





Demographic, Housing Market & Social Infrastructure Needs Study

Fiveways Triangle Site, Crows Nest

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TABLE OF CONTENTS

1. Introduction	7
1.1. Approach	8
2. Strategic Planning Context	9
2.1. NSW Government-led strategic planning.....	9
2.1.1. St Leonards Crows Nest 2036 Plan (2036 Plan)	10
2.1.2. St Leonards Crows Nest Draft Local Character Statement	11
2.1.3. St Leonards Crows Nest Draft Green Plan.....	11
2.1.4. St Leonards Crows Nest Special Infrastructure Contribution	12
2.2. Summary of North Sydney Council-led strategic planning	12
2.2.1. North Sydney Local Strategic Planning Statement.....	12
2.2.2. North Sydney Local Housing Strategy 2019.....	13
2.2.3. Crows Nest Placemaking and Principles Study.....	13
2.2.4. St Leonards Crows Nest Planning Study	14
2.3. Key strategic considerations	15
2.3.1. Local character	15
2.3.2. Housing	15
2.3.3. Employment	16
2.3.4. Social Infrastructure	16
3. Demographic trends	18
Key findings and implications	18
3.1. Population growth	19
3.2. Age structure	20
3.2.1. Current age structure	20
3.2.2. Changing age structure	20
3.3. Drivers of future population change	21

3.4. Household composition	23
3.4.1. Current household composition	23
3.4.2. Changing household composition.....	23
3.4.3. Household size	24
3.5. Education, employment and income	25
3.5.1. Education	25
3.5.2. Employment	25
3.5.3. Income	26
4. Housing Trends	27
Key findings and implications	27
Residents choose to rent over purchasing a home	27
4.1. Dwelling stock	28
4.2. Dwelling tenures.....	29
4.3. Dwelling prices and affordability	30
4.4. Rental stock and availability.....	32
4.5. Housing preferences	33
4.6. Future housing demand	34
4.7. Dwelling approvals and completions.....	35
5. Social infrastructure needs	37
Key findings and implications	37
Many sports facilities are at capacity or need upgrading.....	37
There is a likely need for additional community facilities.....	37
5.1. Open space, sports and recreation	38
5.1.1. Existing facilities.....	38
5.1.2. Proposed facilities.....	40
5.1.3. Outstanding need.....	41

5.2. Health, education and aged care	42
5.2.1. Existing facilities.....	42
5.2.2. Proposed facilities	44
5.2.3. Outstanding need.....	45
5.3. Community	47
5.3.1. Existing facilities.....	47
5.3.2. Proposed facilities.....	48
5.3.3. Outstanding need.....	49
5.4. Arts and cultural	51
5.4.1. Existing facilities.....	51
5.4.2. Proposed facilities	52
5.4.3. Outstanding need.....	52

FIGURES

Figure 1: Specialist consultant studies that informed the 2036 Plan	10
Figure 2: Key local character considerations identified in the Draft Local Character Statement 2018	11
Figure 3: St Leonards Crows Nest Planning Study precincts	14
Figure 4: Historic and projected 5 year population growth for North Sydney LGA (2006-2041).....	19
Figure 5: Comparison of age structure between Crows Nest, North Sydney LGA and Greater Sydney (2016)	20
Figure 6: Projected change in age structure of North Sydney LGA (2011-2036)	20
Figure 7: Key drivers of projected population change in North Sydney LGA (2016-2041)	21
Figure 8: Net migration by age group in North Sydney LGA between 2011 and 2016	22
Figure 9: Comparison of household composition between Crows Nest, North Sydney LGA and Greater Sydney (2016)	23
Figure 10: Projected 20-year growth in household types in the North Sydney LGA (2016-2036)	24
Figure 11: Comparison of household size between Crows Nest, North Sydney LGA and Greater Sydney (2016)	24
Figure 12: Median weekly household income of Crows Nest and surrounding suburbs (2016)	26

Figure 13: Proportion of dwelling types within Crows Nest (2016).....	28
Figure 14: Proportion of dwelling sizes within Crows Nest (2016)	28
Figure 15: Tenure patterns of Crows Nest (2016).....	29
Figure 16: Tenure patterns of surrounding suburbs (2016)	29
Figure 17: Median sales prices of North Sydney LGA (June 2017-June 2019).....	30
Figure 18: Median dwelling sales prices of Greater Sydney (June 2017 – June 2019).....	30
Figure 19: Median weekly rental prices of apartments by number of bedrooms in North Sydney LGA (Sep 2017 - Sep 2019).....	31
Figure 20: Median weekly rental prices of apartments by number of bedrooms in Greater Sydney (Sep 2017 - Sep 2019)	31
Figure 21: Rental vacancy rates in Crows Nest (2065 postcode) between 2010 and 2020	32
Figure 22: Number of residents by number of bedrooms in North Sydney LGA (2016)	33
Figure 23: Projected growth in household types within North Sydney LGA (2016-2036)	34
Figure 24: Dwelling building approvals in North Sydney LGA (2016-2019).....	35
Figure 25: Dwelling completions in North Sydney LGA (2016-2019).....	35
Figure 26: Dwelling building approvals in Crows Nest and St Leonards SA2 areas (2016 - 2019).....	36
Figure 27: Existing open space, sports and recreation facilities within 1km from the Fiveways site	38
Figure 28: Existing education facilities within 1km of the Fiveways site	42
Figure 29: Existing health facilities within 1km of the Fiveways site	43
Figure 30: Existing community facilities within 1km of the Fiveways site	47
Figure 31: Existing arts and cultural facilities within 1km of the Fiveways site	52

TABLES

Table 1: Health, education and arts investment in the pipeline.....	19
Table 2: Projected 5 year change in age structure in North Sydney LGA (2016-2041).....	20
Table 3: Number of residential building approvals by year in the Crows Nest and St Leonards SA2 areas (2016-2019)	36
Table 4: Existing open space, sports and recreation facilities within 1km of the Fiveways site	39
Table 5: Known proposed open space, sport and recreation facilities within 1km of the Fiveways site	40
Table 6: Existing education & health facilities near the Fiveways site	43
Table 7: Known proposed health, education and aged care facilities near the Fiveways site	45
Table 8: Existing community facilities near the Fiveways site.....	48
Table 9: Known proposed community facilities near the Fiveways site.	48
Table 10: Existing arts and cultural facilities near the Fiveways site	51
Table 11: Known proposed arts and cultural facilities near the Fiveways site	52

1. INTRODUCTION

Deicorp has commissioned City Plan to undertake a demographic, housing market and social infrastructure needs study. The purpose of this study is to provide an evidence base to determine appropriate opportunities for public benefit which can be incorporated into the redevelopment of the Fiveways Triangle site at Crows Nest in the North Sydney Local Government Area (LGA).

North Sydney Council (Council) have an overarching principle that any development pursued under a planning proposal needs to be supported by a commensurate level of public benefit. This approach to date has been guided by Council's long-standing Voluntary Planning Agreements Policy, as well as precinct-based planning studies which identify specific opportunities for public benefit such as community and cultural infrastructure and social and affordable housing. Council will continue to strongly advocate for the provision of significant public benefit through new developments and Planning Proposals, consistent with Council's strategic planning studies.

This study has analysed available documents and data to identify changing demographic and housing market trends, as well as Council's land use vision for the area, to understand the most appropriate opportunities for public benefit. This report represents the findings of this analysis.

The findings of this study will then be used as a basis to discuss with Council the most appropriate community and social infrastructure opportunities that can be included within the Fiveways Triangle Site to provide significant benefit to the local community and broader LGA.

Specifically, this report provides:

- A summary of the local planning and policy context which outlines the future land use vision for the area, identifies future development opportunities to demonstrate strategic merit, and areas of concern (constraints) that the future proposal will need to respond to;
- A summary of the existing demographic profile of Crows Nest, and North Sydney LGA more broadly. This has been benchmarked against the demographic profile of Greater Sydney to identify localised trends. Both 2016 and 2011 ABS census data have been analysed to identify recent demographic trends;
- An analysis of the NSW Department of Planning, Industry and Environment's (DPIEs) 2019 population, household and dwelling projections to identify future demographic changes and housing and social infrastructure need falling out of these changes;
- an overview of existing residential market activity in Crows Nest, and North Sydney LGA more broadly. This includes an assessment of the diversity of current housing stock, household tenure types, and the availability and price of housing to buy and rent, as well as an analysis of dwellings in the pipeline to be built; and
- A summary of the existing and proposed social infrastructure in the local area and likely future social infrastructure needs.

1.1. Approach

City Plan have relied on publicly available documents and data from North Sydney Council (Council), the Department of Planning, Industry and Environment (DPIE), the NSW Department of Family and Community Services (FACS), and the Australian Bureau of Statistics (ABS) to prepare the evidence base presented in this report. Specifically, the following data sources have been considered.

- North Sydney Council local plans strategies and studies
- DPIE St Leonard Crows Nest 2036 Plan and supporting plans and studies
- ABS 2011 and 2016 Census data
- ABS building approvals data
- DPIE 2019 population, household and dwelling projections by LGA
- DPIE 2019 Sydney housing activity by LGA (which provides dwelling completions)
- FACS 2019 rent and sales dashboard by LGA

Demographic data produced by .id the population experts on behalf of North Sydney Council was also used in a supplementary capacity. .id data is based on ABS Census data and is regularly used by councils when developing strategic plans including Local Strategic Planning Statements and Local Housing Strategies.

Demographic and housing market data has been analysed at the LGA and suburb scale. The following statistical areas have been used for analysis:

- North Sydney LGA has been compared against the Greater Sydney area to identify broader trends occurring within the LGA;
- Crows Nest suburb (ABS SSC boundaries) has been compared against North Sydney LGA and Greater Sydney, as well as surrounding suburbs, to identify specific trends occurring in the area of The Fiveways site; and
- Crows Nest-Waverton and St Leonards-Naremburn ABS SA2 boundaries have been used to identify residential building approvals within the St Leonards and Crows Nest areas.

2. STRATEGIC PLANNING CONTEXT

The NSW planning system is increasingly focused on achieving strategic outcomes. To successfully navigate the system, all Planning Proposals must demonstrate 'strategic merit' by showing consistency with the future vision and objectives outlined relevant in Stage and local government plans and strategies.

This section includes a review of key plans and documents that outline the current strategic planning context applying to The Fiveways Triangle site. It summarises the purpose and key findings of each document and where there are future development opportunities on the basis of strategic merit.

Section 2.1 provides a high-level summary of the strategic plans and documents prepared by the NSW government.

Section 2.2 provides a high-level summary of the strategic plans and documents prepared by North Sydney Council.

Section 2.3 summarises the key findings of these documents thematically, and where there are gaps and inconsistencies between the future vision and position taken by the State Government and North Sydney Council.

Key findings identified in the documents, as relevant to the Fiveways site, include:

- Including smaller one bedroom and studio dwellings in the overall dwelling mix within the proposed development will help address housing supply gaps identified in Council's Local Housing Strategy and Local Strategic Planning Statement. Identified housing gaps include one bedroom and studio dwellings, accessible dwellings and affordable dwellings.
- The proposal will be required to provide significant public benefit. Key opportunities identified in the documents include facilities to support the growing population such as public open space, community facilities, and seniors, social and affordable housing.
- The future vision for the precinct also encourages expanding health and education services to support employment growth. Specific health and education infrastructure needs should be further

investigated through discussions with Council and key stakeholders, but could include a health hub with seniors services.

2.1. NSW Government-led strategic planning

Select locations across Greater Sydney have been identified by the State Government as 'Planned Precincts' on the basis of being appropriate areas for growth and having good access to existing or planned public transport. Strategic planning efforts for identified Planned Precincts are led by DPIE in consultation with local councils, State agencies, the community, and other stakeholders. Strategic planning efforts include undertaking early investigations and developing high-level strategic plans to inform changes to planning controls and future rezoning processes for each Planned Precinct.

In July 2016 DPIE identified Crows Nest, St Leonards and the Artamon Industrial Precinct as a Planned Precinct to be prioritised for State Government-led strategic planning investigations. In October 2018 DPIE released a series of draft studies and plans relating to the St Leonards Crows Nest Planned Precinct for public comment. The St Leonards and Crows Nest 2036 Plan was finalised by DPIE in August 2020. These documents are summarised below, with a more detailed discussion of the findings of these documents discussed in **Section 2.3**.

2.1.1. St Leonards Crows Nest 2036 Plan (2036 Plan)



The 2036 Plan is a land use and implementation plan. It sets out a vision for how the area will grow and improve between now and 2036. The 2036 Plan is structured around the five key themes of place; namely landscape, built form, land use and movement. The strategy outlines how the vision for the precinct can be achieved by amending planning control changes to support population growth and additional infrastructure investment.

The Plan proposes significant residential and employment growth in the Precinct, primarily as a result of the new Crows Nest Metro station facilitated by state-level rezoning. The station is due to open in 2024. The plan also identifies opportunities for renewal and rezoning and proposes a new state levy to fund regional infrastructure.

The 2036 Plan was informed by community consultation outcomes identified in the Draft Local Character Statement, the Draft Green Plan, and specialist technical studies, as summarised in Figure 1. It was also informed by existing strategic planning work undertaken by the three relevant Council areas (North Sydney, Willoughby, and Lane Cove).

In August 2020, the plan was finalised. As such, each Council is expected to progress Planning Proposals to amend their respective Local Environmental Plans (LEPs) to be consistent with the 2036 Plan. An exception is the Sydney Metro site at Crows Nest, as DPIE are progressing the Planning Proposal for this site. Council has stated that Planning Proposals that are consistent with the vision of the 2036 Plan, or do not have Council's support, should not be entitled to Pre Gateway review.

Technical studies

The Plan has been informed by specialist technical studies to respond to community values identified in the Local Character Statement:

• Urban Design

Reviewed the existing built form, constraints and opportunities in St Leonards and Crows Nest and provided a structure plan to deliver job targets while responding to considerations of place and good design.

• Traffic and Transport

Considered existing and future movement within, to and from the area and made recommendations to improve transport infrastructure.

• Social Infrastructure and Open Space

Reviewed existing demographic data and future population projections to recommend open space and community facilities for future residents and workers.

• Heritage

Recommended design responses for new buildings for planning around heritage items and conservation areas including transitions and interfaces.

• Market Feasibility

Forecast future demand for residential, commercial and industrial land uses, having consideration for the impact of the new Crows Nest Metro station.

• Employment

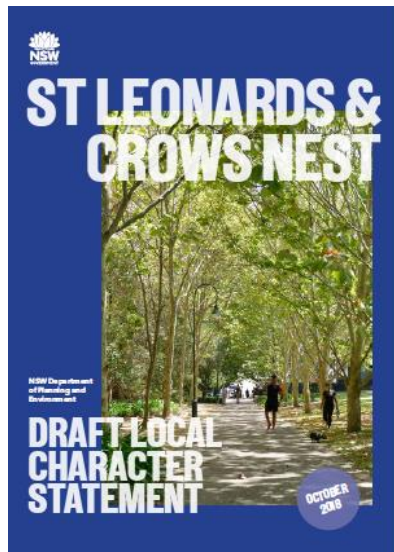
Considered how a range of economic trends, policy initiatives and infrastructure investments will drive demand for land use in the area and identified possible strategic policy interventions to attract more jobs and investment

• Utilities

Reviewed capacity of existing utilities and services and identified further investigation or testing required to upgrade utilities.

Figure 1: Specialist consultant studies that informed the 2036 Plan (Source: 2036 Plan)

2.1.2. St Leonards Crows Nest Draft Local Character Statement



The Draft Local Character Statement outlines what is most important to the community in St Leonards and Crows Nest. It is based on feedback received by DPIE from local community consultation. The Draft Statement focuses on the five key themes of place, landscape, built form, land use and movement, which have been carried over into the 2036 Plan.

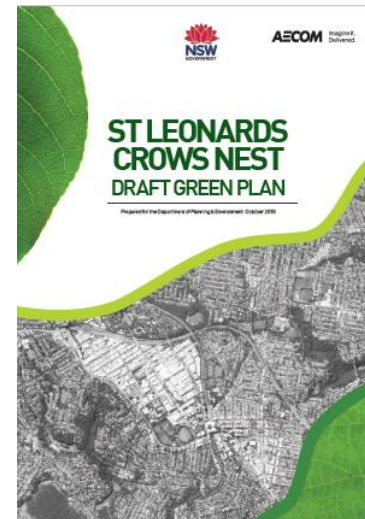
The Draft Statement summarises what is valued most by the local community, their key issues and top future priorities, as shown in **Figure 2**. It recognises the village atmosphere of Crows Nest, the bustling commercial nature of St Leonards and much valued

conservation areas as important elements contributing to local character within the Planned Precinct.

MOST VALUED	TOP FUTURE PRIORITIES	KEY ISSUES
Sense of community	Schools to support growth	Education
Willoughby Road high street	Adequate open space to support growth	Public open space
Access to public transport and surrounding areas	Restaurants/cafes, bars in St Leonards centre	Density
Public open space	Access across Pacific Highway	Poor quality design
Close proximity of all wants, needs and services	Greener streets	Traffic and parking
Health services	Better building design and quality	Health services
		Building height transitions from high to low rise areas

Figure 2: Key local character considerations identified in the Draft Local Character Statement 2018

2.1.3. St Leonards Crows Nest Draft Green Plan



The Draft Green Plan considers future open space infrastructure and tree canopy needs for the area.

The Draft Green Plan identifies a number of high-level open space initiatives. Key initiatives proposed within 400m of The Fiveways site include a substantial upgrade and extension of Hume Street Park, and a public plaza at the southern end of Willoughby Street. A major 'green and blue link' is also proposed along the northern boundary of the site. Green and blue links are roads that will provide a major route for bikes and pedestrians and will link open space and community destinations. These are subject to further

investigation and detailed design, including traffic modelling. Along these frontages, further enhancement of streetscape amenity, verge vegetation, water sensitive urban design strategies and setback treatment will be encouraged.

An additional 2,000 trees are also proposed within the Precinct to enhance the urban tree canopy. An additional 0-15 new trees are planned for both the southern and eastern boundaries of The Fiveways site, and less than five trees are planned for the northern boundary.

2.1.4. St Leonards Crows Nest Special Infrastructure Contribution



The Special Infrastructure Contribution (SIC) is a new State levy to assist with funding State and regional infrastructure within the Planned Precinct. The premise is that new development within the Precinct should financially contribute towards infrastructure upgrades that support the proposed density increases.

The SIC will be paid by developers that achieve more residential floorspace as a result of the 2036 Plan. The proposed contribution rate is \$15,100 per dwelling and is estimated to raise \$113.6 million in funding for various projects including regional open space, pedestrian cycling and vehicle infrastructure, a school, and planning fees for DPIE.

Prior to the SIC, Council captured this uplift through Voluntary Planning Agreements (VPAs) with developers to pay for local infrastructure, in addition to developer contributions required under local contribution plans.

The SIC states that local contribution plans (such as Section 7.11 and 7.12) will still apply alongside the requirements of the SIC. Specifically how the SIC, local contributions plans, and VPAs will be implemented collectively is likely to be clarified through ongoing engagement between DPIE and Council before the finalisation of the SIC and the 2036 Plan.

2.2. Summary of North Sydney Council-led strategic planning

The below documents reflect Council's vision and land use planning approach for the North Sydney LGA, including the St Leonards Crows Nest Planned Precinct.

Prior to the identification of St Leonards and Crows Nest as a Planned Precinct, North Sydney Council was solely responsible for local area planning. Both the St Leonards Crows Nest Planning Study and the Crows Nest Placemaking and Principles Study have informed DPIE's 2036 Plan. Once the 2036 Plan is finalised these documents will effectively be superseded by the 2036 Plan.

2.2.1. North Sydney Local Strategic Planning Statement



The North Sydney Local Strategic Planning Statement (LSPS) was released by Council in November 2019, following public exhibition. It is Council's key strategic planning document and sets out a high-level blueprint for how growth and change will be managed within the North Sydney LGA over the next 20 years. It considers housing, employment, transport, recreation, environment and infrastructure needs. It outlines Council's land use vision, planning principles, priorities and actions to guide land use planning decisions, future strategic work and changes to local planning controls.

The intent of the LSPS is to give effect to the key planning priorities identified in the Greater Sydney Region Plan and the North District Plan, and details how these priorities will be achieved at the local level.

Key planning priorities and actions, as relevant to public benefit opportunities within the Fiveways site are discussed thematically in **Section 2.3.**

2.2.2. North Sydney Local Housing Strategy 2019



The North Sydney Local Housing Strategy (LHS) was released by Council in November 2019, following public exhibition as part of the LSPS process. The LHS sets out Council's vision and strategic direction for housing in the LGA over the next 20 years. It details how and where housing will be provided in the LGA and is informed by an analysis of demographic trends, local housing supply and demand, and land use opportunities and constraints affecting the delivery of new housing. This analysis relies on the latest 2016 ABS Census data, but does not incorporate DPIEs latest 2019 population, household and dwelling projections.

The intent of the LHS is to give effect to the directions, objectives and actions for housing as set out in the Greater Sydney Region Plan and the North District Plan, and presents land use planning approaches and mechanisms which detail how these will be achieved locally.

The housing vision for the North Sydney LGA as identified in the LHS is:

"Carefully managed expected levels of growth in population through planning for housing in North Sydney which is supported by good access to infrastructure, services and amenity; provides housing diversity and affordability choices and respects the unique character of our built and natural environment to ensure that North Sydney continues to enjoy high levels of amenity and liveability".

The LHS concludes that there is sufficient planned housing to meet projected housing demand but there are gaps in the supply of particular types of housing including one bedroom apartments, adaptable dwellings to meet the needs of seniors, and social and affordable housing. This is discussed further in **Section 2.3**.

2.2.3. Crows Nest Placemaking and Principles Study



This study was prepared in 2018 to inform Council's input into the 2036 Plan and future plans for the area. The Study sets out the community's aspirations for the area and presents a suite of principles to guide future plans for the area.

The Study identifies the Fiveways site as being within an emerging health and education precinct. The Precinct currently contains the Mater Hospital, supporting medical facilities, North Sydney Girls High School and Cammeraygal High School. There is the potential for the area to provide additional employment opportunities in health and education sectors.

The study identifies eight principles to guide future growth in the area. These are:

1. Metro as a catalyst for renewal
2. Enhance employment and activity - this includes investigating employment needs of the health and education sectors within the 'Fiveways South Education and Medical Precinct'.
3. Protect precinct character - the character of Fiveways South is identified as a centre for health and education services, complementary medical activities, ancillary retail, visitor, carer and aged accommodation.
4. A sense of community - this includes providing additional community infrastructure in new developments.
5. Respect heritage and design - this includes protecting the heritage of Crows Nest, enabling a collaborative design process between Council and developers, and ensuring design excellence in all new buildings.
6. Prioritise public space - this includes working with landowners to provide new public open space such as plazas.
7. Equitable access.
8. Increasing infrastructure - any proposed increase in density will require upgrades to infrastructure.

2.2.4. St Leonards Crows Nest Planning Study



In 2010, North Sydney Council began a planning study of the St Leonards Crows Nest area to examine opportunities to increase housing and employment capacity in the area, whilst delivering public domain and service improvements to support future community needs.

The Study outlines the strategic objectives for the area to assist property owners in preparing Planning Proposals should they seek to amend planning controls.

The Study was prepared in stages, with Precinct 1 completed in 2012 and Precinct 2 & 3 completed in 2015, (see **Figure 3**). Precinct 4, which includes the Fiveways site, did not proceed as a result the State Government's commitment to building the Chatswood to Sydenham Metro Line leading to DPIE announcing that they would undertake strategic investigations of the area as part of the Planned Precinct. Consequently, there is no Council endorsed study that identifies development opportunities for the Fiveways site.

The Precinct 1 Study primarily focused on increasing residential density along the Pacific Highway in line with the “stepping down principle” which considers The Forum the tallest building in St Leonards and transitions height accordingly towards the low scale, finer grain Crows Nest village.

The Precinct 2 and 3 Study recommended built form controls that increased residential density, to protect job growth and allow for a greater range of activities and services for the community. It moved away from the “stepping down principle” to create an active 12-16 storey urban edge along Oxley Street.



Figure 3: St Leonards Crows Nest Planning Study precincts

2.3. Key strategic considerations

This section provides a thematic summary of the key strategic considerations identified in both State Government and Council plans, studies and strategies. These considerations help signpost future public benefit and development opportunities for the Fiveways site on the basis of strategic merit, and issues that would affect the proposal having strategic merit. This section also identifies where there are gaps and inconsistencies between DPIE and Council's position, as expressed in the documents.

2.3.1. Local character

The 2036 Plan identifies the Fiveways as being within the Crows Nest precinct and seeks to retain the mixed-use character of the area while taking advantage of opportunities for renewal along the Pacific Highway corridor and the potential to increase community facilities in the area. The village atmosphere and fine grain nature of Crows Nest, particularly along Willoughby Road, is one of the most loved features of the area.

Council also identifies the Fiveways site as being within the 'Fiveways South Education and Medical Precinct'. The desired character for this precinct, subject to investigation, is:

"a centre for health and education services, complimentary medical activities, ancillary retail and visitor, carer and aged accommodation."
- Crows Nest Placemaking and Principles Study p. 67

This is further supported in the 2036 Plan which identifies a Mater Hospital Sub-Precinct as a secondary health precinct with potential for increased allied health services nearby.

There is an opportunity to ensure that the commercial component of the Fiveways development is tailored to these uses so that the development anchors and supports the 'Fiveways South Education and Medical Precinct'.

2.3.2. Housing

Council's Local Housing Strategy (LHS) concludes that forecast housing supply within the LGA will already exceed projected dwelling demand to 2036, indicating that there is currently limited strategic-merit directly associated with additional residential uplift. Since the release of the LHS, DPIE have also released updated 2019 population, household and dwelling projections for the LGA. These projections have downcast population growth for the North Sydney LGA, which means that fewer houses are likely to be needed meet projected population growth. This may influence final dwelling capacity numbers in the 2036 Plan.

While there are no gaps in overall housing supply, the LHS identifies gaps in specific types of housing to meet the needs of the current and future community. These are:

- A shortfall of 7,800 one bedroom dwellings and studios to fill the need for smaller more affordable dwellings that suit lone person and couple households;
- Adaptable housing to meet the needs of an aging population; and
- Affordable housing (subsidised) to meet the needs of very low- and low-income workers and to retain key workers who live in the LGA.

Including residential development within the Fiveways site that will potentially help address these gaps is an opportunity to demonstrate strategic merit. DPIEs 2019 population projections indicate that there will be an increasing number of lone person households within area, many of these households will be seniors. There is already an identified gap in one bedroom and adaptable dwellings to meet the needs of this cohort. The Fiveways location is suitable because of its proximity to health services, public transport, and shops to serve the daily needs of older residents who are less mobile.

2.3.3. Employment

The new metro station means that Crows Nest will be one of the best connected suburbs in the Sydney Metropolitan area, and a key priority for Council is to leverage jobs growth in the local area from the new Metro.

The 2036 Plan identifies a target of 16,500 new jobs across the Planned Precinct between 2016 and 2036 to meet the high target of 63,500 total jobs in the Greater Sydney Commission's North District Plan. The Fiveways site is located within the Crows Nest sub-precinct which has a jobs target of 1,950 to 3,020 new jobs between 2016 and 2036.

To help achieve these targets, the 2036 Plan specifies minimum non-residential floorspace on B4 Mixed Use and B3 Commercial Core sites throughout the Planned Precinct. The non-residential floor space ratio proposed for the Fiveways site, which is zoned B4 Mixed Use, is 3:1.

The market feasibility study prepared by SGS in 2018 notes that commercial office buildings are judged to be unfeasible in the current market, however Council's studies have suggested a continued shortfall in office supply with a growing demand, particularly for coworking spaces. Council believes that the market could shift more favourably toward commercial development once the Metro is operational in 2024.

Both DPIE and Council acknowledge that further research is needed into the employment and commercial needs of the area, however documents identify the Fiveways site as representing an opportunity to expand health and education services to support employment growth and strengthen the emerging 'Fiveways South Education and Medical Precinct'. There is an opportunity to ensure that the commercial component of the Fiveways development is tailored to these uses so that the development anchors and supports the Precinct.

2.3.4. Social Infrastructure

An overarching principle of Council's planning studies to date is that any development pursued under a Planning Proposal must be supported by a commensurate level of public benefit. This is to assist Council in the timely delivery of infrastructure needed to support growth. It will be critical for the proposal to demonstrate significant public benefit commensurate with increased density and residential development on site.

This is expressed in the Planning Priorities and Actions outlined in Council's Local Strategic Planning Statement (LSPS):

Planning Priority I1 – Provide infrastructure and assets that support growth and change.

Planning Priority L2 – Provide a range of community facilities and services to support a healthy, creative, diverse and socially connected North Sydney community.

Action L1.5 - Only support Planning Proposals that are consistent with Council's endorsed planning studies, that have identified growth being delivered in locations that support the role of centres and have critical infrastructure and services in place to support the North Sydney community.

Council has undertaken extensive planning to guide the provision of community facilities and services. These studies and strategies listed below are subject to ongoing reviews and updates and remain current.

- North Sydney Council Review of Childcare Services (2014);
- Family and Children's Services Strategy 2018-2024 (2018);
- North Sydney Council Arts and Cultural Strategic Plan 2015-2017 (2015);
- North Sydney Council Older Persons Strategy 2018-2022 (2019);
- North Sydney Council Disability Inclusion Action Plan 2016/2019 (2016);
- Disability Inclusion Action Plan Annual Report 2017/18;
- Community Uses on Council Land Study (2015).

Key findings from these studies, as identified in Council's LSPS, are summarised below:

- There is currently an undersupply of Long Day Care for children under 2 years, particularly affordable Long Day Care services in suburban areas prioritising access for locals;
- There will be increased demand for childcare, particularly for children under 2 years of age, out of school hours services, community based traditional pre-school, early childhood health centre services, services for children with a disability, primary school places, and information and support for new parents on parenting and networks to assist the them, including parents from culturally and linguistically diverse backgrounds;
- There is a lack of low cost studio and exhibition spaces, including temporary exhibition spaces;
- There will be increased demand for seniors services including community support and health services, community transport services, affordable and adaptable housing, social participation and inclusion programs, and volunteering opportunities;
- Improved disabled access to major facilities, public buildings and public spaces.

A more detailed review of these studies has been undertaken to inform the social infrastructure needs analysis provided in **Section 5**.

3. DEMOGRAPHIC TRENDS

Key findings and implications

Modest population growth is projected

North Sydney LGA is projected to grow modestly by around 825 new residents each year between 2021 and 2031, after which growth is projected to slow. This growth is estimated to be at a slower rate than experienced over the last 15 years, meaning that there may be less demand for new housing locally. However, population projections are less reliable over the long-term. Unprecedented levels of infrastructure investment and new housing supply locally could increase population growth.

Crows Nest is attractive place to live for young adults

The age structure of Crows Nest is reflective of an inner city area with a high number of childless young professionals. Young adults (20-39) make up around 44% of the local population in Crows Nest, which is much higher than across Greater Sydney (30%). This cohort is likely drawn to the Crows Nest area for lifestyle reasons. The area is an 'eat street' with numerous restaurants, bars, and specialty stores, it is close to the North Sydney and Sydney employment centres, has good public transport access, and available rental housing. Projections indicate that young adults will continue to be the dominant age group living in the area over the next 20 years, however their numbers are estimated to decline.

There will be more seniors and children living locally

The overall population is aging, and the number of older adults (65+) living within the North Sydney LGA is projected to increase significantly over the next 20 years. Currently this age group is underrepresented in Crows Nest and this could be due to a limited availability of housing locally to meet the needs of empty nesters, seniors and the elderly. There will be increasing demand for accessibly designed dwellings, seniors housing, and health and social assistance services to meet the needs of an aging local population.

The number of children (0-14) living in the North Sydney LGA is also projected to increase significantly over the next 20 years. This will drive demand for additional day care and after school care facilities, which are suggested to be at capacity, as well as school and youth centre facilities, and new areas for sport and recreation.

Lone person and couple households are the dominant household types

Crows Nest is dominated by smaller lone person and couple only households, collectively representing 66% of all households. This is currently reflective of the high number of young professionals living alone or as a couple in one or two bedroom apartments, rather than a high number of empty nesters and seniors.

More people are living alone

Over half of all new households forming in North Sydney LGA over the next 20 years are projected to be lone person households. This is, in part, because of an aging population. This will drive demand for studio and one bedroom apartments to meet the needs of this growing household type. It will also drive demand for community facilities to encourage people living alone to socialise, particularly older residents.

Residents are typically well educated young professionals

Over half of all residents (54%) living in North Sydney LGA have a university degree, compared with 28% across Greater Sydney. The majority of residents (65%) are employed as professionals or managers most commonly working in the professional, scientific and technical services industry (e.g. law, IT, design, advertising, architecture, consulting). Other common industries of employment include financial and insurance services, healthcare and social assistance, and education and training.

Residents work close by and like to catch public transport

Residents of Crows Nest most commonly work nearby in the Sydney LGA (40%) or locally in North Sydney LGA (25%). Around 40% take public transport to work and around 15% walk or ride their bike. This indicates that residents are attracted to Crows Nest because it is close to key employment centres and provides good public transport access. It is likely that the opening of the Crows Nest metro will further increase Crows Nest's appeal.

3.1. Population growth

North Sydney LGA had around 74,200 residents as of 2018. The population has grown by around 7,450 residents since 2011. Crows Nest has grown by around 750 residents between 2011 and 2016.

Figure 4 shows the projected five-year population increases, with historical population growth indicated in orange and projected population growth indicated in navy. The population is projected to grow modestly by around 1,200 residents each year between 2016 and 2021, and around 850 new residents each year between 2021 and 2031, after which growth is expected to slow. This indicates a slower rate of growth than experienced over the last 15 years.

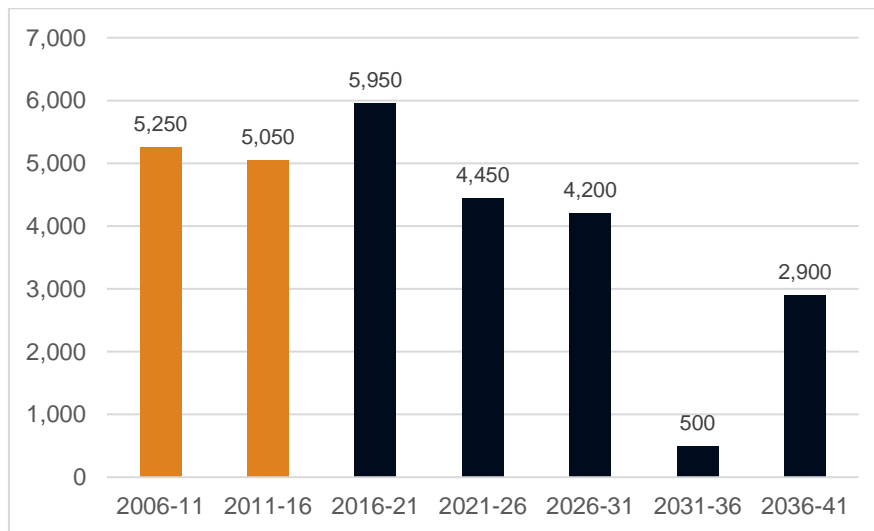


Figure 4: Historic and projected 5 year population growth for North Sydney LGA (2006-2041)
(Source: DPIE 2019 population projections; .id profile using 2016 ABS Census)

DPIE's 2019 population projections estimate a significant slowing in the rate of population growth in the North Sydney LGA from 2031 onwards, this is due to a slowing of people moving to the area rather than declining fertility. The modelling has been shaped by recent trends such as housing supply in the pipeline and existing migration policy. This means that over the medium to long term projections become less reliable as new trends, policies, and city shaping projects emerge.

There is currently an unprecedented level of infrastructure development occurring in the Crows Nest St Leonards Planned Precinct which is likely to significantly influence local housing demand and, consequently, population growth. This includes the new Crows Nest Metro station due to open in 2024, making Crows Nest one of the most well-connected suburbs in the Sydney Metropolitan area. There is also over \$320million in health, education and arts developments currently in the pipeline locally, as shown in **Table 1**, which once complete will increase the number of jobs available locally. Based on this unprecedented level of infrastructure delivery and the desirability of the area, the strong population growth projected in the North Sydney LGA between 2021 and 2031 could continue to be sustained from 2031 onwards subject to the availability of new housing.

Table 1: Health, education and arts investment in the pipeline

Project	Capital Value	Investment	Location
Royal North Shore Health Services Administration building	\$132 million		St Leonards
North Shore Health Hub Tower A (including a new 7 storey private hospital)	\$75.6 million		St Leonards
North Shore Health Hub Tower B	\$36.9 million		St Leonards
A new secondary and primary school (investigation stage)	\$60 million		St Leonards/ Crows Nest
St Leonards Arts Centre	\$16.5 million		St Leonards

(Source: Core Logic development data; DPIE Proposed SIC)

3.2. Age structure

3.2.1. Current age structure

The age structure of the North Sydney LGA and Crows Nest is reflective of an inner city area with a high number of childless young professionals. Young adults (20-39) make up 40% of the local population in North Sydney LGA. North Sydney LGA has a much lower representation of children and teenagers (0-19) and a much higher representation of young adults (20-39) when compared to Greater Sydney, as shown in Figure 5.

Crows Nest has an age profile similar to the broader LGA, with an even higher representation of young adults, making up around 44% of the Crows Nest community. Crows Nest also has a much lower proportion of older adults compared to the rest of the LGA. This may be an indication of a lack of suitable housing available locally to meet the needs of older residents.

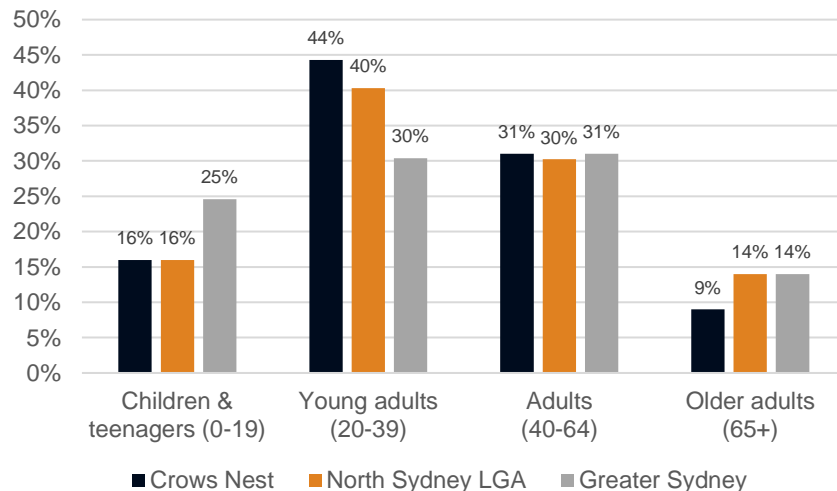


Figure 5: Comparison of age structure between Crows Nest, North Sydney LGA and Greater Sydney (2016) (Source: 2016 ABS Census)

3.2.2. Changing age structure

Population projections indicate that 25-39 year olds will continue to be the dominant age group in North Sydney LGA over the next twenty years, as shown in Figure 6. However, the number of young adults (20-39) living in the area is projected to decline over the next fifteen years as shown in Table 2. While all other age cohorts are expected to increase.

There will be a significant increase in the number of residents aged 70+ which will drive local demand for housing and community infrastructure designed to meet the needs of seniors and the elderly. The large increase in the number of children and teenagers will also drive the demand for additional childcare, school and youth centre facilities so that the area can be 'family friendly' and retain families with children.

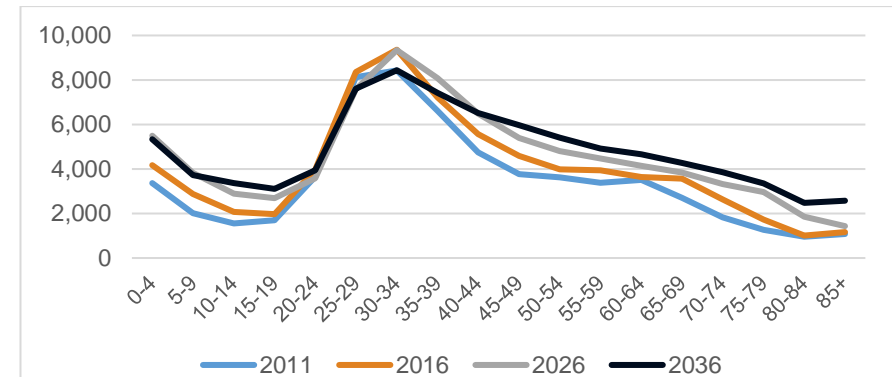


Figure 6: Projected change in age structure of North Sydney LGA (2011-2036) (Source: DPIE 2019 population projections)

Table 2: Projected 5 year change in age structure in North Sydney LGA (2016-2041)

Age cohort	2016-21	2021-26	2026-31	2031-36	2036-41
Children & teenagers (0-19)	2430	1380	710	- 80	- 180
Young adults (20-39)	100	- 430	60	- 1220	1090
Adults (40-64)	1830	1740	1720	460	560
Older adults (65+)	1560	1760	1710	1380	1400

(Source: DPIE 2019 population projections)

3.3. Drivers of future population change

There are two key factors that drive population change – people moving in and out of an area (net migration) and natural population increases or decreases (births and deaths).

Recently, the North Sydney LGA has experienced most population growth from natural population increases (more births than deaths) rather than from migration. While there has been high number of people moving to North Sydney LGA, historically there has been almost as many people leaving the LGA, meaning that local migration patterns are not contributing to significant population growth as they are in other areas of Sydney.

Figure 7Error! Reference source not found. shows the projected population change in North Sydney LGA as a result of natural increases and migration. Projections estimate that natural population increases will account for around 75% of all population growth in North Sydney LGA over the 10 years between 2016 and 2026. Projections indicate that population growth is expected to slow from 2031 onwards due to more people leaving the area than moving to the area, however, as discussed in **Section 3.1** medium to longer term projections are less reliable due to changing trends, policies and development in the pipeline.

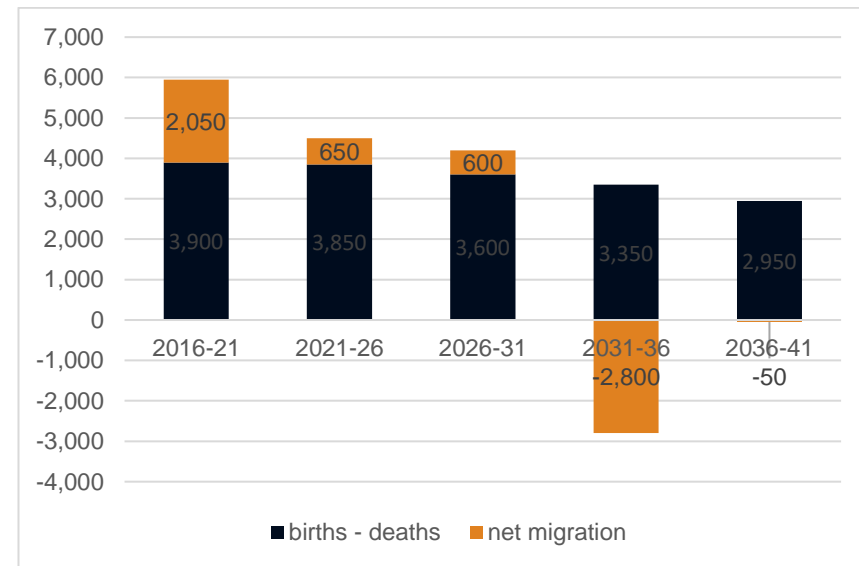


Figure 7: Key drivers of projected population change in North Sydney LGA (2016-2041)
(Source: DPIE 2019 population projections)

An analysis of people moving in and out of North Sydney LGA between 2011 and 2016 shows that the largest net number of residents are moving from Ku-ring-gai (net migration +706), The Hills (+272), Parramatta (+235), Randwick (+156) and Hornsby (+103) LGAs. With the exception of Randwick, these areas tend to offer fewer 'lifestyle' services. They are also located a greater distance from the Sydney and North Sydney employment centres. It is likely that North Sydney is attracting people from these LGAs because of the availability of rental housing in a high amenity area with plenty of entertainment options, close to key employment centres and with good public transport access.

The largest net number of residents leaving North Sydney LGA are moving to Willoughby (net migration -880), Northern Beaches (- 413), Lane Cove (- 361), Inner West (-274) and Central Coast (-103) LGAs. These areas tend to be neighbouring LGAs or LGAs that are attractive for lifestyle reasons.

An analysis of the age structure of residents moving in and out of North Sydney LGA between 2011 and 2016 shows that the LGA has historically been losing families that are growing and gaining young adults (18-34 year olds) and empty nesters (55-64 year olds), as shown in Figure 8. Over this period, families with children have most commonly moved to neighbouring Willoughby, Northern Beaches, Ku-ring-gai, Lane Cove, Hornsby and Inner West LGAs, while young adults have most commonly moved from Ku-ring-gai, The Hills, Hornsby, Randwick and Parramatta LGAs.

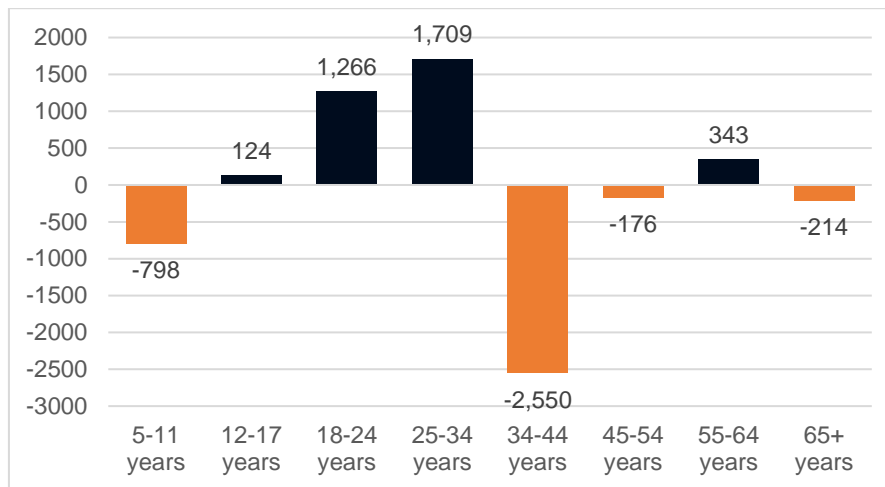


Figure 8: Net migration by age group in North Sydney LGA between 2011 and 2016 (Source: .id profile North Sydney LGA)

3.4. Household composition

3.4.1. Current household composition

Household types influence households size and the demand for smaller or larger dwellings. Figure 9 shows the proportion of each household type and compares North Sydney LGA, Greater Sydney and Crows Nest suburb. North Sydney LGA, including Crows Nest, is dominated by lone person and couple only households, representing around 66% of all households in 2016, when compared to Greater Sydney (46%).

Between 2011 and 2016 North Sydney LGA experienced the largest growth in the couple with children household type (+1,090 households) and slower growth in other household types. This trend partly reflects natural changes in the lifecycle where young couple households are having children and becoming young families. The growth of families with children has likely put increasing pressure on existing childcare services in the local area.

The LGA has also experienced a decline in lone person households (-60) over this period. This may be a result of an increasing number of lone person households being priced out of the area as a result of limited availability of smaller and more affordable housing locally.

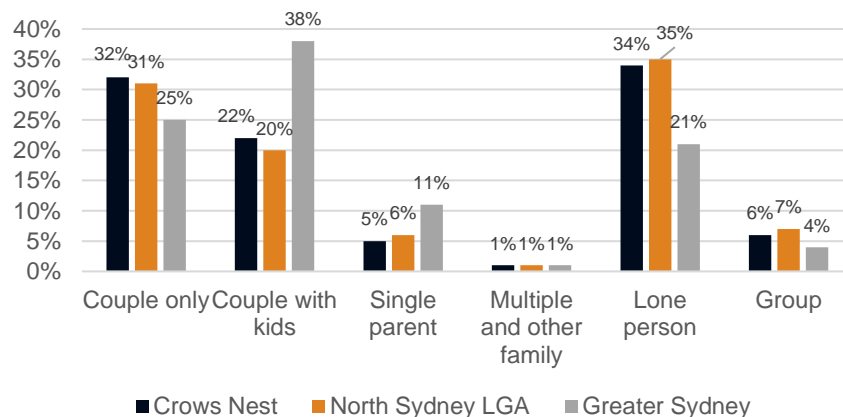


Figure 9: Comparison of household composition between Crows Nest, North Sydney LGA and Greater Sydney (2016) (Source: 2016 ABS Census)

3.4.2. Changing household composition

Between 2016 and 2041 the number of households in the North Sydney LGA is projected to increase by 9,200, growing from 33,900 households in 2016 to 43,100 households in 2041. This indicates that the number of new households is projected to grow modestly by around 460 new households each year between 2016 and 2031, after which population growth is projected to slow, leading to around 240 new households forming each year between 2031 and 2041.

Figure 10Error! Reference source not found. shows the projected number of new households forming between 2016 and 2036 by household type. Of all new households forming in the North Sydney LGA over this 20-year period, around 4,100 (55%) are estimated to be lone person households. This will drive demand for more studio and one bedroom dwellings to meet the housing needs of this growing household type. It will also drive demand for community facilities to encourage people living alone to socialise, particularly older residents.

There is also projected to be an increase in families with children households. This will drive demand for infrastructure catering to the needs of dependents and their parents including childcare services, schools, sporting facilities, youth centres and entertainment.

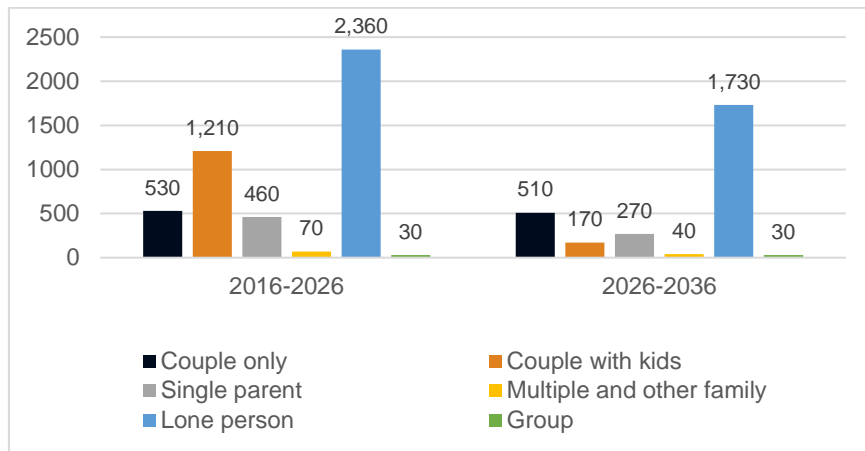


Figure 10: Projected 20-year growth in household types in the North Sydney LGA (2016-2036)
 (Source: DPIE 2019 population projections)

3.4.3. Household size

Crows Nest, and North Sydney LGA more broadly, have a much higher proportion of one and two person households than Greater Sydney, which is reflective of the high number of residents living alone or as a couple in the area.

Family households of three or more people make up less than a third of all households in Crows Nest, as shown in Figure 11. This is likely a reflection of the limited availability of affordable detached dwellings on the market suitable for family households. Only 30% of dwellings in Crows Nest have three or more bedrooms, and these larger dwellings are expensive due to the high amenity location and limited supply. As a result, Crows Nest has been losing family with children households to other suburbs with a greater supply of affordable family homes.

The average household size in North Sydney LGA is projected to remain between 2 and 2.1 people per household over the next 20 years. The ongoing trend of smaller household sizes compared to Greater Sydney (2.8 average household size), will continue to drive the demand for smaller dwellings in the LGA. It will also drive the need for facilities to encourage

people living alone to socialise and remain an active member of the community.

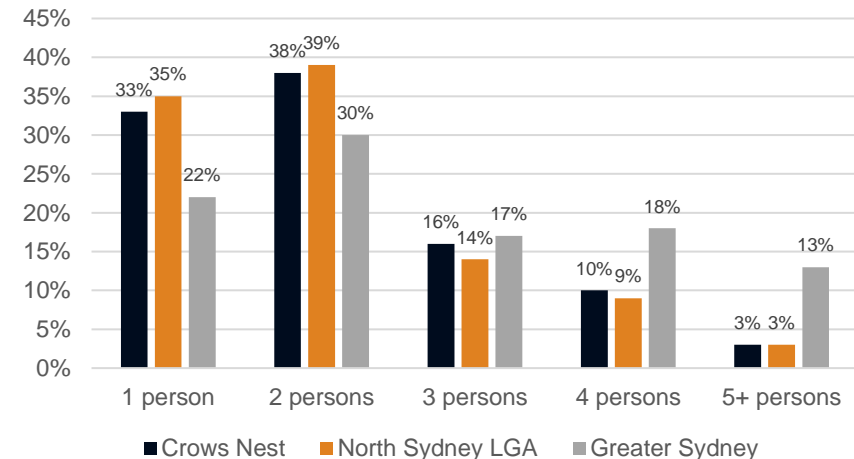
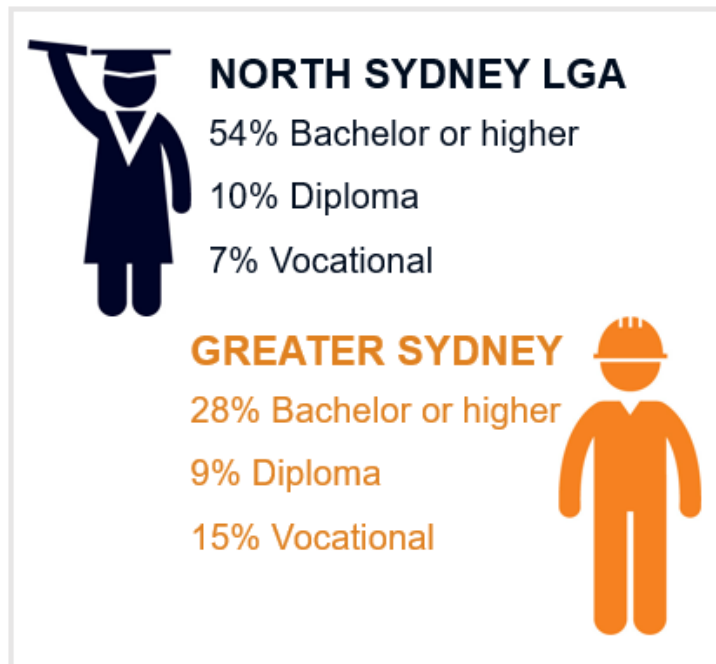


Figure 11: Comparison of household size between Crows Nest, North Sydney LGA and Greater Sydney (2016) (Source: 2016 ABS Census)

3.5. Education, employment and income

3.5.1. Education

Residents of North Sydney LGA are well educated, when compared to Greater Sydney. More than half (54%) of residents aged 15 or older have a university degree, 10% have a diploma or advanced diploma, and 7% have a vocational (TAFE) qualification. This is reflective of the high number of young professionals living within the LGA. Residents of Crows Nest have a similar level of education to those in the broader North Sydney LGA.



3.5.2. Employment

As of 2016, nearly two in every three residents (65%) in the North Sydney LGA were employed as professionals or managers. Residents most commonly work in the professional, scientific and technical services industries (e.g. law, IT, design, advertising, architecture, engineering, building and surveying consultants). Other common industries of employment include financial and insurance services, healthcare and social assistance and education and training. The employment profile of residents in Crows Nest strongly reflects that of the broader LGA.

25% of residents in the North Sydney LGA work within the LGA, while the majority (73%) work outside of the LGA – most commonly in the Sydney (40%), Willoughby (7%), Ryde (5%) and the Northern Beaches (3%) LGAs.

Around 40% of residents in Crows Nest take public transport to work, while around 29% travel by car and around 15% walk or ride their bike. The high proportion of local residents walking to work indicates that people value living close to where they work.

3.5.3. Income

Households in Crows Nest and surrounding suburbs are generally more affluent when compared to Greater Sydney. Median weekly household incomes in surrounding areas range from \$2,200 to \$2,700, compared to \$1,750 in Greater Sydney, as shown in Figure 12. Error! Reference source not found..

North Sydney, Crows Nest and St Leonards have a lower median household income compared to surrounding areas, however these areas tend to have a younger population who are likely in earlier stages of their career and not earning as much because of this.

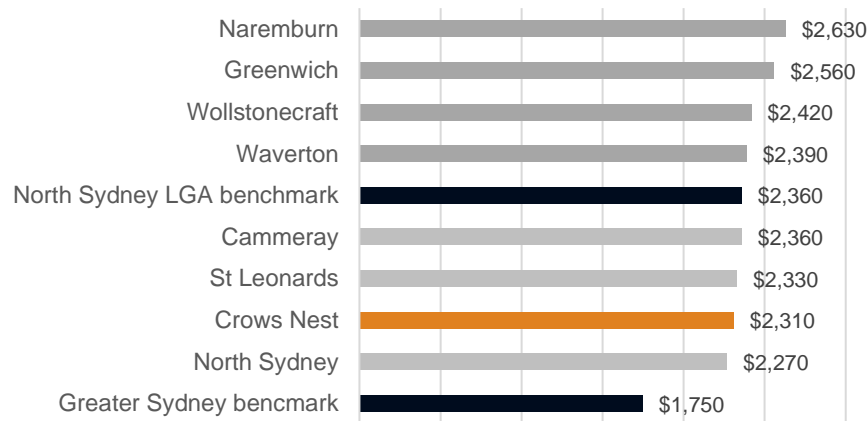


Figure 12: Median weekly household income of Crows Nest and surrounding suburbs (2016)
(Source: 2016 ABS Census)

4. HOUSING TRENDS

Key findings and implications

Smaller apartments make up the majority of housing stock

One and two bedroom apartments make up around half of all housing stock within Crows Nest as of 2016, reflective of the inner city character of the area. While four or more bedroom dwellings make up only 6% of total housing stock.

Residents choose to rent over purchasing a home

As of 2016, over half of all households (52%) in Crows Nest were renting, 20% owned their own home outright, and 26% were paying off a mortgage. The high proportion of renters locally is likely a case of young professionals choosing to rent in high amenity areas close to where they work rather than purchasing a house in Sydney's middle or outer ring suburbs. Between 2011 and 2016 there has been a significant increase the proportion of renters. This is likely a reflection of the increase in rental apartments coming onto the market over this period.

Housing in Crows Nest is unaffordable for many households

Median house and apartment prices in North Sydney LGA are more expensive than across Greater Sydney. Median house prices at \$2.65 million were around three times the Greater Sydney median price, while median apartment prices at \$0.98million were around 0.3 times more expensive. While apartment living offers a far more affordable housing choice within the North Sydney LGA, the cost is still unaffordable to all but high income households and those in lower income jobs are likely priced out of the area.

There has been a large increase in the supply of apartment rentals

Rental vacancy rates in Crows Nest have generally remained between 1.5% and 3% over the last 10 years, but have recently spiked to 4.7% at the start of 2020. This is a reflection of the large number of apartment completions across the North Sydney LGA between 2016 and 2019 which has released a large supply of apartment rentals into the market in relatively short succession.

There will continue to be greatest demand for smaller dwellings

Lone person and couple only households in the North Sydney LGA are generally choosing to live in one and two bedroom apartments. This is reflective of a trade-off whereby residents are choosing to live in smaller dwellings in order to have the inner city lifestyle and enjoy the benefits that it offers. Given that the majority of new households forming over the next 20 years will be lone person households, followed by couple households, there is likely to be the largest unmet demand for one bedroom, two bedroom and even studio apartments.

Around 300 to 600 new dwellings will be needed annually to meet demand

9,200 households are estimated to form within North Sydney LGA between 2016 and 2041. This will drive the demand for an additional 10,250 new dwellings over this period, or around 410 new dwellings each year. The largest population growth and new household formation is projected between 2016 and 2031, driving greater demand for new dwellings over this period (more like 600 annually) and less demand between 2031 and 2041.

Apartment approvals have slowed, and apartment completions are likely to follow, impacting future housing supply

Apartment approvals tend to make up over 90% of all dwelling approvals in the North Sydney LGA. Dwelling approval activity in the North Sydney LGA has slowed significantly from 915 approvals in 2016 to only 170 approvals in 2019. Dwelling completions have also slowed from 815 in 2016 to 565 in 2019. Dwelling completions are expected to slow further over the next 24 months reflecting the significant decline in dwelling approvals. This is likely to impact on future housing supply, potentially creating an undersupply in the local housing market in the longer term if not corrected.

4.1. Dwelling stock

Housing stock in Crows Nest, and North Sydney LGA more broadly, is predominantly one and two bedroom apartments reflective of the inner city character of the area. When compared to Greater Sydney, Crows Nest has a much higher proportion of apartments and a much lower proportion of larger detached dwellings.

Figure 13 shows the proportion of different dwelling types within Crows Nest as of 2016. Generally, six of every ten dwellings were apartments, three in every ten were semi-detached, row or terrace dwellings, and one in every ten were detached dwellings.

Figure 14 shows the proportion of each dwelling size within Crows Nest as of 2016. Generally, seven of every ten dwellings had two or fewer bedrooms and around one in twenty dwellings had four or more bedrooms. When compared to Greater Sydney, Crows Nest and North Sydney LGA more broadly, has a significantly lower proportion of four or more bedroom dwellings and a much higher proportion of one and two bedroom dwellings.

An analysis of changes in Crows Nest's housing stock between 2011 and 2016 indicates that new residential development is predominately in the form of smaller apartments. Between 2011 and 2016 the number of apartments within Crows Nest increased by around 300 representing 70% of new housing stock built over this period. Semi-detached, row and terrace houses made up the additional 30% of new housing stock, while the number of detached dwellings declined by 170 dwellings or 9% of total housing stock.

Between 2011 and 2016, the proportion of one bedroom dwellings in Crows Nest increased from 20% to 27% of total housing stock, while the proportion of all other dwelling sizes decreased. Despite the market delivering an increase in one bedroom apartments, there will continue to be an unmet demand for one bedroom dwellings due to the significant projected increase in the number of lone person households as discussed in **Section 3.4**. Council's Local Housing Strategy identified a projected shortfall of 7,800 studio or one bedroom apartments to meet the needs of residents within the North Sydney LGA to 2036.

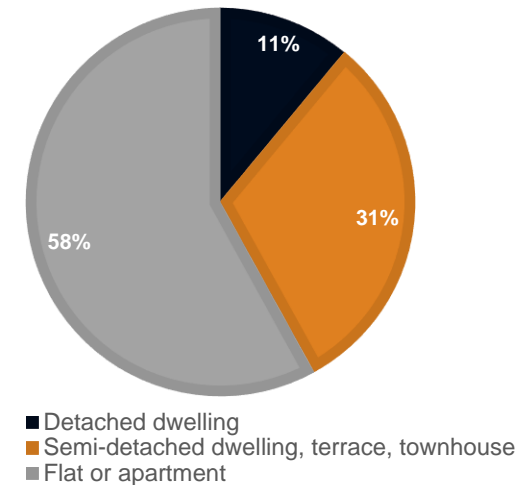


Figure 13: Proportion of dwelling types within Crows Nest (2016) (Source: 2016 ABS Census)

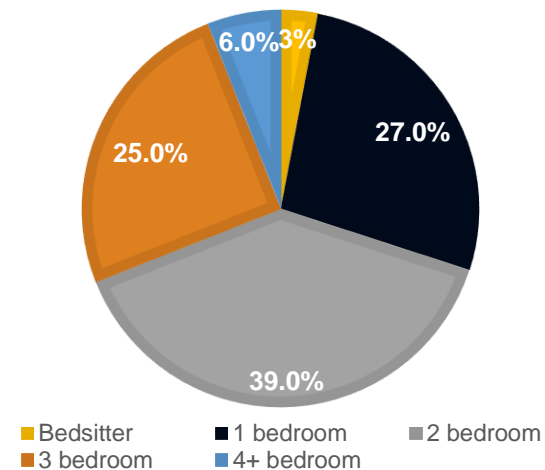


Figure 14: Proportion of dwelling sizes within Crows Nest (2016) (Source: 2016 ABS Census)

4.2. Dwelling tenures

Crows Nest, and North Sydney LGA more broadly, have a high representation of renting households (52%) when compared to Greater Sydney (34%).

As of 2016, five of every ten households were renters, two in every ten households owned their house outright, and nearly three in every ten households had a mortgage, as shown in Figure 15. The high proportion of renters locally is likely a case of young professionals opting to rent in high amenity areas such as Crows Nest which provide good access to jobs, services and transport rather than buying homes in outer-Sydney locations with fewer entertainment, employment and transport opportunities.

An analysis of changes to tenure patterns between 2011 and 2016 indicates that more households are choosing to rent over buying. There has been a 5% increase in the proportion of renting households and a 4% decrease in the proportion of households with a mortgage. The growing proportion of renting households is likely a reflection of an increase in investor-owned apartments coming onto the market between 2011 and 2016 and also rising house prices over this period.

Figure 16 shows the tenure pattern in suburbs surrounding Crows Nest as of 2016. The three suburbs with the highest proportion of renting households are also the suburbs with the highest proportion of young adults and lower median household incomes (see **Section 3.5.3**). This indicates that young professionals, and to a lesser extent tertiary students, have historically been driving local demand for apartment rentals.

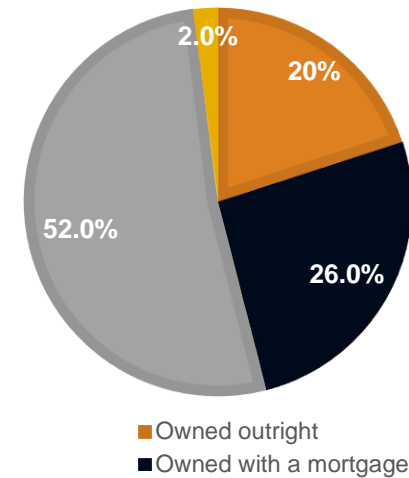


Figure 15: Tenure patterns of Crows Nest (2016) (Source: 2016 ABS Census)

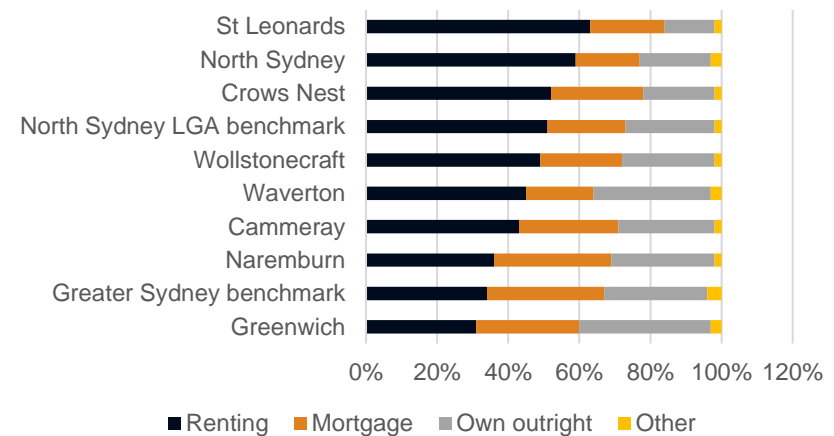


Figure 16: Tenure patterns of surrounding suburbs (2016) (Source: 2016 ABS Census)

4.3. Dwelling prices and affordability

Median dwelling prices in North Sydney LGA are much higher than median dwelling prices across Greater Sydney, this is because of the inner city location and associated high land values.

Figure 17 shows the changes in the median sales price within North Sydney LGA between June 2017 and June 2019 for non-strata (houses and townhouses) and strata (flats or apartments) dwellings. The median sales price for non-strata dwellings has remained above \$2 million over the last two years, while the median sales price for strata dwellings declined by around 17% from \$1.17million in June 2017 to \$0.98 million in June 2019. This decline is likely due to the significant number of new apartments coming online over this period and with less demand from overseas investors as a result of tighter lending conditions.

Figure 18 shows the changes in the median sales price across Greater Sydney between June 2017 and June 2019 for non-strata (houses and townhouses) and strata (flats or apartments) dwellings. Comparing median sales prices in North Sydney LGA and Greater Sydney shows that non-strata dwellings are around 3 times more expensive in North Sydney LGA, while strata dwellings are around 0.5 times more expensive.

Apartment living offers the most affordable housing choice in North Sydney LGA, however despite a decline in price between 2017 and 2019 apartments remain unaffordable to purchase for all but high-income households.

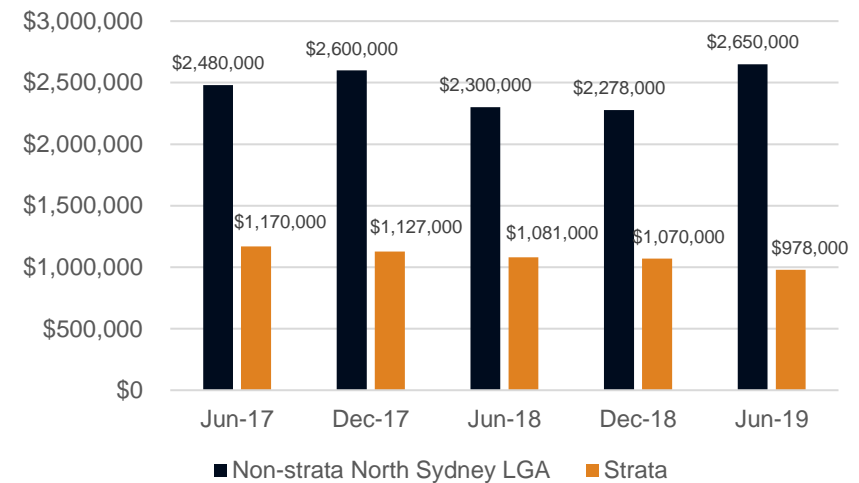


Figure 17: Median sales prices of North Sydney LGA (June 2017-June 2019) (Source: FACS Rent and Sales Report)

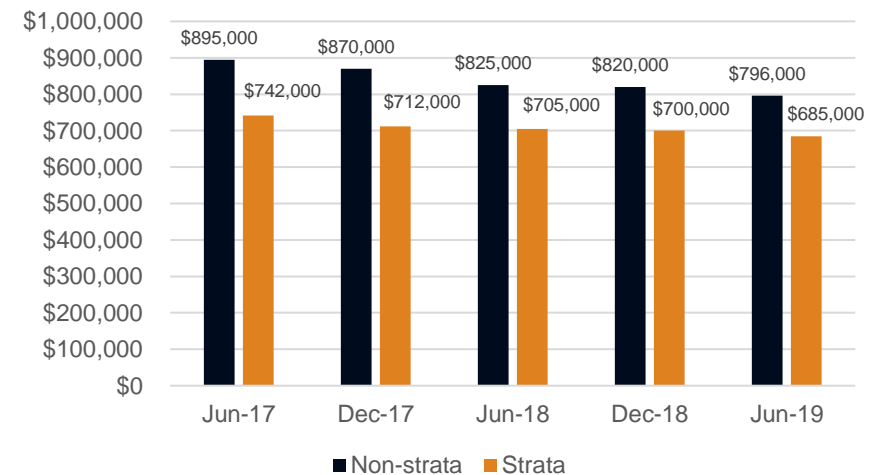


Figure 18: Median dwelling sales prices of Greater Sydney (June 2017 – June 2019) (Source: FACS Rent and Sales Report)

Median weekly rental prices in North Sydney LGA are more expensive than Greater Sydney as it is a desirable inner-city area close to employment, services and entertainment and with good public transport access. North Sydney LGA also has a high proportion of renters, particularly around St Leonards, Crows Nest and North Sydney. This is likely in part due to weekly rental prices being relatively affordable compared to the cost of buying a home.

Figure 19 shows the changes in the median weekly rental price for apartments in North Sydney LGA by size between September 2017 and September 2019. The median weekly rental price for a studio apartment as of September 2019 was \$400, while the median weekly rental price for a three bedroom apartment was \$950. Generally, the median weekly rental price for apartments has declined between 2017 and 2019 as a result of the significant number of new apartments coming onto the market within the North Sydney LGA, and surrounding areas, over the last few years.

Figure 20 shows the changes in the median weekly rental price for apartments in Greater Sydney between September 2017 and September 2019. Comparing median weekly rental prices in North Sydney LGA and Greater Sydney shows that there was little difference in the median rental price of studio apartments and one bedroom apartments in North Sydney LGA and Greater Sydney as of September 2019. However, the price of two and three bedroom apartments in North Sydney LGA was substantially more expensive than the Greater Sydney median.

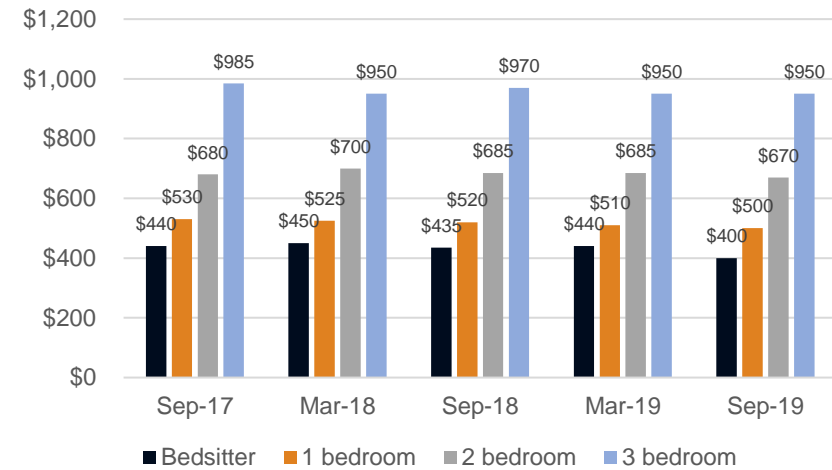


Figure 19: Median weekly rental prices of apartments by number of bedrooms in North Sydney LGA (Sep 2017 - Sep 2019) (Source: FACS Rent and Sales Report)

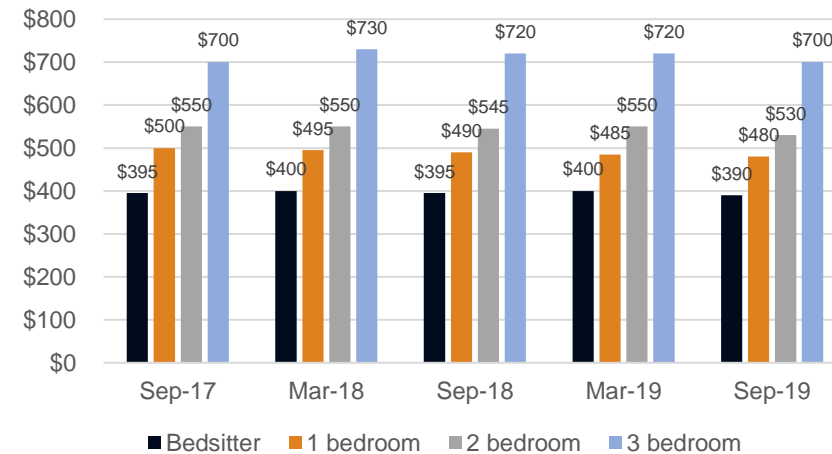


Figure 20: Median weekly rental prices of apartments by number of bedrooms in Greater Sydney (Sep 2017 - Sep 2019)(Source: FACS Rent and Sales Report)

4.4. Rental stock and availability

Rental vacancy rates provide an indication of the available supply of rental housing in the private rental market. As a benchmark, a vacancy rate of around 2.5% is generally reflective of a good balance between supply and demand. A vacancy rate below 2.5% indicates an undersupply.

Rental vacancy rates in Crows Nest have generally remained between 1.5% and 3% over the last 10 years as shown in Figure 21. This suggests that there has generally been a good balance of supply and demand, with periods of undersupply.

Since December 2017 rental vacancy rates in Crows Nest have generally remained above 3% and were sitting at 4.7% as of January 2020. This is a reflection of the spike in new apartments coming onto the market between 2016 and 2019.

Apartment completions within the North Sydney LGA have slowed in 2019. If apartment completions continue to slow, there will be a reduction in available rental stock and rental vacancy rates are likely to respond by lowering back to normal levels.

Residential Vacancy Rates

Source: SQM Research

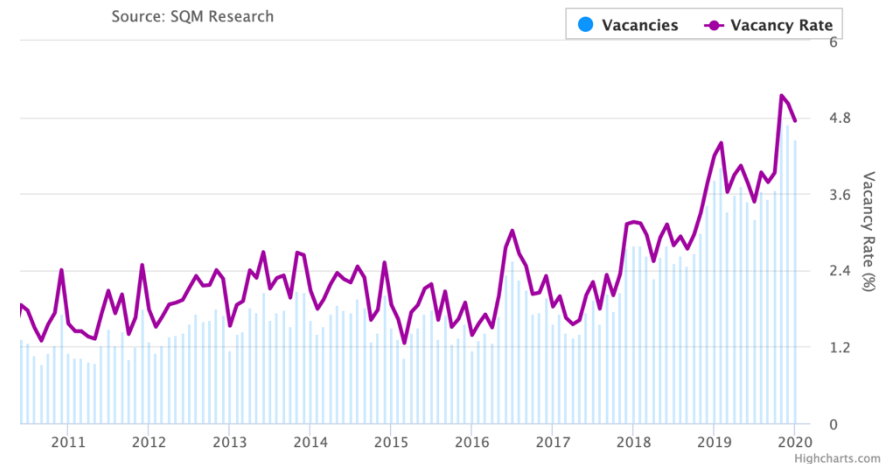


Figure 21: Rental vacancy rates in Crows Nest (2065 postcode) between 2010 and 2020 (Source: SQM Research)

4.5. Housing preferences

The housing choices that households make are influenced by a number of complex factors, including availability of new dwelling supply in an area, dwelling price, dwelling features, proximity to employment, services, and entertainment, and distance from family and friends. Housing choice is also driven by 'external factors' which include things such as economic policy and drivers (such as interest rate cuts and taxation policies like stamp duty), and planning policy (such as the push for higher density housing to be built along key transport corridors). Collectively these factors influence the type and location of houses people are able and willing to buy.

Evidence into housing preferences is limited, particularly at the local level. However, evidence suggests that the Crows Nest area attracts a lot of young professionals that are opting to live in one and two bedroom apartments that they can afford in order to be within walking distance to shops and bars along Willoughby Road, key employment centres such as North Sydney, landmarks such as Sydney Harbour and Sydney Harbour Bridge, as well as good public transport access.

Analysing the number of residents living in each dwelling size can provide insight into the size of dwellings that households are choosing to live in based on what is available in the market.

Figure 22 shows the number of residents living in each household size in North Sydney LGA, as of 2016. Couple only households make up the largest majority of households and they are generally choosing to live in a two bedroom apartment, with some opting for one or three bedroom dwellings. Lone person households make up the second largest share of households in North Sydney LGA and they are generally choosing to live in one or two bedroom apartments. Couple with children households are generally choosing to live in two or three bedroom dwellings over larger dwelling sizes, this is likely to be a reflection of the limited availability and expense of larger dwellings in the North Sydney LGA.

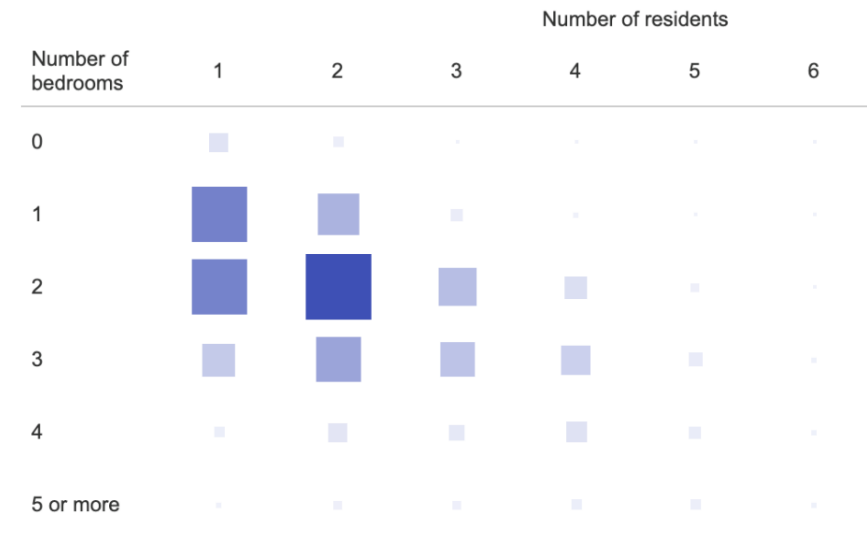


Figure 22: Number of residents by number of bedrooms in North Sydney LGA (2016) (Source: ABS 2016 Census)

4.6. Future housing demand

Based on population growth and new households forming, DPIE projects that there will demand for an additional 10,250 new dwellings in North Sydney LGA between 2016 and 2041. These dwelling forecasts represent the total projected number of dwellings across the LGA over the 25-year period and are not broken down by typology, location or yearly timeframes.

Overall dwelling demand equates to around 410 new dwellings each year over this period, however there could be a much greater demand for new dwellings between 2016 and 2031 than between 2031 and 2041 based on projected slower rates of population growth and household formation from 2031.

Evidence suggests, taking into account housing costs and location, lone person and couple only households are tending to choose one and two bedroom dwellings, and couple with children households are tending to choose two and three bedroom dwellings.

Given that 55% of new households forming over the next 20 years are projected to be lone person households, as shown in Figure 23 there is likely to be the most demand for one and two bedroom dwellings over this period. Despite this, the proportion of couple with children households is growing and given the limited number and cost of detached dwellings it is likely that the demand for three bedroom apartments will increase as more families opt for apartment living in high amenity areas with reputable schools.

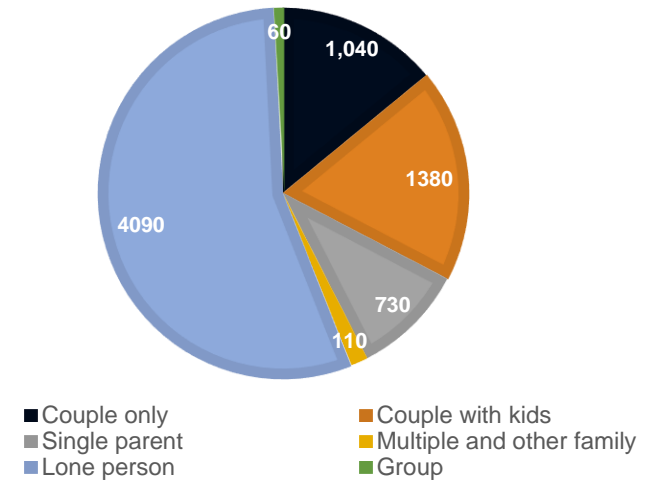


Figure 23: Projected growth in household types within North Sydney LGA (2016-2036)
 (Source: DPIE 2019 Projections)

4.7. Dwelling approvals and completions

Dwelling approvals and completions provide an indication of future housing market supply over time. Figure 22 shows the number of detached dwelling and multi unit dwelling (apartments, townhouses, terraces, etc.) building approvals within North Sydney LGA over the last four years. Apartment approvals have made up the majority of dwelling building approvals over the last four years. Approvals were strongest in 2016 but have slowed significantly from 2017 onwards in response to the broader downturn in the property market at the end of 2017. Detached dwelling approvals only make up a small share of overall building approvals which is reflective of the high land values in the LGA making smaller residential developments financially unfeasible.

Figure 24 shows the number of detached dwelling and multi unit dwelling (apartments, townhouses, terraces, etc.) completions within North Sydney LGA over the last four years. Nearly all dwelling completions have been in the form of new apartment developments, however apartment completions have slowed since their peak in 2016.

The average completion time for apartment developments in NSW in 2019 was around 20 months. Based on this timeframe, apartments that have received a building approval in 2018 and 2019 are likely to be completed from 2020 and 2021. Given that building approvals have slowed so significantly over the last two years, it is likely that apartment completions will decline even further in North Sydney LGA in 2020 and 2021.

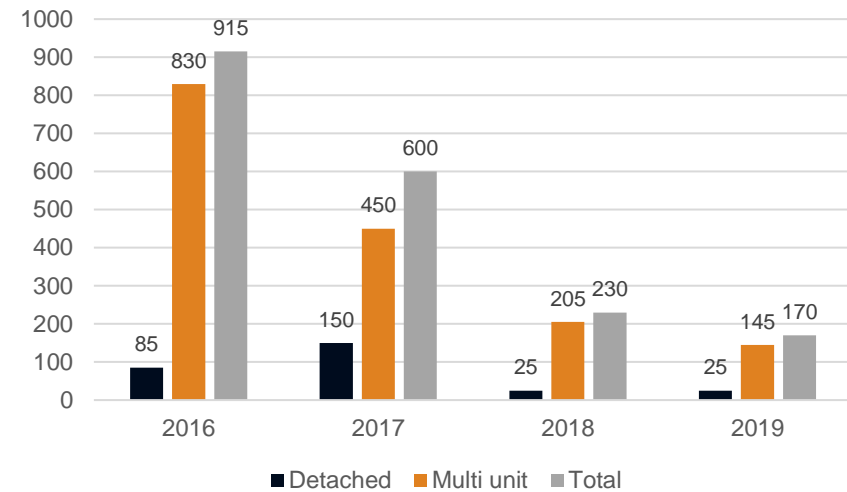


Figure 24: Dwelling building approvals in North Sydney LGA (2016-2019) (Source: DPIE Sydney housing activity data)

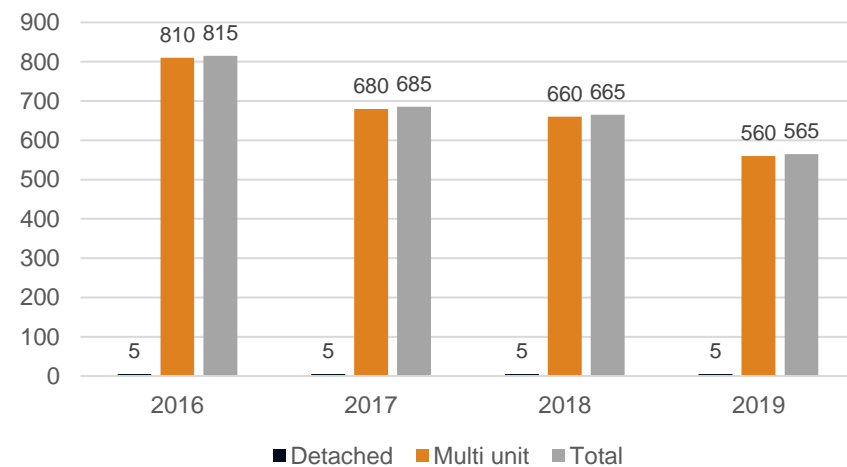


Figure 25: Dwelling completions in North Sydney LGA (2016-2019) (Source: DPIE Sydney housing activity data)

A review of recent residential building approvals in the Crows Nest-Waverton and St Leonards-Naremburn SA2 areas was undertaken to provide an indication of future housing market supply in the St Leonards and Crows Nest area, including the number and types of dwellings being built.

Table 3 shows the number of building approvals by dwelling type in the Crows Nest and St Leonards SA2 areas from 2016 to 2019. The majority of new housing supply is being delivered through a few large multi-million dollar residential developments, particularly in St Leonards, as indicated in Figure 26. Apartment approvals were greatest in 2016, and slowed significantly in 2017 as a result of no large residential developments being approved, apartment approvals increased again in 2018 and 2019 as a result of two large residential developments in St Leonards.

Evidence suggests that because the majority of new housing supply in Crows Nest is delivered in bursts as part of large tower developments, it can result in short-term impacts on rental prices and vacancy rates. However, these tend to level-out over longer term.

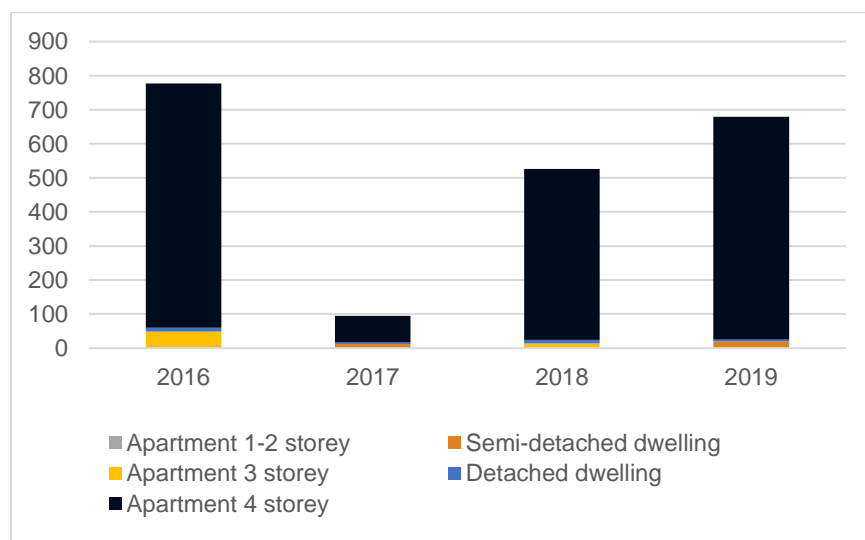


Figure 26: Dwelling building approvals in Crows Nest and St Leonards SA2 areas (2016 - 2019) (Source: ABS building approvals data)

Table 3: Number of residential building approvals by year in the Crows Nest and St Leonards SA2 areas (2016-2019)

Dwelling types	2016	2017	2018	2019
Crows Nest – Waverton SA2				
Detached dwelling	3	4	8	3
Semi-detached dwelling	3	0	2	11
Apartment/ unit 1-2 storey	0	0	0	0
Apartment/ unit 3 storey	23	0	12	0
Apartment/ unit 4 or more storeys	147	78	17	0
St Leonards – Naremburn SA2				
Detached dwelling	8	1	2	2
Semi-detached dwelling	0	12	0	9
Apartment/ unit 1-2 storey	0	0	0	0
Apartment/ unit 3 storey	23	0	0	0
Apartment/ unit 4 or more storeys	570	0	485	654

(Source: ABS building approvals data)

5. SOCIAL INFRASTRUCTURE NEEDS

Key findings and implications

Open space is limited and in acute need

There is an acute need for additional open space within Crows Nest and this need will increase as the area densifies. Currently there is no open space within 200m of the Fiveways site and limited open space within 400m of the site. New open space, such as a 1000m² public plaza, will likely need to be incorporated within the proposed development to meet open space requirements. There may also be an opportunity to contribute to funding for new open space nearby.

Many sports facilities are at capacity or need upgrading

There are a broad range of sports facilities surrounding the Fiveways site, however they are well used and Council notes that most are already at capacity. Need is expected to increase from population growth, particularly from students and young workers. There is limited opportunity to incorporate new sporting facilities within the Fiveways site due to size constraints, however smaller indoor sporting facilities such as a racquet sports centre for squash and badminton could be accommodated on site and diversify sporting facilities available locally.

There is a shortage of aged care services and accommodation locally

There are currently very limited aged care services and accommodation in the local area. Need for these services is expected to increase due to the projected growth of the 70+ age cohort over the next 20 years. Council has identified the 'Fiveways South Education and Health Precinct', which incorporates the Fiveways site, as a preferred location to accommodate these types of facilities.

There is an opportunity to accommodate other health services on site

There has been significant growth within the health sector locally, with over \$200 million of health related developments currently under construction within the St Leonards Health and Education Precinct. These include a new health hub, new private hospital, and new administrative building for the Royal North Shore Hospital. Both Council and the State Government have identified the area immediately south of the Fiveways site as a secondary health precinct with the potential for an increase in health services to compliment the Mater Private Hospital. There is an opportunity to provide these ancillary health services onsite. Due to the rapid growth and changing nature of the local health industry and facilities provided, specific opportunities will need to be further investigated.

There is a likely need for additional community facilities

The surrounding area currently offers a range of community facilities including the Crows Nest Centre, Stanton Library and childcare services and coworking spaces, however Council have noted that many of these facilities are at capacity. As the population grows there will be an increasing need to accommodate new community facilities within Crows Nest. The Fiveways site offers an opportunity to provide a landmark community and cultural hub with various uses occupying different floors of the building. Specific facility needs will need to be further investigated, however there is an identified demand for a youth centre, childcare facilities, and coworking and innovation spaces.

Council has committed to delivering landmark arts and cultural facilities

A new Council owned and operated arts centre in St Leonards providing a gallery, theatre and artists and creative spaces has been negotiated through a VPA. Council have also committed to facilitating a large cultural hub as part of the Ward Street Masterplan. This means that there is likely to be a limited need for another landmark arts and cultural facility. Despite this, Council is committed to growing the arts and creative industries locally and there is the potential to incorporate smaller exhibition and studio spaces within a broader multi-purpose arts and cultural hub.

5.1. Open space, sports and recreation

5.1.1. Existing facilities

There are a wide range of open space, sports and recreation facilities within 1km of the Fiveways site as shown in Figure 27 and listed in **Table 4**. These facilities include around 20 parks and reserves, the regionally significant North Sydney Oval, North Sydney Indoor Sports Centre, ball courts, bowling greens and smaller open space facilities such as plazas.

The broader North Sydney area also includes other significant open space, sports and recreation facilities within 3km of the Fiveways site including the Cammeray Golf Club, North Sydney Olympic Pool, Waverton Park, The Coal Loader Centre for Sustainability, Berry Island Reserve, and Naremburn Park, among others.

Although there are many existing facilities, none are located within 200m of the Fiveways site, and very few within 400m of the site.

Council also notes that most existing facilities in the area are well utilised by the local and wider community pushing them to capacity. Over-use of these facilities is an ongoing and increasing issue, particularly as the area densifies.

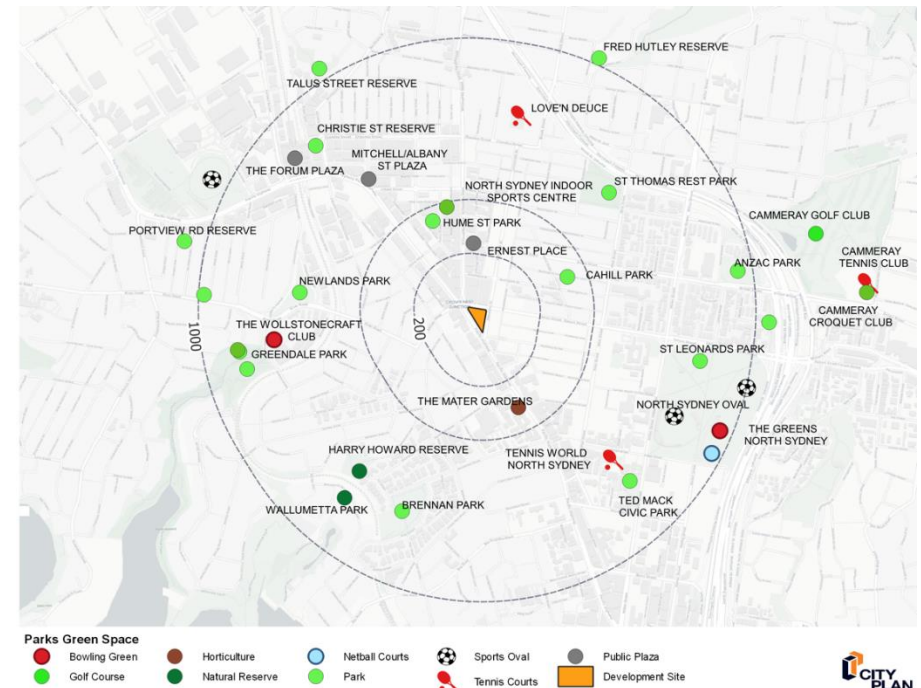


Figure 27: Existing open space, sports and recreation facilities within 1km from the Fiveways site

Table 4: Existing open space, sports and recreation facilities within 1km of the Fiveways site

Name	Location	Facilities & services	Proximity to site
Ernest Place	Ernest Place, Crows Nest	Green space, landscaping, seating, stage, public art, shelter	250m
Cahill Park	Sophia St, Crows Nest	Green space, playground, seating	350m
Hume Street Park	Hume St, Crows Nest	Green space, landscaping, seating	350m
North Sydney Indoor Sports Centre	Hume Street, Crows Nest	Four enclosed play areas, grandstand seating, meeting and change rooms, office space and car parking for 100 cars	400m
Mitchell Street Plaza	Mitchell St, St Leonards	Seating, landscaping, green space, green wall, bike racks	650m
Newlands Park	Duntroon Ave, Wollstonecraft	Large green space (1.4ha), playground with shade, BBQs, picnic tables, large trees/bushland	650m
The Wollstonecraft Club	Russell St, Wollstonecraft	Lawn bowling green and social club, courtyard with covering sails, BBQs and tables	800m
Greendale Park	Russell St, Wollstonecraft	Large natural bushland reserve, walking tracks and cycling paths	900m
Smoothey Park	Russell St, Wollstonecraft	Greenspace, seating	900m
Portview Road Reserve	Portview Rd, Greenwich	Synthetic sports oval, ½ basketball court, handball courts, walking track, 2 exercise equipment stations, playground, change rooms/toilets, multipurpose rooms for hire, BBQ	1000m
Gore Hill Oval	Pacific Highway, St Leonards	Outdoor dining, seating, hard surface, landscaping and water feature	1100m
The Forum Plaza	Pacific Highway, St Leonards	Outdoor dining, seating, hard surface, landscaping and water feature	850m
Christie Street Reserve	Christie St, St Leonards	Green space, landscaping, seating	850m
Talus Street Reserve	Talus St, Naremburn	Green space, bushland, picnic tables and walking tracks	1100m
Naremburn Tennis Courts	Talus St, Naremburn	Eight tennis courts & Northern Suburbs Tennis Association clubhouse	1100m

Name	Location	Facilities & services	Proximity to site
Grand Slam Tennis	Wheatleigh St, Naremburn	Five tennis courts	750m
St Thomas Rest Park	West St, Crows Nest	Large green space (2 ha), historic cottage, history trail, monuments, picnic tables, seating, playground	600m
Anzac Park	Ernest, Crows Nest	Community garden, green space	1000m
Jeaffreson Jackson Reserve	Moodie Lane, Cammeray	Green space, seating	1100m
Bon Andrews Sports Oval	Fig Tree Lane, North Sydney	Sports oval, public toilets, seating, shelter, cricket nets	1000m
St Leonards Park	Miller St, North Sydney	Large green space (>5ha parklands plus sports ovals), landscaping, playground including music area, picnic tables, BBQs, heritage features	800m
North Sydney Oval	Fig Tree Ln, North Sydney	Sports oval with grandstands	800m
The Greens North Sydney	Ridge St, North Sydney	Bowling club	950m
Ted Mack Civic Park	Miller St, North Sydney	Green space, landscaping, toilets, exercise equipment, playground, stage	800m
Tennis World North Sydney	Ridge St, North Sydney	Four tennis courts and club	750m
Harry Howard Reserve	Meadow Ln, Wollstonecraft	Green space, bushland reserve, seating, walking paths	700m
Brennan Park	King St, Wollstonecraft	Large greenspace (2.3ha), playground, seating, picnic tables, toilets	750m
Walumetta Park	Walumetta Dr, Wollstonecraft	Bushland	800m
Propsting Park	River Road, St Leonards	Green space, playground, seating	1000m

5.1.2. Proposed facilities

Council is continuing to investigate opportunities to extend the existing network of open space, recreation and sports facilities through methods including development negotiations, land swap arrangements, and partnerships with commercial entities to deliver shared and co-located recreation facilities.

There are a number of proposed upgrades to existing and new open space and recreation facilities to support the future needs of people that live and work in Crows Nest and St Leonards. These proposed works are described in **Table 5**.

The \$210 million Hume Street Car Park expansion once complete will provide significant open space and recreation facilities within 400m of the Fiveways site. DPIE intends to further expand this park where possible through land acquisition.

Also within 400m are the proposed Crows Nest Plaza and Holtermann Street Car Park facilities, however these are currently unfunded and subject to further investigation by Council.

Table 5: Known proposed open space, sport and recreation facilities within 1km of the Fiveways site

Name	Responsible authority	Proposed upgrades	Funding	Proximity to site
Crows Nest Plaza (end of Willoughby Street)	North Sydney Council	A pedestrian only plaza at the southern end of Willoughby Road, near the Fiveways, with public art and activities. The project is subject to further investigation.	Unfunded	Within 100m
Hume Street park expansion	DPIE North Sydney Council	New open space, pedestrian links, new children's playground, rebuilt childcare centre, rebuilt indoor sports centre, new cinema complex, and further land acquisition to expand Hume Street.	\$190 million \$26 million through SIC	350m
Holtermann Street Car Park	North Sydney Council	A number of ideas are being explored including open space, community garden, car park upgrade and potential cultural centre	Unfunded	300m
Christie Street Reserve upgrade	North Sydney Council	Upgrade and extension of Christie Street Reserve	Developer contributions VPA (Deicorp)	800m
Mitchell Street – Oxley Street linear parks	North Sydney Council	Tree planting, public domain improvements and footpath widening along both streets. This would be facilitated by increasing building setbacks along these streets, and may be delivered as part of adjacent development proposals.	Developer contributions VPAs over time	Approx. 600m
Gore Hill regional playground	DPIE North Sydney Council	Reorientation of oval, new youth playground and basketball half court, new shelter	\$2 million through SIC	1100m
Friedlander Place, St Leonards	Lane Cove Council	A new 1,500m ² plaza as part of the proposed 'Eighty Eight' mixed use development at Christie Street	Developer contributions VPA	600m
St Leonards Plaza	Lane Cove Council	A 5,000m ² plaza and public transport interchange. This will create new open space in the centre of St Leonards and improve links to additional community facilities.	Council funding, VPA & works in kind	750m
St Leonards South	Lane Cove Council	New open space to be provided in St Leonards south	Council	900m

5.1.3. Outstanding need

As Crows Nest and surrounding areas become increasingly dense with higher rates of apartment living, new open space, recreation and sporting facilities will be needed to ensure the health and wellbeing of residents, workers and visitors. Council will require that future residential tower developments will be matched with increasing the provision of green infrastructure.

These facilities provide vital opportunities for relaxation, social and physical activity as well as providing visual amenity. Publicly owned open space in the area is also increasingly being used by commercial operators for group fitness, personal training and corporate sports.

Various Council and State Government studies and plans identify the need for specific open space, sports and recreation opportunities locally, in particular an acute need for more open space along the Pacific Highway corridor in Crows Nest.

Due to the limited size of the Fiveways site there is only the opportunity to realise smaller open space, sports and recreation facilities within the proposed development. Our desktop review has identified a potential need for the following facilities:

- **A new plaza:** Advice from the Government Architect NSW is that in high density areas (more than 100 dwellings per hectare), residents and workers are to be within 200m of any open space. This open space is expected to be a minimum of 1000m² and can include plazas. There are currently no open space facilities within 200m of the Fiveways site indicating the need to incorporate a plaza onsite, or to fund a new plaza in a location nearby.

We note Council has not obtained funding for the proposed Crows Nest Plaza, which is within 200m of the Fiveways. If a new plaza of 1000m² cannot be incorporated within the Fiveways, there may be an opportunity to contribute to the funding of this plaza.

Any future plaza should be well designed to respond to solar, wind and amenity factors. It should also include social and recreational spaces that are multigenerational (catering for old and young) and multicultural

and could include features such as a giant chess set, petanque or a community garden.

- **A racquet sports centre for squash and badminton:** Council has identified that there is strong demand for indoor sporting facilities to accommodate sports such as basketball, netball and racquet sports. This demand is expected to continue due to the high number of young workers and students living locally. Council seeks to provide access to new sport facilities within the North Sydney area and have outlined a specific action to investigate options to provide a racquet sports centre in the North Sydney CBD. As the Fiveways site is located near a cluster of schools and between the St Leonards and North Sydney CBDs, it is well located to provide this type of facility.

Further investigation would need to be undertaken to determine the specific demand for this type of facility in Crows Nest and how this could compliment the North Sydney Indoor Sports Centre nearby.

5.2. Health, education and aged care

5.2.1. Existing facilities

Education: Primary and secondary education, TAFE and university facilities within 1km of the Fiveways site are shown on Figure 28. There is a large cluster of primary and high schools to the south and east of the Fiveways site, these comprise of public, private and catholic schools, as described in **Table 6**. There are also two specialised schools located in St Leonards, being the Naremburn School, a school for intensive behavioural support and vocational preparation, and the Royal North Shore Hospital School, for students admitted to the Royal North Shore Hospital.

There are also two vocational and higher education campuses located within 2km of the Fiveways site, which are the St Leonards TAFE campus and the Australian Catholic University Campus in North Sydney.

Health: The surrounding area also has a high concentration of health facilities as shown on Figure 29. There are four local hospitals including the Royal North Shore Hospital which is a major teaching hospital with 600 beds, the North Shore Private Hospital which is a 313 bed surgical, medical and maternity facility, the Mater Hospital which is a private hospital with a range of clinical and support services, and the Crows Nest Day Hospital.

There are also a range of private healthcare centres within 1km of the Fiveways site as described in **Table 6**. The current capacity of these health facilities is unknown.

Aged care: There are currently limited aged care facilities within the surrounding area. These include the Royal North Shore Hospital aged care clinic, HammondCare at Greenwich that provides rehabilitation, palliative and support care among other services, and Glenwood Home in Greenwich.

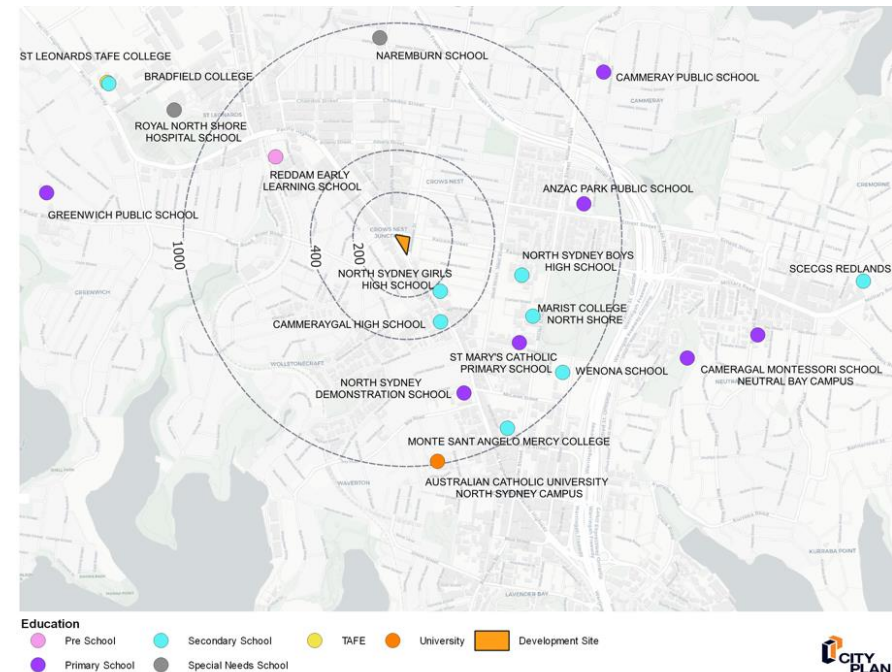


Figure 28: Existing education facilities within 1km of the Fiveways site

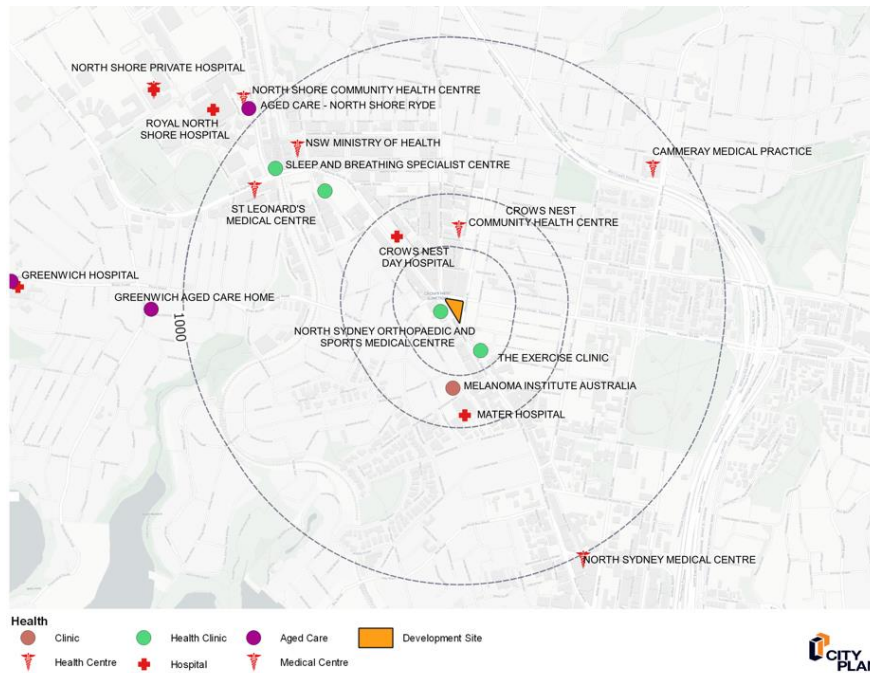


Figure 29: Existing health facilities within 1km of the Fiveways site

Table 6: Existing education & health facilities near the Fiveways site

Name	Location	Facilities & services	Proximity to site
Education			
North Sydney Girls High School	Pacific Highway, Crows Nest	A Government secondary selective girls school. 909 enrolments (2019).	300m
Cammeraygal High School	Pacific Highway, Wollstonecraft	A Government co-educational secondary school.	400m
North Sydney Boys High School	Falcon St, North Sydney	A Government secondary selective boys school. 915 enrolments (2019).	550m
Reddam Early Learning School	Christie St, St Leonards	Early learning school.	700m

Name	Location	Facilities & services	Proximity to site
Marist College North Shore	Miller St, North Sydney	A non-government secondary boys school. 820 enrolments as of 2019. Girls to attend from 2021.	700m
St Mary's Catholic Primary School	Ridge St, North Sydney	A non-government co-ed primary school. 438 enrolments (2019)	700m
North Sydney Public School	Bay Rd, Waverton	A Government co-ed primary school. 887 enrolments (2019). (culturally diverse school)	800m
St Nicholas School of Russian	McHatton St, North Sydney	A non-government combined (primary and secondary) Russian language school.	750m
Anzac Park Public School	Anzac Ave, Cammeray	A Government co-educational primary school. 619 enrolments (2019). (culturally diverse school)	900m
Wenona School	Walker St, North Sydney	A non-government primary and secondary girls school. 1138 enrolments (2019).	950m
Naremburn School	Willoughby Rd, Naremburn	A special needs school. 33 enrolments (2019).	950m
Monte Sant' Angelo Mercy College	Miller St, North Sydney	A Government secondary girls school. 1171 enrolments as of 2019.	1000m
Cammeray Public School	Palmer St, Cammeray	A Government co-educational primary school. 888 enrolments in 2019.	1200m
Bradfield College	Pacific Highway, St Leonards	A Government co-educational senior high school (Years 11-12). 278 enrolments as of 2019.	1500m
Greenwich Public School	Greenwich Rd, Greenwich	A Government co-educational primary school. 487 enrolments in 2019.	1700m
St Leonards TAFE College	Pacific Highway, St Leonards	Digital media, Health, and Information Technology.	1500m
Australian Catholic University North Sydney Campus	Edward St, North Sydney	University campus.	1100m
Health			
North Sydney Orthopaedic and	Pacific Highway, Crows Nest	Orthopaedic and sports medicine clinic and surgery.	Adjacent to site

Name	Location	Facilities & services	Proximity to site
Sports Medical Centre			
Crows Nest Medical Practice	Pacific Highway, Crows Nest	Medical centre.	100m
The Exercise Clinic	Pacific Highway, Crows Nest	Chronic disease management and exercise physiology services.	200m
Melanoma Institute Australia	Rocklands Rd, Wollstonecraft	Non-profit medical research institute.	300m
Mater Hospital	Rocklands Rd, Wollstonecraft	Private hospital with range of clinical and support services.	400m
Crows Nest Day Hospital	Clarke St, Crows Nest	Day surgery with two operating theatres.	300m
Crows Nest Community Health Centre	Ernest Pl, Crows Nest	Early childhood and family health centre.	250m
St Leonards Medical Centre	Pacific Highway, St Leonards	Medical centre.	900m
Sleep and Breathing Specialist Centre	Pacific Highway, St Leonards	Clinical services for the diagnosis and treatment of respiratory and sleep disorders.	850m
Cammeray Medical Practice	Miller St, Cammeray	Medical centre.	950m
North Sydney Medical Centre	Berry St, North Sydney	Medical centre.	1100m
Royal North Shore Hospital	Reserve Rd, St Leonards	State-significant and major teaching public hospital with 600 beds.	1200m
North Shore Community Health Centre	Herbert St, St Leonards	Medical centre.	1100m
North Shore Private Hospital	Westbourne St, St Leonards	Private hospital, 313-bed surgical, medical and maternity facility.	1400m
Greenwich Hospital	River Rd, Greenwich	Hospital for rehabilitation, palliative and supportive care, pain management, mental health care for older people, community and other vital support services.	1650m

5.2.2. Proposed facilities

The St Leonards Health and Education precinct is growing rapidly with a number of large health facilities proposed for the area, as shown in **Table 7**. These include the \$132 million publicly funded Royal North Shore Health Services and Administration building which will provide around 30,000m² of health related office space. The \$112 million privately funded North Shore Health Hub is also under construction within the precinct and includes a new private hospital and state of the art healthcare facility providing specialised facilities. We understand that 75% of the facility is committed or under offer indicating strong demand. A five-storey family healthcare centre is also proposed in Wollstonecraft, but is not yet under construction.

The NSW Department of Education (DoE) are currently investigating suitable locations for a new primary school and secondary school within the St Leonards Health and Education Precinct to accommodate projected future demand. The St Leonards TAFE Campus has been identified as a potential location. A small International Chinese School is proposed in St Leonards. There have also been minor upgrades to existing schools in the surrounding area and the ANU Campus, however these upgrades have not increased existing capacity.

There are no known aged care facilities and housing confirmed for the surrounding area. A concept proposal for a new 15 storey aged care and housing development was approved in 2011 on the Georgian House site and initial works had commenced shortly after, however this project appears to be abandoned and it is unclear if this development will be realised in the long term. Council are also investigating options to expand the aged care facilities within the James Milson Village in North Sydney to address the identified shortage of these facilities.

Table 7: Known proposed health, education and aged care facilities near the Fiveways site

Name	Responsible authority	Proposed upgrades	Funding	Proximity to site
Royal North Shore Health Services Administration building	NSW Ministry of health	A new 10 storey 30,000m ² Health Services Administration building at Royal North Shore Hospital including health related office spaces, a childcare centre & basement car parking	\$132 million Public	1200m
North Shore Health Hub Tower A	Private	A new seven storey private hospital including 128 inpatient beds, operating theatres, an emergency department, support services and specialist medical consulting suites. A pedestrian bridge will link the new facility to the existing North Shore Private Hospital.	\$75.6 million Private	1300m
North Shore Health Hub Tower B	Private	A new five storey 16,000m ² state of the art healthcare facility located within the St Leonards Health and Education Precinct. Due for completion in 2020.	\$36.9 million Private	1300m
Tresillian Family Care Centre	Private	Proposed redevelopment of the much smaller existing facility to construct a new five storey family health care centre in Wollstonecraft	\$10.9 million Private	1100m
A new secondary and primary school	NSW Department of Education (DoE)	The DoE are investigating opportunities to establish a new secondary and primary school within the Health & Education Precinct in St Leonards. There may be an opportunity to incorporate these facilities within the existing St Leonards TAFE	\$60 million \$22 million through SIC	Undecided
International Chinese School	Private	Change of use to allow the relocation of an international Chinese primary school to St Leonards. The school would accommodate 210 children from K-Y6.	\$0.75 million Private	1350m

Name	Responsible authority	Proposed upgrades	Funding	Proximity to site
Georgian House Abandoned	Private (Uniting)	Concept approval for a new 15 storey aged care housing development including 115 independent living units, 115 high care beds, seniors day care, wellness centre, pastoral care and ancillary community facilities.	\$91.8 million Private	900m

5.2.3. Outstanding need

The provision of health facilities in the local area is rapidly expanding in association with the St Leonards Health and Education Precinct. There has been little publicly available research to date that assesses the capacity of existing health facilities in the area. Given rapid growth of these facilities, further investigation is required to identify what additional health facilities are needed to improve the local area.

Council and State Government studies identify the Mater Hospital area, which is adjacent to the Fiveways site, as a secondary health and education precinct to the main St Leonards Health and Education Precinct. The Final 2036 plan supports the long-term growth of health uses along the Pacific Highway corridor to support the Mater Hospital.

Council has identified a need for the following:

- **Aged care services and accommodation:** There are currently limited aged care facilities and accommodation within the surrounding area, particularly if the Georgian House concept proposal is abandoned. There is projected to be a significant increase in the number of residents aged 70+ in the next 20 years and there will be an increasing need for facilities to service this population. Council has identified this broad area ('Fiveways South Education and Medical Precinct') as a suitable location for these facilities and the Fiveways site provides a good opportunity to meet these needs onsite.

We also note that there is a potential opportunity for a health hub similar to the five storey North Shore Health Hub (Tower B) with specialised healthcare facilities complimentary to the Mater Hospital, and to address outstanding need, such as aged care. This type of facility would strengthen the area's position as a secondary health and education precinct, while providing important employment opportunities. Demand for this type of facility would need to be further investigated.

While there is demand for new education facilities, particularly a new primary and secondary school, the Fiveways site is unlikely to be suitable to meet these needs due to the limited potential to incorporate required open space and play areas.

There may be an opportunity to incorporate a small satellite university campus supporting a particular discipline such as a school of creative industries. The area already offers excellent public transport access, with high amenity and is popular with students. This opportunity would need to be further investigated.

5.3. Community

5.3.1. Existing facilities

Libraries: The Stanton Library is currently the only public library in North Sydney LGA and is located approximately 750m from the Fiveways site. There are also several other public libraries within 5km of the Fiveways site including the Naremburn, Northbridge and Artemon libraries within the Willoughby LGA, Lane Cove and Greenwich libraries in the Lane Cove LGA, and Mosman Library in the Mosman LGA.

Community centres: are commonly referenced as important hubs where people go to access information, engage with others and participate in a range of programs and activities. The Crows Nest Centre and North Sydney Community Centre are both within 1km of the Fiveways and provide a range of services, activities and programs to support the community and encourage social interaction, as well as offering venue hire.

Seniors services: The Crows Nest Centre is the primary direct service provider for aged-care services in North Sydney and includes a variety of programs and activities catering to older residents, it is also where Council community transport program is located. There are several other community centres nearby which provide services, support, information and recreational activities for older residents including the North Sydney Community Centre, the Kirribilli Centre, and Neutral Bay Senior Citizens Centre.

Youth Services: The Planet X Youth Centre is the primary youth centre servicing Crows Nest, the PCYC in North Sydney also provides programs and activities for youth. Council has identified a need for another youth centre in the area.

Childcare: There are around 35 childcare facilities operating within 1km of the Fiveways site. These facilities service both residents living locally as well as people who work locally but live elsewhere. Although there is a high concentration of childcare facilities in the surrounding area, Council studies and plans have noted that they are at capacity and there is an ongoing need for additional facilities.

Coworking spaces: While not strictly a community facility, coworking spaces provide easily accessible office space on an as-needs basis for smaller businesses, start-ups, and creatives unable to work from home. There are currently two coworking spaces within the Crows Nest and St Leonards area, with several more located nearby in the North Sydney CBD. The capacity of existing spaces is currently unknown, however Council strongly supports the growth of new coworking spaces in the area.

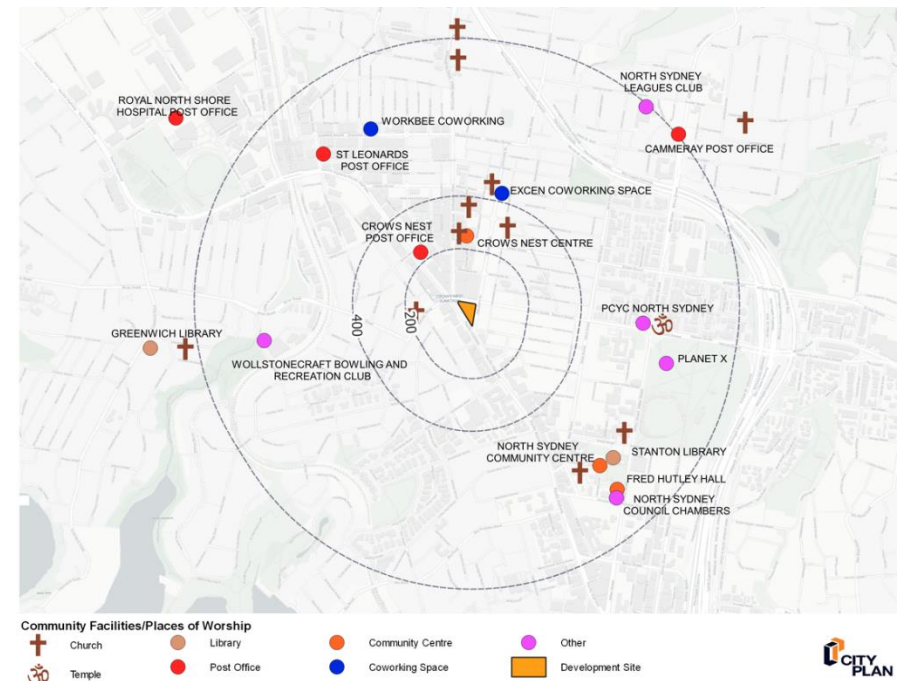


Figure 30: Existing community facilities within 1km of the Fiveways site

Table 8: Existing community facilities near the Fiveways site

Name	Location	Facilities & services	Proximity to site
Stanton Library	Miller St, North Sydney	Library room hire, computer & internet access, home library service for seniors or people with a disability	750m
Greenwich Library	Greenwich Rd, Greenwich	Programs, study rooms, computer & internet access	1200m
Crows Nest Centre	Ernest Pl, Crows Nest	The community centre provides services, programs and activities to connect and support the community including for aged residents, people with a disability and new migrants and people who are homeless. The centre also offers a commercial kitchen and venue hire with space for 20 to 150 people and features public art. It also shares a building with other community services including community transport, childcare and occasional care.	250m
North Sydney Community Centre	Miller St, North Sydney	Venue hire across five rooms, playgroup, after school care, courses and programs, Northside Produce market.	800m
Fred Hutley Hall	Miller St, North Sydney	Venue hire	900m
Naremburn Community Centre	Central St, Naremburn	Venue hire, course and activities	1300m
PCYC North Sydney	Falcon Street, North Sydney	Provides a variety of programs and activities for youth, adults and seniors.	1000m
Planet X Youth Centre	St Leonards Park, cnr Miller & Falcon St	A drop-in centre for young people aged 12-18 and provides information and referral service, short-term counselling, computers and Wi-Fi, and music, games and leisure spaces.	750m
Excen Coworking space	Alexander St, Crows Nest	Workspace hire, meeting rooms, kitchen & business lounge, full time receptionist	600m
Workbee Coworking space	Chandos St, St Leonards	Workspace hire, conference & meeting rooms, yoga	800m

5.3.2. Proposed facilities

There are several new community facilities proposed near to the Fiveways site, as described in **Table 9**. These include the new 1000m² library in St Leonards, which is already being funded through a Voluntary Planning Agreement (VPA). Community facilities are also proposed as part of the new Crows Nest Metro Station development, with 2700m² set aside to accommodate this need. Potential community uses are currently being investigated including a library, coworking space, and childcare centre, however specific uses are unconfirmed to date.

Council studies also note that Council is proposing to establish an innovation hub and coworking space in St Leonards through a VPA, however a VPA has not been finalised.

There are also a number of childcare facilities proposed nearby, the surge in childcare facilities is likely a market response to the ongoing shortage of these facilities in the area.

There are no known youth or seniors services proposed in the surrounding area.

Table 9: Known proposed community facilities near the Fiveways site.

Name	Responsible authority	Proposed facilities and upgrades	Funding	Proximity to site
St Leonards Library	Private through VPA	A new 1000m ² library as part of the proposed 'Eighty Eight' mixed use development in St Leonards	\$2.4 million fit-out allowance through a VPA	700m
Ward Street Knowledge Hub	North Sydney Council	A new 1,200 m ² knowledge hub within the Ward Street Precinct, the facility will focus on technology and community facilities rather than books and will include rooms such as music rooms, reading rooms, kids space and a computer lab.	Likely through developer contributions VPA	1100m
Crows Nest Metro	DPIE	The proposed Crows Nest Metro Station development will incorporate 2,700m ² of community and social infrastructure. The	NSW Government	300m

Name	Responsible authority	Proposed facilities and upgrades	Funding	Proximity to site
Community Infrastructure		specific land uses are subject to ongoing consultation with relevant stakeholders but may include a library, coworking space, childcare centre and other community facilities.		
Innovation hub and coworking space	North Sydney Council to negotiate through a VPA	Council identifies the intention to establish an innovation hub in St Leonards Centre to support start-ups, small businesses and community workshops.	Developer contributions VPA Currently unfunded	Unknown
Childcare centre	Private	Potential 90 place childcare facility as part of St Leonards Bus & Rail Interchange development.	Private	700m
Childcare centre	North Sydney Council	Inclusion of the Kelly's Park Childcare Centre within the Hume Street Park redevelopment, Crows Nest	North Sydney Council	350m
Avenues Early Learning Centre	Private	Construction of a 3 storey 100 place childcare centre on Shirley Rd, Wollstonecraft	Private	1500m
Childcare centre	Private	A new 240m ² childcare centre within the Royal North Shore Health Services Administration Building, St Leonards	Private	1200m
Willoughby Road Childcare Centre	Private	A new 75 place childcare centre with indoor and outdoor play areas as parts of the new Coles development along Willoughby Rd, Crows Nest	Private	450m
Childcare and early learning centre	Private	Childcare and early learning centre over two levels at 601 Pacific Highway, St Leonards	Private	650m

5.3.3. Outstanding need

New community facilities are essential to support the significant population growth expected in the Crows Nest St Leonards area. Council will continue to strongly advocate for the provision of community infrastructure through Planning Proposals and new developments. The Fiveways site's strategic location and dedicated 2000m² floor space provides an opportunity to deliver a landmark community building.

There is an opportunity to create a 'community hub' with various community and cultural uses occupying different floors of the building. This style of development would also build upon the highly valued village character of the area.

Various Council and State Government studies and plans identify the need for specific types of community infrastructure locally, which could be incorporated into a community hub, these include:

- **Community centre:** ARUPs Social Infrastructure Study, which underpins the Final 2036 Plan, identified a need for additional community centres with halls and meeting spaces to support future population growth. We note that the Crows Nest Community Centre is 250m from the Fiveways site and offers a broad range of facilities and services. Any future community centre on the Fiveways site should seek to address a need that is currently not being met, or at capacity, within the Crows Nest Centre. Outstanding needs should be further investigated.
- **Youth Centre:** There is currently only one youth centre established in the surrounding area and Council has identified the need for an additional youth centre to support future population growth.
- **Coworking spaces:** Council are strongly supportive of establishing new coworking and specialised innovation hubs in Crows Nest and St Leonards to enable small businesses, start-ups and researchers to collaborate, promote partnerships, and build the digital and knowledge economy. There are several coworking spaces in North Sydney CBD but only a couple in Crows Nest, and there is likely to be strong demand given the high amenity location and new Metro station.

- **Childcare centre:** Despite the significant number of childcare facilities in the surrounding area, Council studies identify an ongoing need, particularly for long day care facilities for children under 2 years old and after school care. Six childcare facilities are currently proposed within the surrounding area, as noted in **Table 9**, and the market may already be adequately addressing this need. This will need to be clarified through further research.

There is unlikely to be significant need for a library within the community hub as several library facilities are proposed within the local area including the St Leonards Library in the Lane Cove LGA, and the Ward Street Knowledge Hub to provide modern facilities that cannot be accommodated within the Stanton Library. A new library facility is also being investigated as part of the Crows Nest Metro development.

Additional arts and cultural facilities that could be incorporated into the community hub are discussed in **Section 5.4.3**.

5.4. Arts and cultural

5.4.1. Existing facilities

There are currently limited arts and cultural facilities within 1km of the Fiveways site, as shown on Figure 31. Error! Reference source not found.. Most existing facilities are located within the TWT Creative Precinct along Chandos and Atchison Streets. The precinct comprises five buildings that offer heavily subsidised space to allow creative start-ups and niche markets to grow. The precinct is currently home to around 70 businesses including artists, recording studios, photographers, fashion designers, multi-media firms, film production companies and theatrical groups, among others. Two of the three local galleries, the Me Artspace and White Rhino Artspace, are located within the precinct. Other arts facilities surrounding the Fiveways site include the Rochfort Gallery and Makers Loft Creative Studio.

There are two small museums nearby, the Sexton's Cottage Museum and the Don Bank Museum, as described in **Table 10**. There are currently no theatres or clubs within the surrounding area, however the Starlight Cinema is held in St Leonards park during the summer months.

Other significant arts and cultural facilities within 3km of the Fiveways site include the Royal Art Society of NSW which is a gallery and art school, and the Primrose Park Art Studio which provides artists studios for four artists, and an arts and craft centre.

In addition to permanent facilities, Council delivers various arts and cultural events and festivals throughout the year including the Gai-mariagal Festival and North Sydney Art Prize.

Table 10: Existing arts and cultural facilities near the Fiveways site

Name	Location	Facilities & services	Proximity to site
Rochfort Gallery	Pacific Hwy, North Sydney	Art exhibitions and sales, art events and meet and greet.	490m
Me Artspace	Atchison St, St Leonards	Artists-in-residences, on site studios, painting classes, art gallery	570m
White Rhino Artspace	Atchison St, St Leonards	Art exhibitions, art events and workshops.	615m
TWT Creative Precinct	Atchison & Chandos St, St Leonards	Around 4,500m ² of heavily subsidised space across five buildings providing gallery, studio and commercial premises for artists and creatives	550m
Makers Loft Creative Studio	Ernest St, Cammeray	Creative hub and café, creative events, classes and workshops	780m
Silky Shapes Studio	Fiveways Site, Crows Nest	Ceramics studio offering pottery classes	0m
Don Bank Museum	Napier St, North Sydney	Landmark wooden slab house built in the mid 19 th century, with exhibits and antique furniture	1100m
Sexton's Cottage Museum	West Street, Crows Nest	A cottage within St Thomas Rest Park, with displays associated with the history of the cemetery	650m
The Royal Art Society of NSW	Walker St, North Sydney	Not for profit gallery and art school, offers various art classes and venue hire for events.	1600m

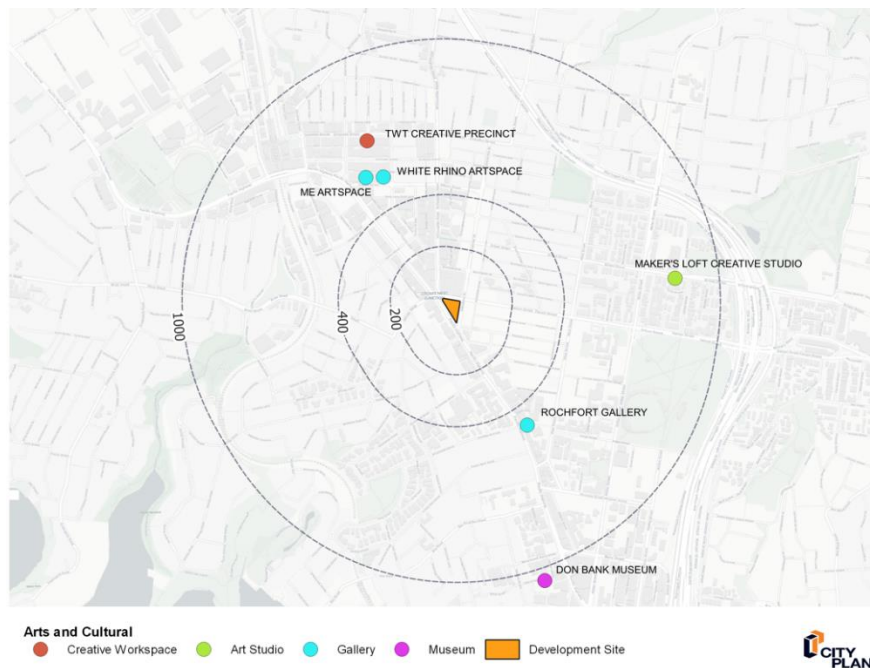


Figure 31: Existing arts and cultural facilities within 1km of the Fiveways site

5.4.2. Proposed facilities

Council is committed to supporting the growth and diversity of arts and cultural facilities across the LGA. Two landmark arts and cultural facilities are proposed within 2km of the Fiveways site, as described in **Table 11**. These facilities address a long-standing shortage of permanent spaces for arts and cultural activities within the St Leonards, Crows Nest and North Sydney areas.

The St Leonards Arts Centre was secured by Council in 2018 through a VPA and will be the only Council owned and run arts centre. It will include both a new art gallery and theatre as well as spaces and studios to support the arts and creative industry.

The Ward Street Cultural Hub is proposed as part of the Ward Street Masterplan, while still in the inception phase, the cultural hub is expected to accommodate gallery spaces, artists and maker studios and areas for live performances.

There are also other smaller arts and cultural facilities popping up organically, particularly within the TWT Creative Precinct in St Leonards.

Table 11: Known proposed arts and cultural facilities near the Fiveways site

Name	Responsible authority	Proposed facilities and upgrades	Funding	Proximity to site
St Leonards Arts Centre	Private	A new Arts Centre over two podium levels that will be dedicated to Council once complete. The centre will include an art gallery and theatre, dance and music studios, workshop spaces and meeting rooms.	\$16.5 million	700m
Ward Street Cultural Hub	North Sydney Council	A 3,470m ² purpose built facility within the proposed Ward Street Precinct to accommodate arts and cultural uses including gallery spaces, makers spaces, artists studios and live performances.	Likely through developer contributions VPA	1100m

5.4.3. Outstanding need

Council and State Government plans and strategies do not identify the need for any additional landmark arts and cultural facilities, however this is strong community demand for additional arts and creative facilities. There is an ongoing opportunity to incorporate smaller facilities within a multi-faceted community hub, these include:

- **Short to long term exhibition and artist studio spaces, and arts programs:** There are currently limited exhibition and studio spaces specifically within Crows Nest and additional facilities are not proposed for this area. There is a popular ceramics studio already located on the Fiveways site. Space could be provided within a community hub to continue to accommodate these types of activities in future, and meet local need.

- **High quality and accessible public art:** Council is focused on developing public art across the LGA to generate a sense of place, and create a diverse and engaging urban environment. There is an opportunity to incorporate high quality public art within the proposed development.