

**20.3 PLANNING PROPOSAL 2013/3 - 45 VICTOR STREET, CHATSWOOD
(CHATSWOOD POST OFFICE SITE)**

ATTACHMENTS:	1. CONCEPT PLANS
RESPONSIBLE OFFICER:	GREG WOODHAMS - ENVIRONMENTAL SERVICES DIRECTOR
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MEETING DATE:	11 NOVEMBER 2013

Purpose of Report

To advise Council and seek direction on a second planning proposal for rezoning of the Chatswood Post Office site at 45 Victor Street Chatswood. The applicant is Australia Post represented by JBA Planning. The documentation lodged with the Planning Proposal includes a report, context analysis, concept plans and shadow diagrams by JBA Planning; an economic assessment of the development market by Essential Economics and a traffic report by GTA Consultants.

Background

This is the second planning proposal for 45 Victor Street. The previous proposal 2012/2 was reported to the Council meeting of 17 June 2013. At the request of Australia Post, the report was withdrawn from the meeting.

The previous planning proposal sought an amendment to the planning controls for the site to permit shop top housing on the site. The development standards proposed for the site based on the concept plans lodged with the application were for a floor space ratio of 12:1 and a permissible height of 70 metres (or 20 storeys).

The assessment report that was prepared on the previous proposal recommended that the proposal not be supported in the requested form but considered that there may be a solution that Council could consider. The discussion in the report indicated an alternative proposal that lowered the height to a maximum of RL 140 AHD, that is, the approximate height in the Sebel where the residential apartments commence above the tourist accommodation in the Sebel building. The report also contemplated a possible floor space ratio of 8:1 with at least 4,079m² of Australia Post offices above a ground floor Post Office shop and various other changes including provision of affordable housing in accordance with Council's policy.

Summary of Planning Proposal 2013/3:

The purpose of the Planning Proposal is to amend Willoughby Local Environmental Plan 2012 (WLEP 2012) to allow shop top housing to occur on the site by adding "shop top housing" as an additional permitted use in Schedule 1 of WLEP 2012 while retaining the Commercial Core B3 zoning for the site.

The development standards for the site requested in the Planning Proposal are:

- ❖ Increase the maximum height limit from 12 metres (about RL 106.5) to 141 metres (RL 235). The report advises this provides for a building that is approximately 42

storeys in height plus a plant room. (This height is similar to the Chatswood Interchange eastern tower or approximately 1 ½ times the height of the Sebel).

- ❖ Remove the floor space ratio control for the site (currently 2.5:1) to allow the building to be defined by a building envelope.
- ❖ Require a minimum of 2,066m² of gross floor space in non-residential commercial use that would include a Post Office shop on the ground floor.

The indicative concept plans and report accompanying the Planning Proposal indicate that this would deliver approximately 300 residential units on the site in addition to the 2,066m² of retail and office floor space.

Description of the Site:

Chatswood Post Office building is a three storey L-shaped building abutting Victor Street and Post Office Lane. It has driveway access from Victor Street and from Post Office Lane to an open air car parking located at the rear. The gross leasable floor space in the existing building is approximately 2,000m².

The site has the legal description of Lot 1 in DP 569727. It has an area of 978.4m² at ground level but at RL 98.45 the area of site increases to 1,014m². This arises from a ground level road widening dedication in 1970 in Post Office Lane that is limited in height along 29.325 metres of its frontage to Post Office Lane with the balance of the frontage to Post Office Lane, that is 7.315 metres, being unlimited in height and depth. Notwithstanding the road widening being in stratum the existing building but for a narrow awning sits currently within the site area of the ground level.

The site is regular in shape with its frontage to Victor Street measuring 26.795 metres (28.015 metres at RL 98.45) and its depth being 36.62 metres along both side boundaries.

A survey plan has not been provided with the application but from Council records it is noted the site slopes up from the Victor Street frontage by approximately 2 metres between its front and rear boundary. At the location of the stratum overhang of Post Office Lane the underside of the stratum is only approximately 2.4 metres above ground level. The stratum overhang is 1.22 metres in width.

The ground floor of the existing building on the site is used by Australia Post as Chatswood Post Office. The post boxes are located within the recessed ground floor set back. The previous office levels of the building were once used for mail sorting before the establishment of the bulk handling facility at Artarmon and are now are largely vacant. Occasional temporary use has occurred in the past as site offices for such projects as the Chatswood Interchange development. The upper levels of the Post Office building are unsuited to separate tenancy unless upgrade works are carried out to the building to provide a separate entry foyer and disabled access to the upper levels.

Existing Planning Controls for the Site:

Under Willoughby Local Environmental Plan 2012 the site is zoned B3 Commercial Core consistent with surrounding land. The site is in the heart of Chatswood CBD in its retail core. The development standards for the site permit development to a height of 12 metres and a floor space ratio of 2.5:1. This is consistent with the development standards in the rest of the retail core of Chatswood including along the Victoria Avenue frontage. The exception is where a site has an area more than 3,000m² when the permissible floor space ratio may increase to 4:1.

The permissible uses in the B3 zone include all forms of commercial premises, community, educational and entertainment facilities as well as hotels and clubs. The objectives of the B3 zone relevant to the site are:

- *To provide a wide range of retail business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.*
- *To encourage appropriate employment opportunities in accessible locations.*
- *To maximise public transport patronage and encourage walking and cycling.*
- *To strengthen the role of Chatswood as a major centre for the inner north sub-region and to improve its public domain and pedestrian links.*
- *To protect and encourage safe and accessible city blocks by providing active land uses on street and pedestrian frontages.*

Residential development is not permitted in the zone and is not reflected in the zone objectives.

The objectives of the development standards of height and floor space ratio add to the understanding for the development objectives for Chatswood CBD including but not limited to the following relevant objectives:

- *To ensure that new development is in harmony with the bulk and scale of surrounding buildings and the streetscape.*
- *To set upper limits for the height of buildings that are consistent with the redevelopment potential of the relevant land given other development restrictions, such as floor space and landscaping.*
- *To reinforce the primary character and land use of the city centre of Chatswood with the area west of the North Shore Rail Line, being the commercial office core of Chatswood, and the area east of the North Shore Rail Line, being the retail shopping core of Chatswood.*
- *To limit the intensity of development to which the controls apply so that it will be carried out in accordance with the environmental capacity of the land and the zone objectives for the land.*
- *To limit traffic generation as a result of new development.*
- *To permit higher density development at transport nodal points.*
- *To minimise the impacts of new development on adjoining or nearby properties from disruption of views, loss of privacy, overshadowing or visual intrusion.*
- *To manage bulk and scale of that development to suit the land use purpose and objectives of the zone.*
- *To allow growth for a mix of retail, business and commercial purposes consistent with Chatswood's subregional retail and business service, employment, entertainment and cultural roles while conserving the compactness of the city centre of Chatswood.*

- *To encourage the consolidation of land for redevelopment.*

Strategic Planning Context:

The strategic planning context of the site is established by various State planning documents commencing with the NSW State Plan, the Metro Strategy 2005 and Metropolitan Plan for Sydney 2036 released in December 2010. The Metropolitan Plan has recently been reviewed by the Draft Metropolitan Strategy for Sydney to 2031 released in March 2013. Chatswood CBD has consistently been identified as a Major Centre through all strategies and its location in Sydney's global economic arc has also been recognised. The 2005 strategy identified that Chatswood CBD was expected to provide an additional 7,300 jobs in the next 25 years. The Metropolitan Plan was less specific in targets for each centre but the targets of 8,000 jobs were noted in the Draft Inner North Subregional Plan released in 2007. In terms of dwellings the targets are for the whole of Willoughby LGA and propose 6,800 new dwellings.

The Draft Metropolitan Strategy 2031 is accompanied by the NSW Long Term Transport Plan and the State Infrastructure Strategy to ensure land use planning is fully integrated with transport and infrastructure planning. This has been an omission with past State strategies.

The subregions of Sydney have been redefined as part of the new Strategy. Chatswood (and Willoughby) falls within the Central sub-region where jobs growth is proposed to be 230,000 and dwelling numbers are proposed to increase by 138,000 by the year 2031. It is unknown whether the subregions in the plan will be retained noting that they are inconsistent with other State Government sub-regional groupings including but not limited to the recent review of Local Government generally. Nevertheless the new strategy identifies specific Metropolitan Priorities for Chatswood that are:

- To support its role as the primary office-based hub for northern Sydney.
- To grow as a dominant service retail and recreational centre.
- To plan for medium and high density housing outside the commercial core.
- To provide capacity for at least 8,000 additional jobs to 2031 (currently 22,000).

It is noted that the future direction for Chatswood CBD has changed little through the various State strategic plans.

At the local level the Willoughby City Strategy 2013 and the Chatswood Centre Strategy 2008 are the relevant strategic planning documents.

The Willoughby City Strategy 2013 provided a number of goals for Willoughby's community and economic activity into the future that are relevant to the Planning Proposal including but not limited to the following goals:

- ❖ To be a place [City of Willoughby] with housing that is liveable, sustainable and enhances urban character. The goal is supported by relevant principles of providing for housing choice and amenity while protecting important employment areas, heritage and the natural environment.
- ❖ To manage transport needs of the community in a sustainable manner by reducing car dependence and increasing public transport use, walking and cycling.
- ❖ To provide a range of community services and facilities.

- ❖ To provide financially sustainable physical infrastructure that meets the needs of the community without burdening future generations.
- ❖ To maintain and promote the City's employment opportunities and the range and quality of businesses, industry and services.

Specific to Chatswood, the Willoughby Strategy 2013 notes that Chatswood CBD is the largest employment hub and has a multifunctional role as the chief retail, service and community centre for the residents of Willoughby and the northern Sydney region. The strategy identifies under the theme "Local Business" that Council needs to *implement strategy for the long term development of Chatswood CBD as a major regional employment, retail and entertainment destination.*

The Chatswood CBD Strategy 2008 identifies eight principle strategies within four themes (environmental quality, economic prosperity, social equity and evaluating performance) for guiding planning and land use decisions in Chatswood. The strategies include but are not limited to:

- o Encourage high quality innovative architectural design and durable finish.
- o Encourage a consistent streetscape with stimulating and activated streets.
- o Ensure Chatswood is readable and navigable and provides equity for all users.
- o Maintain Chatswood's commercial, retail and operational position in the region and its ongoing viability as a centre.
- o Provide for activities consistent with Chatswood's sub-regional role, reinforce its precinct structure and acknowledge the focal points of public transport and pedestrian linkages.
- o Provide for the social, entertainment and recreational demands of the Willoughby community.
- o Establish as safe and accessible City Centre for social interaction, learning, information exchange, entertainment, recreation, city living and fun
- o Establish targets and performance indicators to measure environmental, social and economic performance improvements for the sustainability of Chatswood.

Detailed Description of the Planning Proposal:

The summary noted earlier in this report indicates the Planning Proposal is to allow shop-top housing on the site, an increase in height from 12 metres to about 141 metres with no FSR control and the documentation of the Planning Proposal is supported by a site context analysis, concept plans and shadow impact plans.

The objective of the Planning Proposal is advised to be to take advantage of the site's close location to Chatswood Transport Interchange and the commercial/retail core of Chatswood and to make the most efficient use of the site. The design principles identified by the proponent in the preparation of the Planning Proposal are noted to be to:

1. Complement the existing built form and heights in the Chatswood major centre.
2. Minimise the potential overshadowing impacts on adjoining residential developments.
3. Maintain existing privacy setbacks consistent with the Residential Flat Design Code.
4. Provide an enhanced ground floor interface between the site and the public domain.
5. Ensure a good level of amenity can be provided to residential development on site.
6. Maintain the existing quantum of commercial office floor space on the site.

The indicative concept scheme is advised to be one development outcome that would comprise 42 storeys (excluding plant room), a 210m² Australia Post shop on the ground floor, 1,860m² of office space in the first two levels above the ground level and approximately 300 apartments above with a potential unit mix of 30% studio apartments, 15% 1 bed apartments, 15% 1 bed plus study apartments, 24% 2 bed apartments and 16% 3 bed apartments.

The access to the site for car parking and loading is indicated to be from Post Office Lane. The proposed car parking provision in below ground basement levels is 195 car spaces. The loading dock indicates access by a maximum 8 metre medium rigid truck and use of a turntable to provide for turning of trucks for entry and exit in a forward direction.

The concept indicates the overall height of the building to be RL 235 which is one metre taller than Tower 3 and 34 metres taller than Tower 2 on the Chatswood Interchange site currently under construction near the site. The proposed height is 50 metres taller than the Sebel building and 12 metres less in height than Tower 1 on the Chatswood Interchange. Tower 1 on the Chatswood Interchange site is the tallest approved building in Chatswood noting that the proposed Meriton modification to its development on the Thomas Street car park site has been refused by the Planning and Assessment Commission.

The indicative plans give little information on floor layouts other than the ground floor. It appears that the building is proposed to be built to the boundary on the Victor Street and Post Office Lane frontages and western boundary and some setback provided to part of the southern boundary facing the Sebel above a level higher than the roof of the adjoining building at 37 Victor Street. The indicative alignment of a building to Post Office Lane is not adjusted to follow the indented boundary line.

The report advises that where a reduced setback is proposed facing the Sebel a blank wall or alternative screening will be provided. The report advises that the separation from Tower 2 on the Chatswood Interchange site is 40 to 50 metres which for the most part is the separation provided by the Sydney Water building abutting the site. The separation from the Sebel is noted to be 24 metres.

The plans accompanying the Planning Proposal give little information and direction on the layout of the residential levels. For example, the solar access plan for units in the building (SK01) suggests there are 8 units located facing north along the frontage to Post Office Lane. As the site has a frontage of only 36.62 metres to Post Office Lane this suggests the internal width dimension of the units will be only about 4 metres after wall widths are allowed for. The requests in the Planning Proposal are more articulated in the text of the documentation.

The architectural sketch of the appearance from Victor Street indicates that the lower non-residential levels of post office shop and two office levels are intended to be framed by banding and columns highlighted in the Australia Post red with the Australia Post logo displayed at the corner. The ground floor plan identifies the Australia Post shop and the residential/commercial lobby facing Victor Street. It is unknown how mailing boxes, privately leased post office boxes and parcel collection lockers will be managed on the site. No information has been provided on these essential elements of the operation of a Post Office although it is claimed that is the intention. The ground floor plan provided with the Planning Proposal does not indicate provision for these functions.

The shadow studies indicate additional shadowing impacts affecting the Garden of Remembrance and Chatswood Park. The solar access analysis of the Sebel indicates reduced solar access on living rooms of varying degrees as the sun moves around the site

but concludes that units will still receive a minimum of 2 hours solar access at some point through the day in mid-winter.

The provision of a turning area for Victor Street is not indicated in this Planning Proposal although was indicated in the previous proposal.

Environmental, Social and Economic Impact Analysis:

The documentation lodged with the application submits that the massing model provided with the Planning Proposal provides an appropriate built form outcome for the site on the basis that the size of the site is not viable for a commercial building and is unconstrained in terms of environmental or heritage issues. Development to the north is low rise such that good solar access is possible. It is noted a future development on the properties fronting Chatswood Mall would have to consider privacy, separation and shadowing impacts and creation of a strong corner presence to the termination of Victor Street.

The Economic Impact was assessed by Essential Economics. It supports the Planning Proposal. The report estimates that the redevelopment would generate 815 construction jobs and 86 jobs once completed. It considers that this is an increase of 66 jobs but does not acknowledge that the existing Australia Post building if upgraded could potentially provide the same level of employment as there is minimal increase in floor space for commercial use from the existing amount on the site. The economic analysis indicates that the future population of the building is estimated to be 535 people. If 50% of the per annum retail spending of the future residents was in Chatswood the report advises it would generate \$3.8million in retail spending plus \$387,000 for workers at the site.

The report for the previous Planning Proposal made comparisons of Chatswood to other commercial areas whereas the latest report now compares Chatswood to an industry benchmark. It states that the office vacancy rate of 8.9% in April 2013 is nearly double the benchmark of 5% for a "healthy" office market. It considers that the vacancy rates have increased since April. It does not acknowledge that the office market in Chatswood by comparison to other commercial centres is relatively small such that tenancy movements of even small spaces have a greater impact on the vacancy rate when measured as a percentage of the total area and also results in continuous fluctuation in the rate as tenants move in and out. It does acknowledge that when a building is refurbished in Chatswood such as 465 Victoria Avenue the renovated space has been fully taken up. It is noted that the site area would restrict the floor plate size to less than 1,000m² that is less than the preferred size for A-grade office. In order to achieve a layer floor plate, the site would need to amalgamate with the former Sydney Water properties or properties fronting Chatswood Mall. The floor plate size of under 1000 sqm would only be suitable for multiple individual office suites instead of single occupant tenants using large floor areas.

The economic report notes the strategic thinking of published planning documents is that mixed use should be around the commercial core. Nevertheless the report considers that the site is suitable for mixed use. The report advises that the median purchase price of strata dwellings in Chatswood is \$642,000 which is 35% higher than the Sydney average of \$477,000. The rents paid in Chatswood is approximately 20% above the average per week such there would be strong investor as well as owner occupier interest in a redevelopment of the site that provides 300 units. The report considers that the site is located in the "community precinct" of Chatswood and "lends itself more comfortably to a mixed use development incorporating residential uses" in an accessible location. It also considers that the proposed provision of 1,860m² of office floor space in addition to the 210m² in the post office shop is approximately half the potential annual uptake of commercial office space in Chatswood CBD with the exception of the last 12 months which was 17,988m² with the re-leasing of 465 Victoria Avenue following renovation.

Applicant's Justification for the Planning Proposal:

The justification of the Planning Proposal is summarised by the applicant in Section 5 of the documentation "Need for Planning Proposal". In summary the applicant's justification of the Planning Proposal includes:

1. The controls under WLEP 2012 reflect the existing built form – the proposal will provide new employment opportunity and housing on a site in the heart of Chatswood CBD as well as provision of a new Australia Post flagship store, resurfacing of Post Office Lane and provision of a shared precinct.
2. The Planning Proposal is the result of a strategic review by Australia Post of its property portfolio identifying Chatswood as a location of one of its retail superstores.
3. The proponent estimates there are about 4,000 dwellings in Chatswood CBD but this is short of the Metropolitan Strategy dwelling targets for housing close to transport and employment.
4. The Planning Proposal is the only means of achieving the objectives and intended outcomes for the site.
5. The Planning Proposal will deliver a net community benefit by facilitating a mixed use development that will deliver retail, commercial and residential uses in close proximity to services and public transport including a new post office flagship store.
6. The Planning Proposal will enable the land to be unlocked to facilitate high quality development, urban design improvements and increased vibrancy.

Statutory Framework for Consideration of the Planning Proposal

The Planning Proposal has been prepared having regard to objects of the *Environmental Planning and Assessment Act 1979* and the requirements of s55 of the Act. Section 55 requires that Council, as the relevant planning authority, prepare an explanation and justification of for the proposed planning instrument. The planning proposal for the new planning instrument is required to include the following:

- a) A statement of the objectives or intended outcomes,
- b) An explanation of the provisions of the proposed planning instrument,
- c) A justification for the objectives and outcome and the process for implementation,
- d) Whether the instrument will comply with the s117 Directions,
- e) Maps that indicate sufficient detail to establish the substantive effect of the proposed instrument, and
- f) Detail of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.

Therefore, Council must be satisfied on the planning objectives, strategic context and justification of the outcomes intended to support the Planning Proposal.

The Section 117 Directions requires that a planning proposal does not conflict with the Directions. The Directions are listed in 7 categories and some of the Directions are not relevant to the proposal. The following is a summary of the Planning Proposal against the relevant Section 117 Directions:

1. EMPLOYMENT AND RESOURCES

Direction	Relevant?	Consistent?	Comment
1.1 Business and Industrial Zones	Yes	Yes	Maintains employment land but does not contribute to significant growth in employment

2. HOUSING INFRASTRUCTURE AND URBAN DEVELOPMENT

Direction	Relevant?	Consistent?	Comment
3.4 Integrating Land Use and transport	Yes	Yes	Accessibility optimised with co-location of retail, community and business services at transport nodes. Higher densities of housing and employment near transport nodes

3. LOCAL PLAN MAKING

Direction	Relevant?	Consistent?	Comment
6.1 Approval and Referral Requirements	Yes	Yes	No new referral or concurrence provisions are proposed
6.2 Reserving Land for Public Purposes	Yes	Yes	No new reservations proposed
6.3 Site Specific Provisions	Yes	Yes	The planning proposal is site specific in development standards and permissible uses

4. METROPOLITAN PLANNING

Direction	Relevant?	Consistent?	Comment
7.1 Implementation of the Metropolitan Plan for Sydney 2036/Draft Metropolitan Strategy 2013	Yes	No	Targets development at transport node and supports business clustering but provides additional housing within business core rather than near to core as required by the strategy. Does not achieve jobs growth potential.

The above summary indicates there is general consistency with the relevant s117 Directions but there are some critical principles where the proposal is not fully consistent. These relate to the ensuring employment growth targets are met and ensuring there is an adequate supply and clustering of business and knowledge based activities in Major and Specialised Centres. The Planning Proposal is consistent in proposing higher density housing in a mixed used development within the walking catchment of the centre but the site is not just within walking distance it is also located at the core of the centre. The proposal is inconsistent with providing higher density housing outside a core business area. This objective of the Strategy is to maintain sites in the core for business and employment generation.

The housing targets in the State strategy plans are based on a whole of Willoughby outcome and the recently completed WLEP 2012 provides for achievement of the housing targets across the whole of the City of Willoughby.

However, it is noted that there have been a number of Major Project approvals by the Minister for Planning in recent years in Chatswood CBD that are inconsistent with the State strategic planning policies for Chatswood. The result is that key development sites have gone to mixed use incorporating high density residential but with minimal retail or office job growth components. This means that the jobs targets for Chatswood will unlikely be reached given the limited available land remaining. It will rely on redevelopment of existing sites which is a more costly and a longer term prospect. Whether or not 8,000 jobs will be achieved by 2031 will be difficult as it represents an additional floor space in the order of 190,000m². Financial institution funding of development currently favours the quick turnover of residential development at the expense of commercial development and jobs growth.

Notwithstanding the Major Project approvals the latest strategic planning framework in the new Draft Metropolitan Plan obliges Council to plan for an additional 8,000 jobs and to plan for medium to high density living outside the core of Chatswood. The Planning Proposal is not consistent with the intended Metropolitan strategic planning principles for Chatswood in providing for a development that is 93% residential and is within the retail core of Chatswood. The dwelling targets are planned for in WLEP 2012 in the B4 Mixed Use zone

around the core of Chatswood CBD, in shop top housing in neighbourhood and local centres and in the Business Development zone as well as the increased densities in some residential areas.

Consideration of the Concept Development Plans:

Design, Height, Mass, Streetscape

The plans provided in support of the Planning Proposal provide little information on the possible built form, style, layout and public domain outcomes.

The ground floor plan indicates a corner location for the Post Office shop with a residential/commercial lift lobby facing Victor Street. The perspective of the ground floor view and the ground floor plan are not consistent in the plan and the perspective suggests that the Post Office shop front is recessed or the blade/columns encroach into the road reserve as the ground floor plan indicates the frontage is on the boundary. Presumably the perspective sketch is not intended to be accurate.

The access for car parking and deliveries is off Post Office Lane. The delivery area can only accommodate an 8.8 metre truck which is smaller than a Council garbage truck. Only one truck can be accommodated in the delivery area and it requires the use of a turntable for the vehicle to enter and leave in a forward direction.

In the text of the documentation it suggests repaving of Post Office Lane to provide a share-way but use as a share-way is inconsistent with a proposal to provide delivery and car parking access off the Lane for a building of the proposed scale and traffic volume. No public domain improvements are indicated for Victor Street. The previous Planning Proposal that was withdrawn by Australia Post at the Council meeting proposed a road widening in Victor Street that is not proposed in the new Planning Proposal.

There is minimal site context analysis and as a result the concept elevation fails to identify the existing consistent "street wall" height in Victor Street to a height of approximately RL 113 above which taller buildings are well set back from the street frontage. Also the above ground levels of the building appear to extend outside the site on the north-western alignment and encroach into Post Office Lane.

Presumably more design development has occurred than has been provided with the Planning Proposal as the height, building envelope and indicative unit mix have been provided. It is unknown how 300 units are proposed to be configured on the site given the small size of the site.

The justification of the variation to the height control is selective in the choice of buildings around the site without acknowledging the actual immediately abutting and adjacent development that is the context of the site. The context of the site, in addition to the Sebel, are the retail buildings of Westfield, Mandarin Centre, the low rise office building previously Sydney Water and the two to three storey commercial buildings fronting Victoria Avenue. The height study and "birds-eye" perspectives of the area with the proposed building inserted do not justify the proposed height of the development.

Solar access impacts have been considered for the Sebel that indicates that the living rooms of units in the Sebel will retain at least 2 hours sun access per day which is minimal. The shadowing diagrams provided confirm the extent of additional shadowing on the surrounding area including the Remembrance Gardens and Chatswood Oval. The extent of additional shadowing is not justified and is unacceptable. Views from the Sebel have not been

analysed in any depth but the diagram in the report (Figure 36) is sufficient to demonstrate that views will be adversely impacted.

It is noted that the Sebel was part of the previous Chatswood Interchange development on the 12,000m² site at Chatswood Station. Remaining from that development is the Sebel building, the commercial office building at 67 Albert Avenue, the Sydney Water Building abutting the site and the landscaped plaza contiguous with the Remembrance Gardens. The previous Interchange development adjusted the density around the large site to provide an appropriate relationship to the Remembrance Gardens and manage shadowing impacts. The Planning Proposal significantly changes the impacts on the surrounding land and public domain.

Little more can be commented on with respect to the Planning Proposal as the concept proposal primarily provides a building height and mass. No suggested setbacks, floor layout, stepping to provide articulation and so on have been provided. As noted earlier in this report the solar access plan for future units on the site indicates 8 units along the Post Office Lane frontage which would only translate to units of about 4 metres in width which is very small to provide adequate light and ventilation to living spaces and bedrooms but it is unknown how a building could be configured.

Site Amalgamation

The previous Planning Proposal investigated the possibility of amalgamation with the "Sydney Water" building at the rear of the site and the Proponent/Applicant considered it was unfeasible because the tower element of a redevelopment on the Post Office site would require a setback (building separation) of 24 metres from the residential towers above Chatswood Station if the tower in the subject development was residential and 18 metres if it was commercial. Provision of those setbacks affecting the development of the "Sydney Water" building site would mean that most of the combined site could not be used for further development above the current height of the "Sydney Water" building.

This conclusion is again not fully supported because there is the potential for integration of the two sites at the lower levels and other options for development have not been explored in the scenario. One of the principal objectives of the *Environmental Planning and Assessment Act 1979* is to promote and co-ordinate the orderly and economic development of land. The Planning Proposal proposes a significant change and increased density to development on a very small site that will also leave an isolated site that would be constrained in the future for further development but that could provide potential development benefits to the subject site.

The report on the previous Planning Proposal noted the options included integrating the office floor levels to achieve larger floor plates and sharing the vehicular access off Orchard Road through the "Sydney Water" car park to the parking levels of the Post Office site. The basement car parking level of the "Sydney Water" building is comparable to ground level in Victor Street. Even though the report discussion on the previous Planning Proposal was on the Business Paper of Council, nothing further has been investigated on the possibility of access through the "Sydney Water" property in the subject proposal.

The "Sydney Water" building is on land owned by Council that is subject to a long-term lease to a private company. Council is fully aware that the level through the building that was previously used as the bus interchange was subject to the resumption proceedings for the new Chatswood Transport Interchange and is now proposed for shops and loading area in conjunction with that development. The land of the "Sydney Water" building sits above and below the resumed stratum of the old bus interchange. The new shopping centre although finished in 2008 is still owned by the Receiver for the developer. Further dialogue between

the parties has the potential to benefit both by working together given also the design problems with the new shopping centre. The potential for alteration of both buildings and the connectivity potential have not been adequately explored to consider the potential benefits for both sites.

Access, Traffic and Car Parking

The Planning Proposal is accompanied by a Traffic Report by GTA Consultants. Earlier in this report it noted that the vehicular access and deliveries were proposed off Post Office Lane. Council's Traffic Group reviewed the traffic report accompanying the Planning Proposal and advised the following:

1. Under the proposal, the driveway access would be via Post Office Lane, which is only 6m in width with parking on its northern side. The proposal would see a significant increase in the number of vehicle movements into and out of Post Office Lane including heavy vehicles making deliveries to the site, removalist vans etc. This would create difficulties in terms of vehicle movements in and out of the lane particularly at the junction with Victor Street, a cul-de-sac, without a turning circle.

The cul-de-sac end of Victor Street is a site of much congestion and illegal parking activity and many vehicles currently use Post Office Lane to complete a 3 point turn in order to proceed south and exit Victor Street. Post Office Lane currently carries low volumes of traffic and the above, while, not desirable, doesn't cause too many issues. The proposal will exacerbate the problems and lead to significant conflict between exiting traffic from the lane, turning traffic in Victor Street and pedestrians using Victor Street to access the Victoria Avenue Mall, Westfield or Chatswood Station.

2. Post Office Lane currently has parking permitted on its northern side with parking banned on its southern side. Given the increase in two way traffic flow resulting from the development proposal it would be necessary to ban parking in the lane to provide sufficient carriageway width for safe two way traffic flow. There is a very high demand for the limited parking supply in Victor Street by customers of the Post Office, by people dropping off or picking up from the station, by vehicles making deliveries, by people dropping off/picking up from Westfield and so on. The loss of parking in Post Office Lane would further exacerbate parking problems in Victor Street. Increased double parking and illegal parking in No Stopping zones is anticipated with a resultant restriction on through traffic flow. High levels of illegal parking activity within Loading Zones and No Stopping zones in Victor Street already occurs and further traffic and parking activity within the precinct can only exacerbate these issues.
3. It is noted that the Planning Proposal provides for only one Loading Bay serviced by a turntable and designed to cater for vehicles up to an 8.8m service. This is considered to be completely inadequate. Table 5.1 of the "Guide to Traffic Generating Developments" gives general guidance on the number of loading bays that would be required for new developments. If the rates for loading bays from the table were to be translated to the proposed development at 45 Victor Street, then there would need to be 1 loading bay for Post Office and commercial uses plus another 5 for the residential component. At least 50% of these 6 bays would need to be accessible by trucks. Of those accessible by trucks it is considered that at least one should be accessible by a heavy rigid vehicle, that is, a 12.5m truck.

If the Planning Proposal progresses the developer would need to justify why they believe 1 loading bay would be considered sufficient for this development by carrying out surveys of similar developments and by demonstrating that there is sufficient

loading zone capacity in Victor Street. The reality is the Loading Zones in Post Office Lane would be lost should the planning proposal proceed (to cater for two way traffic flow).

The traffic study has not demonstrated turning movements by trucks in and out of the site to Post Office Lane or from Post Office Lane to/from Victor Street. This must be demonstrated to Council's satisfaction for the largest vehicles accessing the site. Some adjustment to kerb lines at the Victor Street/Post Office Lane intersection would be required if the proposal was progressed.

4. The traffic study submitted with the planning proposal estimates the traffic generation from the proposed development at 58 vehicle movements per hour and concludes that this traffic generation will have a negligible impact on the performance of the nearest signalised intersection at Albert Avenue/Victor Street.

The traffic analysis does not take into account the extra traffic generated by the current approved development activity at 14-18 Thomas Street or by the development of the Metro Towers over Chatswood Interchange or from the planning proposal which has recently been submitted for 65 Albert Avenue. Even if the traffic generated by the two approved developments is considered the result may be markedly different. The analysis also does not take into account issues such as:

- a) The extensive weekend queuing that occurs on Albert Ave eastbound waiting to turn right into Victor Street southbound, or,
- b) The extensive pm peak queuing westbound on Albert Avenue on approach to the Pacific Highway, or,
- c) The extensive delays which can occur in Victor Street during peak shopping periods due to double/illegal parking and/or vehicle manoeuvring issues.

The above issues will not be apparent in a single intersection SIDRA analysis which considers only turning volumes at the intersection.

It is considered that the additional traffic resulting from the planning proposal will have a greater impact on the performance of Victor Street than the SIDRA analysis has shown and that the additional traffic generated by existing or proposed development in the vicinity should also be taken into consideration.

5. Victor Street carries significant volumes of pedestrian traffic with significant numbers of pedestrians crossing Victor Street at many points along its length to access Westfield, the Post Office and or the Victoria Avenue Mall. The region around the intersection of Post Office Lane and Victor Street is a particular concern as there is existing conflict between pedestrians crossing and/or walking along Victor Street and vehicles turning in and out of Post Office Lane. Many vehicles perform 3 point turns at the northern end of Victor Street and when doing so are placing these pedestrians at risk. The proposed development will increase the number of vehicle movements at the above intersection placing greater pressure on pedestrian safety. The planning proposal has not proposed any measures to mitigate these risks.

It should also be noted that Post Office Lane will form a major pedestrian access point to the Metro Towers and Chatswood Station development once completed. Post Office Lane in its current form can safely cater for this pedestrian traffic as a share-way. However, should the planning proposal at 45 Victor Street proceed it is unlikely that pedestrians would be safely catered for within the lane. It is considered that the proposal is detrimental to pedestrian safety in the vicinity. If the planning proposal proceeds consideration will need to be given to the impacts of the vehicle

and truck movements in the lane on pedestrian safety and measures must be proposed and implemented to ameliorate the safety concerns.

6. Only 1 motorcycle parking space is to be provided under the planning proposal. Chatswood has experienced a significant growth in motorcycle use in recent years and it anticipated that the use of motorcycles may be attractive to potential residents and/or visitors to this site. The number of motorcycle spaces on site should meet DCP requirements
7. It is noted that the parking supply is well under the DCP parking rates with 195 spaces to be provided as opposed to a DCP requirement of 339 spaces. Given the proximity of the site to Chatswood Station and Bus Interchange and given concerns about traffic generation from the site a reduction in the number of parking spaces is acceptable. It is however considered that the provision of no visitor parking spaces at all is inappropriate. It has been argued that the DCP visitor parking requirements are unnecessary given the proximity of the Westfield car park and visitors may park there. Reliance upon the Westfield car park to provide for visitor parking generated by this development is not valid or acceptable. The Westfield car park has been funded by developer contributions land, works in kind and monetary contribution as a retail car park and there is no spare capacity. It cannot be relied on to support shortfalls in a residential development's parking capacity. While some reduction in visitor parking capacity may be appropriate on the basis of the proximity to rail and bus travel the provision of no visitor parking is opposed. Some should be provided to cater for elderly and/or mobility impaired visitors or for others who may not be able to access the site via public transport.

If Council is to accept a reduction in parking supply at the development this should be justified by reference to parking surveys at similarly located and sized developments elsewhere.

The justification for the reduction in car parking supply notes an increasing trend for residents to not own a car. Many such residents, while choosing not to own a car will still need access to a car for private trips and as such the designation of some car share spaces within a publicly accessible area of the car park is appropriate if this proposal is progressed.

8. The bicycle parking provision outlined in the planning proposal is considered satisfactory and the use of a secure bicycle enclosure in lieu of lockers is supported.
9. The planning proposal has not identified how the development will be constructed and this is a source of major concern. Victor Street and Post Office Lane are narrow dead end streets and not designed to cater for large volumes of heavy vehicles or to cater for large scale construction activities. Several business premises fronting the Victoria Avenue Mall rely upon Post Office Lane for deliveries and it is difficult to see how the development could be constructed without restricting this use. Similarly there are a number of other business premises fronting Victor Street including Council's Offices which must continue to operate and be accessible by customers during the construction process. The impacts on these premises must be taken into consideration. As outlined above, Victor Street also carries significant volumes of pedestrian traffic and the safety and amenity of these pedestrians will be severely compromised by the construction activity.

Construction of the development would be extremely difficult to achieve without impacting to a significant extent on other uses in Victor Street and Post Office Lane.

It is considered that the planning proposal is inadequate in that it has not discussed at all how it is intended to construct the development.

Concluding Traffic Statements

There is concern that this development represents a significant overdevelopment of this site and that the traffic impacts of it will be significantly greater than those represented in the traffic analysis. The development is significantly under capacity in terms of parking supply and loading bays and these deficiencies must either be rectified or justified by reference to other similar developments elsewhere.

The traffic analysis for the planning proposal has considered the impacts of the development in a very narrow context without taking any account of traffic generated by large developments currently underway or proposed in the vicinity. It has also not taken any account of the traffic conditions in Victor Street or Post Office Lane and has failed to discuss measures which might be introduced to mitigate the impacts of the additional traffic on the functions of these roads.

A significant concern in regard to this planning proposal is how it would be constructed without severely impacting on existing uses in the surrounding streets. This has not been addressed at all in the planning proposal.

On the basis of the above it is difficult to support the planning proposal in its current form.

A further comment on the planning proposal is that it is known from the previous proposal that given the size of the site and allowing for circulating ramps and so on, the basement levels can only accommodate 22 vehicles per level. Even though the proposed 195 car space is inadequate, this inadequate number of car spaces would still require 9 basement levels. In addition the waste handling facilities for commercial and residential waste and recycling would require another basement level (thus at least 10) as there is inadequate space on the ground floor.

The previous planning proposal report (PP 2012/2) discussed the fact that the traffic generation analysis relies on the application of the RTA Guidelines for calculation of the additional traffic generation from the proposed development. It noted that there are site specific requirements of Australia Post that should also have been considered given the regular collection and clearing of post boxes required by Australia Post trucks/vans and the public collecting mail and parcels that are in addition to the needs of the office floor space and the residential units. Basing a traffic generation analysis on the RTA guidelines is considered an underestimation of the reality in addition to the analysis not having adequate regard to traffic generation of approved development in the vicinity that has yet to be completed and occupied.

Furthermore the analysis of the traffic generation is based on the number of car spaces proposed on the site rather than the number of units and uses on the site. This generated the estimated 58 vehicle movements (53 additional compared with existing) per hour in weekday peak hour. It is unknown the impact of vehicle movements from during the weekend which is also a peak traffic time for the area noting that traffic movements for residential are likely higher at weekends. Ironically the analysis of the traffic report for this planning proposal results in less predicted traffic generation than the previous planning proposal that was for 95 units and 4,079m² of commercial at 110 vehicle movements in weekday peak hour.

Is there a Net Community Benefit?

Noting the above discussion a net community benefit for the planning proposal cannot be found. The lack of a high performing office market in Chatswood does not justify the large non-compliance with the objectives of the B3 Commercial Core zone. The provision of the scale of shop-top housing is not a community benefit but a community cost. Chatswood has an adequate supply of residential built or being built such that Council and State infrastructure is stretched to cope with the needs of the growing residential population. Council's residential strategy and the achievement of the residential targets of the Metropolitan Strategy are met elsewhere in Willoughby and do not require the additional provision of shop top housing of this scale in the B3 zone.

While there was some consideration of a compromise for a possible mixed use development on the site subject to a number of requirements being achieved but that report was withdrawn by the applicant before Council was able to consider it. The Planning Proposal the subject of this report is substantially larger than the previously proposal and the assessment does not reveal any potential for compromise or benefit to Chatswood in the proposal.

The proposal submitted for 45 Victor Street is not acceptable nor is it supported on the basis of:

1. The likely significant adverse traffic implications on the local road network;
2. The scale of the development requiring a considerable quantity of on-site parking (even if discounted due to the proximity to public transport) and servicing facilities which cannot be reasonably accommodated on site due to the site constraints;
3. The proposed residential component is contrary to the strategic planning intent for this precinct of the CBD and the B3 zone;
4. The proposed development concept contemplated by the Planning Proposal has not been justified in terms of the context analysis;
5. The Proposal is likely to result in a development that will have an unacceptable adverse impact in terms of overshadowing public open space;
6. The Proposal is likely to result in a development that will have an unacceptable adverse impact on the solar access and views obtained by the residential component of the Sebel;
7. The Proposal has not been justified in terms of a net community benefit;
8. The expected residential population for the development is likely to have an unacceptable adverse impact on the use of local open space, community facilities and community infrastructure.
9. The Planning Proposal is considered to be unacceptable and inconsistent in regard to the State and metropolitan planning strategies, particularly in relation to the role of Chatswood and provision for additional employment.

OFFICER'S RECOMMENDATION

That the Planning Proposal not be supported and the proponent be advised accordingly.