

Planning Proposal

2 Day Street, 3 McIntosh Street
and 40 & 42 Anderson Street,
Chatswood

Prepared for
3 McIntosh Pty Ltd

July 2024

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Mecone acknowledges the Traditional Custodians of the land on where this project is undertaken and across the Mecone offices that this report is prepared, paying respect to the Elders past and present. We recognise the ongoing connection of Aboriginal and Torres Strait Islander peoples to land, waters, and culture.

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

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Executive Summary

Introduction

This Planning Proposal has been prepared by Mecone Group Pty Ltd (**Mecone**) on behalf of 3 McIntosh Pty Ltd in relation to the site located at 2 Day Street, 3 McIntosh Street and 40 & 42 Anderson Street, Chatswood (**the site**). This planning proposal seeks an amendment to the Affordable Housing Map within the Willoughby Local Environmental Plan (**LEP**) 2012 to include the site within the Area 2 boundary, resulting in an affordable housing contribution of 7%.

The Planning Proposal satisfies the requirements of Section 3.33 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**) and aligns with NSW Department of Planning Housing and Infrastructure (**DPHI**) *Local Environmental Plan Making Guideline* dated August 2023 (the **Guidelines**).

The Site

The site is known as 2 Day Street, 3 McIntosh Street and 40-42 Anderson Street, Chatswood, within the Willoughby Local Government Area (**LGA**). The site is located within the expanded Chatswood Central Business District (**CBD**) boundary, as identified in the Chatswood CBD Planning and Urban Design Strategy 2036. The Chatswood CBD is one of Sydney's major commercial and retail centres.

The site is irregularly shaped, and comprises four lots, legally described as:

- SP 76364,
- SP 2650,
- SP 19181 and
- SP 1604

The site has three frontages; Day Street to the north, Anderson Street to the east and McIntosh Street to the south and is bound by a public right of way footpath on private land at 1 Day Street to the west.

The site is currently occupied by four 3 storey walk up residential flat buildings and associated underground car parking. The site is zoned MU1 Mixed Use under the LEP 2012.

Planning Background

Amendment no. 34 (**Amendment 34**) to the LEP 2012 came into effect on 30 June 2023 altering planning controls across the Willoughby Local Government Area (**LGA**), including the subject site. Amendment 34 gave effect to a new 'Affordable Housing Map' and mapped the site as 'Area 3' requiring 10% affordable housing contribution in accordance with Clause 6.8 of the LEP 2012.

Prior to Amendment 34, the site was not previously mapped as being subject to any affordable housing requirement under LEP 2012. However, Planning Proposal (PP-2022-4316 – subject of this rezoning review) as originally lodged for the site indicated that a 4% affordable housing component would be provided, as part of any future development, in accordance with advice from Council. The Planning Proposal was lodged in December 2022 and Amendment 34 came into effect in June 2023.

The Planning Proposal was considered at the Ordinary Council Meeting of 27 November 2023. On 30 November 2023 Council resolved not to support the Planning Proposal as the Planning Proposal “*is inconsistent with Willoughby Local Environmental Plan 2012 as it does not meet the 10% affordable housing provision requirements of this plan.*”

A Rezoning Review was submitted to the Department of Planning, Housing and Infrastructure (**DPHI**) on 26 March 2024 which specifically sought to address only the affordable housing contributions for the site. The Rezoning Review was referred to the Sydney North Planning Panel (**SNPP**) on 13 June 2024. SNPP noted that lodgement of the Planning Proposal had been delayed due to attempts - at Council's request - to amalgamate the site at 38 Anderson Street.

SNPP determined that the planning proposal be revised to:

- Remove the provisions to rezone the site from R3 Medium Density to MU1 Mixed Use, increase the maximum Height of Building (HOB) from 12m to 90m, and increase the Floor Space Ratio (FSR) from 0.9:1 to 6:1. These planning provisions have already been implemented by the Willoughby LEP 2012 Amendment Number 34;
- Update the provision to decrease the affordable housing contribution rate from the currently mapped Area 3 (10%) to Area 2 (7%);
- Update the Affordable Housing Map to change the site from Area 3 – 10% to Area 2 - 7%; and
- Update the planning proposal in accordance with the above points and the LEP Making Guideline (August 2023) to reflect the Panel's decision.

SNPP determined that the Planning Proposal had demonstrated strategic merit, and subject to changes, site specific merit, and should therefore proceed to a Gateway determination.

The Proposal

The Planning Proposal seeks to amend the Affordable Housing Map within the LEP 2012 change the site from 'Area 3' to 'Area 2', resulting in a revision to the affordable housing contribution from 10% to 7%. This Planning Proposal has been prepared to take into account the recommendations of SNPP.

Rationale for the proposed changes to the planning controls

The original Planning Proposal (PP-2022-4316) was lodged on 20 December 2022. At the time, under LEP 2012 there was no requirement to provide an affordable housing contribution on the site. However, the Planning Proposal committed to the provision of 4% affordable housing on the understanding that site specific controls could be gazetted ahead of Councils own comprehensive LEP amendments. Amendment 34 of the LEP came into effect on 30 June 2023, after the Planning Proposal had been lodged, and altered the planning controls for the site, requiring any development on site to provide 10% affordable housing. As the Planning Proposal did not comply with the 10% requirement, Council resolved not to support it.

However, SNPP determined that the provision of 7% affordable housing, rather than 10%, the Planning Proposal should proceed to Gateway. This Planning Proposal has therefore been prepared to reflect a 7% affordable housing provision.

Strategic Merit

The proposed 7% affordable housing contribution is in accordance with the relevant strategic plans, being, the Greater Sydney Region Plan, the North District Plan, Willoughby Local Strategic Planning Statement, Willoughby Affordable Housing Strategy, Chatswood CBD and Urban Design Strategy and the Draft Willoughby Housing Strategy to 2036. The majority of these documents specify that the affordable housing contribution should be between 4% and 7% by 2023, and increased to 10% by 2026, in line with the North District Plan target.

Site Specific Merit

The Planning Proposal has site specific merit, subject to the adoption of the proposed 7% affordable housing rate because:

- 4% affordable housing contribution on the site had been a point of agreement with Council since 2018 with 4% contribution confirmed in writing as recently as late 2022;
- A misunderstanding and communication lapse between Council and the proponent meant that the site was not included in a list of sites 'saved' at 4% contribution, despite there being a planning proposal under assessment by Council who retrospectively applied a cut-off date;
- In accordance with Council's advice, the proponent sought to amalgamate 38 Anderson Street which delayed the lodgement of the Planning Proposal which may otherwise have made the applied cut-off date for the site to be saved at 4% affordable housing contribution.

Conclusion

The Planning Proposal has been prepared in accordance with Section 3.33 of the EP&A Act and the NSW DPHI LEP Making Guidelines. The Planning Proposal is consistent with the applicable strategic planning framework, SEPPs and Ministerial Directions.

This Planning Proposal responds to the baseline and target for affordable housing included in all applicable strategic documents, which state that by 2023 it is Council's intention to increase the LEP 2012 affordable housing contribution from 4% to 7%, increasing to 10% by 2026. The Planning Proposal would result in the provision of 7% affordable housing on the site and therefore aligns with Council's strategic plans.

The Planning Proposal is administrative in nature and would not result in any adverse environmental, social or economic impacts. Rather, the reduction of the required affordable housing contribution rate would ensure the financial viability of any future development of the site, balancing the need for increased affordable housing and enabling the mixed-use development of the site.

1 Introduction

This Planning Proposal has been prepared by Mecone Group Pty Ltd (**Mecone**) on behalf of McIntosh Pty Ltd (the **proponent**) to support an amendment to the *Willoughby Local Environmental Plan 2012 (LEP 2012)*. The Planning Proposal requests to amend the Affordable Housing Map within the LEP 2012 to include the site within the Area 2 boundary, resulting in an affordable housing contribution of 7% in respect of the land at 2 Day Street, 3 McIntosh Street and 40-42 Anderson Street, Chatswood (**the site**).

1.1 Planning Proposal overview

The Planning Proposal seeks to amend the Affordable Housing Map within the LEP 2012 to change the site from 'Area 3' to 'Area 2', requiring the provision of 7% affordable housing, resulting in a revision in the affordable housing contribution from 10% to 7%.

1.2 Project background

The proponent has been working on developing the site in close consultation with Council since 2018. Pre-Planning Proposal lodgement meetings and preliminary planning meetings were held on 22 August 2018, 20 July 2022 and 28 September 2022.

On Council's advice, the proponent pursued the acquisition of 38 Anderson Street over a 7-year period. Contracts were exchanged on 1 September 2023, however settlement is not scheduled until 3 March 2025. During this time, a Planning Proposal was prepared for the sites at 40-42 Anderson Street, 3 McIntosh Street and 2 Day Street. The Planning Proposal (PP-2022-4316) was lodged on 20 December 2022 seeking the following amendments to the LEP 2012:

- Amend the Floor Space Ratio (**FSR**) Map to change the maximum permissible FSR across the site from 0.9:1 to 6:1, with a minimum FSR of 1:1 dedicated to non-residential uses
- Amend the Land Zoning Map to change the land use zoning across the site from R3 Medium Density Residential to B4 Mixed Use.
- Amend the Height of Buildings (**HOB**) Map to change the maximum building height from 12m to 90m.

Approximately six months after the Planning Proposal was lodged, LEP 2012 Amendment no. 34 (**Amendment 34**) came into effect on 30 June 2023. Amendment 34 changed planning controls across the Willoughby Local Government Area (**LGA**), including the subject site. The amendments to the planning controls for the site were as follows:

- Maximum FSR increased from 0.9:1 to 6:1 with a minimum of 17% non-residential Gross Floor Area (**GFA**)
- Land use zoning changed from R3 Medium Density to MU1 Mixed Use (formerly B4 Mixed Use)
- Maximum HOB increased from 12m to 90m

- Minimum affordable housing contribution increased from 0% to 10% (the site is identified as Area 3 on the Affordable Housing Map)

Prior to Amendment 34, a number of adjacent sites were identified in Area 3 on the Special Provisions Area Map - these sites were 'saved' at the 4% contributions rate. The site was not previously included in Area 3 and was therefore not subject to any affordable housing contribution, however in accordance with Council's advice it was understood that a 4% contribution would be required for the site and as such, the original Planning Proposal indicated that a 4% affordable housing contribution. However, Amendment 34 gave effect to a new 'Affordable Housing Map', which superseded Area 3 and mapped the site as requiring 10% affordable housing.

Several of the changes sought by the original Planning Proposal formed part of Amendment 34 and as such are no longer required. The Planning Proposal was considered at the Ordinary Council Meeting of 27 November 2023 in regard to the variation from the 10% affordable housing contribution introduced as part of Amendment 34. On 30 November 2023 Council resolved not to support the Planning Proposal as the Planning Proposal *"is inconsistent with Willoughby Local Environmental Plan 2012 as it does not meet the 10% affordable housing provision requirements of this plan."*

A Rezoning Review was submitted to the Department of Planning, Housing and Infrastructure (DPHI) on 26 March 2024 and was subsequently referred to the Sydney North Planning Panel (SNPP). On 13 June 2024 SNPP advised that they had determined that the Planning Proposal had demonstrated strategic merit, and subject to changes, site specific merit, and should therefore proceed to a Gateway determination.

SNPP recommended that prior to submitting the Planning Proposal for a Gateway determination, it should be revised to address the following:

- *"Remove the provisions to rezone the site from R3 Medium Density Residential to MU1 Mixed Use, increase the maximum HOB from 12m to 90m, and increase the FSR from 0.9:1 to 6:1. These planning provisions have already been implemented by the Willoughby LEP 2012 Amendment 34.*
- *Update the provision to decrease the affordable housing contribution rate from the currently mapped Area 3 – 10% to Area 2 – 7%*
- *Update the Affordable Housing Map to change the site from Area 3 – 10% to Area 2 – 7%; and*
- *Update the Planning Proposal in accordance with the above points and the LEP Making Guideline (August 2023) to reflect the Panel's decision."*

This Planning Proposal has been prepared to take into account the recommendations of SNPP.

1.3 Report structure

The Planning Proposal has been prepared in accordance with:

- Section 3.33 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*; and
- The NSW DPHI *Local Environmental Plan Making Guideline* dated August 2023 (the **Guidelines**).

Specifically, the planning proposal includes the following information:

- A description of the site in its local and regional context;
- A statement of the objectives or intended outcomes of the proposed changes to the LEP 2012;
- An explanation of the provisions that are to be included in the instrument; and
- The justification for those provisions and the process for their implementation including:
 - whether the proposed instrument will comply with relevant directions under Section 9.1 of the EP&A Act;
 - the relationship to the strategic planning framework;
 - environmental, social and economic impacts;
 - any relevant State and Commonwealth interests; and
 - details of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.

2 Site Description

2.1 The Site

The site comprises four lots and is known as 2 Day Street, 3 McIntosh Street and 40-42 Anderson Street, Chatswood, located within the Willoughby Local Government Area (**LGA**). Details of the site are included in **Table 1** below

Table 1: Summary of Key Features

Item	Description
Address	2 Day Street 3 McIntosh Street 40-42 Anderson Street
Legal Description	SP 76364 SP 2650 SP 19181 SP 1604
Total Site Area	3,122m ²
Description of the site	<p>The site is irregularly shaped, with three frontages; Day Street to the north, Anderson Street to the east and McIntosh Street to the south. The site is bounded by a public right of way footpath on private land at 1 Day Street to the west.</p> <p>The site contains four 3-storey residential flat buildings each containing approximately 6-14 units. The site does not cover the entire perimeter block bounded by Day Street, Anderson Street and McIntosh Street, as 38 Anderson Street does not form part of the Planning Proposal.</p> <p>The site is currently zoned MU1 Mixed Use.</p>

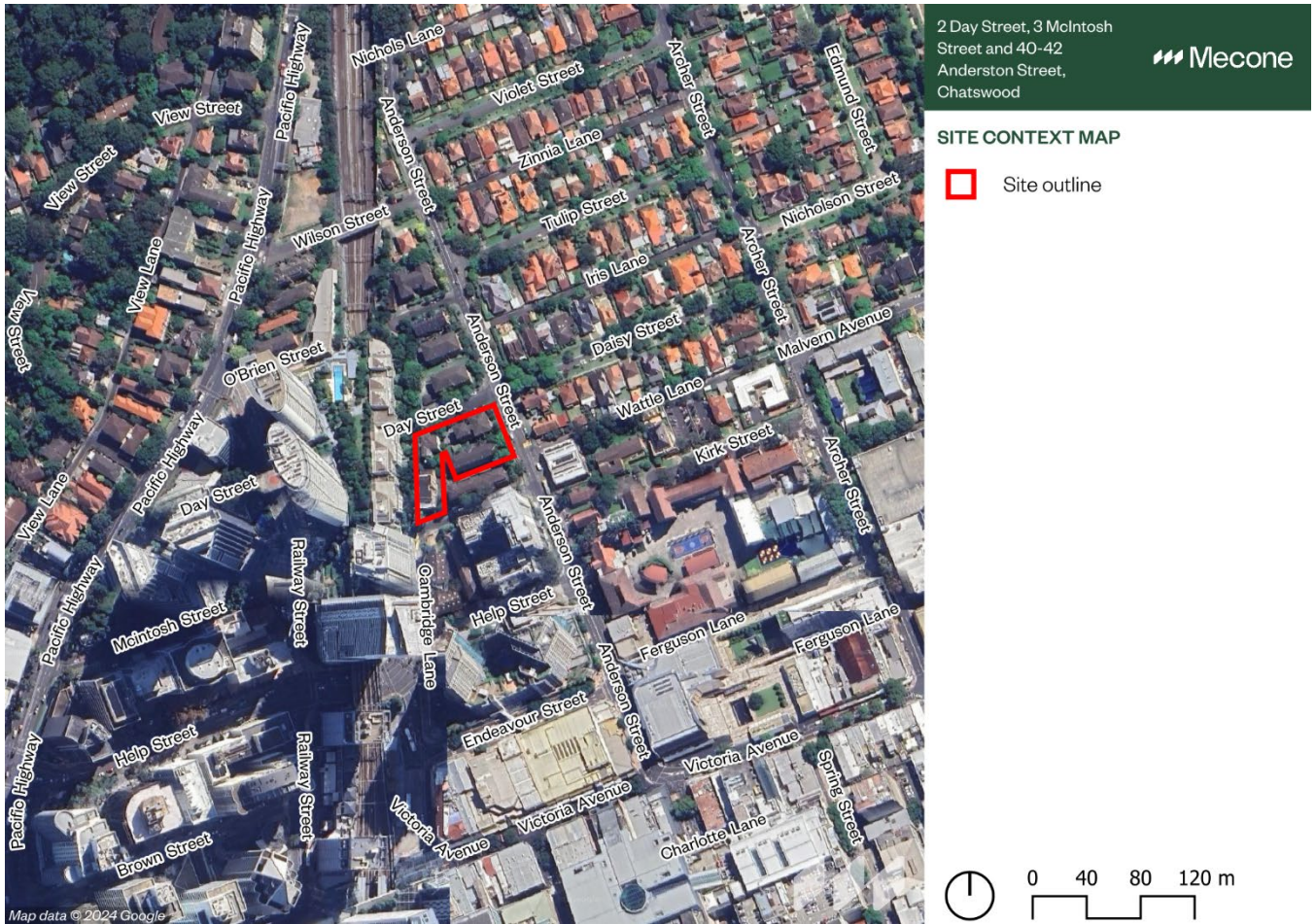


Figure 1: Site Location

Source: Mecone

2.2 Site context

The site is located within the expanded Chatswood Central Business District (CBD) boundary, as identified in the Chatswood CBD Planning and Urban Design Strategy 2036. The Chatswood CBD is one of Sydney's major commercial and retail centres. The local area is in a state of transition, with increased density and building height permissible since the introduction of Amendment 34 to the LEP 2012.

To the north of the site, land is zoned MU1 Mixed Use. North of Day Street are three lots, being 44-52 Anderson Street, which currently contain four storey residential flat buildings, however a DA has been lodged and is currently being assessed for shop top housing with an FSR of 6:1 and a building height of 90m.

To the east of Anderson Street is the North Chatswood Conservation Area which comprises predominantly low rise 1-2 storey detached residential development, in an area zoned R2 Low Density Residential.

To the south of the site are three storey residential flat buildings located at 3-5 Help Street and a 12-storey mixed use development located at 28-30 Anderson Street. To the west of the site are newer residential flat buildings and towers, including a four-storey residential flat building at 1 Day Street. These sites also have a FSR control of 6:1 and a height control of 90m. There is a publicly accessible path located along the boundary of the 1 Day Street site, running from O'Brien Street to McIntosh Street.

The site is located in a highly accessible area with Chatswood Transport Interchange located 350m to the south of the site, providing access to Metro, Train and Bus Services (refer to **Figure 2** below). The site is approximately 500m from the central retail/civic precinct of Chatswood, which includes large scale shopping centres (Westfield, Mandarin Centre and Chatswood Chase) and cultural facilities at The Concourse.

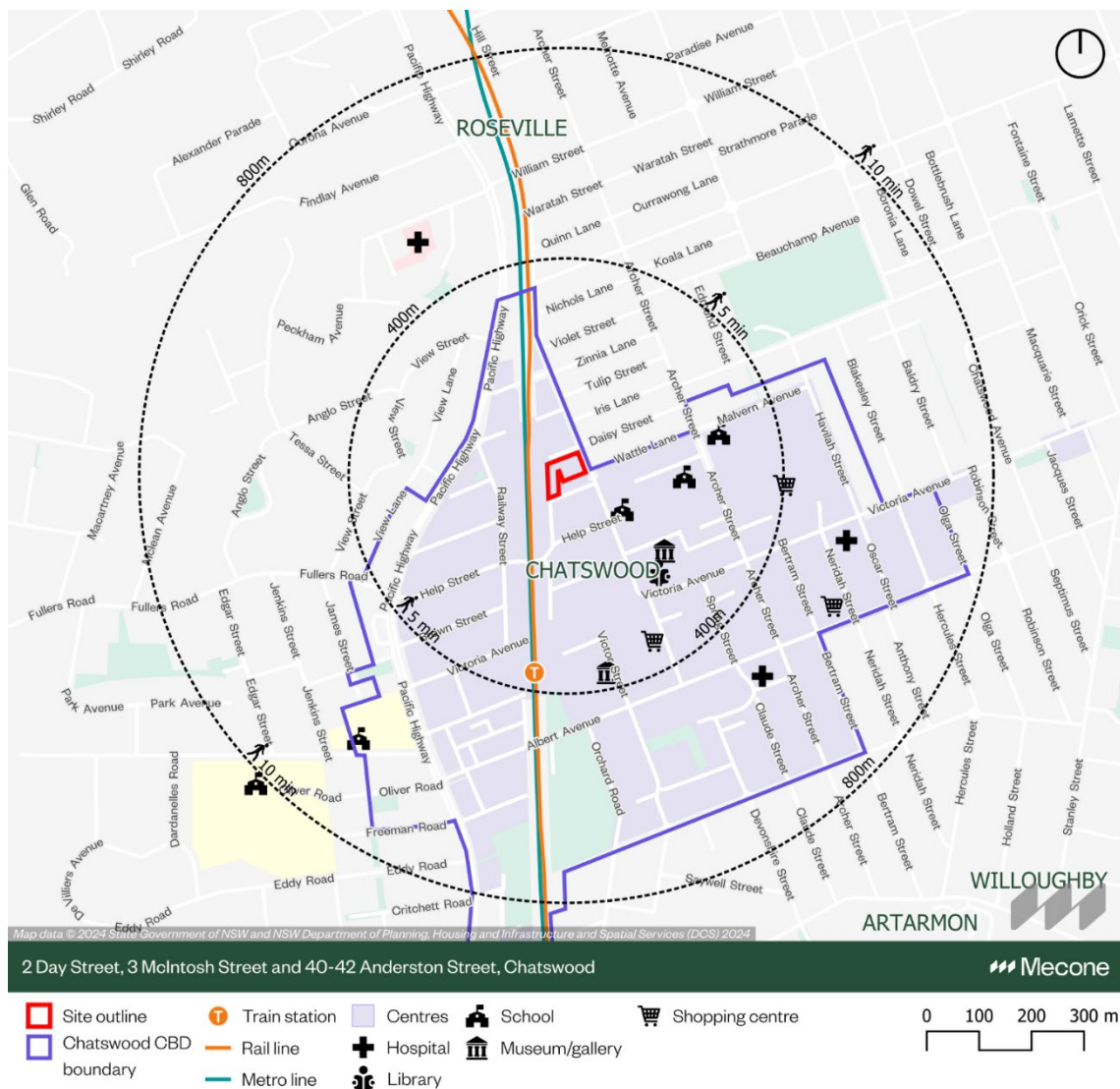


Figure 2: Local context diagram

Source: Mecone



Figure 3: 44-52 Anderson Street (north)

Source: Googlemaps



Figure 4: Low Density Residential Development at 27 and 29 Tulip Street (east)

Source: Googlemaps



Figure 5: 3-5 Help Street (south)

Source: Googlemaps



Figure 6: 28-30 Anderson Street (south)

Source: Googlemaps



Figure 7: 1 Day Street (west)

Source: Googlemaps

2.3 Planning Context

2.3.1 A Metropolis of Three Cities – The Greater Sydney Region Plan

The Greater Sydney Region Plan – A Metropolis of Three Cities sets a 40-year vision (to 2056) for the Greater Sydney Region and establishes a 20-year plan to manage the growth of Greater Sydney in the context of social economic and environmental matters.

The plan states that Greater Sydney is growing and that by 2036, the NSW Government will need to deliver over 725,000 new homes for an additional 1.36 million people, and places for 817,000 additional jobs.

The plan's objectives include:

- Providing housing supply, choice and affordability with access to jobs, services and public transport;
- Delivering integrated land use and transport for a 30-minute city;
- Creating and renewing great places and local centres;
- Increasing urban tree canopy and delivering Green Grid connections;
- Growing targeted economic sectors and preserving jobs;
- Reducing carbon emissions and managing energy, water and waste efficiently; and

- Planning for a city supported by infrastructure.

The site is situated in the Eastern Harbour City, where the population is projected to grow from 2.4 million people in 2016 to 3.3 million people by 2036.

Objective 11: Housing is more diverse and affordable

Objective 11 of the Greater Sydney Region Plan is applicable to this Planning Proposal. Across Greater Sydney, both home renters and purchasers face housing affordability challenges. Factors that contribute to rental and purchasing affordability challenges include the limited availability of smaller dwellings to meet the growing proportion of small households as well as the growing distance between areas where housing is affordable and the location of employment and education opportunities.

An absence of affordable housing often results in workers having to commute for long distances. A range of housing choices, including affordable rental housing reduces the need for people to go into social housing and also supports a pathway for people to move out of social housing. The Greater Sydney Region Plan states that Affordable Rental Housing Targets that are generally in the range of 5–10 per cent of new residential floor space are subject to viability and that further work is needed to support the implementation of these targets.

Strategy 11.1 of the Greater Region Plan is to prepare Affordable Rental Housing Target Schemes, following development of implementation arrangements.

2.3.2 North District Plan

In March 2018, the Greater Cities Commission released the North District Plan identifying priorities and actions for Greater Sydney's North District. The proposed priorities and actions for a productive and liveable North District focus on planning a city of people and of great places as well as providing a range of housing and employment opportunities. It is guided by the aim of establishing 30-minute cities, where people are 30 minutes from jobs and services by public transport and 30 minutes from local services by active transport.

Chatswood is identified in the District Plan as a Strategic Centre with a highly successful retail focus and vibrant night-time economy. Chatswood comprises a mix of uses including retail, office, residential as well as community and health. The regional shopping centres of Westfield, Chatswood Chase and Mandarin Centre combine with other centres to provide one of the largest shopping precincts in Greater Sydney. Actions set to strengthen Chatswood include:

- Protect and grow the commercial core;
- Maximise the land use opportunities provided by Sydney Metro;
- Promote the role of the centre as a location for high quality, commercial office buildings and a diverse retail offering;
- Enhance the role of the centre as a destination for cultural and leisure activities;
- Promote and encourage connectivity, and upgrade and increase public open spaces;

- Investigate interchange operations on both sides of the railway line to increase capacity and efficiency of modal changes; and
- Improve pedestrian connectivity between the eastern and western side of the rail line.

Objective 10 Greater housing supply

Planning for housing needs to consider the type of dwellings required to respond to expected changes in household and age structures. The number of single-person households is expected to increase by 31,750 to 2036. The number of single parent and couple-only households in particular, are expected to increase. This requires more smaller homes, group homes, adaptable homes of universal design and aged care facilities.

The DPHI's projections of population and household growth in the North District translate to a need for an additional 92,000 homes between 2016-2036, equating to an average annual supply of 4,600 dwellings. Planning for housing needs to consider the type of dwellings required to respond to exact changes in household and age structures. In the North District more smaller homes are anticipated to be required along with a diverse mix of housing in order to cater for a range of changing needs of residents of the LGA.

Objective 11 Housing is more diverse and affordable

The Greater Sydney Plan includes affordable rental housing targets for low to very low income households in Greater Sydney, generally in the range of 5-10% of new residential floor space. The provision of **7% affordable housing**, as part of any future development, would assist Council in reaching its affordable housing targets.

The Actions of the North District Plan include the preparation of an Affordable Rental Housing Target Scheme following development of implementation arrangements.

It is considered that the future redevelopment of the site would contribute to the achievement of the identified housing and affordable housing targets.

2.3.3 Willoughby Local Strategic Planning Statement (2020)

The Willoughby City Council Local Strategic Planning Statement (**LSPS**), dated February 2020, sets out the 20-year vision for land use in the LGA, the special character and values that are to be preserved and how change will be managed into the future.

The LSPS contains a number of planning priorities relevant to the site and proposal including:

- Increasing housing diversity to cater to families, the aging population, diverse household types and key workers
- Increasing the supply of affordable housing
- Developing Chatswood CBD as a key commercial centre and integral part of the Eastern Economic Corridor.
- Augmenting local infrastructure and using existing infrastructure more intensively and efficiently to accommodate planned growth.

- Co-ordinating economic development for Chatswood and St Leonards

Relevant to the subject site, Council's LSPS supports the delivery of the key elements of the Chatswood CBD Planning and Urban Design Strategy as this is the key driver for housing, jobs and investment within the Willoughby LGA. The Chatswood CBD Planning and Urban Design Strategy discussed in Section 2.3.5 below.

The LSPS notes that the population of Willoughby is expected to increase from 78,000 people in 2016 to approximately 92,000 by 2036. The share of the population aged 65 and over is expected to increase from 13.6% to 17.3% between 2016 and 2036. Families with children would remain a significant share of household types between 2016-2036. However, couple families without children and lone person households are also expected to grow gradually. The average household size is expected to decrease from 2.65 to 2.53 persons per household. This corresponds with the population ageing and increased proportions of older people. The LSPS states that future housing development will need to increase the diversity of housing to ensure that it meets the needs of future residents.

Key directions and Council priorities for housing in Willoughby are to increase housing diversity to cater to families, the ageing population, diverse household types and key workers and increase the supply of affordable housing. There is a target for up to 6,700 new dwellings by 2036. The baseline and target for affordable housing is as follows:

- Baseline: 4% of GFA with housing uplift
- Target: 7-10% GFA with new housing uplift by 2026.

The proposed redevelopment of the site and the provision of 7% affordable housing is in accordance with the LSPS targets.

2.3.4 Willoughby Affordable Housing Strategy 2020 to 2026 (2020)

The aim of the Willoughby Affordable Housing Strategy has been prepared to increase affordable rental housing for moderate income key and essential worker households. The Strategy outlines the following outcome areas:

- Affordable Housing Supply: Increasing the supply of affordable housing within the LGA through affordable housing targets and policy.
- Affordable Housing Assets: The effective management of Council's Affordable Housing assets and Affordable Housing Program.
- Advocacy and Leadership: Advocating for affordable and social housing needs within the LGA and region.

By 2023 it was Council's intention to increase the LEP 2012 affordable housing contribution from 4% to 7% in line with the North District Plan target. By 2026 the contribution is to be increased to 10%.

The Strategy also identifies Council's intention to ensure viability of planning proposals to ensure accurate market values are assessed for affordable housing contributions. The proposed redevelopment of the site and the provision of 7% affordable housing is in accordance with Willoughby's Affordable Housing Strategy, particularly noting the phased increase in affordable housing contributions.

2.3.5 Chatswood CBD Planning and Urban Design Strategy (2020)

The Chatswood CBD Planning and Urban Design Strategy 2036 guides future private and public development as the Chatswood CBD grows over the next 20 years. It aims to provide capacity for future growth and employment, achieve exceptional design and a distinctive, resilient and vibrant CBD.

The focus is to retain the core CBD for commercial uses only. Areas around the edge were considered appropriate for mixed use type development, where residential could be accommodated as part of an extended CBD boundary. The Strategy found that this area could potentially yield approximately 5,000 dwellings.

The Strategy informed changes to the LEP 2012 and Willoughby Development Control Plan (**WDCP**) 2023 that were gazetted as part of Amendment no.34 on 30 June 2023 and directly affected the subject site, as follows:

- Rezoning residential land to mixed use
- Increasing maximum building heights(90m) and floor space ratios (6:1)
- Apply new provisions relating to:
 - affordable housing (10%)
 - minimum commercial floor space in developments (17%)
 - design excellence

A number of site-specific planning proposals have since been supported on individual sites within the Chatswood CBD in response to the strategy, the majority of which were 'saved' at 4% affordable housing contributions. Whilst the site was subject of a site-specific planning proposal at the same time, it was omitted from the list¹ of site specific planning proposals that were saved at 4% affordable housing as part of the Comprehensive review of Willoughby Local Environmental Plan 2012.

2.3.6 Draft Willoughby Housing Strategy to 2036 (2019)

The Willoughby Draft Housing Strategy is part of a 20-year plan to guide future housing in the Willoughby LGA. Overall, an additional 6,700 dwellings will be required within Willoughby by 2036. The Strategy considers that these dwellings can be accommodated by applying three focus areas as follows:

¹ Attachment E – Site Specific Planning Proposals:

<https://apps.planningportal.nsw.gov.au/prweb/PRRestService/DocMgmt/v1/PublicDocuments/DATA-WORKATTACH-FILE%20PEC-DPE-EP-WORK%20PP-2021-6242!20230630T065329.615%20GMT>

- Focus area 1: to be on existing medium and high-density zones (R3 and R4) that have not as yet been developed to the full potential of the zone.
- Focus area 2 to be on the proposed B4 (now MU1) Mixed Use zone which surrounds B3 Commercial Core of the CBD, as identified in The Chatswood CBD Planning and Urban Design Strategy to 2036.
- Focus Area 3: In the local centres identified in Draft Local Centres Strategy as per the zone changes proposed for:
 - Artarmon
 - Northbridge
 - East Chatswood
 - Penshurst Street
 - Castlecrag
 - Naremburn
 - Willoughby South

The site is located in Focus Area 2 where the B4 Mixed Use (now MU1 Mixed Use) zone is estimated with a total potential housing yield of up to 5,000 dwellings under the amended planning controls.

The Strategy identified that separate houses remained the most dominant housing form. However, since 2011 there has been a trend towards higher density dwellings. Trends also indicated that to 2036, couple families with children were expected to continue to be the dominant household type. However, this was followed by an increase in couples without dependents and lone person households.

Overall, the population of Willoughby was expected to increase from 78,017 to 91,848 in 2036. The increase in residents was anticipated to comprise families and older people, with different housing needs. By 2036 an additional 6,758 dwellings are expected to be required. Chatswood CBD, being a strategic centre with a train station was identified to be the main focus for additional residential development, around the commercial core.

In terms of affordable housing, the Strategy states that the intention, by 2026, is to increase Council provided affordable housing properties from 22 to 70 and to increase the LEP 2012 affordable housing contribution from 4% to 10% in line with the North District Plan target. The Strategy recommended that Council's affordable housing target be increased in the short term to at least 7%, rising to 10% by 2026. The proposal is consistent with this approach.

3 Statutory Planning Framework

3.1 Willoughby Local Environmental Plan 2012

The LEP 2012 is the principal Environmental Planning Instrument (**EPI**) applying to the site. The key applicable development standards are outlined below.

3.1.1 Zoning and permissibility

The site is zoned MU1 Mixed Use under the LEP 2012. The MU1 zone permits 'shop top housing' with development consent. 'Mixed Use' developments are not listed as prohibited and are therefore permissible. 'Residential accommodation' is a prohibited use in the zone. Residential accommodation includes Residential Flat Buildings.

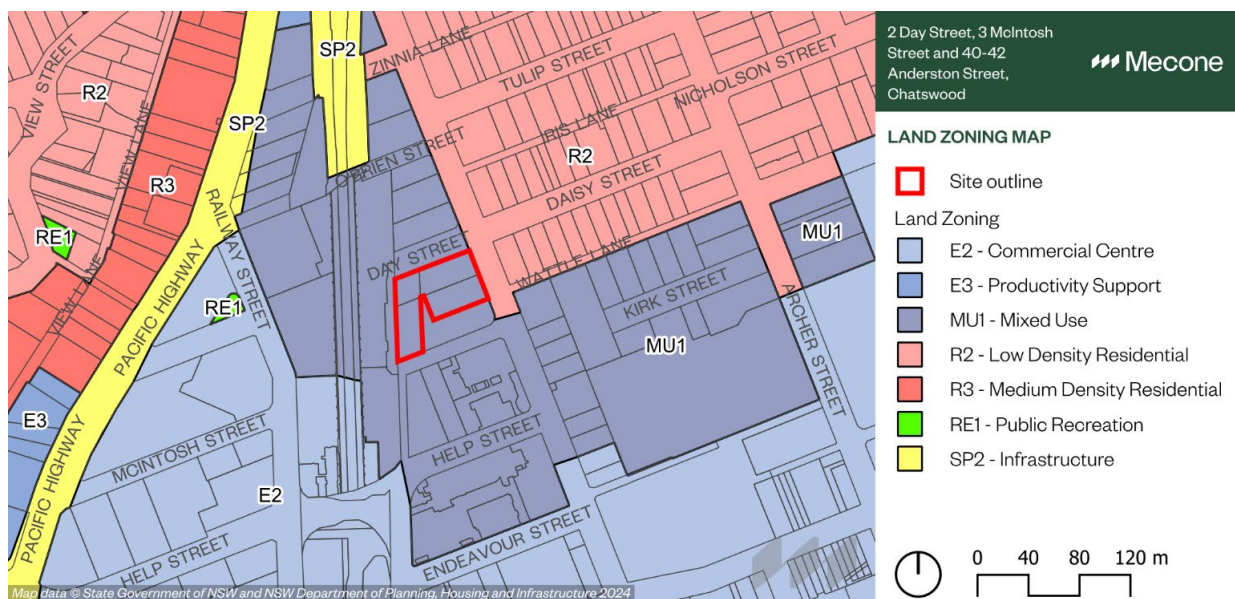


Figure 8: LEP 2012 Zoning Map

Source: Mecone Mosaic

3.1.2 Building Height

Under the LEP 2012 the site is subject to a maximum height control of 90m.

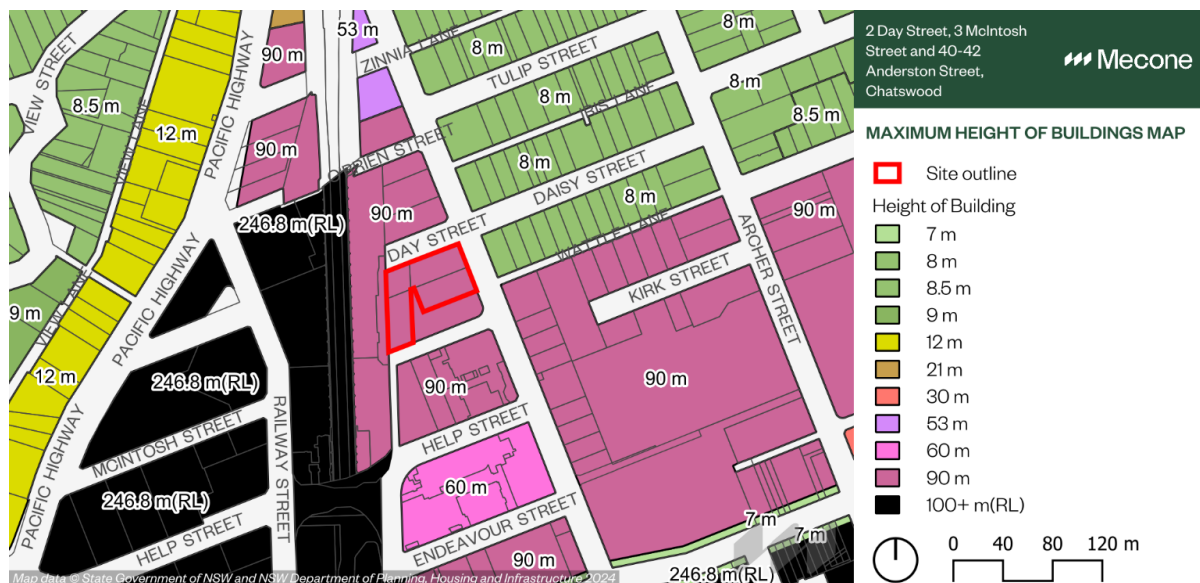


Figure 9: LEP 2012 Height of Buildings Map

Source: Mecone Mosaic

3.1.3 Floor Space Ratio

Under the LEP 2012 the site is subject to a FSR of 6:1.

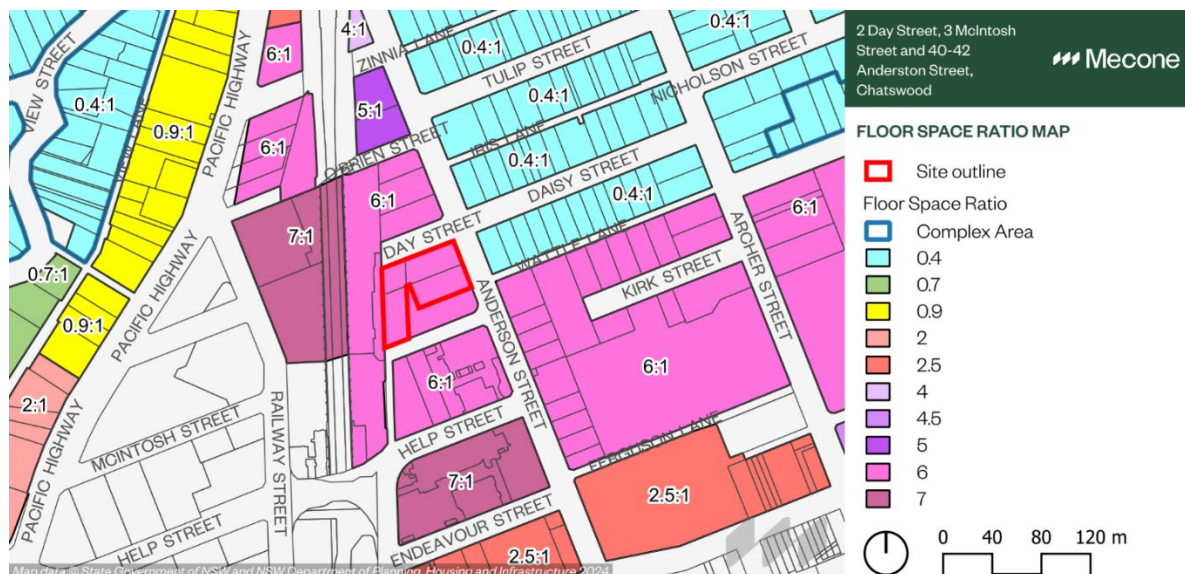


Figure 10: LEP 2012 FSR Map

Source: Mecone Mosaic

3.1.4 Heritage

The site does not contain a heritage item and is not located in a Heritage Conservation Area (HCA). However, the site is located adjacent to the North Chatswood HCA.

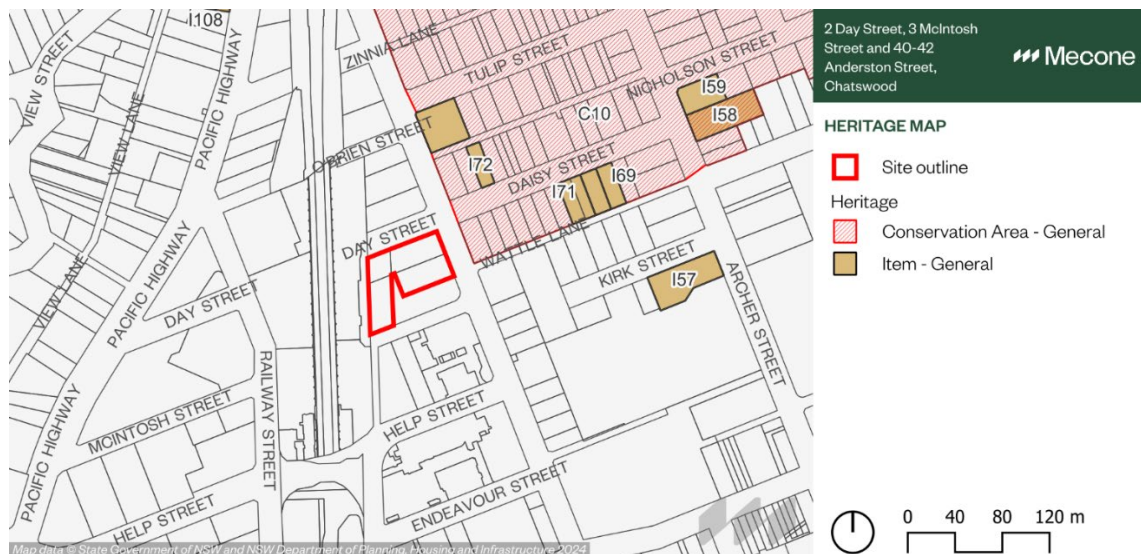


Figure 11: LEP 2012 Heritage Map

Source: Mecone Mosaic

3.1.5 Affordable Housing

Under Clause 6.8 of the LEP the site is subject to affordable housing contributions in accordance with 'Area 3' as shown in **Figure 12** and is therefore currently subject to an affordable housing contribution of 10%.



Figure 12: LEP 2012 Affordable Housing Map

Source: Mecone Mosaic

4 The Proposal

4.1 Part 1 – Objectives and Intended Outcomes

4.1.1 Objectives

The key objective of the Planning Proposal is to amend the provision of affordable housing required under Clause 6.8 Affordable housing of the LEP 2012 for any future development of the site. Prior to the gazettal of Amendment 34 the site was not required to any affordable housing contribution per cl.6.8 of the LEP.

The original Planning Proposal was lodged prior to the introduction of Amendment 34 and proposed a 4% contribution of affordable housing for any future development on the site. However, the introduction of Amendment 34 resulted in the site being required to provide 10% affordable housing contribution.

The objective of the Planning Proposal is to amend the affordable housing contribution from 10% to 7%, in line with the recommendations of the NSPP in order to ensure the viability of the redevelopment of the site to accommodate a mixed-use development.

4.1.2 Intended Outcomes

The intended outcome of this Planning Proposal is to amend the Affordable Housing Map within the LEP 2012, to include the site as being within the Area 2 boundary, rather than the Area 3 boundary, thereby resulting in the affordable housing contribution changing from 10% to 7%.

4.2 Part 2 – Explanation of the provisions

The Planning Proposal seeks to achieve the intended outcomes outlined under Section 4.1 (Part 1) above through proposed amendments to the Affordable Housing Map. The proposed LEP 2012 map is provided at **Part 4** of this report.

4.2.1 Intended Amendments to LEP Maps

The proposal includes amendments to the Affordable Housing Map in the LEP 2012 as outlined in the table below.

Table 2: Proposed LEP 2012 Amendments

Map Sheet	Amendment	Explanation
Affordable Housing Map Sheet 004	Identify the site as being within Area 2 (7%) rather than Area 3 (10%)	The aim of this amendment is to change the required provision of affordable housing from 10% to 7%.

5 Part 3 – Justification of strategic and site-specific merit

This section of the report provides a detailed assessment of the proposal's strategic and site-specific merit.

5.1 Strategic merit

The original Planning Proposal was prepared in accordance with the Chatswood CBD Planning and Urban Design strategy 2036 and lodged in December 2022. The CBD Strategy anticipated significant growth for the Chatswood CBD over the next 20 years, including the need for an additional:

- 501,750m² residential GFA
- 297,500m² office GFA
- 136,200m² other commercial GFA

The Greater Sydney Region Plan and North District Plan identify the need for more housing, and specifically more affordable housing. An action of both plans is to prepare Affordable Rental Housing Target Schemes.

The Willoughby LSPS includes a baseline and target for affordable housing is as follows:

- Baseline: 4% of GFA with housing uplift
- Target: 7-10% GFA with new housing uplift by 2026.

The Willoughby Affordable Housing Strategy and the Draft Willoughby Housing Strategy are in line with the LSPS baseline targets. Both documents state that by 2023 it was Council's intention to increase the LEP 2012 affordable housing contribution from 4% to 7%, only increasing to 10% by 2026.

Future development of the site, as facilitated by the Planning Proposal, would contribute an additional 18,730m² GFA in total, including 3,122m² commercial GFA and 15,608m² residential GFA. The proposed redevelopment of the site and the provision of 7% affordable housing (approximately 1092m² GFA) and is proposed in accordance with the targets included within these strategic documents.

5.1.1 Section A - Need for the planning proposal

Q1. Is the planning proposal a result of an endorsed LSPS, strategic study or report?

The original Planning Proposal was prepared as a direct result of Council's Chatswood CBD Planning and Urban Design Strategy 2036, which was endorsed by DPHI in July 2020. The Strategy recommended land use, increased building height and development for land within the Chatswood CBD boundary. The majority of the recommendations under the Strategy were implemented as part of Amendment 34 to LEP 2012, in order to respond to the anticipated growth of the Chatswood CBD over the next 20 years.

This Planning Proposal responds to the baseline and target for affordable housing included in the Willoughby LSPS, Willoughby Affordable Housing Strategy and the Draft Willoughby Housing Strategy, which state that by 2023 it is Council's intention to increase the LEP 2012 affordable housing contributions from 4% to 7%, increasing to 10% by 2026. The Planning Proposal would result in the provision of 7% affordable housing on the site and therefore aligns with Council's strategic plans.

Considering that the site was previously not required to provide any affordable housing contribution under the LEP 2012, the introduction of a 10% contribution represents a substantial increase. A revision in the required percentage of affordable housing to 7% would be in line with the relevant strategic documents and would act as a compromise between the originally proposed 4% and the currently required 10% contribution.

Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The Planning Proposal is the best means to achieve the objectives and intended outcomes as the LEP Affordable Housing Map would need to be amended in order to change the affordable housing contribution from 'Area 3' (10%) to 'Area 2' (7%). This revision to the affordable housing contribution would result in the financial viability of the future development of the site, thereby enabling the provision of much needed housing, and affordable housing within the LGA.

Since the introduction of LEP Amendment no.34 there are no alternative options to a site-specific Planning Proposal in order to vary the development controls for the site.

5.1.2 Section B - Relationship to the strategic planning framework

Q3. Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plan or strategies)?

The Greater Sydney Region Plan 2056 was published in March 2018 and sets out a vision, objectives, strategies and actions for a metropolis of three cities across Greater Sydney. The Plan outlines 10 overarching directions supported by 40 objectives which aim to provide interconnected infrastructure, productivity, liveability and sustainability benefits to all residents.

In March 2018, the Greater Cities Commission released the North District Plan identifying priorities and actions for Greater Sydney's North District. The proposed priorities and actions for a productive and liveable North District focus on planning a city of people and of great places as well as providing a range of housing and employment opportunities.

The Planning Proposal is consistent with the objectives, directions and actions of the Greater Sydney Region Plan and the North District Plan. The Planning Proposal will facilitate housing and employment opportunities in the Chatswood Strategic Centre, close to services and public transport. The Planning Proposal will give effect to the objectives and outcomes of the Greater Sydney Region Plan and the North District Plan, as outlined in **Tables 3** below.

Table 3: Consistency with The Greater Sydney Regional Plan and North District Plan

Objective number	Topic / Theme	PP Consistency with the objective
10	Greater Housing Supply	<p>Planning for housing needs to consider the type of dwellings required to respond to exact changes in household and age structures. In the North District more smaller homes and a diverse mix of housing is required in order to cater for the changing needs of residents in the LGA.</p> <p>The DPHI's projections of population and household growth in the North District translate to a need for an additional 92,000 homes between 2016-2036, equating to an average annual supply of 4,600 dwellings.</p> <p>The Planning Proposal would facilitate development of 162-250 residential apartments, assisting Willoughby and the North District in reaching housing targets.</p>
11	Housing is more diverse and affordable	<p>Across Greater Sydney, both home renters and purchasers face housing affordability challenges. Factors that contribute to rental and purchasing affordability challenges include the limited availability of smaller dwellings to meet the growing proportion of small households as well as the growing distance between areas where housing is affordable and the location of employment and education opportunities.</p> <p>An absence of affordable housing often results in workers having to commute for long distances. A range of housing choices, including affordable rental housing, close to employment, reduces the need for people to go into social housing.</p> <p>The Greater Sydney Plan includes affordable rental housing targets for low to very low-income households in Greater Sydney, generally in the range of 5-10% of new residential floor space. The actions of the North District Plan include the preparation of an Affordable Rental Housing Target Scheme following development of implementation arrangements.</p> <p>The provision of 7% affordable housing, as part of any future development on the site, would assist Council in reaching its affordable housing targets and would provide a variety of affordable housing within a strategic centre, close to employment opportunities and public transport links.</p>

Q4. Is the planning proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or another endorsed local strategy or strategic plan?

The Planning Proposal is consistent with the Willoughby LSPS and Willoughby LHS, which reinforce the key local matters relevant to Chatswood CBD Planning and Urban Design Strategy. Council's LSPS is the long-term vision and guide for future growth of the LGA. The objectives relating to housing of the most relevance to the planning proposal are identified in **Table 4** below.

Table 4: Consistency with the Willoughby LSPS

Policy area and priority	PP Consistency with the priority / objective
Housing the city	
Priority 1: increasing housing diversity to cater to families, the aging population, diverse household types and key workers.	The development of the site to accommodate 1, 2 and 3+ bedroom apartments, will contribute to a more diverse housing stock for the LGA. The site will provide a diversity of housing and a contribution of 7% affordable housing, which are much needed within the LGA.
1.2 Review planning controls in the Chatswood CBD and local centres to facilitate delivery of an increased number of medium and high-density dwellings, increasing dwelling diversity in the LGA.	This Planning Proposal represents a review of the current planning controls.
1.4 Assess any proposals for increased housing density against the Willoughby Housing Strategy.	The Planning Proposal has been assessed against the draft Willoughby Housing Strategy as addressed in Section 2.3.6 above.
1.5 Ensure that planning controls create dwellings of universal design that are suitable for the changing needs of the community, including smaller and accessible dwellings for the ageing population and family-friendly medium density dwellings for new families moving to the area.	The Planning Proposal would result in the creation of a range of apartment types. Apartments would be accessible and adaptable and would cater for the changing needs of the community.
1.6 Ensure higher sustainability and resilience targets for all new dwellings in Willoughby City in order to lower life cycle costs for new residents.	Sustainability principles are included in the design requirements for the new dwellings, which will be considered for any future detailed development application for the site, as facilitated by this proposal.
Priority 2: Increasing the supply of affordable housing	The Planning Proposal will ensure the provision of 7% affordable housing contribution as a result of the development.
2.2 Seek opportunities to deliver increased public benefit through affordable housing when increases in density are sought in major proposals.	The Planning Proposal will facilitate the development of additional affordable housing within the LGA. An affordable housing contribution equivalent to 7% of the residential GFA of the development will be secured as a result of the development
2.5 Focus affordable housing delivery along potential eastern public transport routes and the Metro and North Shore Railway line.	The site is located within 350m of the Chatswood transport interchange and will deliver affordable housing contributions.
A city for people	
Priority 3: Enhancing walking and cycling connections to Willoughby's urban areas, local centres and landscape features.	A landscape management plan will be provided as part of any future detailed development application for the site.
3.1 Develop both east west and north south routes in the LGA as green links for walking and cycling consistent with green grid priority corridors identified in the Greater Sydney Region Plan and North District Plan.	This proposal acknowledges these strategic policies and will work with Council to accommodate their implementation through the footpath and on street cycleway provisions past the site, as part of any future DA.

3.2 Expand the bicycle network as planned in the Willoughby Bike Plan.	The Planning Proposal acknowledges the Willoughby Bike Plan. The future development of the site would accommodate the implementation of the plan, through footpath and on street cycleway provisions past the site.
Priority 4: Ensuring that social infrastructure caters to the populations changing needs and is accessible to foster healthy and connected communities.	Social infrastructure will considered as part of any future detailed development application for the site.
4.4 Pursue opportunities in new development to increase public open space areas.	Any future development of the site will be required to provide open space in accordance with Council's requirements.
A city of great places	
Priority 5: Respecting and enhancing heritage and local suburban character	The site is not heritage listed and is not adjacent to any heritage items, but is located across the road from a HCA. A Heritage Impact Statement will be prepared as part of any future detailed development application for the site.
Priority 6: Planning for local centres which are vibrant places that meet the everyday needs of the population.	The requirement for a minimum 17% non-residential GFA is unchanged by the Planning Proposal. Future development at the site would add vibrancy and provide more opportunities for commercial development that meets the needs of the local community.
6.1 Review planning controls in local centres to encourage site amalgamation and development.	This proposal represents a review of the relevant planning controls and aims to encourage development of the site.
A well-connected city	
Priority 7: Development Chatswood's role as a true transport hub for Willoughby City and the North Shire.	The proposal does not contribute directly to the role of Chatswood as a Transport Hub. However, the location of the site, being 350m from the Chatswood Transport Interchange will contribute to the development of the 30-minute city.
Jobs and skills for the city	
Priority 9: Developing Chatswood CBD as the key commercial centre and integral part of the Eastern Economic Corridor.	The inclusion of a minimum 17% non-residential GFA as part of any future development will assist with supporting Chatswood's development as a key commercial centre.
9.1 Promote office growth in the commercial core and a diverse mix of uses.	Any future proposal will include a minimum 17% non-residential floorspace, this provision is unaltered by the Planning Proposal.
9.4 Develop and promote Chatwood's distinct role in the Eastern Economic Corridor.	The redevelopment of the site would contribute positively towards the Eastern Economic Corridor by providing non-residential floorspace.
9.5 Seek contributions to public and social infrastructure to improve the amenity and services in the Chatswood CBD.	The future redevelopment of the site will be required to provide contributions in accordance with Council's contributions plan.

An efficient city	
Priority 15: Improving the efficiency of the built environment.	The proposal requires a building of the highest energy efficacy rating be developed on the site. This will be confirmed as part of any future detailed development application.
15.1 Develop Chatswood as a low-energy, low carbon, low water use centre, particularly through proposed major development.	Any future development would incorporate the relevant sustainability requirements.
15.4 Manage street and off-street parking to encourage public transport use and car sharing and limit growth in travel by private vehicles.	Private parking will be provided as part of any future detailed development application for the site.
15.6 Advocate for increased energy and water efficiency standards for new buildings including Green Start Certification and the BASIX standards.	The proposal includes provision to implement the latest sustainability standards.
15.7 Encourage the use of cool building materials in any new development to reduce the urban heat island effect and where appropriate integrate water features both natural and man made into urban design.	Any future detailed development application would include provision to implement the latest sustainability standards.
15.8 Review Willoughby Council's Development Control Plan to update sustainable development requirements for the entire LGA.	Any future development of the site will include a review of Council's DCP to ensure the inclusion of sustainability principles in building design.
15.10 Require increased energy and water efficiency in major development proposals where increases in density or yield are sought.	Any future detailed development application would encourage this action.
A resilient city	
Priority 16: Increasing resilience to climate change, extreme weather and other shocks and stresses.	A future detailed development application for a high-density energy efficient housing, and co-located commercial development, will assist in contributing to a sustainable and resilient lifestyle for residents.
16.5 Continue to ensure that new residential development is targeted away from parts of the Council at risk from natural hazards including bushfire and flooding.	The proposal will facilitate new development on a site that is not directly impacted by bushfire or flooding.
A city supported by infrastructure	
Priority 17: Augmenting local infrastructure and using existing infrastructure more intensively and efficiently to accommodate planned growth	The proposal would facilitate development of the site, which would provide opportunity to augment local infrastructure around the site via provision of contributions in accordance with the Community Infrastructure Contributions Plan.
17.4 Require major development to share any value uplift from changes in development rights to deliver a community benefit through improved local infrastructure.	This proposal will facilitate future development of the site which will contribute to Council's Community Infrastructure Strategy.

17.5 Focus future development and density in places where infrastructure is available, which is expected to be along the major public transport corridors.	This proposal will facilitate development in close proximity to the existing railway station and transport interchange, and other community infrastructure in the CBD.
Priority 18: Leveraging planned major infrastructure investments and projects to support growth.	The proposal will leverage higher density development opportunities from the provision of Chatswood becoming a major transport hub.
18.5 Review current planning objectives and frameworks in response to major infrastructure announcements and construction.	The proposal represents a review of the local planning objectives and will positively respond to this priority through this action.

Table 5: Consistency with the Willoughby LHS

Policy area and priority	PP Consistency with the priority / objective
Increase housing supply in accordance with the Northern District Plan and Forecast Requirements.	The proposal contributes towards an increase in the housing supply within Willoughby and aligns with the objectives and goals of the Northern District Plan's housing needs forecasts.
Contributes towards a diversity of housing stock.	The addition of 1, 2 and 3+ bedroom apartments will help to contribute to a more diverse unit housing stock for the LGA.
Contributes affordable housing options for the community.	The Planning Proposal includes a contribution of 7% affordable housing which will increase affordable housing options for the community.

Q5. Is the planning proposal consistent with any other applicable State and regional studies or strategies?

There are no other relevant state or regional studies or strategies that apply to the site.

Q6. Is the planning proposal consistent with applicable SEPPs?

The proposal would address and/or be consistent with all relevant Environmental Planning Policies (SEPPs). **Table 6** outlines the intent of the relevant SEPPs and consistency of the Planning Proposal.

Table 6: Consistency with State Environmental Planning Policies

SEPP	Consistent?	Assessment
SEPP (Housing) 2021	Yes	<p>The Planning Proposal would result in the creation of additional diverse housing and affordable housing, much needed in the LGA.</p> <p>The proposal will result in a contribution of 7% affordable housing.</p>

SEPP (Planning Systems) 2021	Yes	Under SEPP (Planning Systems) 2021, SEPP (Housing) 2021 applies if the development is within the Eastern Harbour City and has a development cost of more than \$30 million.
SEPP (Resilience and Hazards) 2021	Yes	A contamination study has not been commissioned at this early stage. This can be undertaken if required by any Gateway Determination, though the site has been used for residential for some time and is as such considered at low risk of contamination.
SEPP (Sustainable Buildings) 2022	Yes	Detailed compliance with the Sustainable Buildings SEPP will be demonstrated as part of any future detailed development application for the site.
SEPP (Transport and Infrastructure) 2021	Yes	Future development of the site is likely to be considered as traffic generating development under the relevant thresholds of 'Schedule 3 Traffic-generating development to be referred to TfNSW – Chapter 2' and referral to TfNSW will be required. The site is more than 25m from a railway corridor.

Q7. Is the planning proposal consistent with applicable Ministerial Directions (section 9.1 Directions) or key government priority?

The Planning Proposal is consistent with the Ministerial Directions outlined in **Table 7** below.

Table 7: Consistency with Ministerial Directions

Ministerial Direction	Consistent?	Comments
Focus area 1: Planning Systems		
1.1 Implementation of Regional Plans	Yes	The Planning Proposal is consistent with A Plan for Growing Sydney.
1.3 Approval and Referral Requirements	Yes	The Planning Proposal is consistent with this direction in that it does not propose to introduce any provisions that require additional concurrence, consultation or referral.
1.4 Site Specific Provisions	Yes	The Planning Proposal does not propose to introduce site specific planning controls.
Focus area 3: Biodiversity and Conservation		
3.2 Heritage Conservation	Yes	<p>The site does not contain a heritage item and is not located in HCA, but is located adjacent to the North Chatswood HCA. The Planning Proposal would not impact the Chatswood North HCA.</p> <p>Any future detailed development application for the site will require a Heritage Impact Statement to be prepared.</p>

Focus area 4: Resilience and Hazards

4.4 Remediation of Contaminated Land	Yes	A contamination study has not been commissioned at this early stage. This can be undertaken if required by any Gateway Determination, though the site has been used for residential for some time and is as such considered at low risk of contamination.
4.5 Acid Sulfate Soils	Yes	The LEP 2012 contains Acid Sulfate Soil provisions. This proposal does not seek any amendment to the existing provisions. Acid Sulfate Soil investigations and analysis would be undertaken as part of any future development of the land in accordance with the requirements of LEP 2012.

Focus area 5: Transport and Infrastructure

5.1 Integrating Land Use and Transport	Yes	The Planning Proposal will provide additional housing diversity in close proximity to transport connections at Chatswood Interchange.
5.2 Reserving Land for Public Purposes	Yes	This Planning Proposal is consistent with this Direction in that it does not create, alter, or reduce existing zonings or reservations of land for public purposes.

Focus area 6: Housing

6.1 Residential zones	Yes	The site is zoned MU1 Mixed Use under LEP 2012. This Planning Proposal will facilitate a mixed-use development consistent with this Direction.
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Focus area 7: Industry and Employment

7.1 Employment Zones	Yes	Future development of the site would result in mixed use development, providing commercial space, allowing for at least an additional 160 jobs, consistent with this Direction.
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5.2 Site-specific merit

5.2.1 Section C – Environmental, Social and Economic Impact

5.2.1.1 Environmental Effects

Q8. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The Planning Proposal is administrative in nature and would not result in any adverse environmental impacts. The amendment relates only to the LEP Affordable Housing Map.

A desktop analysis of the site and of relevant reports publicly available has not revealed this site to be part of any critical habitat or that any threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of this proposal. Further consideration can be undertaken during the DA stage, if relevant.

Q9. Are there any other likely environmental effects as a result of the Planning Proposal and how are they proposed to be managed?

No other environmental effects are anticipated as a result of the Planning Proposal.

Q10. Has the planning proposal adequately addressed any social and economic effects?

5.2.1.2 Social Effects

The Planning Proposal will have a positive social effect through the provision of a diversity of new residential accommodation, including a contribution of 7% affordable housing in a strategic and accessible location. Approximately 162-250 residential apartments could be provided on the site, to respond to strong housing diversity demand.

An assessment of residential and office development options in the Chatswood CBD was undertaken by AEC Group (refer to **Appendix 1**) to determine the future demand for these uses. A summary of the residential and commercial options evaluated in the report are provided below.

- There is strong demand for high density residential dwellings within the Chatswood CBD, in particular 2 and 3 bedroom apartments, which offer flexibility for a variety of household types.
- The subject site is a strong location for apartments given its excellent public transport access, attractive views, high amenities, and proximity to the Chatswood CBD commercial core.
- The proposed 162-250 apartments will also help deliver the Sydney Metropolitan and Willoughby's City Strategies dwelling targets.

5.2.1.3 Economic Effects

The assessment by AEC Group also found that the market can support smaller boutique commercial floor plates and residential uses, however, significant commercial office floorspace is unlikely to be supportable in locations such as this site. The assessment found that there is a demand for boutique commercial suites in mixed-use buildings. Future redevelopment of the site to accommodate a mixed use development could provide approximately 168 additional jobs for the local economy.

5.2.2 Section D – Infrastructure (Local, State and Commonwealth)

Q11. Is there adequate public infrastructure for the Planning Proposal?

As part of Amendment no.34 of the LEP Council considered the requirements for public infrastructure within the Willoughby LGA. This Planning Proposal seeks to change the affordable housing contribution from 10% to 7% of the residential GFA and would not result in any requirement for additional public infrastructure.

The site is within walking distance of public transport (trains and buses) and employment, lifestyle and retail facilities within Chatswood. Upgrades to infrastructure potentially arising from the development of the site (such as utilities and traffic) would be assessed as part of a future detailed development application.

5.2.3 Section E – State and Commonwealth Interests

Q12. What are the views of state and federal public authorities and government agencies consulted in order to inform the Gateway determination?

The views of State and Commonwealth public authorities will be known once consultation has occurred in accordance with any Gateway determination.

6 Part 4 – Maps

Under Clause 6.8 of the LEP the site is subject to affordable housing contributions. Clause 6.8 applies to the erection of residential accommodation on land identified as 'Area 1', 'Area 2' or 'Area 3' on the Affordable Housing Map, other than development for the purposes of boarding houses, community housing, group homes, hostels and public housing.

The site is currently located in 'Area 3' and is therefore subject to an affordable housing contribution of 10%. Amendments are proposed to the Affordable Housing Map of LEP 2012, as outlined in **Table 8** and shown in **Figure 13**, in order to change the affordable housing provision from 10% to 7%. Refer to **Appendix 2** for the draft amended map.

Table 8: Schedule of Amended Maps

Map	Current Control	Proposed Control
Affordable Housing Map Sheet 004	The site is currently located in Area 3 (10%)	Identify the site as being within Area 2 (7%)



Figure 13: LEP 2012 Proposed Affordable Housing Map

Source: Mecone Mosaic

7 Part 5 – Community consultation

Confirmation of the public exhibition period and requirements for the Planning Proposal will be provided as part of the Gateway determination. Any future DA for the site would also be exhibited in accordance with Council requirements, at which point the public and any authorities would have the opportunity to make further comment on the proposal.

8 Part 6 – Project timeline

The indicative timeframe for finalisation of the Planning Proposal is shown in **Table 9** below.

Table 9: Indicative Project Timeline

Stage	Timeframe and/or date
Lodgement of the Amended Planning Proposal	September 2024
Gateway determination	November 2024
Commencement and completion of public exhibition period	December 2024
Consideration of submissions	February 2024
Post exhibition review and additional studies	March/April 2025
Submission to the Department for finalisation	June 2025
Gazettal of LEP amendment	July 2025

9 Conclusion

The Planning Proposal has been prepared in accordance with Section 3.33 of the EP&A Act and the NSW DPHI LEP Making Guidelines. The Planning Proposal is consistent with the applicable strategic planning framework, SEPPs and Ministerial Directions.

This Planning Proposal responds to the baseline and target for affordable housing included in all applicable strategic documents, which state that by 2023 it is Council's intention to increase the LEP 2012 affordable housing contribution from 4% to 7%, increasing to 10% by 2026. The Planning Proposal would result in the provision of 7% affordable housing on the site and therefore aligns with Council's strategic plans.

Considering that the site was previously not required to provide any affordable housing contribution under the LEP 2012, the introduction of a 10% contribution represents a substantial increase. A revision to the required percentage of affordable housing to 7% would be in line with the relevant strategic documents and would act as a compromise between the originally proposed 4% and the currently required 10%.

The Planning Proposal is administrative in nature and would not result in any adverse environmental, social or economic impacts. Rather, the revision of the required affordable housing contribution rate would ensure the financial viability of any future development of the site, facilitating redevelopment of the site for a mixed-use development.

Appendices

Appendix 1 – AEC Report

Appendix 2 – LEP 2012 Amendment Map

