



IRF24/201

Gateway determination report – PP-2023-92

601 Pacific Highway, St Leonards

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Acknowledgment of Country

The Department of Planning, Housing and Infrastructure acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

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Table 1 Reports and plans supporting the proposal

Relevant reports and plans
Attachment A – Planning Proposal
A1 – Amended Planning Proposal Report (29 September 2023)
A2 – Urban Design Report (January 2023)
A3 – Addendum Urban Design Report (September 2023)
A4 – Landscape Design Report (19 December 2022)
A5 – Preliminary Site Investigation (24 June 2021)
A6 – Geotechnical Desktop Study Report (23 April 2021)
A7 – Amended Structural Engineering Report (27 September 2023)
A8 – Transport Impact Assessment (14 September 2022)
A9 – Green Travel Plan (14 September 2022)
A10a – Wind Environment Statement (December 2022)
A10b – Addendum Wind Environment Letter (26 September 2023)
A11 – Amended Preliminary Aeronautical Impact Assessment (28 September 2023)
A12 – Pre Lodgement Council Meeting Minutes (14 November 2022)
A13a – Pre Lodgement Design Response (Architectus)
A13b – Pre Lodgement Design Response (ARUP) (8 December 2022)
Attachment B – VPA Letter of Offer (26 September 2023)
Attachment C – North Sydney Council Letter Requesting a Gateway Determination (18 December 2023)
Attachment D – North Sydney Council Resolution and Report (27 November 2023)
Attachment E – North Sydney Local Planning Panel Minutes and Council's Assessment Report (19 July 2023)
Attachment F – DPE Letter Requesting Additional Information (22 December 2023)
Attachment G – North Sydney Council Letter Responding to DPE Additional Information Request (17 January 2024)

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	North Sydney
PPA	North Sydney Council
NAME	601 Pacific Highway, St Leonards (3,346 jobs)
NUMBER	PP-2023-92
LEP TO BE AMENDED	North Sydney LEP 2013
ADDRESS	601 Pacific Highway, St Leonards
DESCRIPTION	Lot 71, DP 749690
RECEIVED	19/12/2023
FILE NO.	IRF24/201
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2 Objectives of planning proposal

The objectives of the planning proposal are to amend the North Sydney Local Environmental Plan (LEP) 2013 to facilitate a commercial development at 601 Pacific Highway, St Leonards. The proposed changes seek to align with the planning framework identified in the St Leonards and Crows Nest 2036 Plan

The objectives of this planning proposal are clear and adequate.

1.3 Explanation of provisions

The site is proposed to be redeveloped to facilitate a commercial development at 601 Pacific Highway, St Leonards. The proponent's planning proposal documentation seeks to amend the North Sydney LEP 2013 by:

- increasing the maximum building height from 49m to RL 265 (approx. 177.5m); and
- introducing a floor space ratio (FSR) control of 20:1.

On 27 November 2023, North Sydney Council resolved to endorse the planning proposal subject to a reduced maximum building height (**Attachment D**). The planning proposal as endorsed by Council seeks to amend the North Sydney LEP 2013 by:

- increasing the maximum building height from 49m to RL 259 (approx. 171.5m); and
- introducing a FSR control of 20:1.

Table 3 Current, proposed and Council endorsed controls

Control	Current	Proposed	Council Resolution
Zone	E2 Commercial Centre	E2 Commercial Centre	E2 Commercial Centre
Maximum height of the building	49m	RL 265 (approx. 177.5m)	RL 259 (approx. 171.5m)
Maximum FSR	Nil	20:1	20:1
Number of jobs	Not stated	3,346	3,346
Carparking (DCP control)	158 spaces	128 spaces	128 spaces

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved.

It is noted the planning proposal and accompanying documentation does not reflect the maximum building height resolved by Council. The Department wrote to Council on 22 December 2023 requesting that the planning proposal report and urban design report documents be updated prior to Gateway to be consistent with the resolution of Council. Council responded on 17 January 2024 advising the proponent is unwilling to amend the proposed building height and Council reiterated its position that a condition be included requiring these updates.

A condition has been imposed requiring the planning proposal and accompanying documents to be updated to align with the planning controls resolved by Council. The controls resolved by Council are consistent with an independent assessment report undertaken on behalf of Council and were recommended by the North Sydney Local Planning Panel.

The proposal is accompanied by a letter of offer to enter into a Voluntary Planning Agreement (VPA) (**Attachment B**) outlining a monetary contribution to be provided to North Sydney Council towards community infrastructure within the St Leonards and Crows Nest precinct. Council resolved to accept the VPA offer in principle.

1.4 Site description and surrounding area

The site is in St Leonards in the North Sydney Local Government Area (LGA). Approximately 350m from the site is the existing St Leonards Railway Station and approximately 400m from the site is the future Crows Nest Metro Station (**Figure 1**). The site is identified in the St Leonards and Crows Nest 2036 Plan (SLCN 2036 Plan) and is located within the Crows Nest accelerated precinct of the Transport Oriented Development rezoning program.

The site comprises a single allotment legally described as Lot 71 in DP 749690 with a total site area of approximately 2,840sqm. The site has a primary street frontage to Pacific Highway to the south with secondary frontages to Mitchell Street to the east and Atchison Street to the north (**Figure 2**).

The site currently contains a 14 storey commercial office building (**Figure 3**), with ground and plaza level retail, and four basement parking levels that accommodate approximately 158 spaces. The site is not listed as a local heritage item or within a heritage conservation area (HCA).

North of the site, across Atchison Street, are 3 and 6 storey commercial buildings alongside a recently constructed 34 storey mixed use building located at 6-16 Atchison Street.

East of the site is the Mitchell Street Plaza that has been subject to public domain upgrades undertaken by Council. The plaza contains a shared pedestrian / vehicle zone, a green wall, island planters, pedestrian benches and an open lawn area for recreation. Opposite this plaza east of the site is a 5 storey commercial office building.

South of the site across Pacific Highway is a recently constructed 44 storey mixed use building at 500 Pacific Highway. Further south-east is St Leonards Square that features a public plaza, retail, recreation and leisure precinct and two residential buildings of 28 and 36 storeys.

Directly adjoining the site to the west at 617-621 Pacific Highway, St Leonards currently features a 7 storey commercial office building and 11 storey commercial building. These properties were previously subject to a successful planning proposal and a development application is currently lodged for a 50 storey mixed-use development.



Figure 1 Locality Map (source: *Urbis planning proposal*)



Figure 2 Subject site (source: *Urbis planning proposal*)

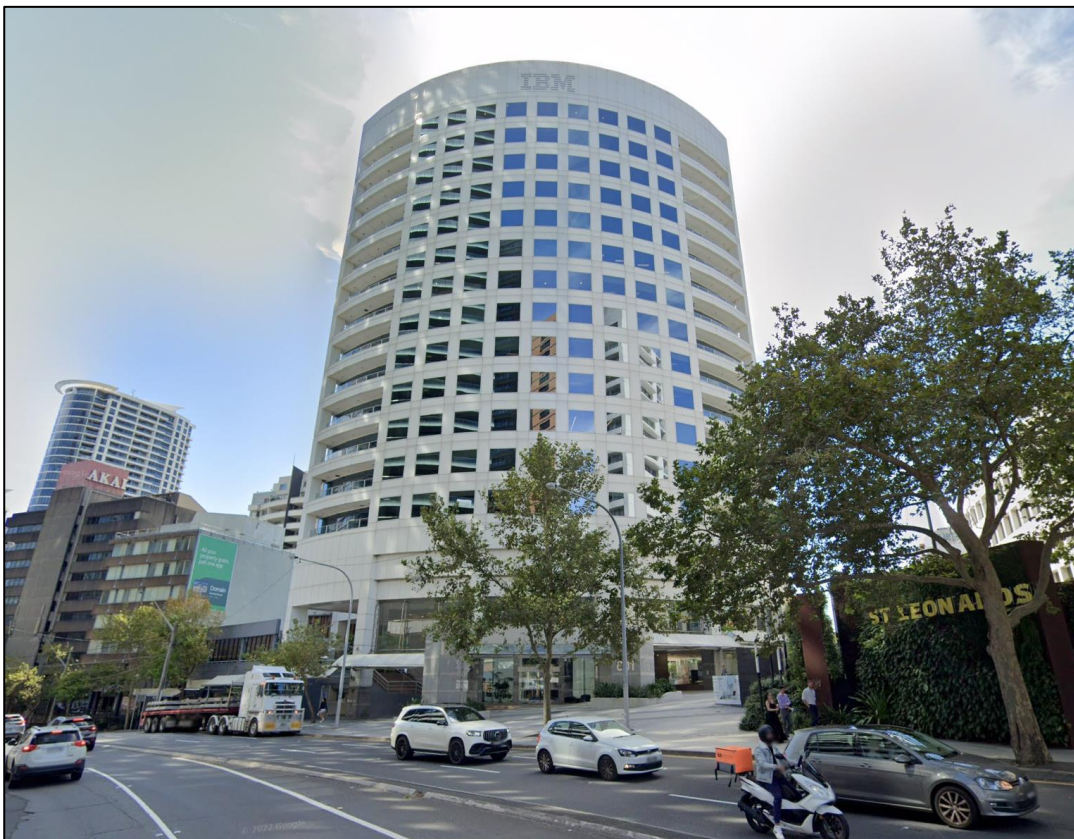


Figure 3 View looking north-west of the subject site from Pacific Highway (source: *Google Maps*)

1.5 Mapping

The planning proposal includes mapping showing the proposed changes to the North Sydney LEP 2013 maps. It is noted the proposed height of buildings map presented in the planning proposal is inconsistent with the height supported by Council. A condition has been included for the proposal to be updated to reflect the height resolved by Council. It is expected the updated proposal will feature a revised height of buildings map.

The mapping associated with the North Sydney LEP 2013 indicates that the existing site is subject to the following planning provisions:

- E2 Commercial Core zone (**Figure 4**); and
- maximum building height of 49m (**Figure 5**).

There is no change to the E2 Commercial Core zoning and there is no applicable FSR control for the site. The FSR map is at **Figure 6**.

The proposed changes to the mapping indicate that the site will be subject to the following planning provisions, noting Council has endorsed a lower maximum building height control of RL 259 (approx. 171.5m):

- maximum height of building of RL 265 (approx. 177.5m) (**Figure 7**); and
- maximum FSR of 20:1 (**Figure 8**).

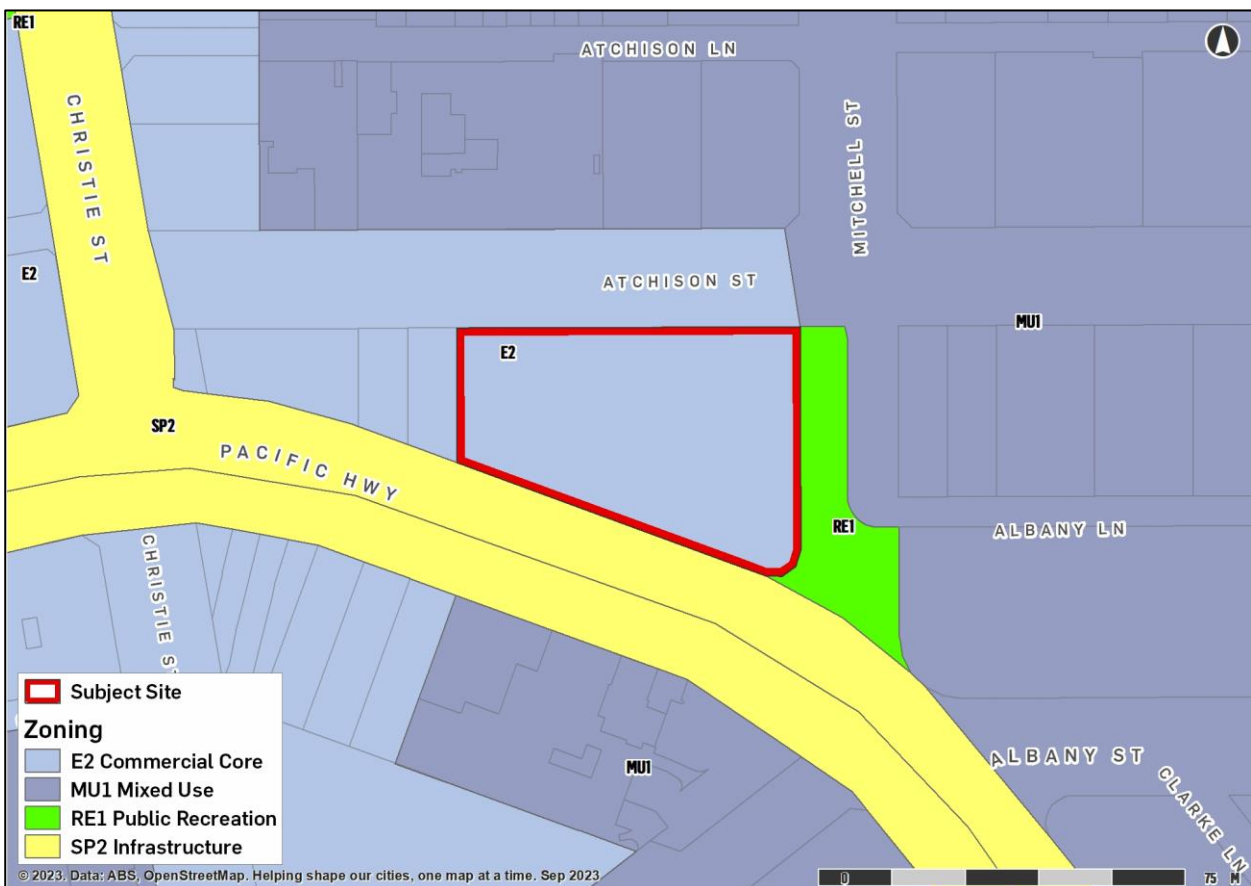


Figure 4 Current land zoning map – E2 Commercial Core (source: *Urbis planning proposal*)

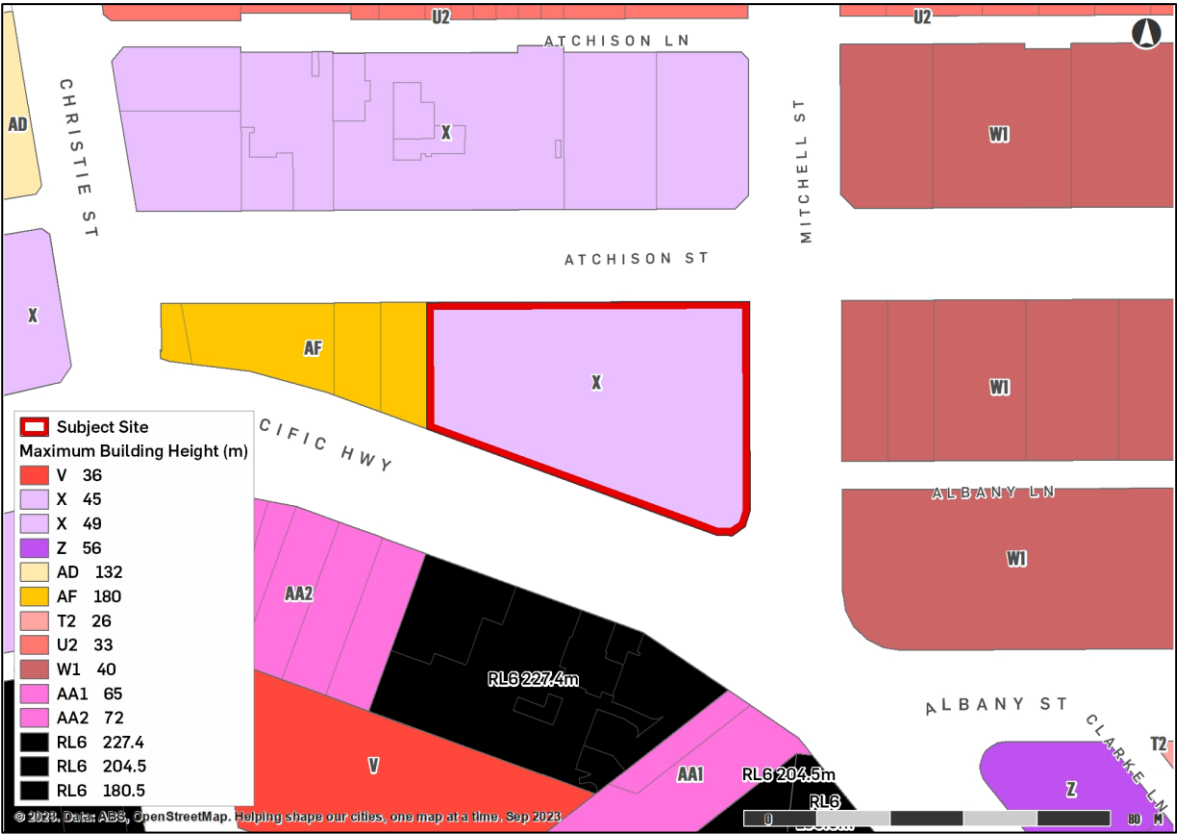


Figure 5 Existing maximum building height map with a maximum height of 49m (source: Urbis planning proposal)

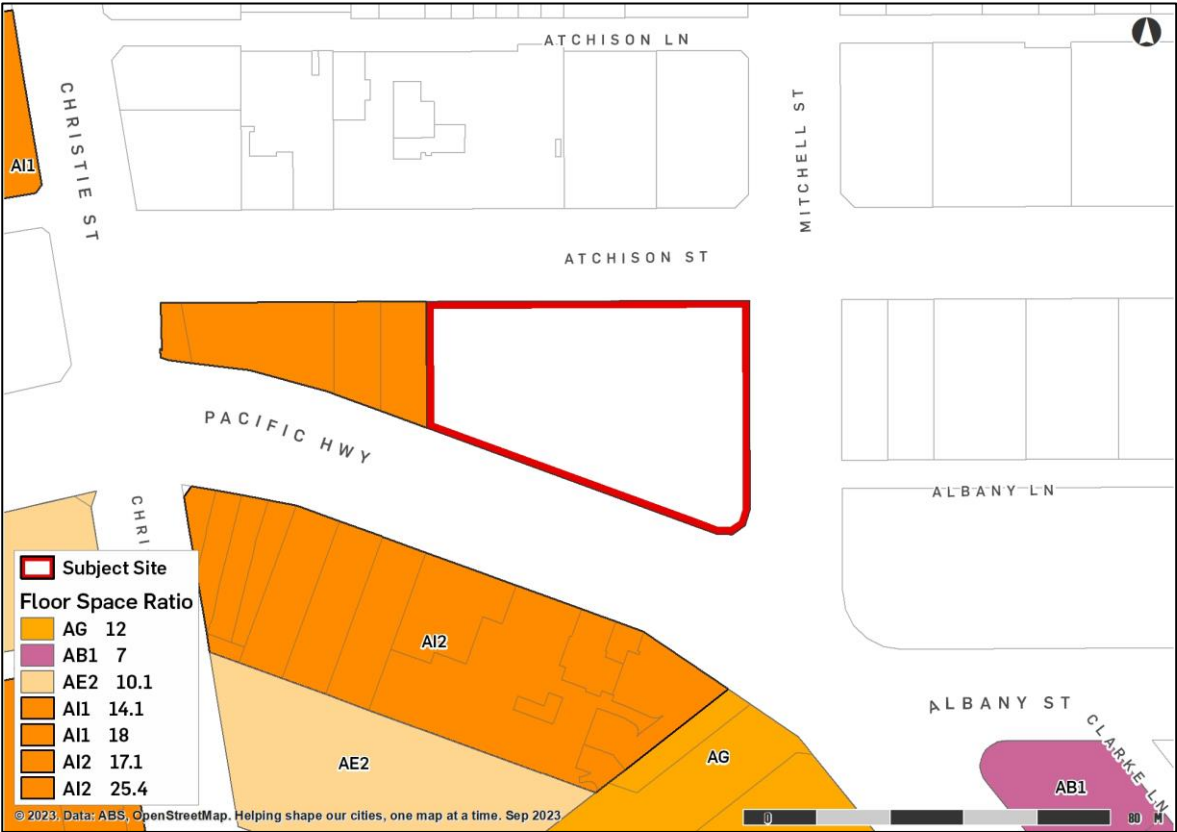


Figure 6 Existing FSR map indicating no control applies to the site (source: Urbis planning proposal)

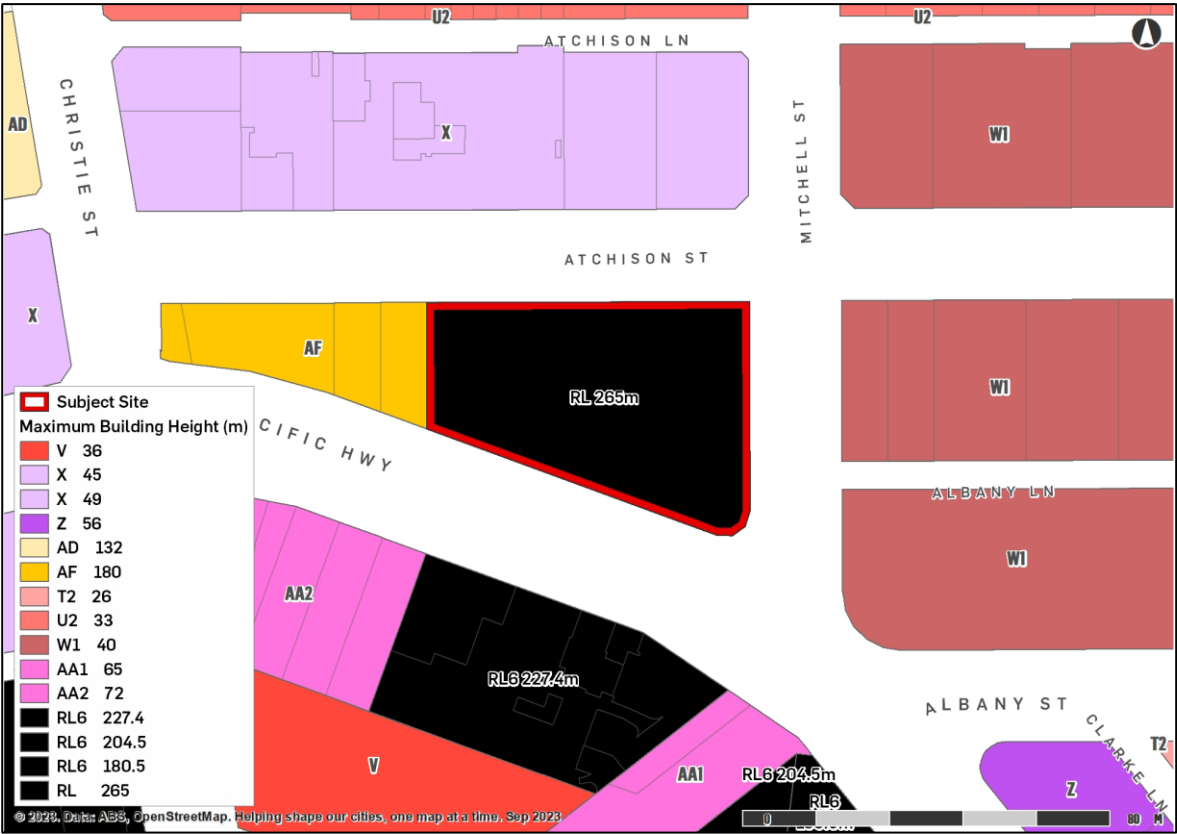


Figure 7 Proposed height of building map indicating a maximum building height of RL 265 (source: *Urbis planning proposal*)

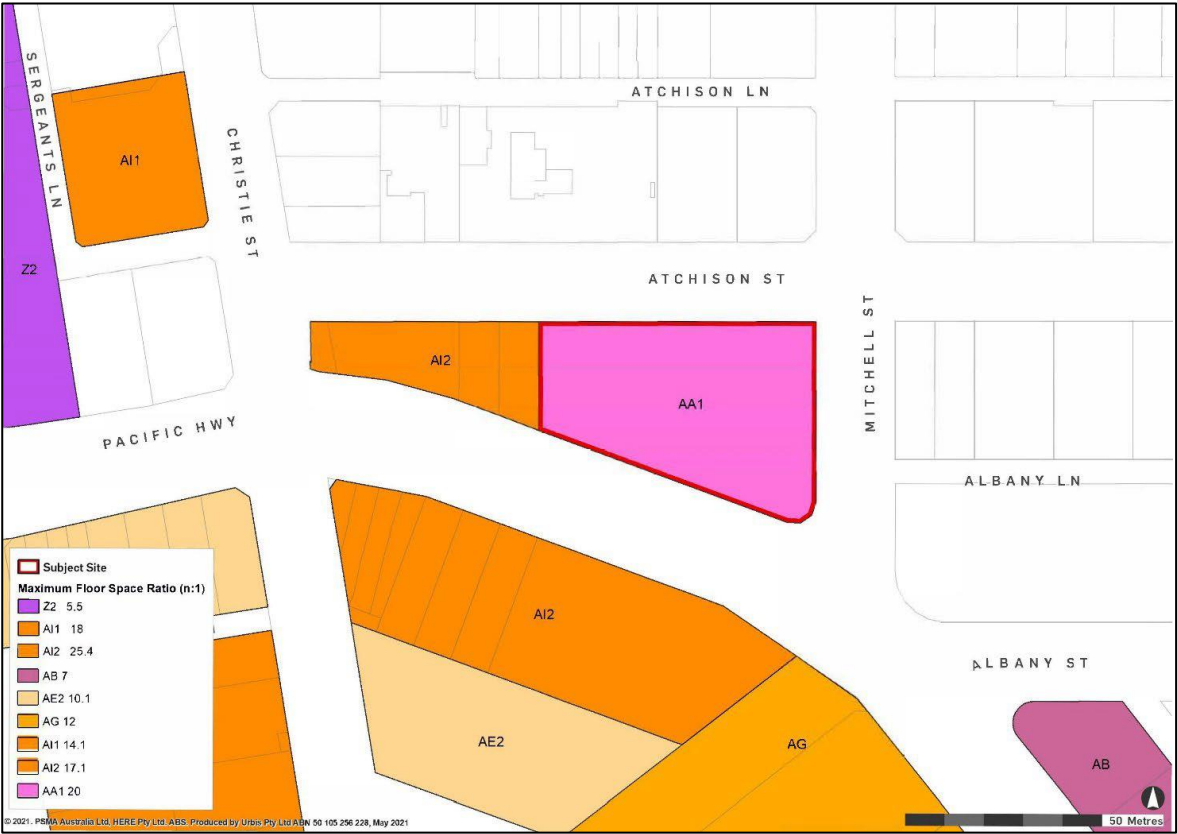


Figure 8 Proposed FSR map indicating a maximum FSR of 20:1 (source: *Urbis planning proposal*)

1.6 Background

A summarised timeline of all background events relevant to this planning proposal is provided in **Table 4**.

Table 4 Background to the planning proposal

Date	Background Event
27 June 2018	A previous planning proposal was lodged for 601 Pacific Highway that envisaged a 65 storey mixed use building featuring 516 residential apartments and 255 car parking spaces. Council resolved not to support the proposal.
15 March 2019	The Sydney North Planning Panel considered a rezoning review request submitted by the proponent. The Panel determined that the proposal should not be submitted for a Gateway determination as it did not demonstrate strategic merit.
October / November 2022	A scoping proposal was submitted, and a pre-lodgement meeting held with Council in relation to a revised planning proposal subject to this Gateway assessment.
19 January 2023	The planning proposal was lodged with North Sydney Council.
19 July 2023	North Sydney Local Planning Panel considered the proposal and recommended it proceed to Gateway determination subject to a maximum building height of RL 259 consistent with the SLCN 2036 Plan.
14 August 2023	North Sydney Council resolved that the planning proposal, including accompanying indicative concept scheme documents, be amended to the recommended maximum building height of RL259 and a maximum podium height of 20.5m for 4 to 5 storeys. Council also resolved that the applicant be invited to consider making a VPA offer.
29 September 2023	The proponent submitted an amended planning proposal, reference design and a VPA offer to Council. The amended proposal reduced the maximum building height to RL265.
27 November 2023	North Sydney Council resolved to support the progression of the planning proposal, seeking a Gateway determination at a maximum building height of RL 259 consistent with the recommendations of the detailed assessment undertaken by Element Environment on behalf of Council, and the North Sydney Local Planning Panel. Council resolved to accept the accompanying VPA offer in principle.
19 December 2023	The planning proposal was lodged with the Department.
22 December 2023	The Department wrote to North Sydney Council requesting that the planning proposal and urban design report be updated prior to Gateway assessment to be consistent with the controls resolved by Council on 27 November 2023 (Attachment F).

Date	Background Event
17 January 2024	North Sydney Council responded to the Department's request for an updated planning proposal, advising that the proponent was unwilling to amend the proposed building height in line with Council's resolution. Council reiterated its request that a Gateway determination require the proponent to update the proposal consistent with Council's resolution on 27 November 2023 (Attachment G).

It is noted that the planning proposal should be updated to reflect Council's resolution. This is recommended as a condition on the Gateway determination.

1.7 Reference Scheme

The current revision of the planning proposal is accompanied by an Addendum Urban Design Report (**Attachment A3**) prepared by Architectus that demonstrates the potential built form the proposal can deliver. It is noted the planning proposal and associated reference scheme is inconsistent with the maximum building height supported by Council. A condition has been included for all documents to be updated to accurately reflect the height of RL 259.

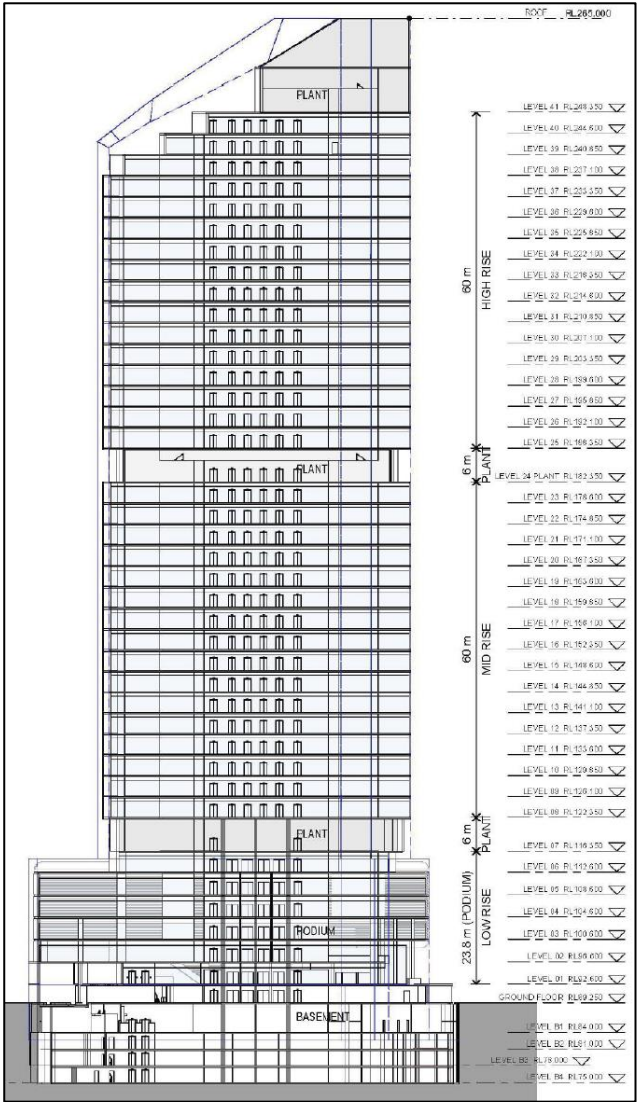


Figure 9 Indicative concept scheme elevation (source: *Urbis planning proposal*)



Figure 10 Artist impression of podium (source: *Architectus Addendum Urban Design Report*)

2 Need for the planning proposal

The planning proposal is a result of the St Leonards and Crows Nest 2036 Plan (SLCN 2036 Plan). The SLCN 2036 Plan was released in August 2020 and indicates the recommended planning controls for the site at 601 Pacific Highway, St Leonards.

The site is within a cluster of earmarked high density commercial and mixed use development along Pacific Highway between St Leonards Station and the future Crows Nest Metro Station. Development in this location leverages accessibility to transport links to deliver more jobs.

The SLCN 2036 Plan is discussed further **Section 3.3.1** of this report.

The Department notes the site is subject to the Crows Nest accelerated precinct focus area of the Transport Oriented Development State Led Rezoning. Should this Crows Nest State Led Rezoning conclude prior to any resulting LEP amendment from this planning proposal being made, the progression of the planning proposal may be discontinued.

3 Strategic assessment

3.1 Regional Plan

The following **Table 5** provides an assessment of the planning proposal against relevant aspects of the Greater Sydney Regional Plan.

Table 5 Regional Plan assessment

Regional Plan Objectives	Justification
A city supported by infrastructure	<p>The proposed development and density uplift is appropriate for the location given its proximity to existing and future transport links. It is identified the proposed mix of commercial and retail uses will positively contribute towards a diversity of land uses within the SLCN 2036 Plan precinct.</p> <p>The proposal is considered to be consistent with this objective.</p>
A well-connected city	<p>The proposal will facilitate a commercial development on a site close to existing and future public transport links, promoting a walkable environment and enhancing the attractiveness of the location to commercial tenants. The provision of contemporary office space near residential land uses will accommodate jobs closer to home.</p> <p>The proposal is considered to be consistent with this objective.</p>
Jobs and skills for the city	<p>The proposal identifies the future development could support growth in medical and allied health industry companies due to its proximity to the Royal North Shore Hospital. The proposed development will provide non-residential floorspace bringing forward the proposed targets identified in the SLCN 2036 Plan.</p> <p>Future development would result in positive economic and job growth benefits both during construction and the ongoing operation of the commercial building.</p> <p>The proposal is considered to be consistent with this objective.</p>
A city in its landscape	<p>The site is located alongside the Mitchell Street Plaza and provides opportunities to contribute to the accessibility of, activation and enhancement of the public domain. The indicative built form suggests the ground floor of the built form will feature outdoor seating and dining opportunities, planted edges, tree canopies, shared open space and shared pedestrian walkways.</p> <p>The proposal is considered to be consistent with this objective.</p>
An efficient city	<p>The proposal seeks to facilitate walkable neighbourhoods and increased use of public transport considering the distance to St Leonards Station, Crows Nest Metro Station and bus services.</p> <p>The proposal notes sustainability measures can be further explored as part of a future DA.</p> <p>The proposal is considered to be consistent with this objective.</p>

3.2 District Plan

The site is within the North District and the Greater Cities Commission (formerly the Greater Sydney Commission) released the North District Plan on 18 March 2018. The plan contains planning priorities and actions to guide the growth of the district while improving its social, economic and environmental assets.

The planning proposal is consistent with the priorities for infrastructure and collaboration, liveability, productivity, and sustainability in the plan as outlined below.

The Department is satisfied the planning proposal gives effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. The following **Table 6** includes an assessment of the planning proposal against relevant directions and actions.

Table 6 District Plan assessment

District Plan Priorities	Justification
N1 – Planning for a city supported by infrastructure	The planning proposal is consistent with this priority as it seeks to leverage the SLCN 2036 Plan to provide new commercial floorspace in a location close to existing and future transport infrastructure. Future commercial and retail land uses would contribute to supporting the growth of St Leonards and the new Crows Nest Metro Station when opened.
N6 – Creating and renewing great places and local centres, and respecting the District's heritage	The planning proposal is consistent with this priority as it will provide opportunities for improved pedestrian connectivity, establishing connections to surrounding amenities. The proposal seeks to contribute to activating the Mitchell Street Plaza to deliver an interface to the western side of the plaza. The proposal further seeks to create pedestrian activation along the Pacific Highway frontage, improving what is currently a poor pedestrian environment.
N10 – Growing investment, business opportunities and jobs in strategic centres	The planning proposal seeks to facilitate a future high quality contemporary commercial development featuring office space accommodating flexible floorspaces. The proposal is consistent with this priority.
N12 – Delivering integrated land use and transport planning and a 30-minute city	The planning proposal is consistent with this priority as it facilitates urban renewal of a strategically located site to increase the availability of commercial floorspace consistent with the SLCN 2036 Plan. This development site is well located within a short walking distance of the future Crows Nest Metro Station.

3.3 Local

The proposal states that it is consistent with the following local plans and endorsed strategies.

3.3.1 St Leonards and Crows Nest 2036 Plan

The SLCN 2036 Plan was finalised on 29 August 2020. It requires that future planning proposals within the St Leonards and Crows Nest investigation area reflect the SLCN 2036 Plan vision, design principles and recommended planning controls as outlined in **Table 7**.

The site is in the SLCN 2036 Plan area (**Figure 11**) with the plan identifying the proposed development uplift through changes to planning controls. The proposal is consistent with the proposed controls under the SLCN 2036 Plan.

Table 7 consistency with the SLCN 2036 Plan

Strategies	Justification
Vision	<p>The planning proposal is generally consistent with the vision of the SLCN 2036 Plan as it will:</p> <ul style="list-style-type: none"> provide employment opportunities within St Leonards; facilitate substantial uplift within the 'knuckle area' identified as a cluster of high density development in the St Leonards mixed use and commercial core;

Strategies	Justification																		
	<ul style="list-style-type: none">• facilitate commercial and retail uses fronting Atchison Street, contributing to public domain activation;• facilitate landscape and public domain upgrades along Atchison Street, Mitchell Street and Pacific Highway; and• provide opportunities for planted edges and tree canopy edges.																		
Design principles	<p>The SLCN 2036 Plan seeks to ensure that new development does not produce substantial additional overshadowing during the hours of 11:30am to 2:30pm in mid-winter (21 June) of the Mitchell Street streetscape.</p> <p>The solar access analysis accompanying the planning proposal demonstrates the shadows cast by the expected development onto Mitchell Street fall within the overshadowing resulting from the existing building on the site.</p> <p>The proposal is consistent with the design principles of the SLCN 2036 Plan as it aims to address the priorities and planning objectives present in the Plan, namely those that encourage employment opportunities and improvements to the public domain.</p> <p>The proposal is accompanied by a VPA letter of offer (Attachment B) for a monetary contribution towards community infrastructure purposes.</p>																		
Site-specific recommendations	<p>The planning proposal complies with the following built form and design criteria:</p> <ul style="list-style-type: none">• the E2 Commercial Centre zone will be retained;• solar access is not significantly reduced to the identified Mitchell Streetscape; and• the development will accommodate approximately 3,346 jobs across a total GFA of 56,754sqm. <p>Table 7A Consistency with the SLCN 2036 Plan proposed built form controls</p> <table><tr><th>Control</th><th>SLCN 2036 Plan</th><th>Planning Proposal</th></tr><tr><td>Maximum building height</td><td>42 storeys</td><td>42 storeys</td></tr><tr><td>FSR</td><td>20:1</td><td>20:1</td></tr><tr><td>Minimum non-residential FSR</td><td>20:1</td><td>Considering the E2 Commercial Centre zone, a non-residential FSR control is not proposed</td></tr><tr><td>Street wall height</td><td>5 storeys</td><td>6 storeys to Pacific Highway and 617 Pacific Highway Part 5, part 6 storeys to Atchison Street and Mitchell Street</td></tr><tr><td>Setbacks</td><td>3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street</td><td>3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street</td></tr></table>	Control	SLCN 2036 Plan	Planning Proposal	Maximum building height	42 storeys	42 storeys	FSR	20:1	20:1	Minimum non-residential FSR	20:1	Considering the E2 Commercial Centre zone, a non-residential FSR control is not proposed	Street wall height	5 storeys	6 storeys to Pacific Highway and 617 Pacific Highway Part 5, part 6 storeys to Atchison Street and Mitchell Street	Setbacks	3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street	3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street
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Setbacks	3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street	3m reverse setback to Pacific Highway 0m to Atchison Street 5m to Mitchell Street																	



Figure 11 SLCN 2036 Plan area map, subject site outlined in red (source: DPPI markup)

3.3.2 North Sydney Local Strategic Planning Statement (LSPS)

The North Sydney LSPS was endorsed by the Greater Sydney Commission on 20 March 2020. The LSPS sets the 20-year direction for housing, employment, transport, recreation, environment and infrastructure for the North Sydney LGA.

The consistency of the proposal with the relevant key local planning priorities and actions of the LSPS is outlined in **Table 8**.

Table 8 North Sydney LSPS Assessment

Planning Priority	Justification
Planning priority P2 – Develop innovative and diverse business clusters in St Leonards / Crows Nest	<p>The proposal is located centrally to the business cluster of St Leonards and Crows Nest. The proposal is consistent with this priority as it will make a significant contribution to employment generation envisaged in the SLCN 2036 Plan.</p> <p>The proposal indicates the provision of 'A Grade' office floorspace will revitalise the current commercial office stock in St Leonards.</p>
Planning priority P6 – Support walkable centres and a connected, vibrant and sustainable North Sydney	<p>The site is situated in a location highly accessible to public transport infrastructure. The proposal is consistent with this priority in facilitating a high density development within a walkable distance to commercial, mixed-use and neighbourhood centres.</p>

Planning Priority	Justification
Planning Priority L2 – Provide a range of community facilities and services to support a healthy, creative, diverse and socially connected North Sydney community	<p>The proposal will provide opportunities for improved pedestrian connectivity through the establishment of walkable connections and enhanced integration with the network of nearby open spaces.</p> <p>The proposal seeks to create a dynamic interface with Mitchell Street Plaza including transparent lobby frontages.</p>

3.3.3 Future Transport Strategy 2056

The Future Transport 2056 Strategy (the Strategy) is a 40 year plan to improve infrastructure to unlock investment with a customer centric focus. The Strategy builds on the Long Term Transport Master Plan and aligns with the Greater Sydney Region Plan to support the 30 minute city for access to jobs, services and infrastructure. It recognises that transport is fundamentally entwined with land use, tourism and economic development.

The planning proposal is generally consistent with the Strategy as it provides development near existing and proposed public transport with numerous connections to other employment and residential areas. This in turn reduces the need for private vehicle use.

3.4 Local planning panel recommendation

On 19 July 2023, the North Sydney Local Planning Panel (LPP) considered the planning proposal and recommended that the proposal should proceed to Gateway determination subject to the proposal be amended further to address the independent consultant assessment report recommendations. Namely that the proposed maximum building height be reduced to RL 259 and the podium height be reduced to 4 and 5 storeys with a maximum height of 20.5m.

The LPP considered the following:

- the plant room can be adequately accommodated within the maximum overall height limit of RL 259 (equivalent to 171m). The LPP notes this could require a reduction in GFA and a reduction in height of the architectural roof element.
- the proposed FSR of 20:1 is a maximum and this clearly may not be achievable for the subject site;
- in the absence of a design competition for this highly prominent site, a draft site-specific DCP be prepared and exhibited simultaneously with the draft LEP; and
- the proponent and Council may wish to pursue the opportunity for a VPA to deliver public / community benefits.

3.5 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is in **Table 9**.

Table 9 9.1 Ministerial Direction assessment

Directions	Consistent / Not Applicable	Reasons for Consistency or Inconsistency
1.13 Implementation of St Leonards and Crows Nest 2036 Plan	Yes	<p>The objective of this direction is to ensure development within the St Leonards and Crows Nest precinct is consistent with the <i>St Leonards and Crows Nest 2036 Plan</i>.</p> <p>The site is in an area of the North Sydney LGA covered by the SLCN 2036 Plan and the proposed amendments to the planning controls are consistent with this direction.</p> <p>The SLCN 2036 Plan is discussed further in section 3.3.1 of this report.</p>
3.2 Heritage Conservation	Not Applicable	<p>The objective of this direction is to conserve items, areas, objects and places of environmental heritage and indigenous significance.</p> <p>The proposal is not considered to be within the vicinity of any heritage items. The development is not considered to have any implications on overshadowing any HCA's.</p>
4.4 Remediation of Contaminated Land	Yes	<p>This direction aims to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered at the planning proposal stage.</p> <p>A Preliminary Site Investigation (Attachment A5) submitted with the planning proposal makes recommendations that should be addressed in the future redevelopment of the site. One of these recommendations is to conduct further examination post demolition of the existing structure.</p> <p>The contamination impact is discussed further in section 4.1.4 of this report. The planning proposal is consistent with this direction as adequate site investigations have been undertaken.</p>
5.1 Integrating Land Use and Transport	Yes	<p>The key objectives of this direction are to improve access to housing, jobs and services by walking, cycling and public transport and reducing dependency on private vehicles.</p> <p>The planning proposal intends to increase the planning controls on the site to provide a significant uplift of commercial floorspace in a location with good access to public transport. The proposal seeks to provide a mix of retail and commercial employment opportunities.</p> <p>The planning proposal is consistent with this direction.</p>

Directions	Consistent / Not Applicable	Reasons for Consistency or Inconsistency
5.3 Development Near Regulated Airports and Defence Airfields	Yes	<p>This direction aims to ensure effective and safe operation of airports and to ensure development is not adversely affected by aircraft noise.</p> <p>The planning proposal is accompanied by a Preliminary Aeronautical Impact Assessment that identifies a 109m exceedance of the Obstacle Limitation Surface (OLS). This is based on the building height proposed by the proponent. The assessment recommends that this breach of the OLS should be acceptable given the site is clear of the approach and take-off areas for all runways at Sydney Airport.</p> <p>Consultation with appropriate agencies will be a requirement of the Gateway determination.</p> <p>The planning proposal has appropriately addressed this direction. It is noted the Preliminary Aeronautical Impact Assessment will need to be updated to address the maximum building height resolved by Council.</p>
7.1 Business and Industrial Zones	Yes	<p>This direction refers to retaining areas and locations of existing business and industrial zones and not reducing the total potential floor space area for employment uses in business zones, or for industrial uses in industrial zones.</p> <p>The planning proposal will retain the existing E2 Commercial Core zone and aims to deliver contemporary commercial and retail land uses. The proposed development will provide a number of economic benefits through the provision of employment generating floorspace in a location highly accessible by public transport.</p> <p>The planning proposal is consistent with this direction.</p>

3.6 State environmental planning policies (SEPPs)

It is considered the planning proposal is consistent with all relevant SEPPs, with certain SEPPs directly identified as applicable in the proposal discussed in **Table 10**.

Table 10 Assessment of planning proposal against relevant SEPPs

SEPPs	Requirement	Consistent / Not Applicable	Reasons for Consistency or Inconsistency
SEPP (Resilience and Hazards) 2021	This SEPP aims to manage risks and build resilience in the face of hazards.	Yes	A preliminary site investigation (Attachment A5) has been submitted with the planning proposal concluding that the site is suitable for an ongoing commercial land use. Remediation is not required at this stage, however, contamination can be further addressed as part of a future DA.
SEPP (Transport and Infrastructure) 2021	This SEPP aims to provide well designed and located transport and infrastructure integrated with land use.	Yes	The planning proposal is accompanied by a Transport Impact Assessment (Attachment A8) that indicates the net traffic generated by the proposed development will decrease causing negligible to the surrounding road network.

4 Site-specific assessment

4.1 Environmental

The site is within an established urban environment with no known critical habitats, threatened species or ecological communities. The following provides an assessment on the potential environmental impacts associated with the proposal.

4.1.1 Overshadowing Impact

The SLCN 2036 Plan includes an objective to ensure any new development does not produce substantial additional overshadowing during specific hours in mid-winter (21 June). These being during the hours of 10:00am to 3:00pm to Newlands Park, Ernest Place or Hume Street Park and the hours of 11:30am to 2:30pm to Oxley Street, Mitchell Street or Willoughby Road. The solar access controls protect these places and can limit bulk and scale of new development to maintain hours of solar access.

Architectus' Addendum Urban Design Report (**Attachment A3**) depicts incremental shadow diagrams that illustrate the proposed development will not generate any additional overshadowing to Newlands Park, Ernest Place or Willoughby Road during the prescribed hours above (**Figure 12**).

The Department notes the maximum building height resolved by Council has not been modelled but would be expected to further mitigate any overshadowing impacts. A condition has been included for the planning proposal and associated documents, including the urban design report to be updated to reflect the height resolved by Council.



Figure 12 Proposed development solar access diagrams (source: *Architectus Addendum Urban Design Report*)

4.1.2 Traffic and Parking Impact

A Transport Impact Assessment prepared by Arup dated 14 September 2022 (**Attachment A8**) was submitted with the planning proposal. The planning proposal will require referral to Transport for NSW to assess the suitability of the proposed development in the following context and location nearby to major road and public transport infrastructure.

It is noted the Transport Impact Assessment will need to be updated prior to public exhibition of the planning proposal to consider the proposed development controls resolved by Council.

Parking

The development scheme proposes to accommodate 128 parking spaces across 4 levels of basement car parking. It is noted the existing building on the site currently provides 158 car parking spaces. The planning proposal will feature a net reduction of 30 car parking spaces and is below the maximum amount of parking permissible within Council's DCP.

Traffic

The Transport Impact Assessment report identifies the following net decrease of traffic generation attributed to the proposed development:

- 8 fewer car trips in AM peak and 6 fewer car trips in PM peak.

Due to this reduction in vehicle trips, the impact to the surrounding road network is expected to be negligible.

Transport

St Leonards Train Station is located within a 5 minute walk of the site with the future Crows Nest Metro Station also within walking distance of the site. The site is located next to a strategic bus corridor with direct access to high frequency services linking to key residential areas, other employment centres and the Sydney CBD.

4.1.3 Wind Impact

A Pedestrian Wind Environment Statement (**Attachment A10a**) dated December 2022 was submitted with the planning proposal. An Addendum Wind Environment Letter (**Attachment A10b**) was also submitted with the proposal confirming the findings of the first assessment remain

applicable for the latest iteration of the planning proposal by the proponent. It is noted this assessment only addresses the general wind effects and any localised effects.

The assessment concludes that the site can accommodate future development aligned with the proposed planning control changes and the applicable controls pertaining to wind in the North Sydney DCP 2013. The assessment recommends that a comprehensive assessment including wind tunnel testing of the pedestrian wind environment will be required as part of any future development application.

The Department notes the Pedestrian Wind Environment Statement will need to be updated prior to public exhibition of the planning proposal to consider the proposed development controls resolved by Council.

4.1.4 Contamination Impact

A Preliminary Site Investigation (**Attachment A5**) dated 24 June 2021 was submitted with the planning proposal. The report recommends the site is suitable for the ongoing commercial land use and that the consent authority may request a detailed site investigation to confirm site suitability for the intended commercial land uses.

A Geotechnical Desktop Study Report (**Attachment A6**) dated 23 April 2021 was also submitted with the planning proposal. The report found the site can accommodate future development aligned with the proposed planning control changes.

4.2 Social and economic

Table 11 provides an assessment of the potential social and economic impacts associated with the proposal.

Table 11 Social and economic impact assessment

Social and Economic Impact	Assessment
Social	<p>Located in St Leonards and within walking distance of existing and future transport, the proposal will facilitate urban renewal contributing to the ongoing transformation of the St Leonards centre.</p> <p>Future redevelopment of the site will seek to activate the public domain to Atchison Street and Mitchell Street Plaza, contributing to enhanced pedestrian amenity. The proposal envisages enhancing the role of the Mitchell Street Plaza as a focal point for the precinct.</p>
Economic	<p>The planning proposal will result in substantial economic benefits in generating approximately 3,346 jobs. It is envisaged the proposed development will attract significant investment growth and business activity in a location well located and connected to public transport.</p> <p>The proposal notes the ability for future development to accommodate flexible commercial floorplates that can facilitate a range of uses.</p>

4.3 Infrastructure

The following **Table 12** provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the planning proposal and what infrastructure is proposed in support of the proposal.

Table 12 Infrastructure assessment

Infrastructure	Assessment
Public transport	The site is in an accessible location that leverages from the existing St Leonards Station and the future Crows Nest Metro Station. Both transport hubs are within walking distance of the site and provide high frequency transport options. The site is also along a strategic bus corridor providing several high frequency services direct to other centres across the Sydney CBD.
Utilities	<p>The planning proposal states the existing building is serviced by utility services and connections allowing future development to utilise existing and planned infrastructure services within the area.</p> <p>The proposal is recommended to be referred for agency consultation to Ausgrid and Sydney Water for consideration of the proposed development regarding utilities and site location.</p>
Draft VPA	The planning proposal is accompanied by a draft VPA letter of offer (Attachment B) to provide a monetary contribution of \$172,000 for community infrastructure purposes. The proponent notes this contribution represents the cost estimate for the future signalised pedestrian improvements at the corner of Albany Street and Pacific Highway.
Housing and Productivity Contribution (HPC)	<p>The St Leonards and Crows Nest Special Infrastructure Contribution (SIC) was transitioned into the HPC on 1 October 2023. North Sydney Council in supporting this planning proposal also resolved “THAT Council write to the Minister of Planning, to have the whole of the Housing Productivity levy applied directly within the precinct.”</p> <p>North Sydney Council requests that all funds levied through the HPC be allocated towards projects within the St Leonards / Crows Nest area. The Department notes there is no mechanism within the Gateway assessment process to guarantee an allocation of any HPC funding towards specific locations.</p>

5 Consultation

5.1 Community

The planning proposal proposes a community consultation period of 28 days.

The exhibition period proposed is considered appropriate, and forms to the conditions of the Gateway determination for an equivalent consultation period of 20 working days.

5.2 Agencies

The proposal does not specifically raise which agencies will be consulted.

It is recommended the following agencies be consulted on the planning proposal and given 30 days to comment:

- Transport for NSW;
- Ausgrid;
- Sydney Water Corporation;
- Sydney Airport;

- Civil Aviation Safety Authority (CASA);
- Airservices Australia; and
- Commonwealth Department of Transport, Infrastructure, Regional Development, Communications and the Arts (DTIRDCA).

6 Timeframe

The planning proposal provides an indicative project timeline of 9 months with an anticipated completion date for the LEP amendment by September 2024.

The LEP Plan Making Guidelines (August 2023) establishes maximum benchmark timeframes for planning proposal by category. This planning proposal is categorised as a standard

The Department recommends an LEP completion date of 24 January 2025 in line with its commitment to reducing processing times and with regard to the benchmark timeframes. A condition to the above effect is recommended in the Gateway determination.

It is recommended that if the gateway is supported it is accompanied by guidance for Council in relation to meeting key milestone dates to ensure the LEP is completed within the benchmark timeframes.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as a Local Plan-Making authority.

As the planning proposal is considered consistent with the SLCN 2036 Plan, the Department recommends that Council be authorised to be the local plan-making authority for this proposal.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- it is consistent with the St Leonards and Crows Nest 2036 Plan and Local Strategic Planning Statement;
- it is consistent with the actions of the Greater Sydney Region Plan and North District Plan by facilitating increased employment opportunities in a location supported by public transport;
- it will facilitate a commercial development creating approximately 3,346 jobs along with a variety of commercial amenities; and
- it will contribute to the renewal of St Leonards as envisaged in the SLCN 2036 Plan and aims to improve the public domain to surrounding streetscapes.

Based on the assessment outlined in this report, the proposal must be updated before consultation to:

- consistently apply the maximum building height control of RL 259 as resolved by North Sydney Council on 27 November 2023. All supporting documents will need to be updated to apply this height provision; and
- include an updated timeline based on the issuing of the Gateway determination.

9 Recommendation

It is recommended the delegate of the Minister determine that the planning proposal should proceed subject to conditions.

The following conditions are recommended to be included on the Gateway determination:

1. Prior to exhibition, the planning proposal is to be amended to address the following:
 - (a) including all supporting documents, the planning proposal must consistently apply a maximum building height control of RL 259 as resolved by North Sydney Council on 27 November 2023; and
 - (b) include an updated timeline based on the issuing of the Gateway determination.
2. Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:
 - (c) the planning proposal is categorised as standard as described in the *Local Environmental Plan Making Guideline* (Department of Planning and Environment, August 2023) and must be made publicly available for a minimum of 20 working days; and
 - (d) the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in *Local Environmental Plan Making Guideline* (Department of Planning and Environment, August 2023).
3. Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act and/or to comply with the requirements of applicable directions of the Minister under section 9 of the Act:
 - Transport for NSW;
 - Ausgrid;
 - Sydney Water Corporation;
 - Sydney Airport;
 - Civil Aviation Safety Authority (CASA);
 - Airservices Australia; and
 - Commonwealth Department of Transport, Infrastructure, Regional Development, Communications and the Arts (DTIRDC).

Each public authority is to be provided with a copy of the planning proposal and any relevant supporting material via the NSW Planning Portal and given at least 30 days to comment on the proposal.

4. A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).

Given the nature of the planning proposal, it is recommended that the Gateway authorise council to be the local plan-making authority and that an LEP completion date of 24 January 2025 be included on the Gateway.

The timeframe for the LEP to be completed is on or before 24 January 2025.



2 April 2024

Brendan Metcalfe

Director, Metro North

Assessment officer

Matthew Rothwell

Planning Officer, Metro North

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