

Planning Proposal

524-542 Pacific Highway, St Leonards

Amendment to Lane Cove LEP 2009



Submitted to Lane Cove Council
On Behalf of Grocon

December 2016 ■ 14032

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This report has been prepared by:

A handwritten signature in dark ink, appearing to read 'Matthew Norman'.

Matthew Norman

16/12/2016

This report has been reviewed by:

A handwritten signature in dark ink, appearing to read 'Tom Goode'.

Tom Goode

16/12/2016

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A	Concept Design Report <i>PTW Architects</i>
B	Amended LEP Maps <i>PTW</i>
C	Economic Impact Assessment <i>Urbis</i>
D	Contamination Assessment <i>EI Australia</i>
E	Traffic Assessment <i>GTA Consultants</i>

1.0 Introduction

This Planning Proposal has been prepared by JBA on behalf of Grocon, as developers of 524-542 Pacific Highway, St Leonards (the Telstra Exchange site).

The site comprises four retail allotments and a large Telstra Telephone Exchange structure, located at the corner of the Pacific Highway and Christie Street, St Leonards. It is a key site in a precinct undergoing significant transition and urban renewal, befitting its role as a Strategic Centre in the *Plan for Growing Sydney* (2014).

The site is subject to the *Lane Cove Local Environmental Plan 2009* (the Lane Cove LEP). To facilitate the proposed scheme, this planning proposal requests Council to initiate the LEP amendments process to:

- rezone the site from B3 Commercial Core to B4 Mixed-Use;
- Increase the total FSR to 24.6:1 (including a minimum of 4.3:1 to be dedicated to non-residential employment uses); and
- increase the maximum building height from 72m to 215m or RL 290.65.

The vision for the site is to create an aspirational mixed-use building that compliments the future character of St Leonards as a Strategic Centre and a hub for Transit Oriented Development.

The scheme is described in detail in **Section 5.0** and is illustrated in the Concept Design Report prepared by PTW Architects, which is provided at **Appendix A**.

As part of the Planning Proposal and in line with its commitment to public amenity, Grocon intends to enter into a Voluntary Planning Agreement (VPA) with Lane Cove Council (Council) and/or the Department of Planning and Environment to offer a combination of the following:

- A dedication to Council (or another appointed authority) of key worker and/or affordable housing;
- Financial or Works in Kind dedication to public domain improvements to Christie Lane and surrounds;
- Financial contribution towards a north-south underground or above ground pedestrian link across the Pacific Highway;
- Allocation of commercial floor space to the Tenant Attraction Scheme, which provides start-up or new tenants with a rental subsidy;
- Contribution of a monetary sum of 0.1% of the development's total Gross Realised Value towards the Homes for Homes Scheme, managed by The Big Issue (charitable organisation).

The full extent of the VPA and public benefit will be agreed with Council prior to submitting the Proposal to the Gateway, with a draft VPA intended to be exhibited at a later date.

1.1 Planning Proposal Structure

This report has been prepared in accordance with the requirements of the Department of Planning and Environment's (DPE) *A Guide to Preparing Planning Proposals* (August 2016). This report has been prepared in five parts to address section 55(2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act) as outlined below:

- **Part 1** – Objectives and intended outcomes of the proposed instrument;
- **Part 2** – Explanation of the provisions that are to be included in the proposed instrument;
- **Part 3** – Justification of the objectives and intended outcomes;
- **Part 4** – Mapping of the proposed instrument;
- **Part 5** – Details of the community consultation to be undertaken; and
- **Part 6** – Project timeline.

This Planning Proposal describes the site and the proposed changes to the Lane Cove LEP, and provides a justification for the proposal. The report should be read in conjunction with the Concept Design Report prepared by PTW Architects at **Appendix A** and specialist consultant reports appended to this report (refer Table of Contents).

1.2 Background

1.2.1 Telstra Exchange: A Unique Site

The amalgamated site containing the Telstra Telephone Exchange building ('the Exchange') is a significant opportunity for renewal due to its size and position at a prominent corner location within a rapidly rejuvenating mixed-use Strategic Centre.

The perceived redevelopment opportunities here are severely hampered by the significant technical constraints associated with the Exchange. This is perhaps the main reason why, to date, the site has remained undeveloped and is now the missing component in a renewal corridor along the Pacific Highway in St Leonards.

A site plan is provided in **Figure 1** below.



 The Site

Figure 1 – The Telstra Exchange site

The key to unlocking the site's potential lies in Grocon's unique working relationship with Telstra. Over the last two years, Grocon has been given the mandate to assess the development potential of Telstra's Telephone Exchange sites across NSW.

Telstra Exchange buildings are considered to be pieces of 'critical infrastructure' in NSW and form a key part of Telstra's network across the state. As such, Exchange buildings are often unable to be removed or relocated without causing significant disruption to the network, presenting as a significant constraint to their potential for redevelopment (see: **Section 2.4.1** for further discussion of the constraints associated with the Telstra Exchange).

Grocon's track record in unlocking value and providing world-class engineering solutions at complex sites across Australia is unmatched. Grocon has significant specialised construction experience in dealing with technical issues at the highest levels of complexity. The key challenge for Grocon here is to ensure that Telstra can maintain uninterrupted service operation whilst overcoming all other site and construction constraints.

Grocon's core values of Safety, Sustainability, Innovation and Community have been aligned with Telstra's own corporate mandate, making them ideal partners for taking on projects of such significance and complexity.

1.2.2 The Changing Nature of St Leonards

This Planning Proposal has been prepared in the context of significant strategic planning change and an evolving development landscape both within and around the St Leonards Centre. These changes include the following shown in **Figure 2**.

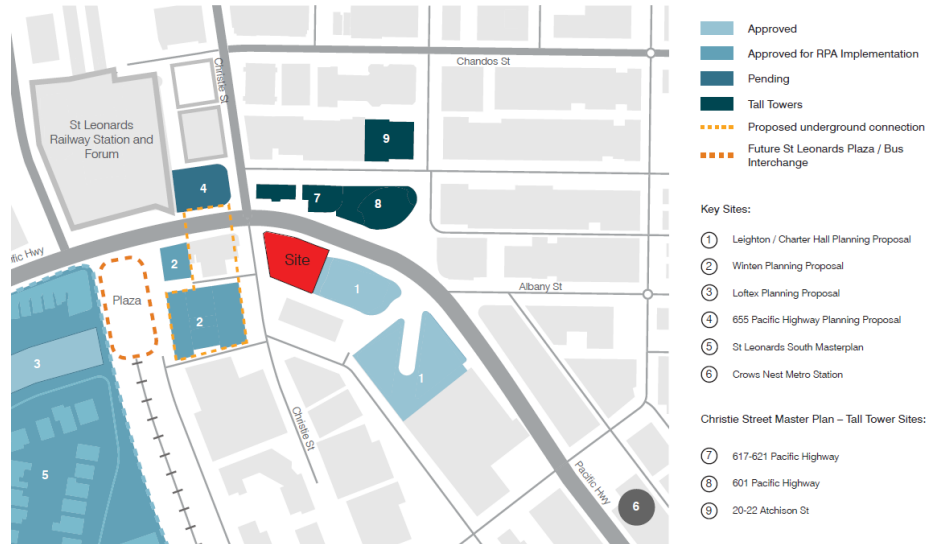


Figure 2 – Recent and Pending Proposals in St Leonards

Source: PTW Architects

Leighton / Charter Hall Planning Proposal

To the south-east of the Telstra Exchange site, the ‘Leighton / Charter Hall Planning Proposal’ at 472-520 Pacific Highway and 95 Nicholson Street, (PP_2014_LANEC_001_00) was approved at Gateway and gazetted by Lane Cove Council in May 2015. The Proposal rezoned five land parcels from B3 Commercial Core to B4 Mixed-Use and increased the maximum building height in St Leonards from 65 m to 115 m (472-486 Pacific Highway – Leighton Holdings) and from 72 m to 138 m (504-520 Pacific Highway – Charter Hall).

Development Applications have since been lodged for both sites. The Proposals included VPAs to provide, amongst other things, monetary contributions towards the delivery of a future Plaza – now identified as St Leonards Plaza.

Winten Planning Proposal

The ‘Winten Planning Proposal’ at 75-79 Lithgow Street and 84-90 Christie Street (PP_2015_LANEC_002_00) has also instigated change in St Leonards, through rezoning the site from B3 Commercial Core to B4 Mixed-Use and increasing the maximum building height from 65 m to 144 m. The Planning Proposal also sought FSR incentives where public benefits were achieved, including a contribution to the delivery of St Leonards Plaza and an upgraded bus interchange. The Planning Proposal passed through Gateway in October 2015 and is currently with Lane Cove Council for implementation.

Loftex Planning Proposal

The ‘Loftex Planning Proposal’ at 1-13A Marshall St, on the western side of the railway line, proposed a variation to the Lane Cove LEP to increase the height of the proposed residential building on the site by 9 additional floors to a total height of 94 m. Council supported this proposal and the associated VPA, which contributed funding to the development of St Leonards Plaza.

Christie Street Masterplan and 655 Pacific Highway Planning Proposal:

Building on Lane Cove Council's record on the southern side of Pacific Highway, in July 2015, North Sydney Council released its 'St Leonards / Crows Nest Planning Study – Precincts 2 & 3', which identified four key sites on the northern side of the Highway for 'tall tower' development.

In April of 2016, North Sydney Council released the 'Christie St Masterplan', providing detailed guidelines for future development on these sites. Since then, a planning proposal has been lodged for a mixed-use tower of 200-245 m with North Sydney Council for the site at 655 Pacific Highway. We understand that preliminary planning for applications proposing similar built form and density at the remaining 'tall tower' sites is already underway.

St Leonards South Masterplan:

In August of 2016, Lane Cove Council exhibited Stage 2 of the St Leonards South Strategy. The Strategy encompasses land bound by the Pacific Highway, River Road, Greenwich Road and the rail line, but focuses renewal opportunities only in the eastern part of the Precinct. Currently, the area is primarily zoned R2 Low Density Residential, with a predominant height limit of 9.5m. The Draft controls seek R3 Medium Density Residential and R4 High Density Residential zoning with a range of FSR and height controls up to 4:1 and 58 m.

Crows Nest Metro Station and the St Leonards and Crows Nest Priority Precinct

The increased densities in the St Leonards precinct are consistent with the strategic planning framework of the Strategic Centre and the enhanced accessibility provided by the Sydney Metro heavy rail project. This \$11bn State Government investment will see a new rapid transit station built in Crows Nest, located within 350 m of the site, providing automated, fast and frequent transport to the CBD (via a second Harbour crossing) as well as key employment destinations of North Sydney CBD and Macquarie Park.

The significance of St Leonards has now been recognised by the NSW Department of Planning & Environment who are currently undertaking a strategic planning investigation of the St Leonards and Crows Nest Station Precinct, which has been designated as a 'Priority Precinct'. It is expected that a Discussion Paper is to be released shortly, with a Land Use and Infrastructure Plan to follow in the first half of 2017.

The Proponent has met with the Urban Renewal Team at the NSW Department of Planning and Environment ('DP&E') to discuss the proposed scheme. There was broad support from DP&E relating to the urban renewal process generally and acknowledgement of the need for innovative technical and planning solutions to facilitate redevelopment at the site.

1.2.3 Employment Generation

The role of St Leonards as a Strategic Centre in the Global Economic Corridor is clearly recognised in *A Plan for Growing Sydney*. This Proposal actively addresses the objectives of Action 1.10.2, which proposes to "*support the growth of complementary health and tertiary education activities in strategic centres*".

In order for the site to reach its designated aim of generating meaningful employment, any new zoning will need to encourage an otherwise undevelopable site to sustain a broader range of uses, including provisions for residential uses, necessary to underpin and sustain such employment. The commercial offering here under a new B4 Mixed Use zone, may ultimately be best suited to complementary health (and allied) uses, in line with strategic planning objectives and commercial demand in the area.

Given the technical and physical constraints at the site, including the need for the Telstra Exchange to operate uninterrupted as critical infrastructure, it is considered that any redevelopment of the site that provides additional commercial floor area over existing employment uses, results in a net benefit in terms of employment-land generation.

In terms of the employment generation proposed, this Planning Proposal seeks a significantly larger quantum of employment generating floor space than others submitted to Lane Cove Council in the precinct, offering nearly 18% of the total GFA as employment generating floor space, equating to a commercial FSR of more than 4.3:1.

Table 1 below provides a summary of the proposed development on the site compared with other major developments in St Leonards.

Table 1 – Employment Space of Planning Proposals in St Leonards

	Leighton	Charter Hall	Winten	Lofrex	655 Pac Hwy	Telstra Site
Residential	46,110	30,195	62,822.00	24,944.00	25,590.00	33,868
Commercial	3,750	2,350	8,305.00	327.00	10,340.00	7,309
Total	49,860	32,545	71,127.00	25,271.00	35,930.00	41,177
Commercial Storeys	2-4	3	3	3	12	12
Commercial GFA %	7.52%	7.22%	11.68%	1.29%	28.78%	17.8%
LGA	Lane Cove	Lane Cove	Lane Cove	Lane Cove	North Sydney	Lane Cove

As currently configured, the site is unable to be developed for any additional gain in employment generation. This Planning Proposal will therefore facilitate a mix of residential and commercial uses that would not otherwise be able to be provided and will result in a net gain in the provision of commercial floor space at St Leonards.

2.0 Site Analysis

2.1 Site Location and Context

The Telstra Exchange site is situated within the Lane Cove Local Government Area (LGA), close to the boundary of both North Sydney and Willoughby LGAs (see **Figure 3** below). Located just 6 km north of the Sydney CBD, within Sydney's Lower North Shore, St Leonards has a key role to play in the provision of housing and employment, given its close proximity to the commercial centres of the Sydney CBD, North Sydney, Chatswood and Macquarie Park.

The St Leonards Centre has recently been undergoing a transition from smaller, aging commercial buildings to new multi-storey, mixed-use development. The area immediately surrounding the site is largely typified by ageing commercial buildings that are generally beyond their economic lifespan. Further north, 'The Forum', the foundation of the urban renewal at St Leonards, now acts as its commercial, retail and transport hub.



Figure 3 – Locational context diagram

St Leonards is growing rapidly in stature as a hub for healthcare, medical research, and educational establishments, including services at or allied to the Royal North Shore Hospital, the North Sydney Medical College and North Sydney TAFE (St Leonards Campus). The presence of these and other establishments resulted in the classification of St Leonards as a 'Specialised Centre' within Sydney's 'Global Economic Corridor' under DPE's *A Plan for Growing Sydney*.

2.2 Site Description

The Telstra Exchange site comprises eight separate allotments and is located on the corner of the Pacific Highway and Christie Street. The site adjoins an existing commercial building to the south and a future residential development to the east.

The various allotments conglomerated as part of this proposal have fragmented ownership but are all currently controlled by Grocon Developments. Their legal description is detailed in **Table 2** below. Overall, the lots have a combined area of 1,671 sqm, forming an irregular development parcel (refer **Figure 4**).

Table 2 – Legal property description

Address	Legal Description	Owner
524-530 Pacific Highway	Lot 7 Section 17 DP 3175	Telstra Corporation
	Lot 8 Section 17 DP 3175	Telstra Corporation
	Lot 9 Section 17 DP 3175	Telstra Corporation
	Lot 1 DP 433297	Telstra Corporation
536 Pacific Highway	Lot D DP 377423	Lea Baron ATF the Estate of Joseph Gollan
538 Pacific Highway	Lot C DP 377423	Colin Yiu-Kwing Fung
540 Pacific Highway	Lot B DP 377423	H M Pty Ltd
542-542A Pacific Highway	Lot A DP 377423	R. L. Thompson Pty Ltd ATF R. L. Thompson Superannuation Fund



Figure 4 – The Site

Figure 4 – Aerial view of the site, looking south

2.2.1 Existing Context of Telstra Exchange Site

The eastern portion of the site is currently occupied by the St Leonards Telstra Telephone Exchange. This critical piece of telecommunications infrastructure is the nodal point for Sydney's North Shore, ranking as the second highest order of significance within the Telstra network. The Exchange also serves a key role in the Federal Government's NBN rollout, housing NBN networking equipment and employees. The Telephone Exchange therefore cannot be demolished, relocated or used for support in the construction of any new structure.

The Telephone Exchange Building is a 3-storey red brick building fronting the Pacific Highway and six storeys to the south of the site (refer to **Figure 5**).



Telstra Exchange building, viewed from the Pacific Highway



Retail tenancies, viewed from the Pacific Highway



Rear of the Telstra Exchange building



Retail tenancies – rear of shop fronts fronting Pacific Highway



Retail tenancies fronting Pacific Highway



Retail tenancies – shop fronts fronting Pacific Highway

Figure 5 – Site photos: Telstra Exchange and Retail shops

The amalgamated site is built to the site boundaries and includes at-grade vehicle parking accessed from the Pacific Highway. It is noted that the critical infrastructure associated with the Telephone Exchange is housed within the three-storey component of the structure, with an underground cabling network of up to two storeys below, both of which must be preserved as a matter of imperative.

The western portion of the site is currently occupied by four attached two-storey buildings, which contain small scale retail and commercial tenancies. These buildings are reflective of the ageing character of St Leonards, which is now evolving and growing to support renewal through increased density and diversity of land-uses. Redevelopment at the site provides an opportunity for revitalisation in what is currently a substantial 'gap' in the contemporary built form along the Pacific Highway in this evolving precinct.

Importantly, none of the buildings on the site are listed as heritage items and the site is not located within a heritage conservation area.

2.3 Site Access and Transport Infrastructure

2.3.1 Surrounding Road Network

The Pacific Highway is an arterial road that runs from the Warringah Freeway through Sydney's northern suburbs. At the site, the Pacific Highway carriageway accommodates 3 lanes in both directions.

Christie Street is a two lane road with a cul-de-sac at its southern end. The road provides a one-way carriageway from the Pacific Highway and widens to a two-way road on the southern side of Christie Lane. Christie Lane is a one-way lane that runs east-west from Lithgow Street to Christie Street. The lane provides no on-street parking and carries a large quantity of pedestrian activity, generated by people moving between St Leonards Station and The Forum (via the underground tunnel) and the commercial and residential developments along both Christie Street and Nicholson Street.

It should be noted that the site's access to both Christie Street and Pacific Highway allows it the flexibility to discharge traffic onto Pacific Highway through a left-turn-only arrangement.

2.3.2 Pedestrian Connectivity

A pedestrian tunnel under the Pacific Highway currently provides pedestrian access to the site from St Leonards Station and The Forum. Access to St Leonards Station is also achievable at-grade via signalised pedestrian crossings over the Pacific Highway. It is anticipated that new development at the Telstra Exchange site will improve pedestrian access north-south across Pacific Highway.

As part of the Metro Station redevelopment at Hume Street and Pacific Highway, it is anticipated that pedestrian connections south of the Telstra Exchange site to the Metro Station will also be improved.

Future development at neighbouring sites will substantially increase pedestrian connectivity in the area. Mirvac's St Leonards Square development (borne out of the Charter Hall / Leighton Planning Proposal) and the 88 Christie Street (Winten Planning Proposal) will provide substantial offerings of public domain and include pedestrian linkages in the immediate vicinity of the site. As illustrated in **Figure 6** below, the proposal aims to enhance these attributes and improve connectivity from the southern side of Pacific Highway to both stations as well as facilitate local pedestrian interaction with the high-amenity community and retail offerings of the neighbouring developments.



Figure 6 – Pedestrian links graphic

2.3.3 Bicycle

There are currently no existing cycle paths connecting to the St Leonards Centre. There are, however, several cycle paths proposed for the St Leonards area, including an off-road cycle lane along the Pacific Highway in a northerly direction and an on-road marked cycleway on Herbert Street.

2.3.4 Rail

The site is located 100 m to the south-east of St Leonards Railway Station. St Leonards Station is located on the T1 North Shore Line which provides comprehensive local rail services and onward connections to regional services.

The new Sydney Metro line will further increase public transport accessibility to the site. The new Crows Nest Metro Station will be located within 350 m from the site, at the corner of Oxley Street and Pacific Highway in Crows Nest, providing easy walking access to another public transport rail line.

St Leonards Station is a major interchange having one of the highest levels of rail and bus accessibility in the Sydney Metro Area. The now under-construction Sydney Metro Rail project will only add to this.

The site's proximity to significant public transport will facilitate the realisation of Transit Oriented Development (TOD) on the site. Transit Orientated Development ('TOD') is a planning concept that promotes high quality, medium to high density mixed use development within a comfortable walk of public transport infrastructure (typically measured at a radius of 800 metres).

2.3.5 Bus

The site is in close proximity to a number of high frequency bus services which travel to the Sydney CBD, greater North Shore, Northern Beaches and Western Suburbs. The bus services with stops located in close proximity to the site are illustrated in **Figure 7** below.

Service	Route #	Route Description
Hillsbus	602X	North Sydney to Rouse Hill
	612X	North Sydney to Riley T-way
	622	Milsons Point to Dural
	653	Milsons Pt to West Pennant Hills
Sydney Buses	140	Manly to Epping
	143	Manly to Chatswood Station
	144	Manly to Chatswood Station via Royal North Shore Hospital
	200	Bondi Junction Interchange to Chatswood station
	252	Queen Victoria Building to Lane Cove West
	254	Queen Victoria Building to Riverview
	265	McMahons Point wharf to Lane Cove
	286	Queen Victoria Building to Denistone East
	287	Milsons Point to Ryde
	290	Queen Victoria Building to Epping
Sydney Trains	M20	Botany Bay to Gore Hill
		Central Coast & Newcastle Line, North Shore, Northern & Western Line

Figure 7 – Bus services – Pacific Highway, St Leonards

The proposed upgrade to the St Leonards Bus Interchange as part of the new St Leonards Plaza will further increase accessibility to the Precinct via bus and provide commuters with a more complete service, including easy modal shifts between various modes of transportation.

2.4 Site Specific Constraints

The unique nature of the site presents considerable physical and technical constraints to its development in accordance with the site's current LEP controls, which allow only for commercial land uses, refer to Error! Reference source not found. below.

Table 3 – Current LEP Planning Controls

Provision	Existing LEP Control
Zoning	B3 Commercial Core
Building Height	72 m
Floor Space Ratio	17.1:1

2.4.1 Telstra Exchange

As illustrated in **Figure 8**, the site comprises five properties, a large Telstra Telephone Exchange building and four retail tenancies.



Figure 8 – Current built form at the Telstra Exchange site

Due to its regional significance, the Exchange building cannot be demolished or relocated. The continuing operational presence of the Telstra Exchange necessitates significant structural repositioning and redesign to enable the construction of floors above it. The associated network of cabling means that basement excavation is not possible in any form underneath the Exchange, further complicating the technical requirements at the site. As such, redevelopment here must be undertaken in consideration of the following site-specific constraints:

- Provision of an alternate car parking solution, as basement car parking cannot be accommodated on the site;
- Consideration of the level of complexity and increased cost associated with the structural requirements necessary to facilitate commercially viable development; and
- The incorporation of the Exchange structure itself into the design of the building façade, in order to achieve a high-quality architectural outcome.

Arriving at a technically and financially viable solution to the above has undoubtedly been the main challenge to filling in this significant gap in the urban landscape of St Leonards.

2.4.2 Retail Tenancies

The four retail properties combined, remain as an isolated yet prominent site in the St Leonards Centre, accommodating only low employment generating retail shops – see Error! Reference source not found. below.

Table 4 – Retail stores employment capacity

Retail shops 1, 2, 3 and 4	Attributes
Retail Shops (total site area - not including Telstra Exchange)	663sqm
Existing Direct Employment Generation	30
Maximum Allowable FSR	17.1:1
Maximum Possible GFA	11,271 sqm
Maximum Theoretical Employment	563

The redevelopment of the retail tenancies for commercial uses, with a total combined site area of only 663m², is commercially unviable as a stand-alone proposition. A site of this size is simply too small to be feasible for construction of a commercial office building. The logistics of construction, commerciality of narrow 400 sqm floorplates and therefore overall viability of the project, all dictate that such a building is unlikely to ever be built.

We therefore submit that the ‘loss of employment generating land’ argument does not apply to this site as its maximum employment potential could never be achieved under its existing B3 zone controls. Instead, only its existing employment generation capacity should be considered.

Amalgamation of the Retail Shops and the Telstra Exchange (to form the subject site) creates an opportunity for a new economically viable development, through more efficient floorplates and site configuration, representing the optimal development potential for both sites. It is indeed the only way to provide any opportunity to renew this prominent location.

In the context of the St Leonards Strategic Centre, the chance to rejuvenate what is otherwise an un-developable site presents a significant opportunity. In isolation, none of these sites are in fact developable.

2.5 Surrounding Development

The Telstra Exchange site is located in the heart of St Leonards. The St Leonards Centre, as discussed in **Section 1.2.2**, is in the process of undergoing a transition from an ageing, second tier commercial precinct, to an active mixed-use area incorporating a mix of commercial and residential land uses. This transition is being supported by current development activity, recent approvals and future planned development. The immediate surrounds include a range of building forms which are predominantly medium and high rise commercial and multi-storey, mixed-use residential buildings.

The locational context diagram shown in **Figure 9** below illustrates how the subject site relates to other significant structures in the area, such as The Forum, located diagonally opposite the site, which is currently the Precinct's tallest tower, and as such, is a recognised landmark in the St Leonards skyline. The Forum is constructed over the railway station and incorporates residential, retail and commercial uses, as well as essential facilities and services for residents in the area.

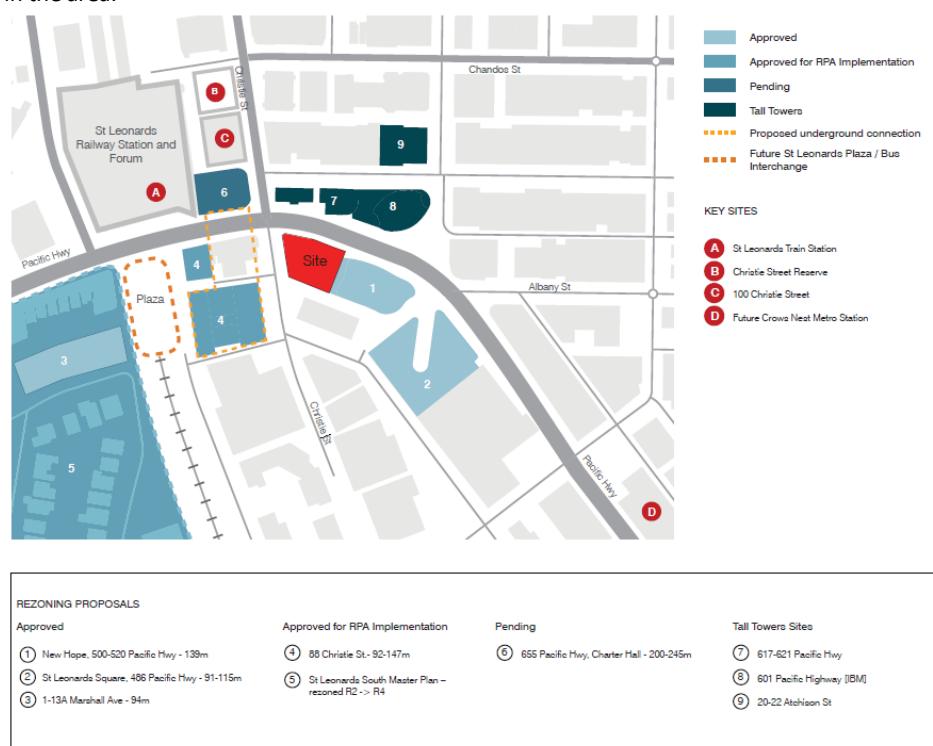


Figure 9 – Map of St Leonards current and future developments

The Telstra Exchange site is also less than 500 m south-east of the Royal North Shore Hospital, a \$2 billion health facility that services Sydney's Northern District (and beyond) and is currently undergoing significant expansion. The redevelopment of the medical and clinical uses of the hospital will be complemented by the development of a 10,000 sqm "support zone" which will include staff accommodation, childcare facilities, administration buildings, car parking and commercial/retail uses. This is a very significant factor in the viability and redevelopment of mixed-use facilities in St Leonards. The Hospital facilities will generate both employment and the need for residential accommodation in its immediate surrounds.

The site is bound to the north by the Pacific Highway. On the northern side of the Pacific Highway is the IBM Centre, a commercial tower of approximately 17 storeys, and two smaller aging commercial buildings ranging in height from 12 to 7 storeys. The IBM Centre site supports a through-site link between the Pacific Highway and Atchison Street, including pedestrian forecourt areas at the base of the round tower. This site however has been identified as potential 'tall tower' development site.

To the east of the site is a commercial tower, some ten storeys in height, which has been constructed to the southernmost frontage of the Telstra Telephone Exchange. This site has also been redesigned as a 46 storey tower, combining 500, 504 and 520 Pacific Highway.

To the south of the site is the seven storey 'Ava House', a strata titled commercial building and Nicholson Street which contains more than 40 commercial tenancies.

The site is bound to the west by Christie Street. Further west, the two-storey commercial /retail buildings present as consistent low density built form to the southern side of the Pacific Highway. This site has been redesigned as a mixed use development up to 144 m.

Photographs of the surrounding development are provided at **Figure 10** below.



The St Leonards forum building and view to 655 Pacific Highway



The Telstra Exchange building, viewed along Pacific Highway



View along Pacific Highway to the IBM building



Retail tenancies adjacent to the site fronting Pacific Highway



Pharmacy House at 82 Christie Street (adjacent to the site)



Existing commercial building at 621 Pacific Highway

Figure 10 – Development surrounding the

In light of its existing and proposed context, this Proposal is considered to be complimentary to and befitting of the Strategic Centre that is growing and evolving at St Leonards. In terms of built form and massing, **Section 5** below provides an indication of the controls put forward by this Planning Proposal and **Section 7** discusses the built form of the proposed buildings in the local area that make up its context.

A more detailed evaluation of built form and scale is provided in **Section 7.3.1** of this report.

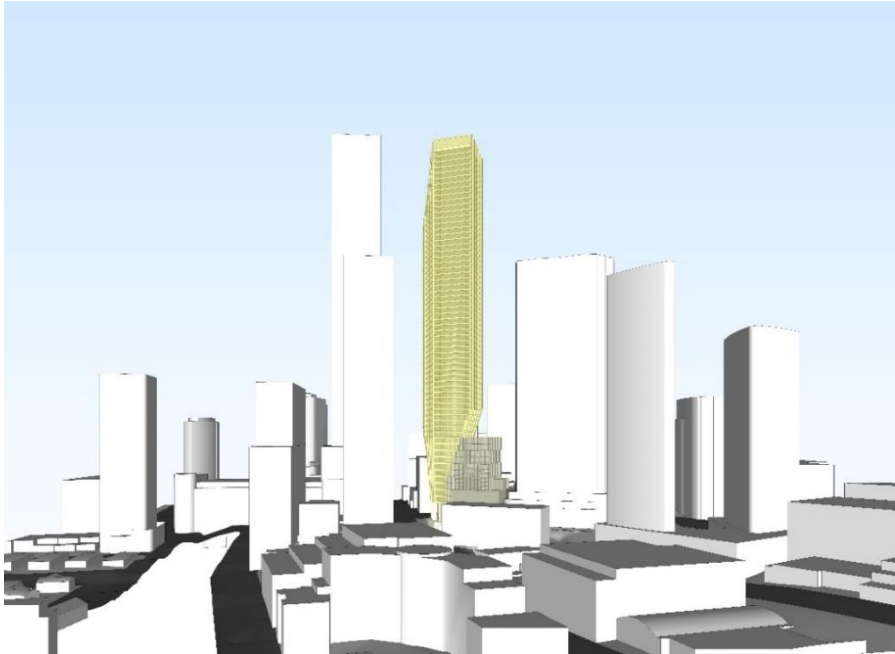


Figure 11 – Development Context in St Leonards

2.5.1 Adjoining Development

The proposed residential development at 500-520 Pacific Highway, adjoining the site to the east (the 'New Hope' development), provides a substantial constraint to the redevelopment of the Telstra Exchange site. The property was rezoned as part of the Leighton / Charter Hall Planning Proposal and is currently subject to a Development Application for a 43 storey residential building.

The design of the proposed development appears to assume that the Telstra Exchange site will never be redeveloped as it locates balconies (habitable rooms) at a setback of only 7 m from the site's western boundary for the entire height of the building. As illustrated in **Figure 12** below, the development also appears to rely on solar access across the Telstra Exchange to fulfil the requirements under the Apartment Design Guide (ADG).

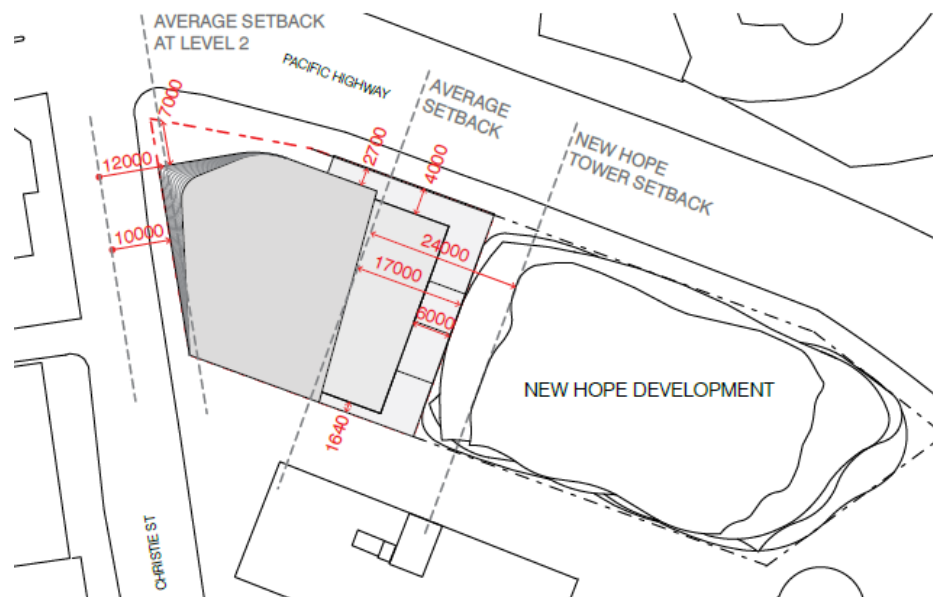


Figure 12 – Proposed residential development at 500-520 Pacific Highway (New Hope Development)

3.0 Local Planning Framework

The site is subject to the *Lane Cove Local Environmental Plan 2009*, which provides the following controls for Zoning, Building Heights and Floor Space Ratio.

3.1 Zoning

Under the Lane Cove LEP, the Telstra Exchange site is zoned B3 Commercial Core with commercial premises and other employment generating uses permitted (refer to **Figure 13** below). Residential uses are currently prohibited on the site under the B3 zone.

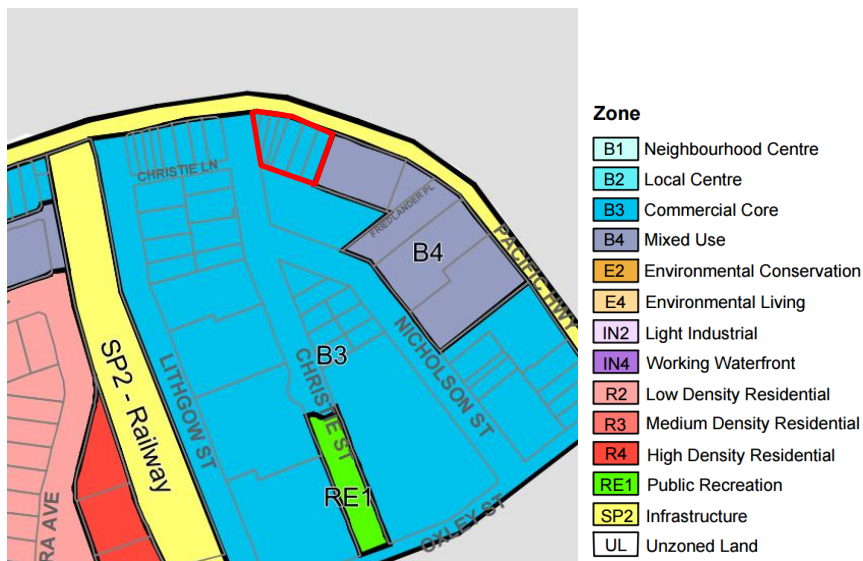


Figure 13 – Lane Cove LEP Zoning Map

3.2 Building Height and Floor Space Ratio Controls

The site has a maximum building height of 72m under the Lane Cove LEP (refer to **Figure 14** below). The maximum Floor Space Ratio (FSR) for the site is 17.1:1 (refer to **Figure 15** below).

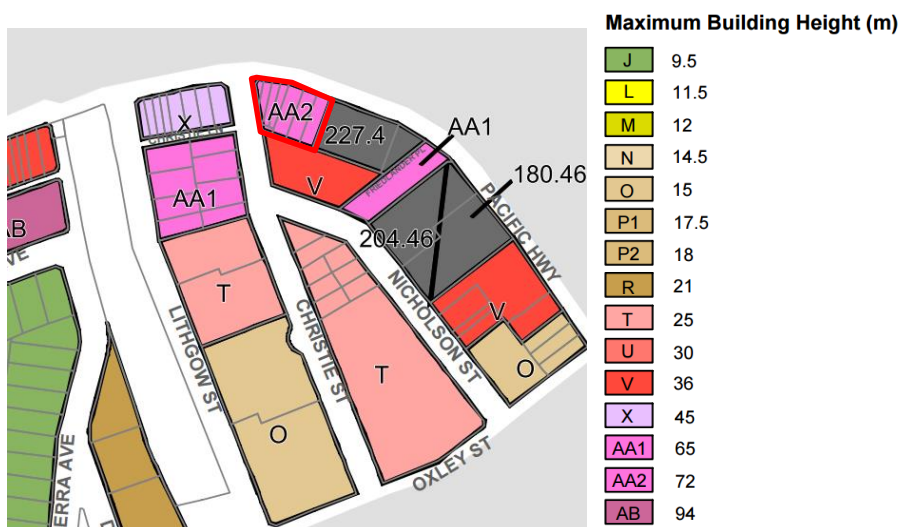


Figure 14 – Lane Cove Building Height map

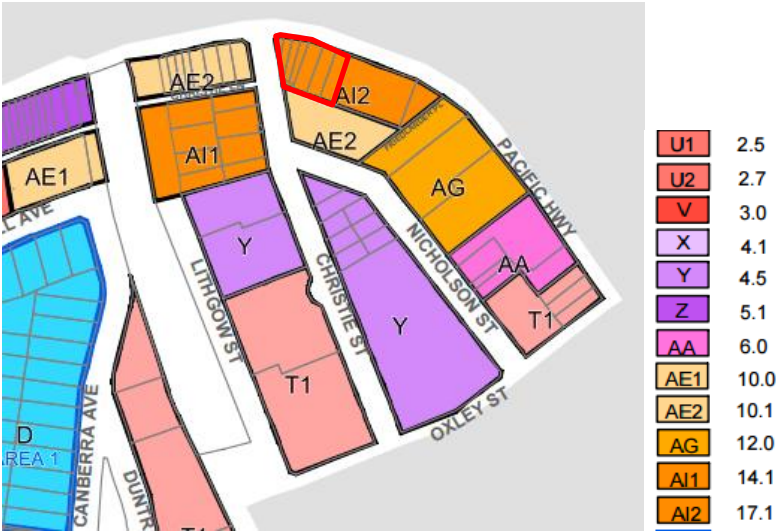


Figure 15 – Lane Cove LEP FSR map

4.0 Strategic Planning Context

The site is in an important strategic location in a Strategic Centre within the Global Economic Corridor. The strategic planning context of the site is discussed below.

4.1 A Plan for Growing Sydney

In December 2014, the Department of Planning and Environment released *A Plan for Growing Sydney* (the Plan). The Plan presents a strategy for accommodating Sydney's future population growth for the next 20 years. The Plan sets out planning principles that will guide Sydney's growth which include:

- increasing housing choice around all centres through urban renewal in established areas;
- stronger economic development in strategic centres; and
- connecting centres with a networked transport system.

The Plan forecasts increased levels of growth in the employment and residential sectors with residential dwelling targets increased by 22% to accommodate an additional 664,000 new dwellings in Sydney by 2031. More recently, DP&E has released the NSW population projections which indicate that the Lane Cove LGA will grow by 47.9% to 2036 with an additional 15,900 persons expected to live in the LGA over this period¹.

As illustrated in **Figure 16** below, the St Leonards Strategic Centre forms part of the Global Economic Corridor, a concentrated zone for economic activity and other uses extending from Port Botany and Sydney Airport, through Sydney CBD, to Macquarie Park, Norwest, Parramatta and Sydney Olympic Park. Importantly, the Strategy speaks of expanding the Global Economic Corridor, by, amongst other things "*expanding employment opportunities and mixed-use activities*".

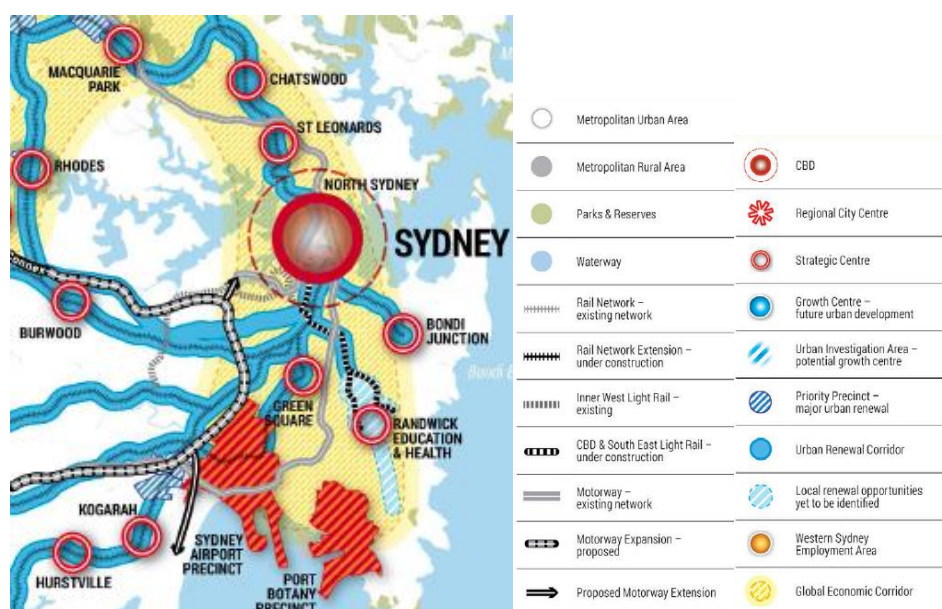


Figure 16 – A Plan for Growing Sydney – Global Economic Corridor

¹ NSW Planning and Environment, 'Population projections for the period 2011 to 2036, for local government areas in NSW', 1 July 2016.

St Leonards is also identified in the Plan as one of Sydney's 28 Strategic Centres. Strategic Centres are locations that currently have, or are planned to have, at least 10,000 jobs and are priority locations for employment, retail, housing, services and mixed-uses.

At present (per NSW Bureau of Transport Statistics Journey to Work data) the St Leonards Centre accommodates 8,087 employed residents, with the largest resident employment growth sectors in Professional, Scientific and Technical Services, and Health and Social Services.

The Plan identifies six subregions within Greater Sydney, which are guided further by the release of the Draft District Plans in late 2016 (refer to discussion in **Section 4.2** below). St Leonards is located in the Northern District, with the following priorities identified to guide the Centre's growth:

- work with council to retain a commercial core in St Leonards for long-term employment growth;
- work with council to provide capacity for additional mixed-use development in St Leonards including offices, health, retail, services and housing;
- support health-related land uses and infrastructure around Royal North Shore Hospital; and
- work with council to investigate potential future employment and housing opportunities associated with a Sydney Rapid Transit train station at St Leonards/Crows Nest.

This proposal supports the achievement of these objectives through the provision of mixed-use development that supports ongoing jobs targets for the Centre as well as providing housing opportunities near strategic jobs locations.

4.2 Draft Northern District Plan

In November 2016, the Greater Sydney Commission (GSC) released the Draft District Plans for each of Sydney's six sub-regions. The Draft District Plans aim to provide a level of strategic planning context between *A Plan for Growing Sydney* and Council's Local Environmental Plans.

The Draft Northern District Plan (the 'District Plan') is a matter for consideration in this Planning Proposal, applying to the St Leonards Centre and the subject site. The District Plan identifies that the residential growth targets for Metropolitan Sydney have increased a further 9% from those forecast in *A Plan for Growing Sydney* (released in late 2014), which increased growth targets from the Draft Metropolitan Strategy by 22% when it was released.

The Draft District Plan identifies the priorities for the Northern region to *leverage off the new Sydney Metro station at Crows Nest to deliver additional employment and residential capacity*.

The District Plan identifies the following residential and employment forecasts for Lane Cove:

- Employment: The centre currently accommodates 47,100 jobs and has a baseline target of 54,000 and a higher target of 63,500 jobs by 2036; and
- Residential: A 5-year target of 1,900 additional dwellings and a 20-year target for the Northern District of 97,100 dwellings, to be delivered in identified priority growth areas such as St Leonards.

Under the Plan, St Leonards is identified as a Collaborative Centre where future planning objectives will, subject to resources, be delivered through a partnership of State agencies and local governments to coordinate growth in the area.

Action P4 of the Plan is to '*Facilitate place making and the growth and diversification of job opportunities in St Leonards*'. In addition to the objectives for the St Leonards and Strategic Centres generally set out in *A Plan for Growing Sydney*, planning for the St Leonards Collaborative Centre will include considerations to:

- leverage off the new Sydney Metro station at Crows Nest to deliver additional employment and residential capacity
- identify actions to grow jobs in the centre
- reduce the impact of vehicle movements on pedestrian and cyclist accessibility
- protect and enhance Willoughby Road's village character and retail/restaurant strip while recognising increased growth opportunities due to significant NSW Government infrastructure investment
- deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives
- promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health
- define the northern perimeter of St Leonards to protect the adjoining industrial zoned land for a range of urban services.

The proposal closely aligns with the objectives of the District Plan as it seeks to facilitate an increase in density proximate transport infrastructure including the Metro Station, deliver additional employment floor space synergistic to the RNSH and provides and will facilitate a contribution towards important social initiatives such as key worker housing.

4.3 Sydney Metro Rail Project

The Sydney Metro City and Southwest Rail project will provide a dramatic increase in rail service capacity, with a new station to be located at Crows Nest, in close walking distance to the site (less than 350 m). Scheduled to be opened in 2024, as part of the 'City & Southwest' section of the project, the new Metro rail will provide 15 services per hour during peak times.

The Metro rail project will substantially improve public transport access to the site, providing a second rail station within walking proximity and facilitating greater access to the key employment hubs of Sydney, including Macquarie Park, Barangaroo, and Sydney CBD.

As can be seen in **Figure 17** below, St Leonards will be serviced by two heavy rail networks, a unique offering in Metropolitan Sydney. There are only four other such locations in Sydney that enjoy this level of transport infrastructure saturation, with respect to rail.

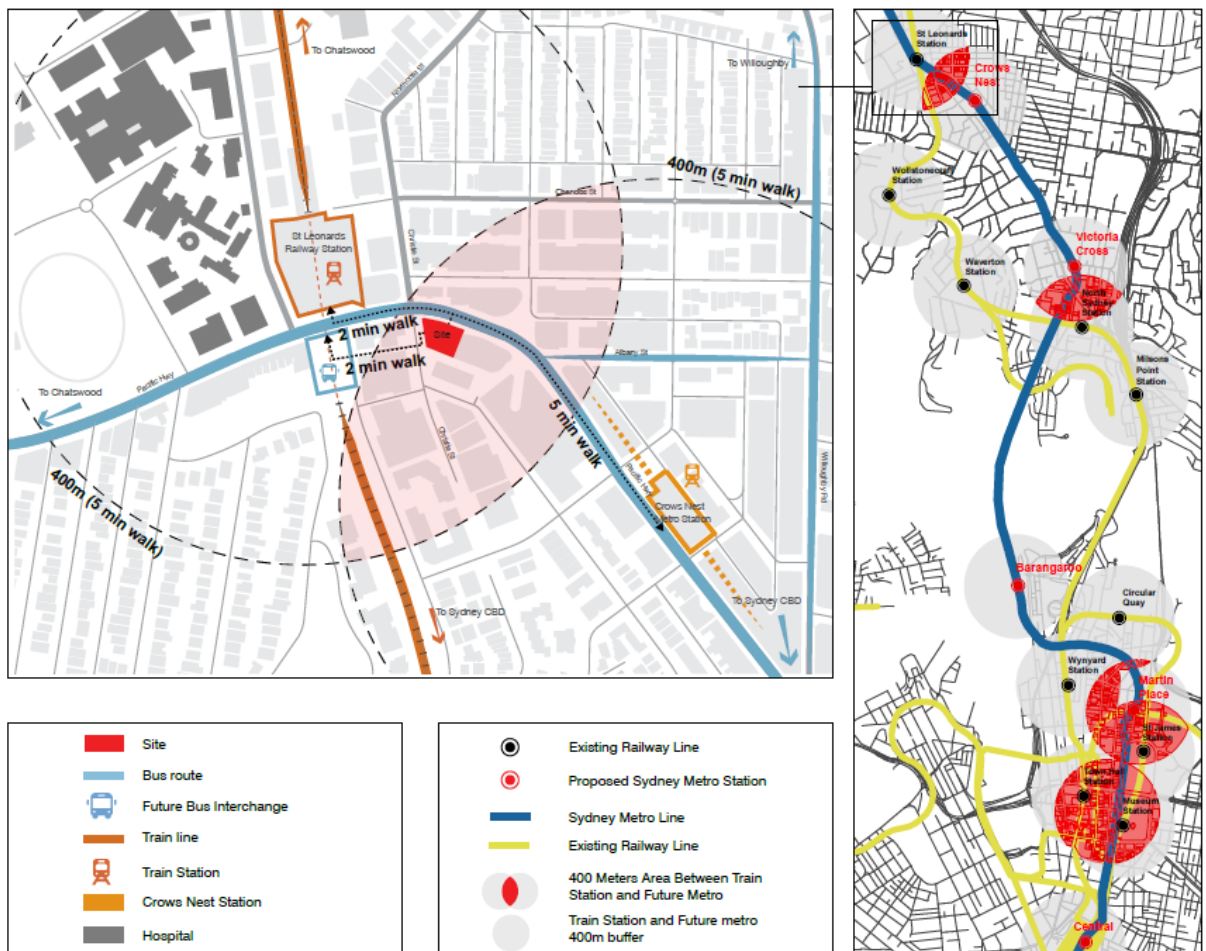


Figure 17 – Metro rail catchments

As can be seen in the detail of St Leonards, the subject site is less than 400 m from both rail nodes. With the exception of the Sydney CBD, the site's location within the walking catchment of an existing heavy rail line and the new Metro Rail provides transport infrastructure comparable to only a small number of sites in Sydney. In this regard, the site is ideally located to facilitate increased density for a mix of uses.

4.4 The Lane Cove Council Pilot Rezoning Program

Lane Cove Council has already supported a number of LEP amendments from B3 Commercial Core to B4 Mixed Use within the St Leonards Centre. Council has referred to these as 'Pilot' Planning Proposals, as outlined in the Council Report for the Leighton /Charter Hall Planning Proposal at 472-520 Pacific Highway, St Leonards, which recommended that *"Council submit the current planning proposal to the Gateway as a pilot scheme for mixed-use zoning on the southern side of the centre"*.

The Report accepts that *"the amenity that would be created through the St Leonards Rail Plaza and Bus Interchange, to be partially funded through a VPA from this proposal, would make a significant contribution to the attractiveness of the remaining commercial precinct."*

In subsequent Council reports, reference is made to Council's "mixed-use targeted economic stimulus program" endorsed by the State Government. There is no reference to this program in any other documentation. It is therefore assumed that it refers to the expansion of the pilot rezoning for 472-520 Pacific Highway, St Leonards.

Further, the opportunity to renew an underutilised and low quality stretch of buildings between two substantial planned redevelopment sites within the St Leonards Centre, uniquely serviced by excellent public transport, should be fully embraced as part of St Leonards' ongoing urban renewal transition.

4.5 St Leonards – Crows Nest Investigation Area

The Department of Planning and Environment (DPE) are in the early stages of exploring the 'vision' for St Leonards with a view to nominating St Leonards as a Priority Precinct. Forming that vision and the strategic framework will rely on:

- Background commercial research including forecasting commercial capacity required for the next 30-50 years;
- Announcement of the preferred Sydney Metro Station at Crows Nest and how this will affect St Leonards in terms of accessibility;
- A Working Group with Lane Cove, Willoughby and North Sydney Councils; and
- Interviews with major land owners / proponents (including an interview with the Proponent in October 2016).

The results of the commercial floor space 'needs analysis' will determine the extent and character of land use change. However, at this early stage there is no clear direction on the extent of residential (or other) uses that will be allowed or the proposed height / FSR controls. The Department has indicated that future controls may be crafted as a SEPP amendment that amends the local LEP.

The Department has, however, pointed out that the Plan for Growing Sydney (2014) does state for St Leonards *"work with Council for additional mixed-use development in St Leonards including office, health, retail, services and housing"*. They also do acknowledge that St Leonards needs greater co-ordination and an overarching plan.

A 'Discussion Paper' is expected to be released by the Department before a more detailed Land Use and Infrastructure Strategy is released at some stage in the first half of 2017. To date, the proponent has had positive discussions with the Department who clearly recognised the important opportunity for renewal that this site presents within the Precinct and the broader imperative to provide jobs and housing within close proximity to key transport nodes and employment centres.

5.0 Part 1 – Objectives and Intended Outcomes

The Planning Proposal seeks to amend Lane Cove LEP 2009 so as to be able to support mixed-use development on the site. The following section outlines the indicative development concept, the objectives and intended outcomes and provides an explanation of provisions in order to achieve those outcomes. These may be read in conjunction with the accompanying Concept Design Report prepared by PTW Architects (**Appendix A**).

5.1 Objectives and Intended Outcomes

The objective of this Planning Proposal is to provide a high-density building containing both commercial and residential uses at 524 – 542 Pacific Highway, St Leonards.

The Proposal seeks to deliver on the State Government’s preferred outcome for St Leonards as expanding Centre with increase employment opportunities and mixed-use activities.

The Proposal intends to facilitate the delivery of a high-quality, mixed-use redevelopment for an isolated and technically difficult site that will more aptly compliment the evolution of the Strategic Centre towards a high-density mixed-use character.

More specifically, the proposal will:

- facilitate the renewal of a constrained and otherwise undevelopable parcel of land;
- integrate the urban landscape of the Pacific Highway frontage, with two contemporary developments soon to be constructed immediately east and west of the site;
- provide an integrated mixed-use building in an evolving mixed-use precinct;
- create a viable commercial presence on the site, at a scale that will meet the future needs of permanent new jobs to support the medical and service-based future role of St Leonards; and
- deliver new residential apartments to take advantage of this accessible location, proximity to services and existing and planned rail networks with direct connections to major employment destinations.

5.2 Proposed Development

The Planning Proposal seeks to facilitate the redevelopment of the site for a mixed-use development commensurate with the status of St Leonards as a Strategic Centre, in line with a Plan for Growing Sydney and the Draft Northern District Plan.

PTW have prepared an architectural scheme conceived to respond to the unique constraints of the site. A numeric overview of the proposed amendments to the planning controls for the site is provided at **Table 5** below. A detailed overview of the proposal is provided in the Concept Design Report prepared by PTW (**Appendix A**) with an indicative photomontage of the desired outcome provided at **Figure 18** and **19**. It is noted that the detailed design of these elements will necessarily be the subject of a future development application.

Table 5 – Numerical Summary

Component	Proposed Development
Height	215m (63 storeys)
FSR	24.6:1
Non-residential GFA	7,309m ²
Residential GFA	33,868m ²
Total GFA	41,177m ²
Indicative Apartment Yield	Approx. 422



Figure 18 – Indicative future development – Street level activation



Figure 19 – Indicative future development – the slender tower concept

Detailed Design Components: A Site Analysis

Telstra Exchange

A critical component of the design remains the Telstra Exchange building, which will be retained in-situ, sitting beneath the structure, as it cannot be relocated or decommissioned. Accordingly, the future development of the site has been informed both architecturally and structurally by this constraint. The design includes a canter-levered structure across the Exchange building with active retail facades screening the Exchange to Pacific Highway. The Exchange will thus be able to remain operative and will not impact on the functionality of the building.

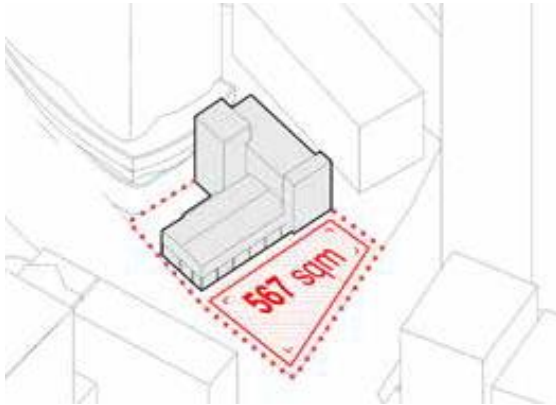


Figure 20 – Telstra Exchange building

Car Stacker

Due to the constraints imposed on the site by the Telstra Exchange, it is not possible to accommodate a basement car park on the site (refer to **Figure 21** below). As such, a car stacking facility will provide 160 total car spaces. It is intended that 112 of those spaces will be allocated to residential apartments and that the remaining 48 will be provided to commercial tenancies.

The car staking facility will provide highly efficient car parking and will be accessed from Christie Street, with vehicles exiting the site onto the Pacific Highway. Detailed discussion of the car staker is outlined in **Section 7.3.1** of this report and in **Appendix A**.

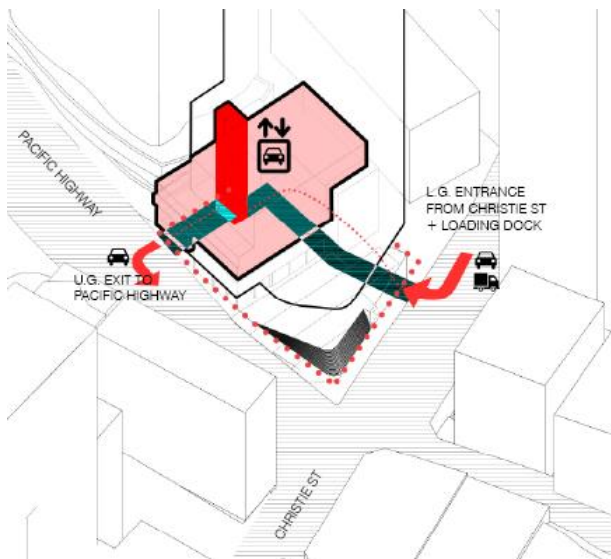


Figure 21 – Site car parking: Egress and Ingress

Non-Residential Floor Space

The development will provide 7,309m² of non-residential floor space across 12 levels. As illustrated in the PTW Concept Design Report in **Appendix A**, the commercial floorplates will comprise a range of smaller spaces suited to smaller tenancies as well as larger floor plates commensurate with the range of commercial tenancy offerings, in line with market demand in St Leonards. The commercial floor space would be well suited to a health or education-related tenancy profile. Economic analysis set out in the Economic Impact Assessment (**Appendix C – Section 4**), suggests that these employment types are the most likely to wish to be located with the St Leonards Precinct.

The quantum of non-residential floor space proposed (7,309m²) is accommodated within the first 12 levels of the development and represents an FSR of 4.3:1.

Residential Accommodation

The residential component of the development will accommodate approximately 422 dwellings, designed to achieve a high level of residential amenity and high quality views south towards the Sydney Harbour and CBD. The PTW Concept Design Report (**Appendix A**) demonstrates that all dwellings can achieve full compliance with SEPP 65 and the requirements of the ADG.

Urban Design

This Proposal seeks to facilitate a taller tower form on the site to respond to the 'gap' in the built form along the Pacific Highway. As illustrated in **Figure 22** below, the changing nature of the built form on the surrounding the sites has resulted in substantial building heights on the adjoining sites along the Pacific Highway. At a macro level, the Proposal seeks to respond to the hierarchy of buildings in the St Leonards Centre with a taller tower form located appropriately on a prominent corner site.

The rationale behind the proposed building height is discussed further in **Section 7.3.1**.

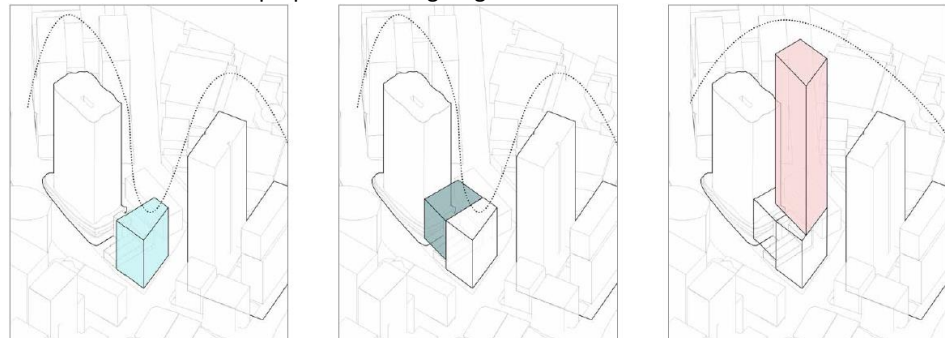


Figure 22 – Response to the urban design context

Built Form

The conceptual built form illustrated in the Design Report (**Appendix A**) seeks to create an elegant and iconic tower that addresses the prominent corner location along the Pacific Highway. **Figure 23** below illustrates the proposed massing of the building that provides an elegant structural response at the Telstra Exchange. The building's sculptural and slender form is intended to be accessible, rich and compelling when experienced as a pedestrian.



Figure 23 – Proposed building massing

Public Domain

The development of the Telstra Exchange site will allow the reconnection of the urban fabric of the area, filling a significant gap in the current linkage of current and future development in the Precinct. This is illustrated below in **Figure 24**.

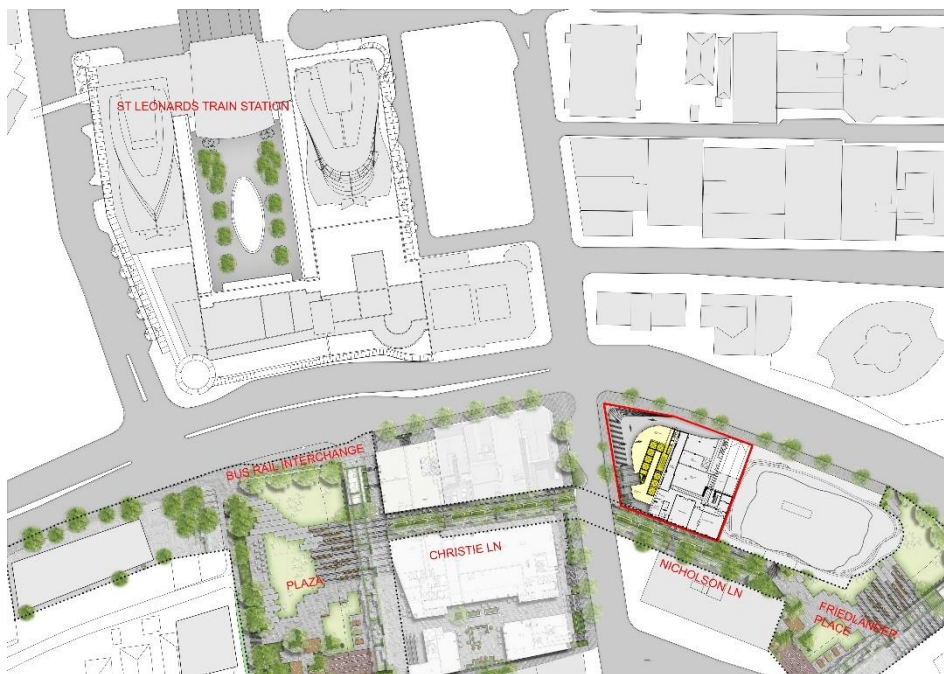


Figure 24 – Public Realm of the future St Leonards Precinct

5.3 Public Benefit

As part of the Planning Proposal, it is envisaged that Grocon will enter into a Voluntary Planning Agreement (VPA) with Lane Cove Council (Council) to offer a combination of the following:

- Dedication of a quantum of residential apartments for the provision of key worker housing and/or affordable housing, given the site's proximity to Royal North Shore Hospital and key public transport infrastructure located within close proximity to the site;
- Allocation of a quantum of commercial floor space to the Tenant Attraction Scheme, which provides start-up or new tenants with a rental subsidy;
- A financial contribution or a works in kind dedication towards public domain improvements to Christie Lane and surrounds;
- A financial contribution towards a north-south underground or above-ground pedestrian link across the Pacific Highway;
- A contribution of 0.1% of the development's total Gross Realised Value towards the Homes for Homes scheme.

The full extent of the VPA and public benefit will be agreed with Council prior to submitting the Proposal to the Gateway, with a draft VPA intended to be exhibited at a later date.

6.0 Part 2 – Explanation of Provisions

The Lane Cove LEP sets out the local planning controls across the Lane Cove LGA. This Planning Proposal seeks to amend the Lane Cove LEP to facilitate the proposed mixed-use development outlined above.

The existing and proposed LEP controls, as well as the recommended amendments are outlined below.

6.1.1 Existing and Proposed LEP Controls

The existing and proposed LEP controls are outlined in **Table 6** – below. A full explanation of the proposed changes is provided in the subsequent sections.

Table 6 – Existing and proposed LEP controls

Provision	Existing LEP Control	Proposed LEP Control
Zoning	B3 Commercial Core	B4 Mixed-Use
Building Height	72m	215m
Floor Space Ratio	17.1:1	24.6:1

6.1.2 Zoning

To facilitate the development at this site, it is proposed to rezone the site from B3 Commercial Core to B4 Mixed Use (see proposed zoning map at **Section 8** of this document). A rezoning is required as residential accommodation is prohibited in the B3 Commercial Core Zone. The B4 Mixed Use Zone is the most appropriate zone given the mix of uses proposed.

6.1.3 Building Height

It is proposed to increase the maximum building height from 72m to 215m (RL290.65) by amending the Height of Buildings Map (see proposed Height of Buildings Map at **Section 8**).

6.1.4 Floor Space Ratio

It is not proposed to change the maximum floor space ratio (FSR) control to 24.6:1 by amending the Height of Buildings Map (see proposed **Floor Space Ratio** Map at **Section 8**). The LEP amendment seeks to introduce a site specific minimum non-residential FSR control of 4.3:1, providing for the proposed 7,309m² of commercial floor space on the site.

7.0 Part 3 – Justification

This section demonstrates the need for the proposal (**Section 7.1**) as well as its relationship with the strategic planning framework (**Section 7.2**). The environmental, social and economic impacts of the proposal are considered in **Section 7.3**.

7.1 Section A – Need for the Planning Proposal

Q1. Is the Planning Proposal the result of any strategic study or report?

The Planning Proposal responds to a number of Strategic Studies and reports prepared for the St Leonards Centre that reflect the changing nature of the Centre. Discussion of the relevant sections contained in these studies are discussed in **Section 7.2** below.

This Planning Proposal has been prepared as a direct response to the Economic Impact Assessment (EIA) report prepared by Urbis, commissioned specifically to assess the proposed development at the Telstra Exchange Site (**Appendix C**). As outlined in the EIA, the demand for commercial floor space in St Leonards remains comparatively low, with an average take-up rate of only 625 sqm per annum over the last 15 years (**Appendix C – Section 4**). This is significantly less than those of neighbouring suburban Office Markets in Sydney (e.g. North Sydney, Macquarie Park, and Chatswood) – this is discussed in further detail in **Section 7.3.2** below.

The EIA (**Appendix C – Section 6**) also concludes that a stand-alone commercial development on the site is not economically viable. This is due primarily to the increased costs and practical impediments to redevelopment associated with the site-specific constraints specific to the site as well as the inability of the St Leonards Office Market to absorb a large commercial development.

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

This Planning Proposal is the best means of achieving the objectives and intended outcomes. Ultimately, the site's capacity to enhance its employment generation is contingent on being part a larger mixed-use redevelopment, where site-specific development costs can be offset by the inclusion of residential land uses.

As discussed in **Section 1.2.1**, the unique nature of the site sterilises the opportunity for a pure commercial office development without the inclusion of additional, higher value, land uses and additional development potential in the form of height and FSR increases.

Given that residential accommodation is currently prohibited in the B3 Commercial Core zone, and the proposed height and FSR cannot be delivered under the existing planning controls, a rezoning to B4 Mixed Use is necessary, indeed imperative.

7.2 Section B – Relationship to Strategic Planning Framework

Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (including any exhibited draft plans or strategies)?

This Proposal is consistent with both *A Plan for Growing Sydney* and the *Draft Northern District Plan*. The Proposal's compliance with the stated objectives and actions of both plans is discussed in detail below.

7.2.1 A Plan for Growing Sydney

This Planning Proposal is consistent with the goals and directions outlined in *A Plan for Growing Sydney*, and the aims for Strategic Centres as it provides for:

- future growth within a strategic centre;
- increased housing close to centres and stations;
- increased housing variety;
- housing in an existing centre, delivering economic, environmental and social benefits; and
- a range of services within a strategic centre, making it a focal point for the community and increasing prospects for economic growth and job creation.

The Proposal has been prepared in response to the strategic significance of the site to facilitate a development that achieves the intent of the objectives for the St Leonards Strategic Centre, namely:

- to provide capacity for additional mixed-use development in St Leonards including offices, health, retail, services and housing;
- support health-related land uses and infrastructure around Royal North Shore Hospital;
- investigate potential future employment and housing opportunities associated with a Sydney Rapid Transit train station at St Leonards/Crows Nest.

The Proposal's compliance with the relevant Actions and Directions of *A Plan for Growing Sydney* are detailed below.

Expand the Global Economic Corridor – Direction 1.6

St Leonards lies within the Global Economic Corridor (GEC), a clustering of employment and economic activity responsible for 41% of the NSW Gross State Product. *A Plan for Growing Sydney* forecasts that by 2030 there will be demand for some 190,000 stand-alone office jobs within the GEC, of which 75% are expected to be located in suburban office markets, including St Leonards.

This Planning Proposal will facilitate the development of the site so as to achieve a substantial quantum of office floor space which would not otherwise be able to be provided. The commercial floor space offering of 7,300m² would be enough to satisfy market demand for office floor space in St Leonards for the next decade at the current take-up rate of 625m² per annum or for the next 5 years, should the take-up rate double to over 1,200m² per annum (**Appendix C**).

Grow Strategic Centres – Direction 1.7

St Leonards is identified as one of Sydney's Strategic Centres. This Planning Proposal will facilitate Action 1.7.1 to grow jobs and housing to create vibrant hubs of activity as it will allow for the redevelopment of an otherwise undevelopable site for both residential and

employment generating activities. This Planning Proposal will provide new housing stock and employment opportunities within a highly functional mixed-use precinct that is within close proximity to significant transport infrastructure, upgraded community spaces and high amenity retail offerings. The Centre will also benefit from access to upgraded health and educational services in the immediate area, presenting a significant opportunity for urban renewal and accelerated housing supply.

Accelerate Housing Supply and Urban Renewal Across Sydney – Direction 2.1 & 2.2

This Planning Proposal will directly support this direction as it will facilitate the delivery of additional housing in a location that is very well served by public transport and is located in close proximity to significant employment.

The Proposal will facilitate the renewal of a key site located within a transport corridor that has undergone significant investment as a result of the existing St Leonards rail station and the future Crows Nest Metro rail station (Action 2.2.2).

The St Leonards Centre currently has access to approximately 520,000 jobs within a 20-minute train ride (see: Urbis EIA – **Appendix C**, Section 5.4). The construction of Crows Nest station, located within 350 m of the site, will further improve access to employment opportunities in this location, providing residents with direct links in both directions to many of Sydney's key employment hubs, including Barangaroo, North Sydney, Chatswood, Macquarie Park, Martin Place, Wynyard, Town Hall, Pitt Street and Central.

7.2.2 Draft Northern District Plan

The recently released (November 21, 2016) Draft Northern District Plan identifies St Leonards as a Collaborative Centre where future planning objectives will, subject to resources, be delivered through a partnership of State agencies and local governments to coordinate growth in the area.

The Planning Proposal is consistent with the Directions for the St Leonards Centre and Lane Cove LGA provided in the Draft Northern District Plan (the District Plan) as set out in **Section 4.2** of this report.

To reiterate, Action P4 of the District Plan is to 'Facilitate place making and the growth and diversification of job opportunities in St Leonards'. Planning for the area will include considerations to:

- leverage off the new Sydney Metro station at Crows Nest to deliver additional employment and residential capacity
- identify actions to grow jobs in the centre
- reduce the impact of vehicle movements on pedestrian and cyclist accessibility
- deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives
- promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health

In establishing how this Proposal responds to Action P4 of the District Plan, consistently with each of the above considerations is discussed in detail below.

Leverage off the new Sydney Metro station at Crows Nest to deliver additional residential and employment capacity

This Planning Proposal will facilitate the delivery of approximately 422 dwellings in the immediate vicinity of both St Leonards and the future Crows Nest Station. It will also provide 7,309m² of commercial floor space over 12 storeys, which is estimated to deliver, based on a conservative rate of 1 employee for every 15 sqm of Commercial NSA, approximately 439 permanent new jobs to the area. The construction phase of the project will create an

additional 879 jobs. Please find further discussion of the potential provision of employment associated with this Proposal set out in Section 7 of the Urbis EIA, **Appendix C**.

Identify actions to grow jobs in the centre & promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health

It is anticipated that the commercial offering at the Telstra Exchange site, as designed, is likely to be attractive to medical tenants and businesses benefiting from synergies with the Royal North Shore Hospital (**Appendix C**).

Further, the Proponent's offer of Public Benefit proposes an allocation of a quantum of commercial floor space to the Tenant Attraction Scheme, which provides start-up or new tenants with a rental subsidy (refer to **Section 5.3**). This space is designed to facilitate new jobs in the Centre in areas identified by the District Plan as strategically important to employment growth here, such as education or health-related activities.

Deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives

The proponent's offer of public benefit also proposes an upgrade of pedestrian linkages in the area in order to leverage off the upgraded community / cultural spaces and retail amenity provided as part of the rezoning approvals of the Winten, Loftex and Charter Hall/Leighton Planning Proposals. These include: St Leonards Plaza, Friedlander Place and the upgrade to Nicholson and Christie Lanes, all of which are in the immediate vicinity of the site.

Reduce the impact of vehicle movements on pedestrian and cyclist accessibility

The site is uniquely positioned to aid in the reduction of the impact of future vehicle movements in the area. The site's proximity to both St Leonards and the future Crows Nest Metro Station provides an excellent opportunity to create genuine Transit Orientated Development.

The proponent has supported this concept with the provision of only 160 total car spaces. The parking breakdown (refer to **Section 5.2** and **Appendix E**) of 112 spaces for residential and 48 spaces for commercial, means that 75% of residential apartments in the development will be without on-site car parking. These residents will use either public transport or ride-sharing services as their primary means of transportation, lessening the impact of potential future vehicle movements in the area.

To this end, the Traffic Assessment undertaken by GTA Consultants provides a comparative assessment of the traffic impact associated with stand-alone commercial development under the site's current planning controls under the B3 Commercial Core zone (**Appendix E – Section 7.7**). The analysis is based on a scheme by PTW Architects, providing 10,836 sqm of commercial floor space, at an FSR of only 6.5:1 and 160 car spaces. This was designed to assess the full impact of the controls, should they have been able to facilitate commercial development at this location (refer to **Section 7.3.1**).

GTA's analysis suggests that while the proposed mixed-use scheme would result in 62-68 vehicle movements during AM and PM peak times, a pure commercial scheme under the site's current planning controls (at an FSR of only 6.5:1) would generate 128 movements, double that of the proposed scheme.

Clearly the scheme set out in this Proposal is better able to achieve the District Plan's objective of reducing vehicle impacts in the Centre in order to facilitate pedestrian cycling accessibility than potential development under the site's current planning controls.

7.2.3 Assessment Criteria – Does the Planning Proposal have strategic merit?

Part 3 of *A Guide to Preparing Planning Proposals* establishes an assessment criteria for determining if Planning Proposals have strategic merit:

a) Does the proposal have strategic merit? Is it:

- *Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or*
- *Consistent with a relevant local council strategy that has been endorsed by the Department; or*
- *Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.*

The Guide also provides that there is a presumption against a rezoning review that requests to amend LEP controls that are less than 5 years old, unless the proposal can clearly justify that it meets the strategic merit test.

The Lane Cove LEP was gazetted in 2009 and as such is now 7 years old. Notwithstanding this, the Planning Proposal clearly meets the Strategic Merit test outlined above. Since gazettal of the Lane Cove LEP in 2009, the following major changes to the strategic context of the site have occurred:

- *A Plan for Growing Sydney* was released which identified a need to increase housing supply in strategic centres close to transport and that the Greater Sydney Region required an additional 664,000 dwellings by 2036 to accommodate population increases. The Draft Northern District Plan has also been released which increases Sydney's population targets by a further 9%, translating to 1.74 million additional people and more than 725,000 new homes;
- The announcement of the Sydney Metro, providing a second train station (Crows Nest Station) within walking distance (350 m) of the site;
- The evolution of character and scale of development at St Leonards with a number of Planning Proposals introducing a mix of uses in the Centre, further demonstrating the changing context of the area;
- Population forecasts released by DPE in October 2016 (and included in the Draft District Plan) identify that the Lane Cove LGA will need to accommodate an additional 1,900 dwellings over the next 5 years; and
- The declining demand for office space in St Leonards over the past 16 years is a significant factor in the viability of stand-alone commercial development on this site and others in the area. This is discussed in more detail in the EIA (Section 3) at **Appendix C**.

For the reasons outlined above, the Planning Proposal has clear strategic merit and responds to a number of significant changes in the strategic planning context of the site that the LEP controls from 2009 do not respond to.

7.2.4 Response to Site Specific Constraints

The second part of the Merit test contained within Part 3 of the Guide, relates to the site-specific merit of the proposal, as outlined below:

b) Does the proposal have site-specific merit, having regard to the following:

- *the natural environment (including known significant environmental values, resources or hazards) and*
- *the existing uses, approved uses, and likely future uses of land in the vicinity of the proposal and*
- *the services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.*

The Telstra Telephone Exchange is a key piece of regionally significant infrastructure. It is rated by Telstra as a 'strategic node', the company's second highest level of strategic significance, owing primarily to the number of customers serviced by it and the importance of the equipment housed within. Similarly, the Exchange is also a key node for NBN.

As such, the Exchange cannot be decommissioned or relocated and must remain operational for the duration of any future construction at the site, presenting a significant constraint to development. This is a considerable structural challenge, which comes at a substantial economic cost. Any development on the site must cantilever across the structure in order to build above the existing building. The presence of the Exchange also prevents the excavation of a basement on the site, requiring parking to be accommodated above the ground in the form of a car stacker.

The combination of a relatively small site area (for commercial development), restrictive setbacks associated with the adjacent New Hope development and the property's isolated position within the precinct, all mean that large commercial (A-Grade) floor plates are not achievable. This is a commercial reality that prevents the site from being able to secure the necessary pre-commitment to facilitate stand-alone commercial development at this location.

The proposed mixed-use rezoning of the site is commensurate with the changing development landscape of the St Leonards Centre. The proposal will also encourage the use of the significant transport infrastructure, upgraded community spaces and enhanced retail amenity that is within close proximity of the site by both residents and workers in the area.

7.2.5 Relationship to Local Planning Framework

Q4. Is the planning proposal consistent with a council's local strategy or other local strategic plan?

The St Leonards Strategy is the only relevant local strategy here and was prepared in 2006. It included four primary aims:

- to inform the content of each of the councils' new comprehensive LEPs, as part of the NSW Planning Reform Program;
- to identify how the economic role of the centre can be strengthened;
- to identify how sustainability, amenity and a sense of place in the centre can be strengthened; and
- to establish a co-ordinated planning approach from the three Councils.

The St Leonards Strategy recommended a 'strategic growth' scenario to achieve the increase in workspace required to accommodate the 8,000 additional jobs in St Leonards targeted by the Draft Inner North Subregional Strategy. It identifies the site as forming part of the St Leonards Centre and presenting an opportunity for commercial development. The Strategy recommends that the FSR for the site is increased to encourage commercial development, as such the control was increased under the Lane Cove LEP 2009. This increase was a clear response by Council to the changing needs of the St Leonards Precinct, even then, and its excellent credentials to accommodate a larger working population.

Whilst Council has worked to retain the commercial core within the St Leonards Centre over the last 10 years, in accordance with the Strategy, development under the current B3 Commercial Core zone has not occurred. This is despite the uplift in both height and FSR provided in LEP 2009. Development in the area has been facilitated, however, through rezoning to B4 Mixed Use, notably, in the case of both the Leighton / Charter Hall and Winten Planning Proposals, after a demonstrated inability to produce new economically viable commercial development in this location.

As such, the strategic vision for the St Leonards Centre is currently under review by both State and Local government planning authorities. Council investigation includes the St Leonards South Master Plan, which intends to rezone land to the west of the rail line on the southern side of Pacific Highway, from Low Density Residential to Medium and High Density (discussed in more detail in **Section 1.2.2** of this report).

The St Leonards Strategy also recognised the need for additional housing within the centre. Whilst the site is not identified for residential uses, it supports the Strategy by providing for housing close to transport, with a range of dwellings sizes and types to support the needs of the population.

7.2.6 Relationship to Legislative Plans and Policies

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

An assessment of the Planning Proposal against applicable State Environmental Planning Policies (SEPPs) is provided in the Error! Reference source not found. below.

Table 7 – Consistency with relevant SEPPs]

SEPPs	Consistency			Comment
	YES	NO	N/A	
SEPP No 1 Development Standards			✓	SEPP 1 does not apply to Lane Cove LEP.
SEPP No 55 Remediation of Land	✓			A Phase 1 Preliminary Site Investigation (PSI) was undertaken by EI Australia (Appendix E) to determine the potential risk for land contamination from past and current activities. Based on the findings of the assessment and with consideration of the Statement of Limitations, EI conclude that site contamination is unlikely to prevent the site from being redeveloped in future, including to more sensitive uses than the existing land use.
SEPP No 64 Advertising and signage			✓	Not relevant to proposed amendment.
SEPP No 65 Design Quality of Residential Flat Development	✓			The development on the site facilitated by the Planning Proposal is capable of demonstrating compliance with the relevant design principles contained within SEPP 65 and the ADG. Detailed discussion of compliance is set out in Section 7.3.1 of this report as well as the PTW Concept Design Report in Appendix A
SEPP No.70 Affordable Housing (Revised Schemes)			✓	Not relevant to proposed amendment.
SEPP (Affordable Rental Housing) 2009			✓	Not relevant to proposed amendment.
SEPP (BASIX) 2004	✓			Detailed compliance with SEPP (BASIX) will be demonstrated at the time of making a development application for the site facilitated by this Planning Proposal.
SEPP (Exempt and Complying Development Codes) 2008	✓			May apply to future development of the site.
SEPP (Infrastructure) 2007	✓			Initial discussions have been held with the RMS in regard to the potential for access to the site from Christie Street and discharging vehicles in a contra-flow direction onto Pacific Highway, to which there was no objection. The RMS also expressed no objection to reduced parking numbers at the site to the use of a car stacker as a parking solution. Consultation with RMS and Transport for NSW will occur during public exhibition.
SEPP (housing for seniors or people with a disability) 2004			✓	Not relevant to proposed amendment.
SEPP (State and Regional Development) 2011	✓			The future development of the site is likely to be deemed as 'regional development' (meeting the relevant thresholds under Schedule 4A of the EP&A Act), with the Sydney Planning Panel acting as the determining authority

SEPPs	Consistency			Comment
	YES	NO	N/A	
Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005	✓			The proposed development is not located directly on the Sydney Harbour Catchment foreshore. Consistency with the REP will be considered and addressed appropriately at DA stage.

Q6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

Ministerial directions under Section 117 of the EP&A Act require Councils to address a range of matters when seeking to rezone land. A summary assessment of the Planning Proposal against the Directions issued by the Minister for Planning and Infrastructure under Section 117 of the EP&A Act is provided in **Table 8**.

Table 8 – Assessment against ministerial directions

Ministerial Directions	Consistency		N/A	Comment
	YES	NO		
1. Employment and Resources				
1.1 Business and Industrial Zones	✓			While the Planning Proposal seeks a rezoning to facilitate a mixed-use development, it is nevertheless consistent with this direction in that it retains a zoning that permits all types of commercial premises with consent. Refer to further discussion below.
1.2 Rural Zones			✓	Not applicable
1.3 Mining, Petroleum Production and Extractive Industries			✓	Not applicable
1.4 Oyster Aquaculture			✓	Not applicable
1.5 Rural Lands			✓	Not applicable
2. Environment and Heritage				
2.1 Environment Protection Zones			✓	Not applicable
2.2 Coastal Protection			✓	Not applicable
2.3 Heritage Conservation			✓	Not applicable
2.4 Recreation Vehicle Areas			✓	Not applicable
3. Housing, Infrastructure and Urban Development				
3.1 Residential Zones	✓			The proposed amendment to the LEP would see the delivery of new dwellings located in close proximity to significant public transport, employment opportunities and day to day services. The proposal will therefore make more efficient use of this infrastructure and will reduce the consumption of land for housing and associated urban development on the urban fringe.
3.2 Caravan Parks and Manufactured Home Estates			✓	Not applicable
3.3 Home Occupations			✓	Not applicable
3.4 Integrating Land Use and Transport	✓			The Planning Proposal will facilitate a mixed-use development that better utilises the significant public transport investment at the Crows Nest Metro station (approximately 350m from the site) and the existing St Leonards station (approximately 100m from the

Ministerial Directions	Consistency		N/A	Comment
	YES	NO		
				site). The LEP amendment will unlock the development potential of the site, will concentrate critical mass to support public transport, and improve access to housing and jobs and services by walking, cycling and public transport. In light of this the proposal will facilitate better use of public transport, being one of only a few key sites outside of the CBD that is located within 400m of a metro station and an existing rail station.
3.5 Development Near Licensed Aerodromes			✓	Not applicable
3.6 Shooting Ranges			✓	Not applicable
4. Hazard and Risk				
4.1 Acid Sulphate Soils	✓			Lane Cove LEP contains acid sulphate soils provisions and this proposal does not seek to amend them. Acid sulphate soils investigations and analysis will accordingly be undertaken as part of any future development of the land in accordance with the requirements of the Lane Cove LEP.
4.2 Mine Subsidence and Unstable Land			✓	Not applicable
4.3 Flood Prone Land			✓	Not applicable
4.4 Planning for Bushfire Protection			✓	Not applicable
5. Regional Planning				
5.1 Implementation of Regional Strategies			✓	Not applicable
5.2 Sydney Drinking Water Catchments			✓	Not applicable
5.3 Farmland of State and Regional Significance on the NSW Far North Coast			✓	Not applicable
5.4 Commercial and Retail Development along the Pacific Highway, North Coast			✓	Not applicable
5.8 Second Sydney Airport: Badgerys Creek			✓	Not applicable
6. Local Plan Making				
6.1 Approval and Referral Requirements	✓			No new concurrence provisions are proposed.
6.2 Reserving Land for Public Purposes	✓			No new road reservation is proposed.
6.3 Site Specific Provisions	✓			This Planning Proposal seeks to rezone the site to an existing zone already applying in the Lane Cove LEP (B4 Mixed-Use), without imposing any additional requirements for that zone. The proposal seeks to impose a site-specific provision requiring a portion of non-residential GFA, however this control is common in LEPs and is consistent with existing provisions in the Lane Cove LEP.

Ministerial Directions	Consistency		N/A	Comment
	YES	NO		
7. Metropolitan Planning				
7.1 Implementation of the Metropolitan Plan for Sydney	✓			Refer to Section 7.2.

Consistency with Ministerial Direction 1.1

Direction 1.1 applies when a Planning Proposal will affect land within an existing or proposed business or industrial zone. The site is currently zoned B3 Commercial Core and is proposed to be rezoned to B4 Mixed Use.

Although the proposed change to a B4 zone will facilitate residential development as a permitted use, the new zone will retain all employment uses permitted on the site. In this regard, the Proposal remains consistent with Direction 1.1 (4)(c) which requires that a Planning Proposal must *not reduce the total potential floor space area for employment uses and related public services in business zones*.

Despite the increase in residential floor space on the site, the Planning Proposal will facilitate an increase in the overall amount of employment generated by allowing the site to be redeveloped. This is discussed further in Section 1.2.3.

The significant constraints imposed by the Telstra Exchange Building, preventing a basement and requiring a cantilever over the existing structure, as well as the fragmented ownership of the retail tenancies, are a genuine impediment to any redevelopment at the site for commercial uses. The site's practical constraints mean that it will not ever be able to achieve A-Grade office floor plates, resulting in a suboptimal tenancy offering. Further exacerbating the site's viability as a location for commercial development, demand for office space in the St Leonards Centre has declined significantly relative to other Sydney Office Markets over the past 15 years. Since 2000, the Centre has had an average annual take-up rate of commercial floor space of only 625m² (refer to **Appendix C**).

Market analysis contained in the Urbis EIA suggests that the low take-up is the result of stronger market interest in more desirable locations such as Macquarie Park and Chatswood. These locations offer more affordable rents, greater amenity and proximity to larger retail centres. Additionally, larger floor plate offerings are available, which are more desirable to large organisations, allowing them accommodate more staff on a single level, providing for greater connectivity and efficiency (**Appendix C – Section 2**)

Given the above, the EIA conducted feasibility analysis for stand-alone commercial development on the site (**Appendix C - Section 6**). Ultimately, it was established that a purely-commercial development would not be able to generate a positive cash flow position (-35% ROI), despite generous assumptions for rental yields, timing for occupation and end value. This is discussed in further detail at **Section 7.3.1** of this report.

Notwithstanding, this Planning Proposal is committed to providing 7,309 sqm of commercial floor space on the site. This offering has the capacity to satisfy the entire commercial office market demand in the Centre (average annual take up of 625 sqm) for the next 11.5 years. As such, the Planning Proposal is consistent with Direction 1.1 as it will increase the amount of actual commercial floor space available in the Centre. This is floor space that would not otherwise be able to be provided on this site. If the site remains undeveloped, as is today, increased employment generation is not possible.

The proposal is therefore consistent with the objectives of Direction 1.1, as outlined below:
a) encourage employment growth in suitable locations,

The proposal will facilitate an increase in the amount of commercial floor space on the site, encouraging employment growth in the St Leonards Centre. The Centre is a specialised health services and education precinct, as prescribed by strategic planning objectives. As such, future

employment on the site will likely facilitate further growth and expand the future capacity of these industries. This Planning Proposal will directly facilitate the achievement of this objective as it will provide a significant quantum of high quality commercial floor space on a site that is otherwise unable to generate any meaningful employment density.

b) protect employment land in business and industrial zones, and

While the proposal seeks to amend the site's zoning to B4 Mixed Use, the range of permitted employment and business uses remain the same as they would be under the B3 Commercial Core zone. As such, the Proposal will not erode employment land on the site. The unique site-specific constraints require an amendment to the LEP controls to facilitate the delivery of any increase in commercial floor space.

c) support the viability of identified strategic centres.

The proposal will support the viability of the St Leonards Strategic Centre by facilitating the delivery of increased commercial floor space that is in line with demand in the area. The St Leonards Centre is a specialised health services and education precinct that will be strongly supported by this Proposal. The introduction of residential uses on the site will also greatly support the viability of the future mixed-use development. These uses will benefit from the significant investment in transport infrastructure, community spaces and retail offerings in the Centre, all of which will encourage and foster new growth in a highly-functional and well-integrated mixed-use precinct.

7.2.7 Local Statutory Framework

Lane Cove LEP 2009

This section assesses the consistency of this Planning Proposal with the aims and objectives of the Lane Cove LEP 2009 and relevant development standards.

Consistency with Overall Aims

The proposal's consistency with the overall aims of the Lane Cove LEP is demonstrated in **Table 9** below.

Table 9 – Consistency with the aims of the Lane Cove LEP

Aim	Proposal	Consistency
a) to establish, as the first land use priority, Lane Cove's sustainability in environmental, social and economic terms, based on ecologically sustainable development, inter-generational equity, the application of the precautionary principle and the relationship of each property in Lane Cove with its locality,	The Planning Proposal will facilitate the achievement of these objectives, by enabling the development of an economically feasible scheme on the site that will deliver economic, social and environmental sustainability. The proposal will facilitate the redevelopment of a key site, hence stimulating the local economy. Preliminary SEPP 65 analysis demonstrates that the orientation of the towers will ensure adequate solar access and cross ventilation can both be achieved, ensuring passive heating and cooling. The future development of the site will demonstrate the environmental sustainability of the building and will deliver significant public benefit through a VPA.	✓
(b) to preserve and, where appropriate, improve the existing character, amenity and environmental quality of the land to which this Plan applies in accordance with the indicated expectations of the community,	The Planning Proposal supports an outcome which will significantly improve the character and amenity of the site. The site forms a key location in the St Leonards centre and currently detracts from the built form amenity of the locality. The existing retail tenancies and Telstra exchange provide little amenity or activation to the streetscape. The proposal will result in an improved character, amenity and environmental quality of the site.	✓
(c) in relation to residential development, to provide a housing mix and density that: (i) accords with urban consolidation principles, and (ii) is compatible with the existing environmental character of the locality, and (iii) has a sympathetic and harmonious relationship with adjoining development,	The Planning Proposal supports the principles of urban consolidation, providing high quality new housing stock in close proximity to existing and future rail infrastructure. The proposal is consistent with the scale and character of development in the St Leonards centre, including the adjacent developments at 496-520 Pacific Highway and 472-486 Pacific Highway (refer to Section 1.2.2). In order to minimise impacts on surrounding development, this Planning Proposal is compliant with ADG separation distances and a slender tower that has been designed to minimise view loss and overshadowing impacts (see PTW Shadow Analysis in Section 7.3.1).	✓
(d) in relation to economic activities, to provide a hierarchy of retail, commercial and industrial activities that enables the employment capacity targets of the Metropolitan Strategy to be met, provides employment diversity and is compatible with local amenity, including the protection of the existing village atmosphere of the Lane Cove Town Centre,	The proposed mixed-use zoning does not preclude retail or commercial uses on the site. The Planning Proposal accommodates a total of 7,308m ² of non-residential floor space, which is compatible with the scale of development in the local area. A discussion of the ability to facilitate employment growth is provided in Section 7.2.4 .	✓
(e) in relation to the management of open space, public and privately-owned bushland, riparian and foreshore land: (i) to protect and, where possible, restore all bushland areas, including	The Planning Proposal will not affect bushland, foreshore land or any riparian land. The proposal will substantially improve the quality of the public domain surrounding the site, as illustrated in the perspective images provided in Appendix A .	✓

Aim	Proposal	Consistency
<p>all rare and threatened species and communities, and</p> <p>(ii) to protect and, where possible, restore all riparian land along, and the inter-tidal zones and foreshores of, the Lane Cove River and Sydney Harbour and their tributary creeks, and</p> <p>(iii) to make more foreshore land available for public access, and</p> <p>(iv) to link existing open space areas for public enjoyment,</p>		
<p>(f) in relation to conservation:</p> <p>(i) to protect, maintain and effectively manage public and privately-owned watercourses and areas of riparian land, foreshores and bushland and, where possible, restore them to as close a state to natural as possible, and</p> <p>(ii) to ensure that development does not adversely affect the water quality or ecological systems of riparian land or other areas of natural environment, and</p> <p>(iii) to control all new buildings to ensure their compatibility with surrounding existing built form and natural environmental character, and</p> <p>(iv) to conserve heritage items,</p>	<p>The site is not located near any watercourse or riparian land, similarly, there are no listed heritage items on or near the site.</p> <p>As detailed above, the Planning Proposal will facilitate buildings that are consistent with the surrounding existing, approved and proposed built form(s), as well as the natural environmental character of the site and its surrounds.</p>	✓
<p>(g) in relation to community facilities, to provide for the range and types of accessible community facilities that meet the needs of the current and future residents and other users,</p>	<p>The Planning Proposal does not provide for dedicated community facilities. However, the proposal will facilitate the development of a site that would otherwise not have been realised. This will ensure a significant contribution to Council's S94 community infrastructure. The proposal also includes a VPA to contribute towards a significant social infrastructure such as Homes for Homes and public domain upgrades.</p>	✓
<p>(h) in relation to the principle of integrating land use and transport, to relate development to sustainable traffic levels,</p>	<p>The Planning Proposal will facilitate Transport Orientated Development and the integration of residential and employment land uses with existing transport infrastructure.</p>	✓
<p>(i) in relation to accessibility, to increase the number of accessible properties and facilities in Lane Cove,</p>	<p>Details of the accessibility arrangements will be provided as part of future development applications. Future detailed design will provide for equitable access in accordance with the relevant Australian Standards.</p>	✓
<p>(j) in relation to housing, to increase the number of affordable dwellings in Lane Cove and to promote housing choice.</p>	<p>The Planning Proposal will facilitate the provision of approximately 422 apartments, which will range in size from 1 bedroom to 3 bedroom apartments. The development will result in a significant increase in housing stock in the St Leonards precinct and Lane Cove LGA more broadly, with the diverse mix of housing products proposed promoting housing choice and affordability.</p> <p>The VPA will include a contribution of key worker housing to better promote housing choice, providing housing options for key workers in the adjoining Royal North Shore Hospital and health precinct.</p>	✓

Consistency with Height Objectives

The proposal's consistency with the objectives for height under the Lane Cove LEP is demonstrated in **Table 10** below.

Table 10 – Consistency with building height objectives

Objective	Proposal	Consistency
(a) to minimise any overshadowing, loss of privacy and visual impacts of development on neighbouring properties, particularly where zones meet, and	The concept scheme accompanying the proposal has been designed to minimise impacts associated with overshadowing, privacy and view impacts on the surrounding properties. Refer to discussion in Section 7.3.1 .	✓
(b) to maximise sunlight for the public domain,	The slender tower form proposed for the site will ensure that solar access to the public domain and surrounding uses is maintained. Generally, the areas of public domain in the vicinity of the site are located to the north of the site. It is not anticipated that the structure will have any significant overshadowing impacts as a result of the proposed development. Overshadowing is discussed in further detail at Section 7.3.1 .	✓
(c) to relate development to topography	The Planning Proposal seeks to enable an increased building height to respond to the site's position in the St Leonards centre. The proposed height is commensurate with the site's position at the crest of a hill, and at the heart of the St Leonards centre.	✓

Consistency with FSR Objectives

The proposal's consistency with the objective for FSR under Lane Cove LEP is demonstrated in **Table 11** below.

Table 11 – Consistency with non-residential FSR objectives

Objective	Proposal	Consistency
(a) to ensure that the bulk and scale of development is compatible with the character of the locality	The proposed development does not seek to amend the maximum permitted density on the site and seeks to introduce a clause requiring the provision of a minimum amount of non-residential GFA to retain employment uses at the site under its new controls. The proposal will facilitate a development that is commensurate in scale with the surrounding development in the St Leonards Centre.	✓

7.3 Section C - Assessment of Environmental, Social and Economic Effects

Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The Planning Proposal will not result in any impact on critical habitat or threatened species, populations or ecological communities or their habitats, given the site's urban location.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

As discussed in the sections below, the proposal is not expected to result in any significant adverse environmental effects.

7.3.1 Built Form and Scale

The need to offset the significant costs associated with the site's technical constraints and meet strategic planning objectives to provide commercial floor space requires additional height, density and a new mix of uses that includes residential. Fortunately, the site is well positioned in terms of both local and regional context to accommodate this.

Alternatives Considered

Given the site's practical constraints, utilisation of the full allocation of FSR necessary to achieve the site's maximum GFA of 28,849 sqm is not possible under the current planning controls. PTW's initial modelling suggested that a stand-alone commercial scheme, compliant with the site's current planning controls, would yield a development of just under 11,000m² of GFA, as outlined in **Figure 25** below.

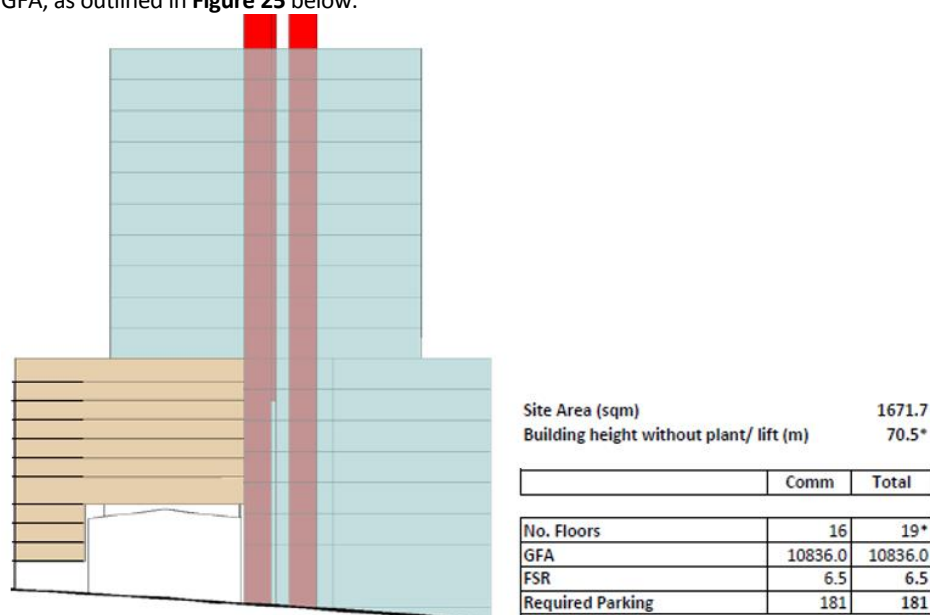


Figure 25 – Commercial scheme under current planning controls

Without amendment, the current controls encourage a short ‘squat’ building envelope, which is not in line with the desired future character in the area. It would also likely result in unacceptable environmental impacts. Massing analysis prepared by PTW suggests that a building Height commensurate with the site’s current FSR control would be somewhere in the vicinity of 145 - 155 m.

To this end, a number of Planning Proposals in the St Leonards Precinct (assessed by Lane Cove Council) have already rezoned nearby sites to facilitate mixed-use development for taller, slimmer tower forms. Similarly, slender, more refined architectural forms were recommended in the discussion of the built form for ‘tall tower’ sites identified in North Sydney Council’s Christie Street Master Plan Guidelines (April 2016, Section 3.4).

In response to this, the proposed scheme provides residential floorplates of less than 700 sqm per floor in an efficient and well-considered configuration that offers excellent amenity to residents and minimises environmental impacts on neighbouring properties.

The Preferred Option

In establishing the appropriate built form at which economically viable development that incorporates substantial commercial floor space could be achieved, the project team considered the following:

- Strategic planning considerations;
- Proximity to transport;
- Urban design considerations;
- Contribution to the local and regional skyline;
- Environmental and amenity impacts for both residents and neighbouring properties;
- Necessary setbacks and proportion in relation to floorplate;
- Structural capacity; and
- Lift requirements.

These considerations (and others) have been divided into the following categories: Planning, Design Excellence and Technical Considerations, and are discussed in detail below.

1) Planning Considerations

The planning considerations that have informed the proposed building height have included a macro assessment of similar centres along the existing North Shore rail line and the logical hierarchy of centres. A micro assessment of the appropriate built form based on a critical examination of the development landscape of the immediate St Leonards Centre has also been conducted.

The macro assessment, illustrated **Figure 26** below and provided in **Appendix A**, demonstrates that the proposed building height is commensurate with the height of existing and proposed buildings and planning controls in centres along the Northern Line. The building height represents an increase in heights from Chatswood, commensurate with the sites proximity to the CBD.

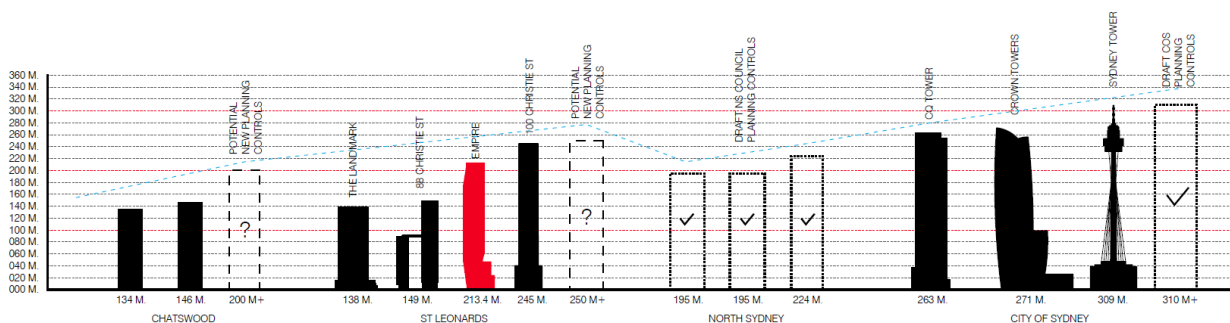


Figure 26 – Macro height analysis – North Shore

North Sydney Council recently released amended draft planning controls for the North Sydney CBD, with a maximum height of 225 m. This amendment, however it is based on modelling that prohibits any net overshadowing of areas outside of the CBD between the hours of 10 am and 2 pm. Clearly the proximity of the adjoining residential areas (including heritage areas and items) is a significant constraint to the future growth (and commensurate height) of the Centre.

Similarly, The City of Sydney Council this year released its Planning Strategy for the CBD, which nominated multiple sites for increased height limits of up to 300 m.

It is understood that Willoughby Council is also currently reviewing heights for the Chatswood CBD, however again, key shadowing constraints restrict a number of significant opportunities for this centre.

Whilst all of the centres in the Northern District are seeking to grow, a number are restricted by some significant environmental constraints that do not apply to this site. This proposal should therefore be considered against the backdrop of a City seeking growth where site-specific constraints allow.

At a more local level, the four sites earmarked for ‘tall tower’ development by North Sydney Council and the significant renewal of the Lane Cove part of St Leonards (discussed in detail in **Section 1.2.2** above) provides a guide for the potential of the Telstra Exchange site.

The height outlined in this Proposal has been informed by the existing and future development in the St Leonards Centre. As a Strategic Centre, located within the Global Economic Corridor, our studies suggest that a height limit of 250 m could be accommodated in St Leonards without significant environmental impact.

As illustrated in **Figure 27** below, the site is centrally located within the future developments in the St Leonards Centre and as such warrants a taller building form to step up towards the centre of the precinct, surrounding the train station.

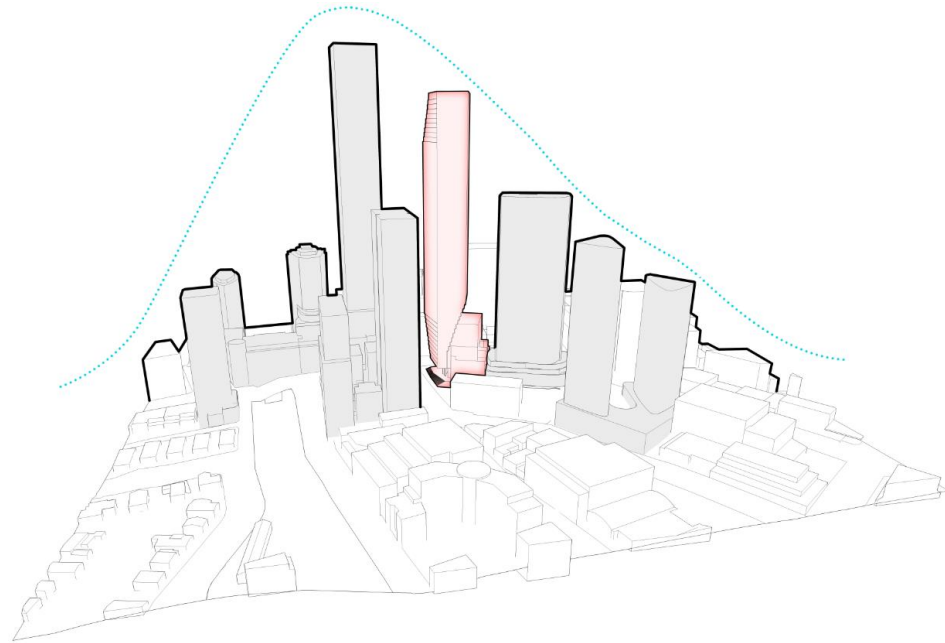


Figure 27 – Micro height analysis – St Leonards Centre

As can be seen above, the proposal fits neatly within the height profile of the St Leonards skyline. The proposal in its scale, proportion and form will provide a focus for the St Leonards 'CBD' building cluster and complete the skyline composition.

2) Design Excellence

The vision for this project is to create a building which, through the quality of its architecture and the sophistication of its integration with the public domain, will itself reflect the renewal and reinvigoration of this Strategic Centre.

The building's form and proposed height have both been informed by a considered architectural response to the site's context and site-specific constraints to ensure that the proposed LEP controls facilitate a building that is well proportioned and of a high architectural standard.

PTW Architects prepared a detailed analysis for the site that considered a multitude of factors, including terrain, topography, envelope, bulk, shadowing and context, among other things. The PTW Concept Design Report posits the following points (see: **Appendix A**):

- St Leonards currently lacks a coherent structure, however several major proposed developments will help compose the Centre's building groups, with the Telstra Exchange site forming a critical part in a run of renewed buildings fronting the Pacific Highway.
- The site is located on a crest, close to the topographical peak of St Leonards centre, making it a focal point when approaching south along the Pacific Highway.
- Due to the topography falling towards the harbour and the adjacent southern low scale residential areas, the site is highly visible from the south. This has been an important consideration in the design of the scheme.
- The site occupies a 'keystone' location within the St Leonards Centre, terminating the active laneway from the new St Leonards Plaza. The existing buildings on the site interrupt the anticipated future pedestrian flow along Pacific Highway and along Christie Street between Nicholson Lane, Christie Lane and the Forum.
- Redevelopment of the Telstra Exchange site will give rise to the potential to complete the missing public domain link between the pedestrian flow from the Forum to the new network of plazas and laneways to the south of Pacific Highway and to the east of the site – see **Error! Reference source not found.** below:



Figure 28 – Future connectivity and linkages in St Leonards

3) Technical Considerations

The tower element, as designed, cantilevers up to 12 m over the existing Telstra Exchange building, but is not able to either impose any load onto or run any load-bearing structure through the existing building. This is a significant structural challenge that comes at a considerable economic cost.

To overcome this limitation, an innovative transfer solution is proposed, in which tower columns along the eastern edge of the residential floors are splayed back to the core over 12 storeys from Level 22 down to Level 10. The overturning effect of the splayed tower columns are supported by an outrigger system, which engages tower columns along the western edge of the residential floors all the way to the footings via deep outrigger walls.

Although it comes at significant financial cost to the Proponent, this solution has proved the most architecturally elegant and structurally efficient when compared to the other conventional load-transfer options. It eliminates the need to build a transfer system (minimum two-storeys), with over-sized transfer columns and footings next to the existing building.

Another significant technical constraint for the site is Car Parking, which must be provided above ground. As a result, the building height is reflective, to a degree, of the requirement commercial to provide above car parking spaces.

Car parking cannot be accommodated below ground due to the following constraints:

- The continuing operational presence of the Telstra Exchange and the associated network of cabling means that basement excavation is not possible.
- The core will need to be located next to the Exchange which further reduces the width of the basement.
- The remaining space is too narrow and too small to include a car ramp and offers too little area to make any other parking systems below ground viable.

In response to these limiting factors, the scheme proposes to provide some residents (25%) with parking, in the form of an automated carstacker located above the Telstra Exchange. While this solution provides enhanced amenity for residents, it does push the building 'higher', in that it erodes the size of the lower commercial floor plates. Refer **Figure 29** below.

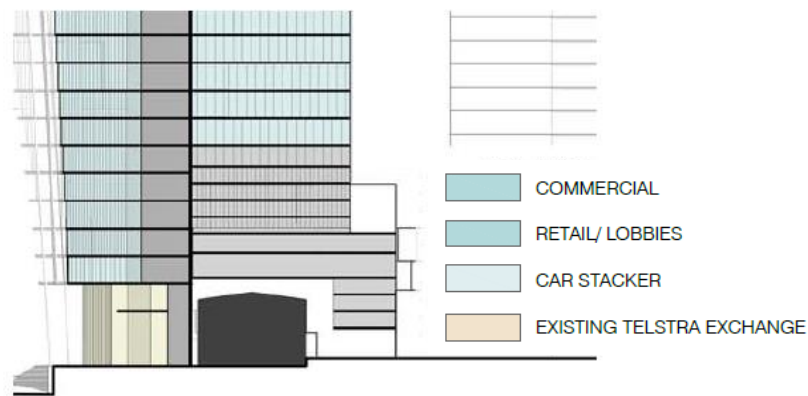


Figure 29 – Car stacker arrangement

Further discussion of the car parking solution here can be seen in **Section 7.3.5**.

7.3.2 Amenity

The consideration of amenity with respect to building height includes the amenity enjoyed by future residents of the building as well as the building's impact on the amenity of neighbouring properties.

The proposed scheme has been designed giving consideration to compliance with the requirements of the NSW Apartment Design Guide. Beyond the consideration of planning controls, this Proposal also identifies future streetscapes and positively contributes to them.

Although the ultimate built form on the site will be determined at the DA stage, the design facilitated by this Planning Proposal is expected to:

- Provide adequate building separation distances from the nearby existing and approved residential flat buildings;
- Be able to achieve compliance with the solar access design criteria;
- All of the residential apartments are located above level 9 and as such the directive to achieve 60% cross ventilation set out in the natural ventilation design criteria is not applicable to the development as all apartments are deemed to be naturally ventilated; and
- Be consistent with the height, bulk, scale and density of the future character of development in the locality.

7.3.3 Overshadowing

An increase in building height has the potential to increase overshadowing impacts. The proposal seeks to minimise these impacts by introducing a slender tower form that will reduce the potential for overshadowing and result in fast-moving shadows where impacts do arise.

PTW have undertaken a Shadow Analysis which demonstrates that the slender building form will cast fast moving shadows that minimises adverse impacts to the surrounding properties and public domain (**Appendix A** – Section 5). The shadow diagrams prepared for the winter solstice demonstrate that high levels of solar access are achieved by the proposed development.

With respect to overshadowing of adjoining uses, PTW's studies show that, although the proposed development casts some additional shadow on the existing low-density residential precinct to the south-west of the site between the hours of 9am and 10am, the slender nature of the tower results in this shadow being fast moving, and almost entirely gone by 10am. The shadows cast by the building will not impact the ability of these dwellings to achieve a minimum of 3 hours of direct solar access on the 21st of June.

In addition, the proposal will result in some additional shadowing to the areas of open space to the south of the site between 10am and 12 pm (provided in more detail in Section 5 of **Appendix A**). Notwithstanding this, the shadows are fast moving and subside by lunchtime, allowing full solar access for residents and workers in the precinct during key lunchtime hours.

The future provision of the St Leonards Plaza will provide significant high quality public open space to all workers and residents to use within the Centre. The proposed building envelope has been carefully designed so as not to result in any overshadowing of the future Plaza.

7.3.4 Views

An increased building height has the potential to block existing views from surrounding sites. In line with accepted urban design principles on view sharing, the proposed slender tower form, ensures that existing apartments surrounding the site will retain a portion of their existing views. This is not unreasonable considering the dense urban location of the site and the predominant tower built form characteristic of St Leonards.

In terms of internal amenity, excellent solar access is achieved due to the north, east and west orientation of all apartments within the residential tower. The building shape has been adjusted to allow for a minimum of 2 hours direct sunlight to living rooms and private open spaces between 9am and 3pm in midwinter for the majority of apartments.

Further, 8 out of 9 apartments per floor offer excellent views to the harbour. The shape of the floorplate and its fluted east and west facade create ideal apartment layouts with balconies and living rooms orientated towards the most desirable locations.

This is explored further in the PTW Design Report at **Appendix A**.

7.3.5 Traffic and Parking

A Transport Impact Assessment has been prepared by GTA Consultants to assess the traffic impacts of the indicative scheme (as shown in **Appendix E**). The findings of the report are discussed below.

Traffic

GTA has provided an assessment of the anticipated traffic generation rates for the proposed development, noting the site's proximate location to significant public transport and the existing travel patterns of people in the area. Based on the areas in the indicative scheme, the total traffic generation is calculated to be as follows:

- 17 vehicles per hour each-way during weekday peak hours for residential uses; and
- 48 vehicles per hour each-way during weekday peak hours for commercial uses.

This represents an increase of some 65 vehicles per hour two-way during the weekday morning and afternoon peak hours respectively.

The assessment also models the anticipated traffic generation assuming the existing surrounding road network and the cumulative impacts of the anticipated traffic generated by the future developments in the Centre. The assessment provides that, while the intersections surrounding the site are operating at capacity in the AM peak, this is reflective of the existing road conditions and not directly attributable to the proposed development.

GTA provided an assessment of the safety implications of vehicles exiting the site onto Pacific Highway. The assessment provides that there are sufficient gaps in the traffic along the Highway to allow vehicles to safely exit the site.

Additionally, GTA provided a comparative assessment of the traffic impact associated with stand-alone commercial development having regard to the site's current planning controls under the B3 Commercial Core zone (**Appendix F** – Section 7.7), based on a scheme by PTW Architects providing 10,836 sqm of commercial floor space and 160 car spaces. The results suggest that the traffic generated by the pure commercial scheme would be double that of the mixed-use scheme proposed in this Planning Proposal (calculated at 65 movements at peak time vs 128 movements). See further discussion of this at **Section 7.2** of this report.

Parking

The site's proximity to both St Leonards Station and the future Crows Nest Metro Station give it an excellent opportunity to create genuine Transit Orientated Development.

The proponent has supported this concept with the provision of only 160 total car spaces comprising 112 residential spaces and 48 commercial spaces – in line with the objective of the Draft Northern District Plan to reduce vehicle movements in the Centre (as outlined in **Section 7.1** above). GTA's assessment notes, however, that this provision is below the Lane Cove Council DCP required 517 spaces. GTA believes this is appropriate for the following reasons:

- The site is well located on close proximity to significant public transport facilities;
- Provision of the maximum car parking rates for the proposed development would result in significant traffic generation that would be detrimental to the capacity of the surrounding road network; and
- The Lane Cove DCP parking rates are high compared with other similar centres and do not reflect the sites location proximate to significant public transport.

GTA considers that the parking provision for the development set out in this Proposal is reasonable as workers and residents without allocated car spaces will use public transport or ride sharing services as their primary means of transportation. This will have the benefit of lessening the impact of potential future vehicle movements in the area.

7.3.6 Contamination

A Phase 1 Preliminary Site Investigation (PSI) was undertaken by EI Australia (**Appendix D**) to determine the potential risk for land contamination from past and current activities in accordance with the requirements of *State Environmental Planning Policy No. 55 – Remediation of Land*.

The PSI confirms that the current Exchange building and retail buildings have occupied the site since at least the 1960's and 1920's respectively. EI have provided an assessment of these land uses as well as a site inspection to determine any signs of contaminated materials or potentially contaminating activities.

Based on the findings of the assessment and with consideration of the Statement of Limitations, EI conclude that site contamination is unlikely to prevent the site from being redeveloped in future, including to any residential, commercial or retail uses that may be placed on the site in the future.

7.3.7 Social and Economic Effects

The social and economic effects of this Proposal have been assessed and detailed discussion of their impact is set out below.

Q9. Has the planning proposal adequately addressed any social and economic effects?

Social Effects

The Planning Proposal will facilitate the redevelopment of the site, delivering a number of positive social outcomes including:

- The provision of approximately 439 permanent jobs on the site and 879 jobs during construction, strengthening both the local St Leonards and the broader North Shore economies;
- Approximately 422 apartments on the site, providing additional housing for the St Leonards Centre, located in close proximity to transport, employment, health and education services;
- An activated public domain that offers increased passive surveillance and retail activation; and
- A significant public benefit through the provision of contributions made under both s.94 and a VPA, providing key worker housing, dedication of commercial floor space towards the Tennant Attraction Scheme as well as additional monetary or Works in Kind contributions made towards the provision of public infrastructure, among other items.

Economic Effects

Economic constraints

An Economic Impact Assessment (EIA) has been prepared by Urbis to determine the appropriateness of the proposed rezoning of the site from B3 Commercial Core to B4 Mixed Use (**Appendix C**). The Assessment considers the viability of developing a purely commercial office building on the site given the current constraints posed by the Telstra Exchange building and the subdued demand for commercial floor space in St Leonards observed over the last 15 years (**Appendix C – Section 4**).

The Urbis EIA provides that the St Leonards office market has had an average net absorption rate of 625 sqm per year since 2000. Based on the average net absorption rate, the office market in St Leonards will absorb 9,375 sqm of total stock by 2031 (15 years from 2016).

Employment population for St Leonards Centre is expected to grow by 8,000 additional jobs by 2031 (based on Bureau of Transport Statistics), which is commensurate with the employment forecasts outlined in the Draft Northern District Plan. If these growth forecasts prove correct, and the existing and proposed commercial developments in St Leonards translate to actual floor space, it is likely that the Centre will have a surplus of between 62,637 sqm and 76,749 sqm of commercial floor space by 2031.

Further, the average net absorption rate for St Leonards has been low when compared with other suburban office markets such as Macquarie Park and Chatswood. Urbis' EIA considers the following factors to be some of the key contributors to the low St Leonards market confidence:

- More affordable rents in other suburban office markets;
- Higher quality commercial offerings with larger floorplates in other centres; and
- Greater amenity and proximity to major retail centres in other centres.

All of these factors are likely to remain significant over the next 15 years.

Based on the historical average absorption rate for St Leonards, a pure commercial building at the subject site, maximising the permitted FSR controls under the site's current zoning, would yield 28,412 sqm of commercial floor space. This would provide sufficient stock to satisfy demand for the entire office market in St Leonards for over 45 years. This is in addition to the projected surplus of commercial office space in St Leonards of between 62,000 sqm and 77,000 sqm discussed above.

As such, the significant site constraints combined with the market conditions do not facilitate the redevelopment of the site purely for commercial uses.

Considering the above factors in combination with the substantial site-specific constraints involved at the Telstra Exchange site, it is clear that site cannot be developed for stand-alone commercial uses under its current B3 zoning. Ultimately, the site's capacity to enhance its employment generation is contingent on being part of a larger mixed-use redevelopment, where site-specific constraints can be offset by the inclusion of residential land uses.

Economic Opportunities

Despite the lack of demand for significant commercial floor space in St Leonards, the EIA concludes that the Centre remains attractive to smaller tenancies in the Health and Social Services sector (**Appendix C** – Section 3). The commercial floor space provided as part of the development is expected to be well supported by these types of tenancy profiles.

It is also evident that the site's location, adjacent to St Leonards station, provides residents with access to approximately 520,000 jobs within a 20-minute train ride – see: Urbis EIA – Section 5 at **Appendix C**. This number is projected to increase substantially with the construction of the proposed Crows Nest Station, located within 350 m of the site, providing direct access to key employment hubs of Barangaroo, Macquarie Park and other localities within the Sydney CBD. By comparison, Macquarie Park station, another area earmarked for significant mixed-use density, has access to approximately 225,000 jobs, fewer than 50% of those available from St Leonards. Accordingly, St Leonards is a highly appropriate and desirable place to accommodate new residential floor space.

7.4 Section D – State and Commonwealth Interests

Q10. Is there adequate public infrastructure for the planning proposal?

The site is located in an established urban area and has access to a range of existing utility services, public transport, infrastructure and health and education services. Further investigations will be undertaken as part of the preparation of the DA to determine whether any upgrade of existing utilities is required.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

State and Commonwealth authorities will have the opportunity to provide comment on the Planning Proposal as part of its formal exhibition. Any future DA will be referred to the relevant authorities as required.

8.0 Part 4 – Mapping

The proposed amendments to the maps contained within the Lane Cove LEP 2009 are illustrated below in **Figure 30** to **32**.

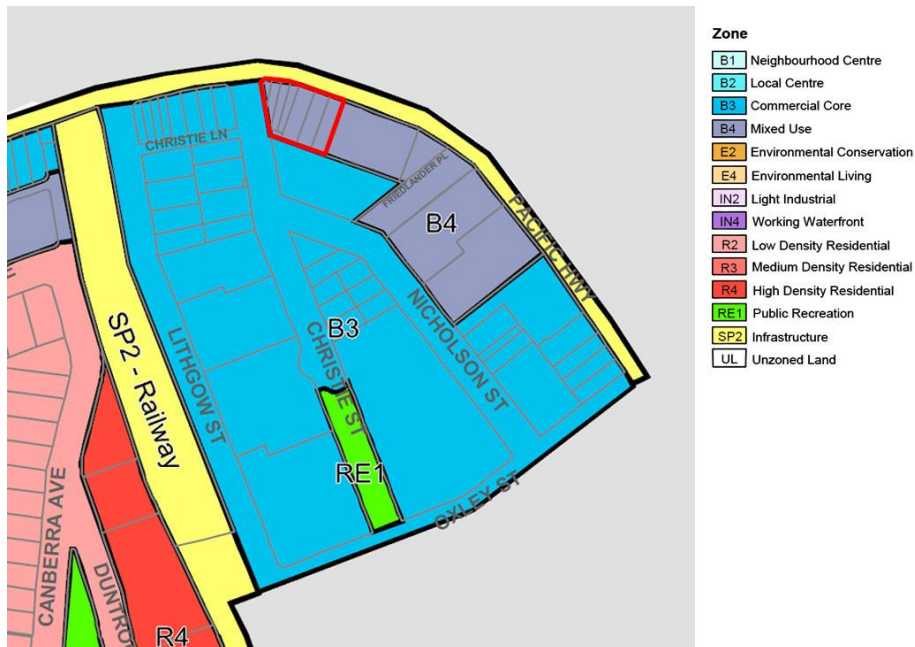


Figure 30 – Proposed amendments to land zoning map

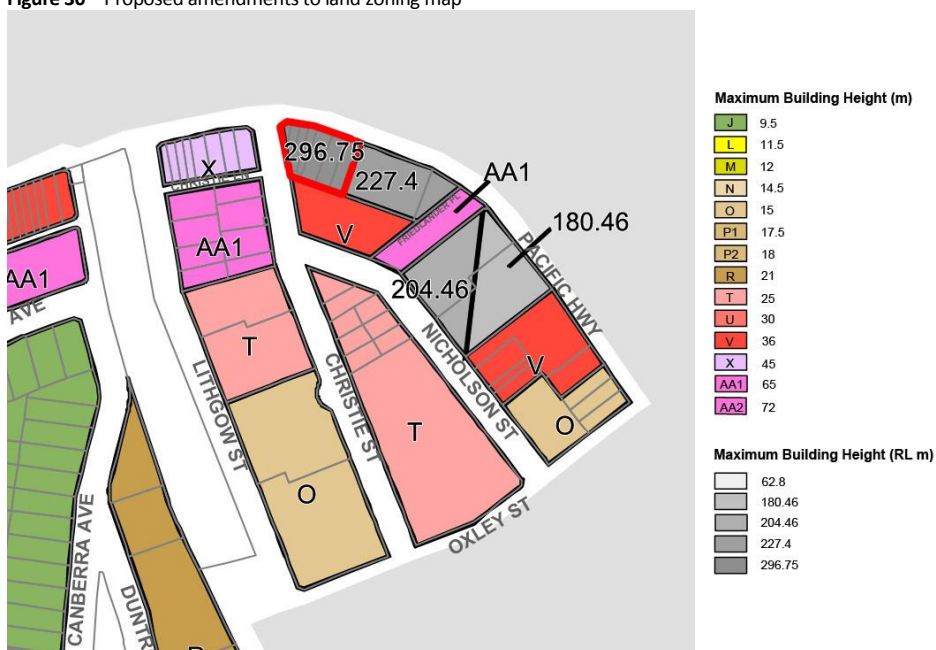


Figure 31 – Proposed amendments to building height map

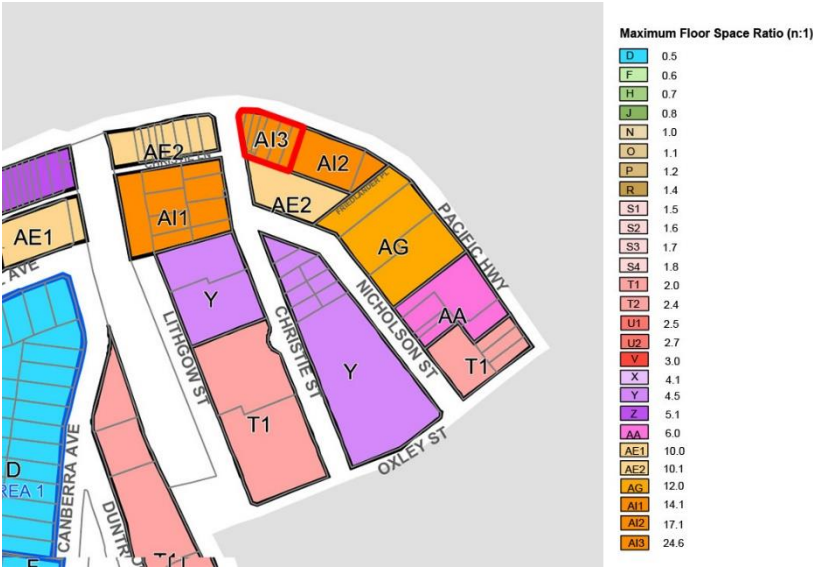


Figure 32 – Proposed amendments to FSR map

9.0 Part 5 – Community Consultation

Pursuant to Section 57 of the EP&A Act, the LEP amendment will be the subject of community consultation in accordance with the Gateway determination. Confirmation of the public exhibition period and requirements for the Planning Proposal will be given by the Minister as part of the LEP Gateway determination.

Any future DA for the site would also be exhibited in accordance with Council requirements, at which point the public and any authorities would have the opportunity to make further comment on the proposal.

10.0 Part 6 – Project Timeline

Part 6 of the Department's Guide to preparing Planning Proposal's provides that the inclusion of a project timeline will provide a mechanism to monitor the progress of the planning proposal through the plan making process.

The anticipated timeline for the LEP amendment is provided in **Table 12** below.

Table 12 – Project timeline

Action	Timeframe
Lodge Planning Proposal	December 2016
Council Endorse Planning Proposal	April 2017
Gateway Determination	June 2017
Public Exhibition	July 2017
Final Assessment by Council	August-September 2017
Plan Making	October-November 2017

11.0 Conclusion

This Planning Proposal seeks amendments to Lane Cove LEP zoning and maximum building height development standards for the St Leonards Telstra Exchange site.

This Planning Proposal and supporting specialist studies has demonstrated that the proposal would be in the public interest for the following reasons:

- The future development facilitated by the proposal will be consistent with State, Subregional and local planning strategies for St Leonards.
- The resultant building envelope will not generate any unacceptable environmental impacts in relation to built-form, view loss or overshadowing.
- The proposal will facilitate a significant public benefit through a VPA;
- The proposal will not generate any adverse impacts on the operation of the surrounding road network.
- The development will provide significant public domain improvements, enhancing pedestrian connectivity along the Pacific Highway and encouraging use of the public transport infrastructure.
- The proposal will likely facilitate the optimal employment outcome for the site, given that it is considered undevelopable under the current planning controls.
- The proposal will contribute towards the revitalisation of a technically difficult and isolated site located on a prominent corner within the St Leonards Strategic Centre.

The proposed scheme has been carefully designed and located to respect and maintain the amenity of its neighbours, whilst its curved and tapering form respond to its location on the Pacific Highway and the technical challenges that lie within. Its prominence and composition (with the tall tower proposed for 655 Pacific Highway, diagonally opposite) will create a gateway to the St Leonards CBD, its sculptural form and aspirational design, perceived as an iconic landmark for the Centre. Without amendment, the controls here will facilitate a maintenance of the status-quo, impeding opportunities for redevelopment and preserving the substantial 'gap' in the revitalised built form along Pacific Highway.

With the above in mind, we believe the proposed amendments to the LEP are appropriate and that the Planning Proposal should be supported by Council and proceed to the Gateway.

