

30 September 2020

General Manager
Willoughby City Council
Level 4, 31 Victor Street
Chatswood NSW

Attention: Norma Shankie-Williams

Dear Norma,

RE: SITE SPECIFIC PLANNING PROPOSAL – 753 PACIFIC HIGHWAY AND 15 ELLIS STREET, CHATSWOOD

1. Introduction

This letter has been prepared by Central Element Pty Ltd (Central Element) the parent company of Ellis Street Pty Ltd which are the applicant in relation to the amended planning proposal and owner of the site 753 Pacific Highway and 15 Ellis Street, Chatswood (the site).

The planning proposal was endorsed at the Willoughby Ordinary Council Meeting on 12 November 2018 and is subsequently being amended in response to the full endorsement of the Chatswood CBD Planning and Urban Design Strategy (the strategy), by the Department of Planning, Industry and Environment (DPI&E) on 9 July 2020 and full endorsement of the Strategy at the Council Meeting on 12 October 2020.

The following documents outlined in the table below have been included within the amended planning proposal.

Document	Prepared by
Site Survey	Peak Surveying
Planning Proposal Report	Ingham Planning
Assessment against Strategy Key Elements	Ingham Planning
Draft Development Control Plan	Central Element
Letter of Offer	Central Element
Urban Design Report and Concept Drawings	Urbaneia
Transport Impact Assessment	TTPP
Wind Report	Windtech
Acoustic Report	Renzo Tonin & Associates



2. The Site

The subject land is described as Strata Plan 6576, No. 753 Pacific Highway, Chatswood and Strata Plan 53910, No. 15 Ellis Street, Chatswood. The site is under ownership of Ellis St Developments Pty Ltd. The subject land is located on the northeast corner of the Pacific Highway and Ellis Street, 250m southwest of Chatswood Railway Station and Transport Interchange (see Figure 1 below). A pedestrian walkway and cycleway to Chatswood CBD and Railway Station is located near the site, approximately 110m to the east, adjoining the North Shore Railway line.

The site is a rectangular shaped corner allotment including a 1,211m² site area with the portion of the site zoned SP2 Infrastructure fronting the Pacific Highway being 98m² in area and the portion of the land zoned R4 High Density Residential being 1,113m² in area.

3. Background

The Planning Proposal

Ellis St Developments Pty Ltd submitted a planning proposal for a mixed-use residential tower with consideration of the Strategy at the site 753 Pacific Highway and 15 Ellis Street, Chatswood (subject site). The planning proposal was endorsed by Willoughby Council (Council) at the Council meeting on November 2018 and included the following:

- Rezone the portion of the site zoned R4 High Density Residential to B4 Mixed Use;
- Increase the maximum floor space ratio control from 1.7:1 to 6:1;
- A minimum non-residential FSR of 1:1;
- Increase the maximum height of building from 34 metres to R.L. 156.69;
- Require the amalgamation of the site 753 Pacific Highway and 15 Ellis Street and remove the sites from the lot size map and inserting an additional clause under Clause 6.10;
- Amend the special provisions area map to include the site in Area 9 (affordable housing) and Area 12 (design excellence);
- Amend clause 6.8(2) to include Area 9 on the special provisions area map;
- Amend clause 3.8(7) 'affordable housing' to include reference to Area 3 and Area 9; and
- Introduce a Design Excellence Clause 6.24.

The Strategy

The planning proposal for this site was returned to Willoughby City Council (Council) by the DPIE in August 2019 following the partial endorsement letter from the DPIE in relation to the Strategy. Since then, Council has received full endorsement of the Strategy via a further letter from DPIE in July 2020 following a supplement package issued to DPIE earlier in 2020, which foreshadowed the approach to amending the Strategy in response to the matters raised in DPIE's August 2019 letter.

It is understood that for those site-specific planning proposals which are consistent with the updated strategy or require only minor amendments to demonstrate consistency, an addendum letter or short supplementary package can be prepared demonstrating this consistency. Based on the recommendations within the supplement packaged issued to DPIE and the further endorsement of the strategy, this planning proposal is deemed not require any amendments, as it is consistent with DPIE's endorsement conditions. The amended strategy does not alter the original height or FSR of the original strategy.



4. The Amended Proposal

The amended planning proposal includes the following:

- Rezone the portion of the site zoned R4 High Density Residential to B4 Mixed Use;
- Increase the maximum floor space ratio control from 1.7:1 to 6:1;
- A minimum non-residential FSR of 1:1;
- Increase the maximum height of building from 34 metres to between R.L. 145.7 (maximum 47.27 metres) to R.L. 159.2 (maximum 59.62 metres);
- Require the amalgamation of the site 753 Pacific Highway and 15 Ellis Street and remove the sites from the lot size map and inserting an additional clause under Clause 6.10; and
- Amend the special provisions area map to include the site in Area 9 (affordable housing) and Area 12 (design excellence).

The concept scheme and planning proposal is the same as originally approved by Council apart from some minor amendments which are required to ensure the planning proposal is consistent with the updated Strategy. The changes are outlined below:

- The maximum height of the building has been amended to reflect the recommended built form controls included within the approved Strategy rather than concept scheme. The purpose of this change is to enable flexibility during the competitive design process and ensure consistency with the Strategy and ensure no additional overshadowing of the Croquet club between 12-2pm in midwinter;
- The northern setback of the building has been amended to reflect the recommended built form controls included within the approved Strategy rather than concept scheme. The purpose of this change is to enable flexibility during the competitive design process and encourage compliance with the SEPP 65 Apartment Design Guidelines; and
- The planning proposal has been amended to relate to the correct SP2 area which has been determined to be 98m² rather than approx.. 50m² based on additional survey information.

5. Alternative Proposal

For Council's consideration, it is proposed to introduce a site-specific clause within the planning proposal which would amend the Willoughby LEP to enable a 0.53:1 FSR bonus (588m² additional GFA) in relation to the subject site. The FSR bonus is subject to dedicating the 98m² portion of land zoned SP2 to Council at no cost. This would mean that the value of SP2 zoned land when transferred to Council would not be deducted from the total CIS monetary contribution payable.

This offer is in the public interest as it enables the delivery of land dedication to Council for future road widening at no cost and will result in a substantial increase in the amount of CIS contributions payable to Council to enable to delivery of additional community infrastructure. The site is suitable for a minor 8.8% increase in FSR being located to a gateway corner site and within 400m of the Chatswood railway station and bus interchange.



Below is an example of how this bonus FSR provision can be introduced into part 4.4A of the LEP. Alternatively, this clause can be introduced within Part 6 Additional local provisions of the LEP.

“4.4A Exceptions to floor space ratio

(25) The maximum floor space ratio for a building on land identified as “Area ##” on the Floor Space Ratio Map may exceed 6:1 if—

(a) the floor space ratio will not exceed 6.53:1, and

b) The portion of the land highlighted on the Land Reservation Acquisition Map being zoned SP2 is dedicated to Council at no cost”.

6. Public Benefits

Affordable Housing Contribution

It is understood that clause 3.8(7) ‘affordable housing’ is proposed to be amended as part of the Comprehensive LEP to require a portion of the future GFA uplift in residential floor space to be dedicated to Council as affordable housing. This is consistent with the NSW Guideline for Developing an Affordable Housing Contribution Scheme and Greater Sydney Region Plan North District Plan which stipulates 5-10% of additional residential floor space, subject to being viable, should be provided as affordable housing in areas where an uplift of land value is created. It is understood the affordable housing levy will be administrated likely as a condition of the DA Consent rather than form part of the planning proposal PA. The planning proposal approved by Council included a proposal to provide 4% of the additional residential floor space as being dedicated to Council as affordable housing.

Community Infrastructure Scheme

It is understood Council have introduced a new value capture policy being the Community Infrastructure Scheme (CIS) which requires a monetary contribution per square metre of increased floor area rather than being expressed as a percentage of the increased value of land. The Draft CIS was endorsed at the Ordinary Council Meeting on 14 September and currently on public exhibition for comment prior to policy being endorsed.

A monetary contribution is required to be paid by Ellis Street to Council to the amount of **\$2,639,479.50** based on the CIS Policy currently on public exhibition. The contribution has been calculated based on the rate of \$765 per metre multiplied by the total increase in residential floor area being 3,450.3m². Refer to the enclosed proposed letter of offer for details.

The value of land to be dedicated and works with a material public benefit required by Council within the CIS Funding Scheme Works Program can be deducted against the CIS and Section 7.11 Contributions payable by Ellis Street to Council in accordance with the CIS Policy. Land to be dedicated included within the PA will be valued by an independent registered valuer with at least ten years’ experience in valuing land in NSW. Valuation be carried out in accordance with the Land Acquisition (Just Terms Compensation) Act 1991. The estimated value of any proposed works with a material public benefits are to be documented by an appropriately qualified design and cost determined by a registered Quantity Surveyor.



Community Infrastructure Scheme – Alternative offer

An alternative offer has been provided to Council for its consideration which includes maintaining the monetary contribution required under the CIS Policy and dedicating the SP2 zoned land to Council for future road widening at no cost subject to additional gross floor area being made available.

It is proposed to dedicate the land at the site zoned SP2 Infrastructure which has a site area of 98m² at no cost to Council, subject to the developable portion of the site being eligible for a 0.53:1 FSR bonus which would be administrated through a site specific LEP provision. The FSR bonus equates to an 8.8% FSR variation or 588m² of additional gross floor area being accommodated at the site.

This offer is in the public interest as it enables the delivery of land dedication to Council at no cost and will substantially increase the amount of CIS contributions payable to Council to enable to delivery of additional community infrastructure. The site is suitable for a minor 8.8% increase in FSR being located to a gateway corner site and within 400m of the Chatswood railway station and bus interchange.

Design Excellence

The proposal is required to demonstrate design excellence which will ensure the highest standard of architectural, urban and landscape design is achieved. The proposal will contribute to public art and will achieve a sustainability benchmark greater than the minimum standards prescribed under Section J of the BCA and BASIX.

7. Assessment of the amended proposal against the DPIE Strategy endorsement

The DPIE letter dated 9 July 2020 offered 6 recommendations to be considered as part of Council's finalisation of the Strategy, prior to preparation of an amending Local Environmental Plan for the Chatswood CBD. This included 6 recommendations are reproduced and addressed as set out below:

1. Council in collaboration with Arup and Transport for NSW is to continue to progress its traffic and transport study. Any recommendations of this study are to be finalised prior to and incorporated within any amended or final Chatswood CBD Strategy.

The Traffic and Parking assessment report is consistent with the Strategic Direction and recommendations outlined in the Chatswood CBD Strategic Transport Study by Arup (August 2020) and WCC integrated Transport Strategy. In relation to this Planning Proposal, the following have been identified from the CCSTS study:

- The mode shift towards public transport rather than private vehicle trips will increase in the horizon years (up to 20 years in the future), with a focus on increased delivery of public domain areas and open space;
- Differences between the base and uplift scenarios on the road network were predominantly on the internal road network within the CBD and this is likely linked to the varying distributions of population and employment across the precinct; and
- Base and uplift scenarios had similar impacts on the surrounding arterial roads such as the Pacific Highway and Mowbray Road.
- The overall results suggest the WCC Chatswood CBD Planning and Urban Design Strategy (CCPUDS) is likely to have impacts on the transport network which are similar in magnitude to the Transport for NSW forecasts and that it is expected the future transport network will be able to accommodate the demand.



- It was also recommended that off-street parking requirements the currently applicable in Council's DCP be reduced to lessen reliance on private motor cars and encourage use of public transport, readily available within the Chatswood CBD. Parking for the Planning Proposal can accommodate the lower off-street parking rates currently under consideration by Council by Transport for NSW.

2. Council should consider adopting a minimum non-residential FSR of less than 1:1 for any land within the proposed B4 Mixed Use area below a maximum FSR of 6:1.

The planning proposal includes a non-residential FSR of 1:1 which is to be located within the two-storey podium as the site includes an FSR of 1:1.

3. Council is to implement the built form mitigation recommendations contained within GMU's Chatswood Precinct Urban Design Study in any amended or final Chatswood CBD Strategy. However, for any land where the maximum building height is reduced to below 90m, a reduction in the maximum FSR below 6:1 should also be proposed.

The planning proposal is consistent with the recommendation contained within GMU's Chatswood Precinct Urban Design Study. The reduced building height and FSR relate to the sites adjacent to heritage conservation areas (HCA) and which will result in visual impact, which is not related to this site. The 6:1 FSR of the planning proposal is consistent with the Strategy, DPIE's recommendation and the planning proposal has previously been approved by Council in November 2018.

4. Council should consider if the current minimum lot size of 1200sqm for the B4 Mixed Use areas is sufficient to ensure a balanced delivery of the desired built form uplift and an improved public realm.

The site includes a total 1,211m² site area, of which 98m² is zoned for SP2. Council previously considered a 1,113m² lot size for the site as suitable for the following reasons:

- The Chatswood CBD Planning and Urban Design Strategy (Figure 2.5.1 of CCPUDS) identified potential amalgamated development sites and constrained sites. The strata buildings at 753 Pacific Highway and 15 Ellis Street are identified as an amalgamated "opportunity site" and the site 755-759 Pacific Highway as a "constrained site" as it contains an existing nine storey strata titled residential flat building. Therefore, the proposed amalgamation is in accordance with the Chatswood CBD Planning and Urban Design Strategy and it would be unviable to amalgamate with the adjoining constrained site and achieve a site area greater than 1,211m²; and
- The minimum 1,200m² site area was recommended in the Chatswood CBD Planning and Urban Design Strategy as this was deemed to be the smallest lot size capable of achieving a residential tower envelope of at least 450m² (Figure 3.1.2 of CCPUDS). This assumption was made based on having a single street frontage with ADG separation required to three adjoining residential properties. The site includes three street frontages and amended planning proposal includes a typical 520m² residential tower envelope well in excess of 450m² and demonstrates a sufficient site area to achieve a residential tower.



“5. Council should continue the progression of its public realm strategy, which should be integrated within the Chatswood CBD Strategy where practical. This work should focus on:

a. retention of mature street trees in addition to improving the tree canopy with deep soil zones, especially at transition areas to lower density zones; and

b. opportunities for increasing pedestrian and bicycle movement through the CBD”.

The proposal is consistent with the above clause for the following reasons:

- The planning proposal does not propose to remove any significant mature trees to the public domain;
- The proposal includes a 3m wide area zoned SP2 which will likely be used for increased pedestrian and bicycle movement throughout the CBD as the RMS have indicated this land is not required for road widening;
- A 4m setback to the SP2 zoned land provides additional opportunities for mature tree canopy planting to the Pacific Highway; and
- The future DA will include a detailed public domain plan prepared by Central Element in consultation with Council to ensure the public domain is consistent with the future public realm strategy.

“6. Council should implement the heritage interface recommendations contained within Weir Phillips’ Chatswood Precinct Heritage Review report into any amended or final Chatswood CBD Strategy”.

The site does not have a heritage interface and not subject to any of the recommendations contained within the Weir Phillips’s Chatswood Precinct Heritage Review report.

8. Conclusion

The proposal has been amended to be consistent with the Chatswood Strategy and is consistent with the 6 recommendations provided by DPIE in their letter dated 9 July 2020 endorsing the Chatswood Strategy. The proposal will deliver several public benefits and the proposed site specific LEP provision to enable the dedication of the SP2 land at no cost subject to an FSR bonus is considered in the public interest.

We would like the opportunity to discuss the amended proposal further and can be contacted on 0422983710 or at dbarber@centralelement.com.au.

Kind regards,



Daniel Barber
Development & Planning Manager
Central Element Pty Ltd

