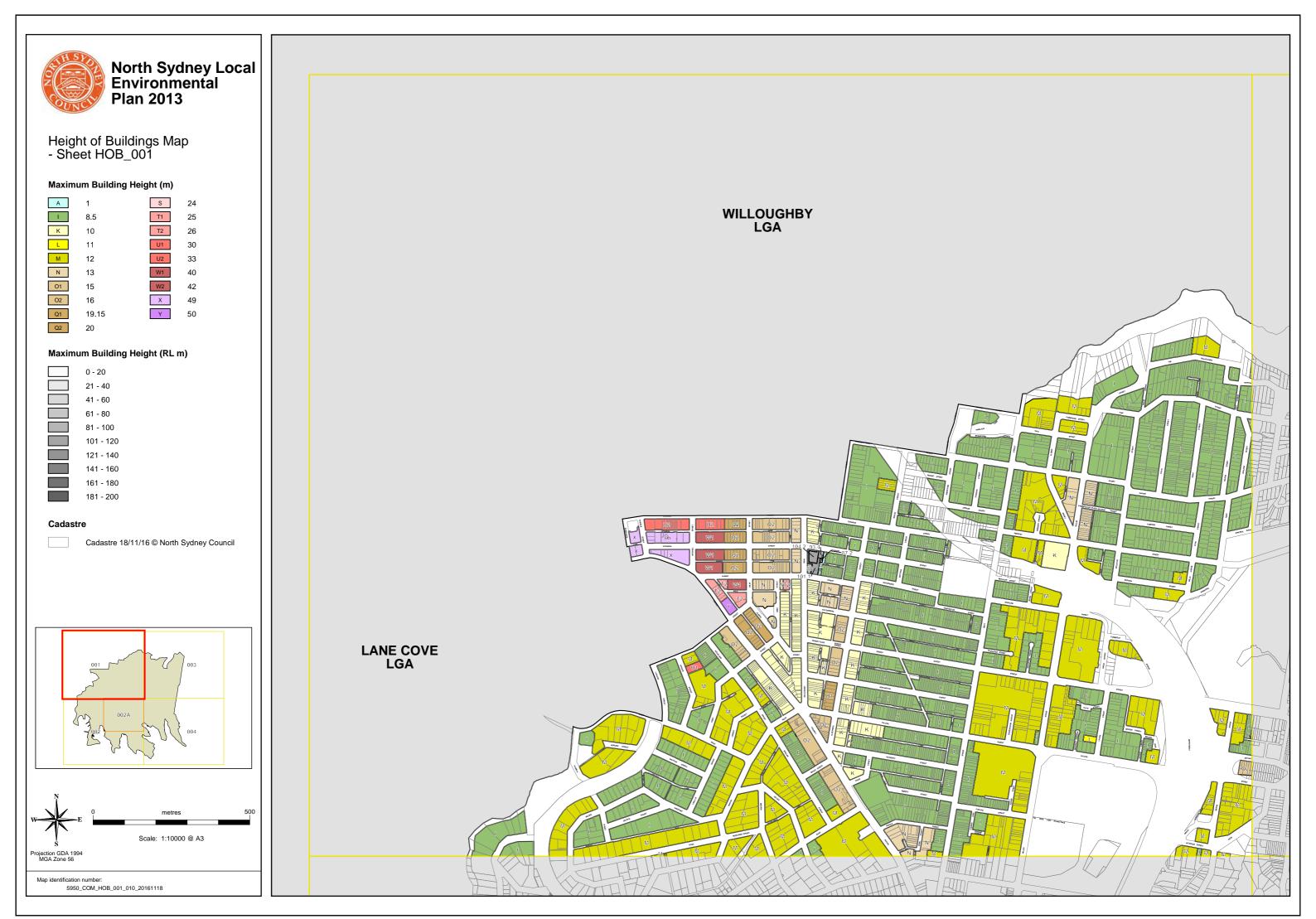
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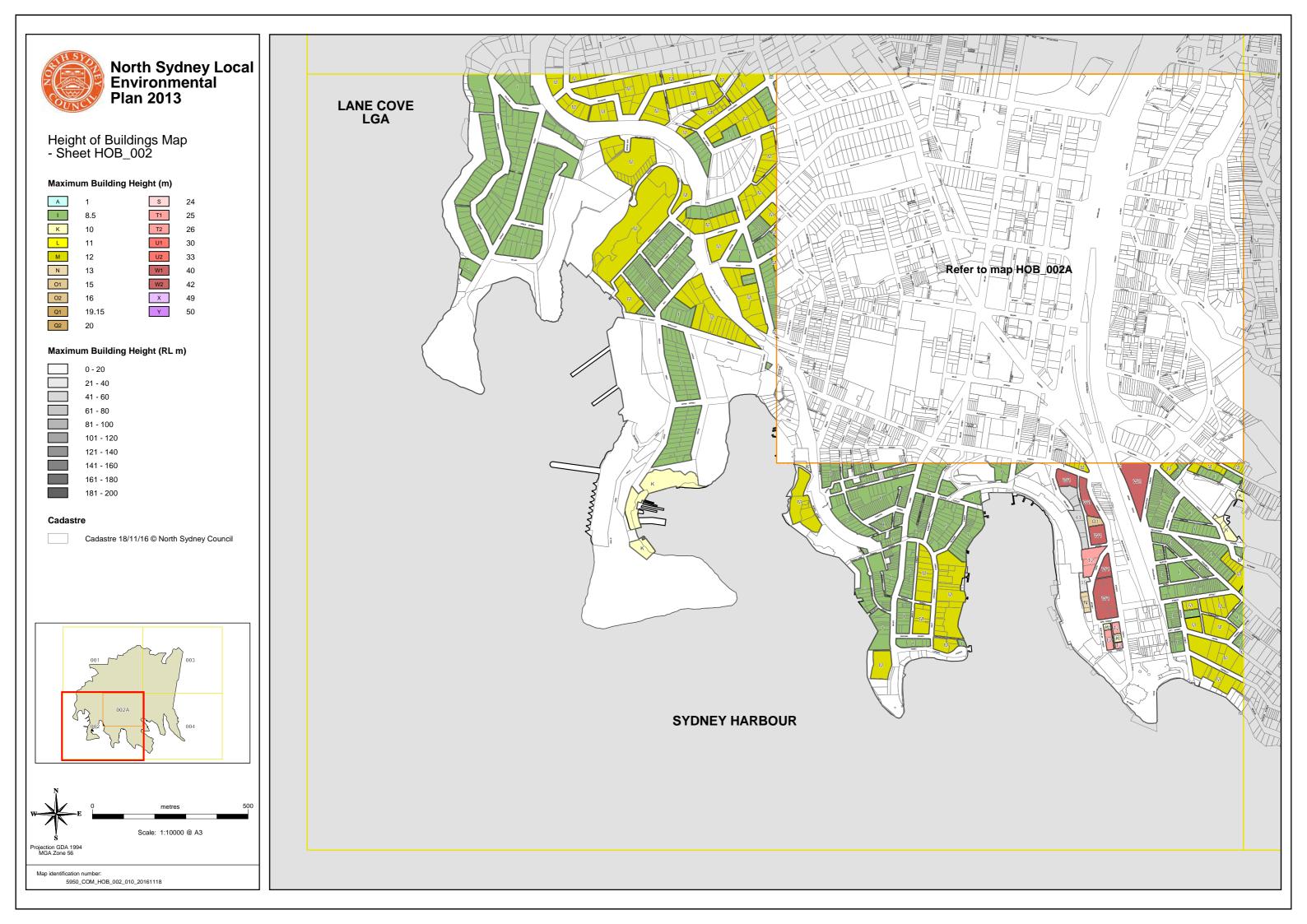
It is therefore recommended that Council support the forwarding of the Planning Proposal to the Department of Planning and Environment, seeking a Gateway Determination under section 56 of the EP&A Act 1979.

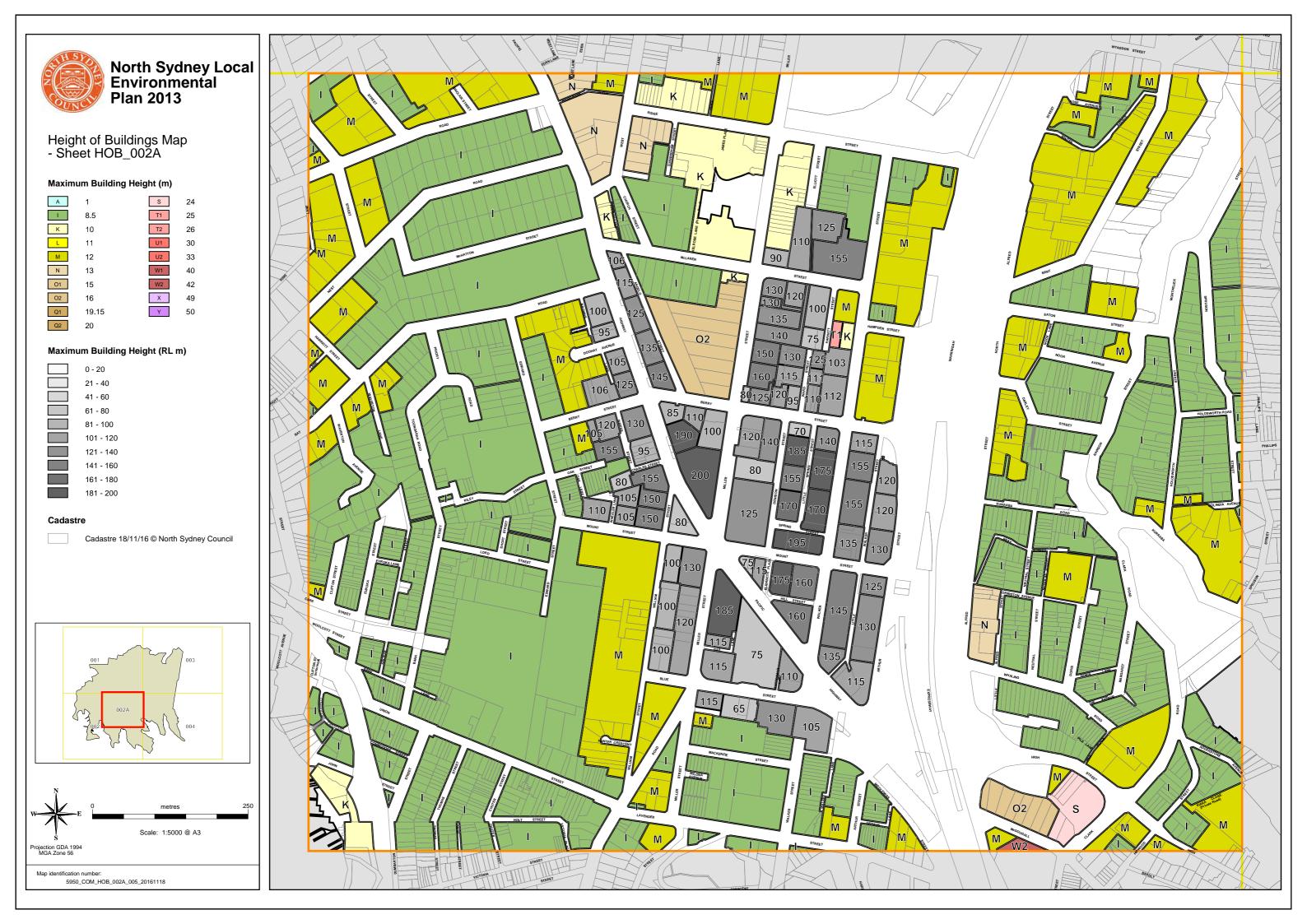


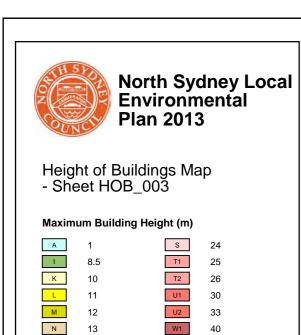
ANNEXURE B

- Existing Height of Buildings Map Sheets







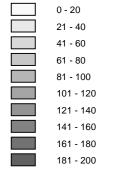


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Maximum Building Height (RL m)



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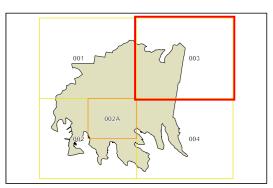
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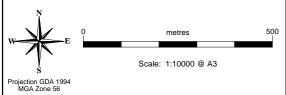
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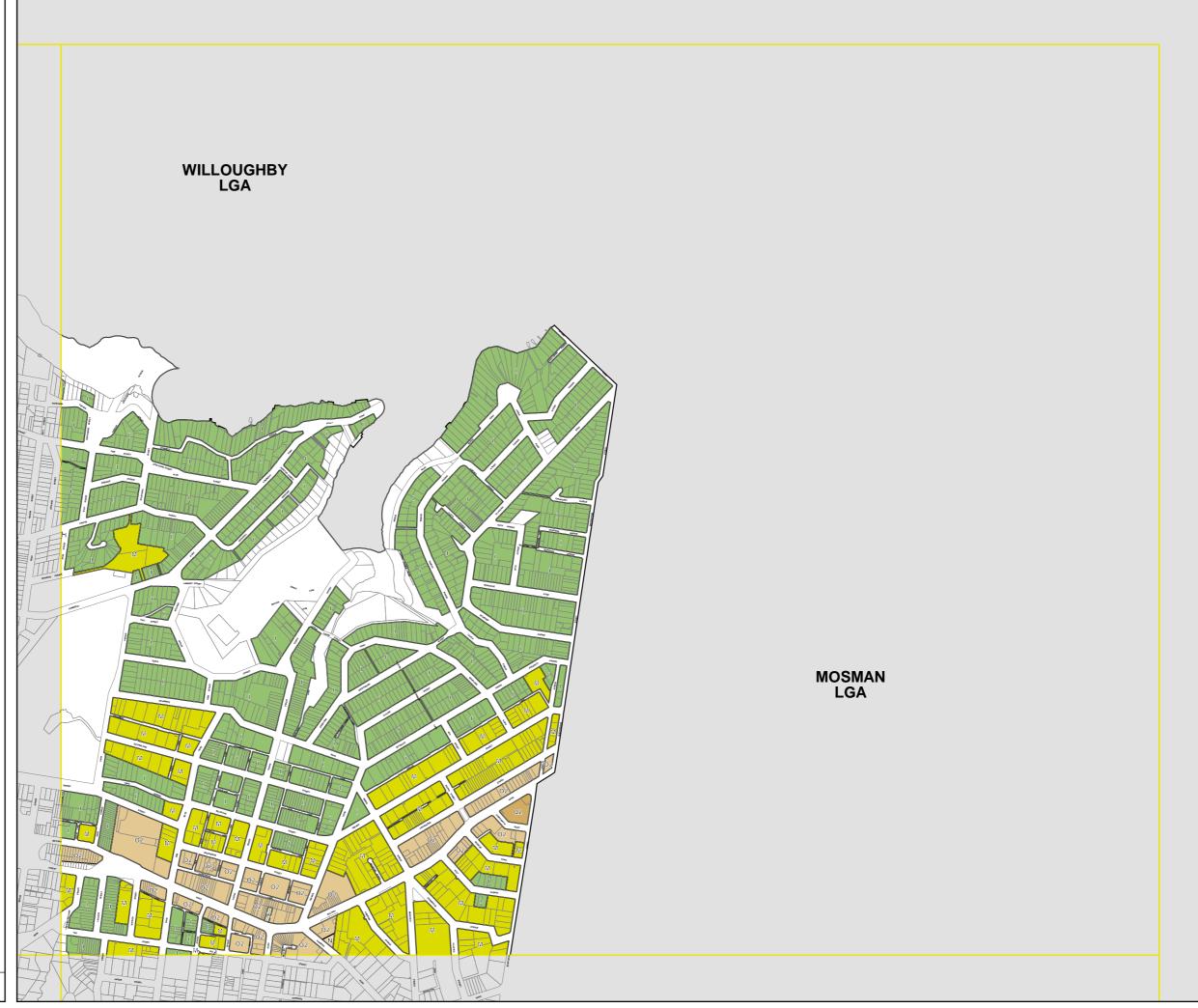
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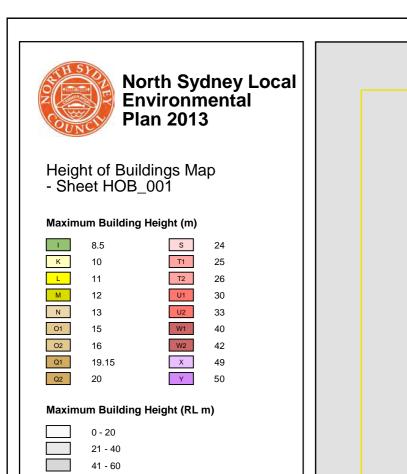
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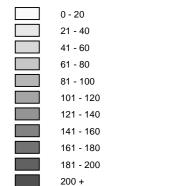




ANNEXURE C

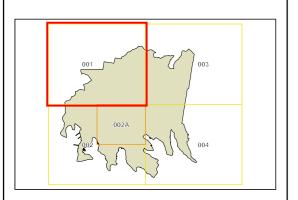
- Proposed Height of Buildings Map Sheets

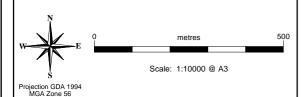




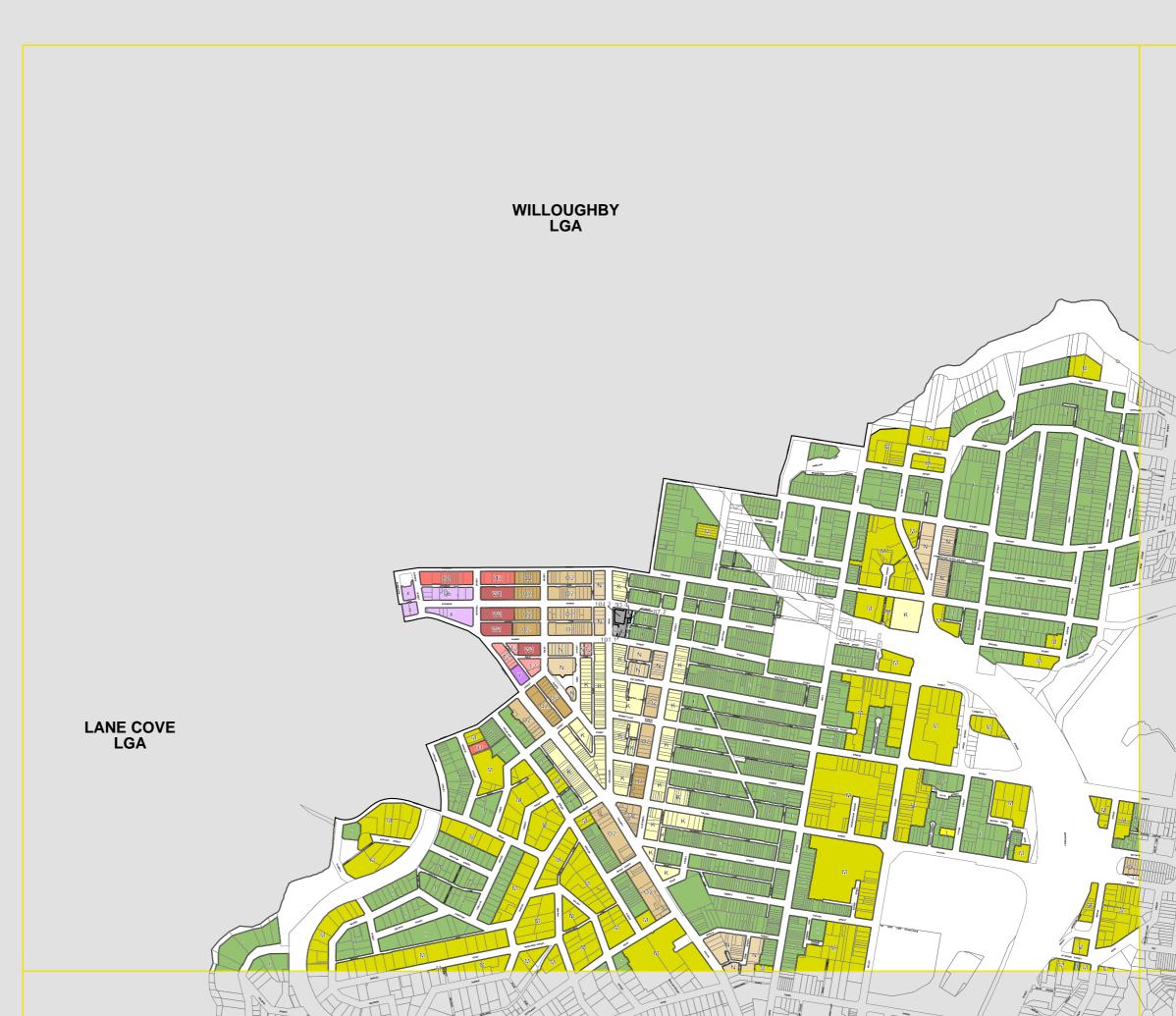
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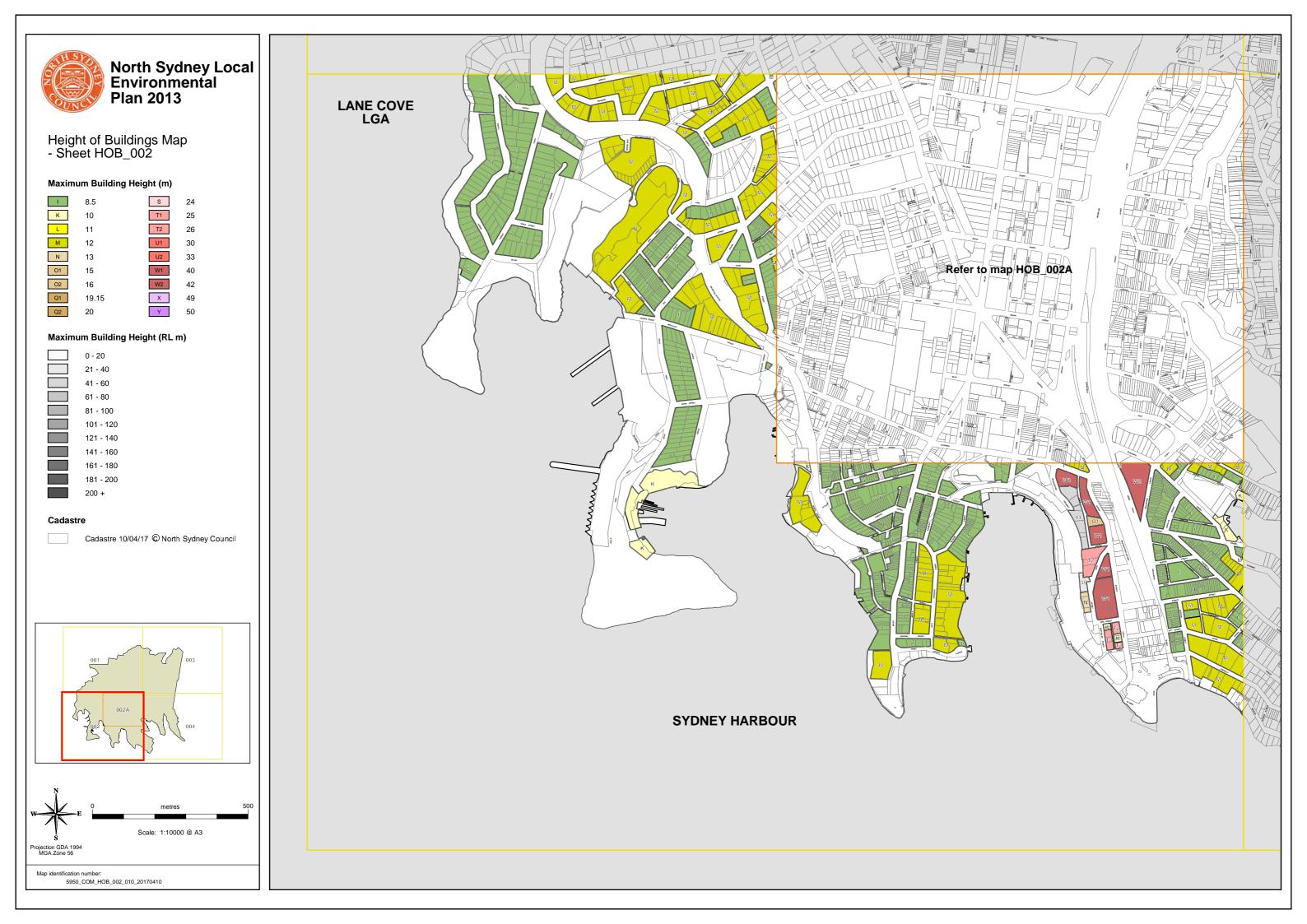
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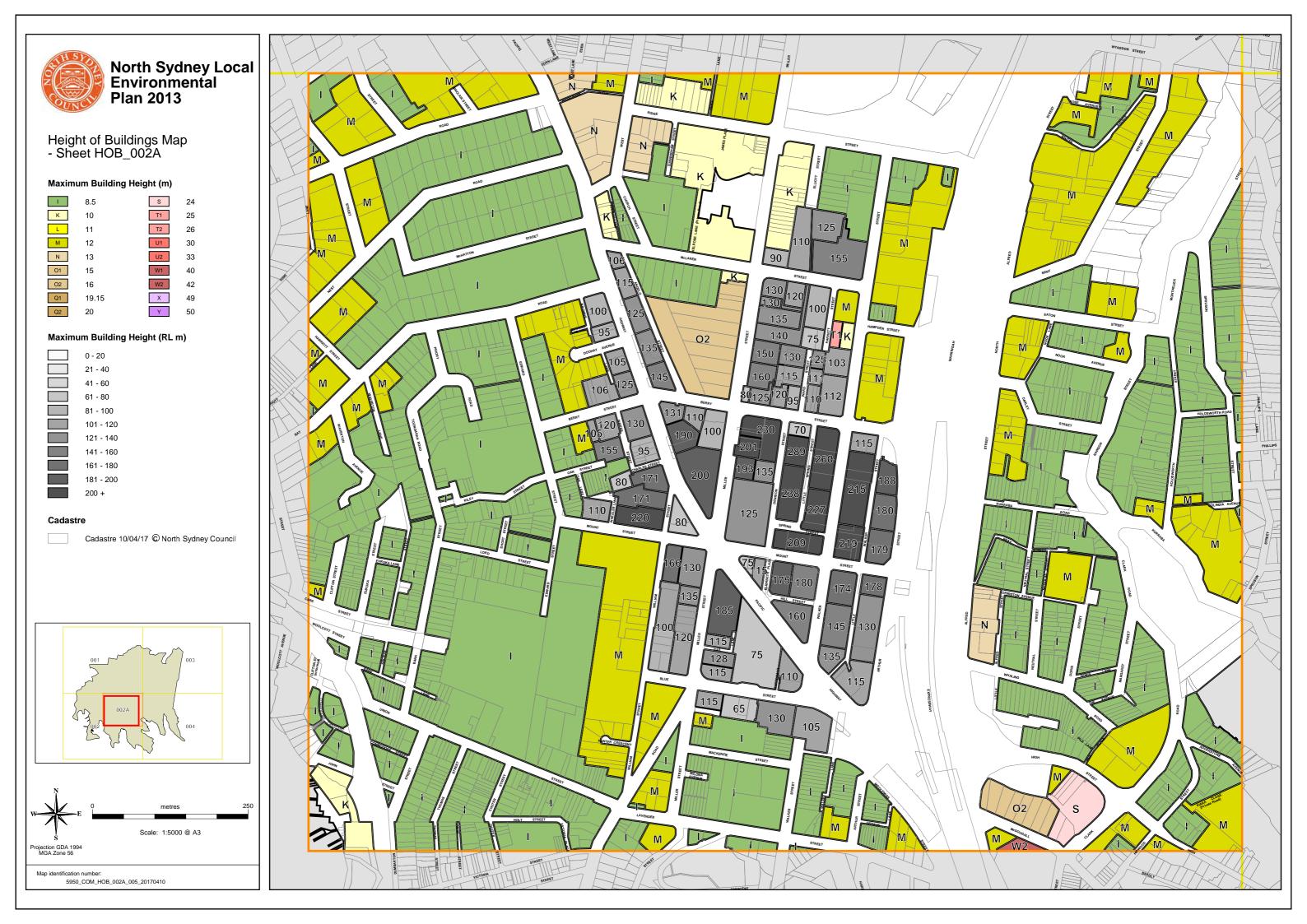




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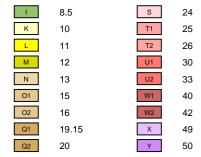




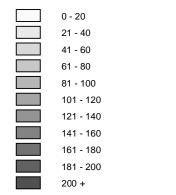


Height of Buildings Map - Sheet HOB_003

Maximum Building Height (m)

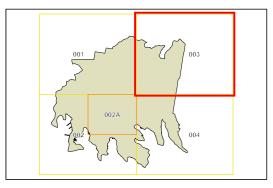


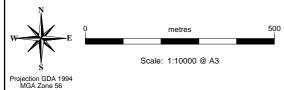
Maximum Building Height (RL m)



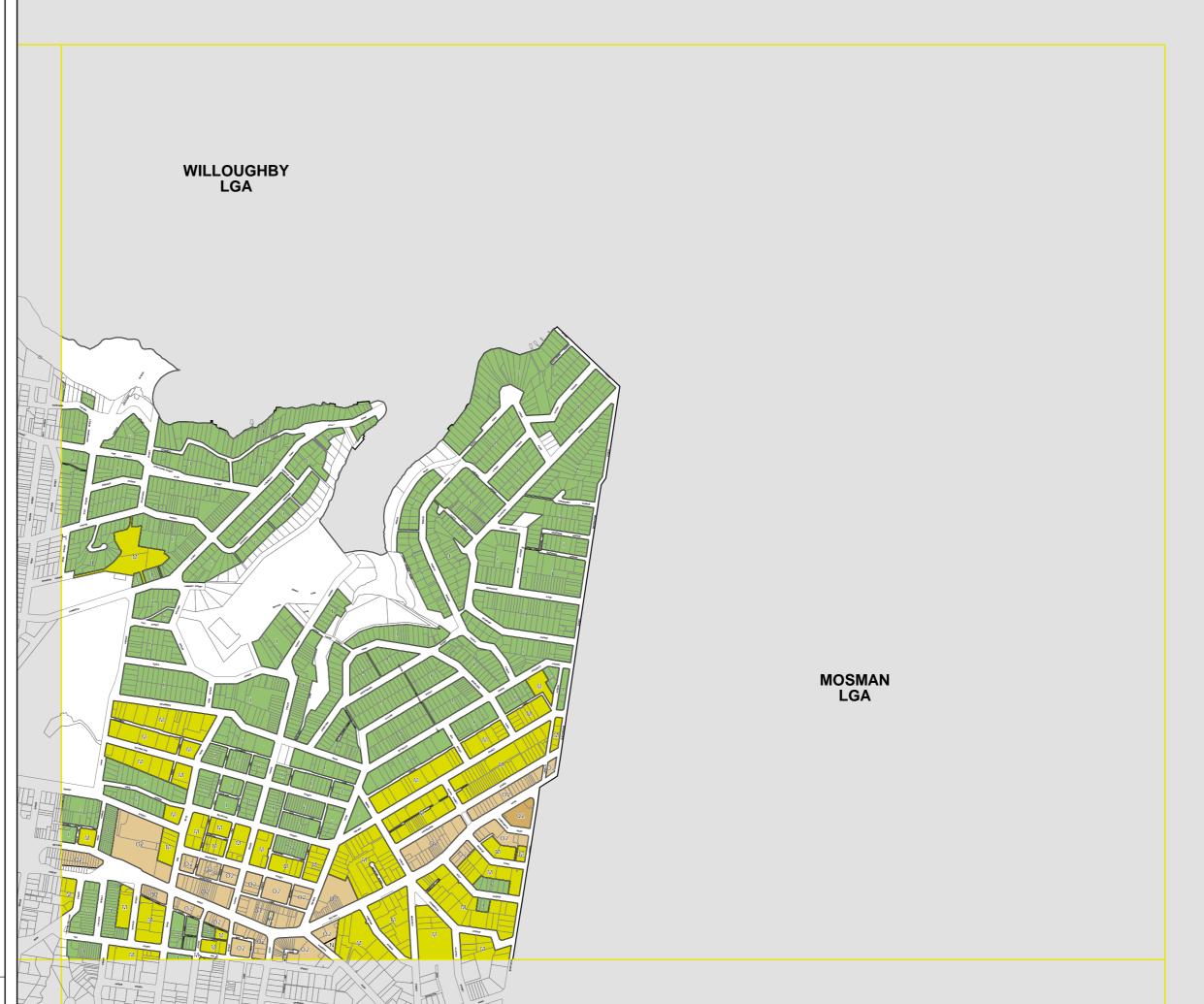
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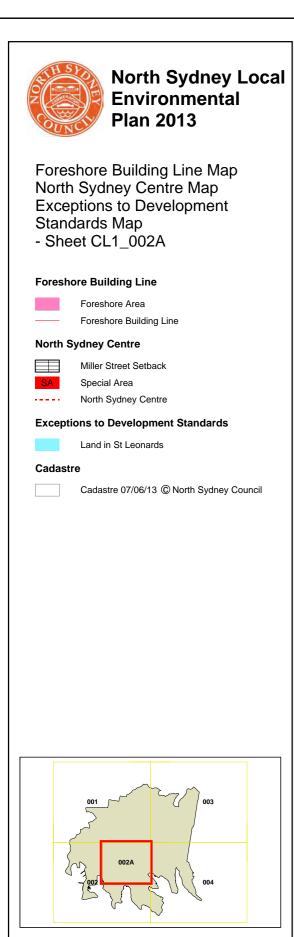
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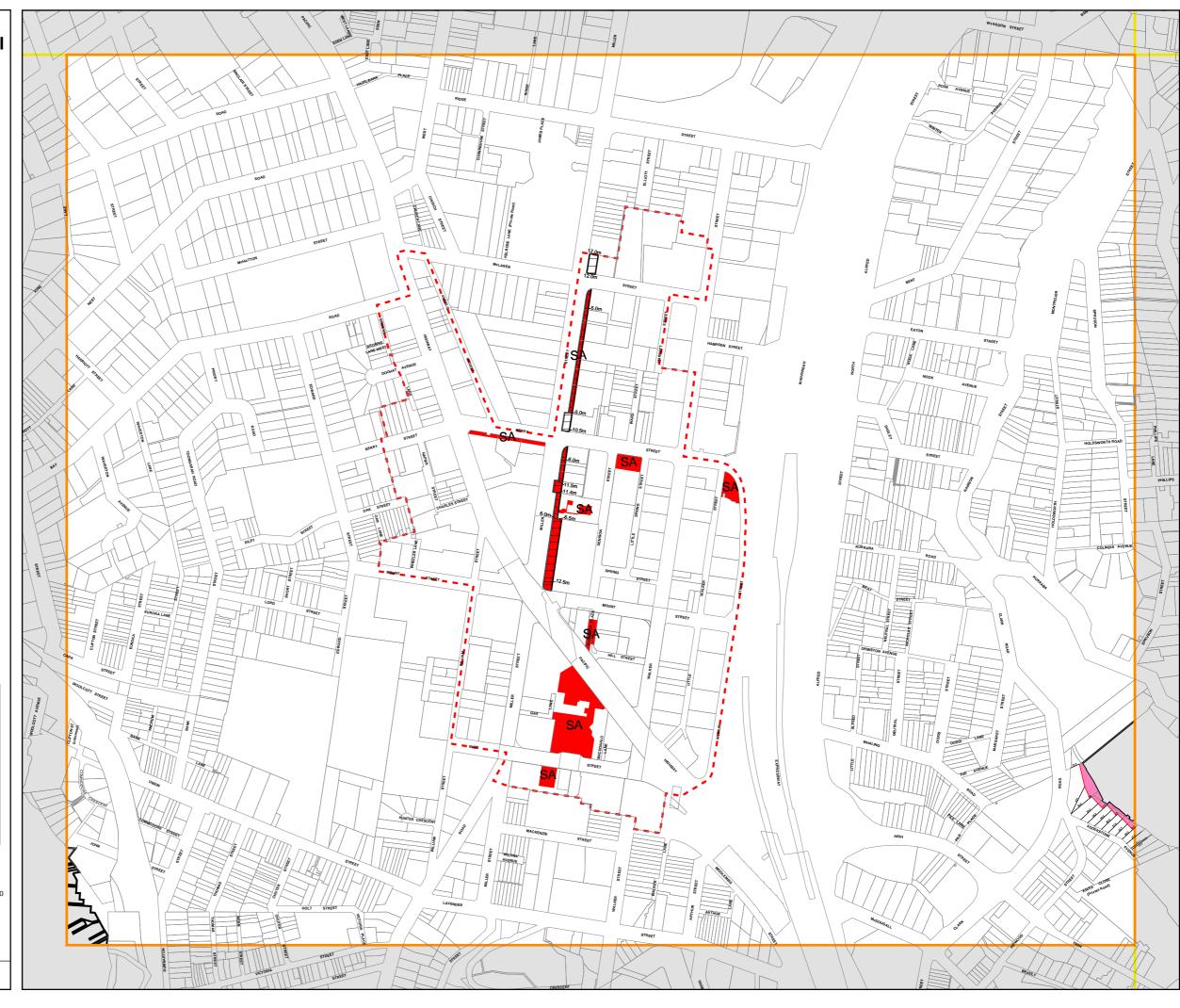


ANNEXURE D

- Existing North Sydney Centre Map Sheet



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ANNEXURE E

- Proposed North Sydney Centre Map Sheet

