

## REZONING REVIEW – Briefing Report

<b>Date of referral</b>	30/01/2020	
<b>Department ref. no</b>	RR_2020_LANEC_002_00	
<b>LGA</b>	Lane Cove	
<b>LEP to be amended</b>	Lane Cove Local Environmental Plan 2009	
<b>Address</b>	524-542 Pacific Highway, St Leonards (Telstra Exchange Site)	
<b>Reason for review</b>	<input type="checkbox"/> Council notified the proponent it will not support the proposed amendment	<input checked="" type="checkbox"/> Council failed to indicate support for the proposal within 90 days, or failed to submit the proposal after indicating its support
<b>Is a disclosure statement relating to reportable political donations under s10.4 of the Act required and provided?</b>	<input type="checkbox"/> Provided <input checked="" type="checkbox"/> Not required Comment: No donation(s) or gifts to disclose.	

### 1. SUMMARY OF THE PROPOSAL

The rezoning review request relates to a planning proposal for land at 524-542 Pacific Highway, St Leonards (the site) to amend Lane Cove Local Environmental Plan (LEP) 2009 by:

- rezoning the site from B3 Commercial Core to B4 Mixed Use;
- increasing the maximum Floor Space Ratio (FSR) for the site from 17.1:1 to 21.3:1, including a minimum commercial FSR of 4:1; and
- increasing the maximum height of building for the site from 72m to 182m.

The above amendments intend to facilitate the redevelopment of the site for a 53-storey mixed-use development which includes:

- a total GFA of 35,506m<sup>2</sup> with 6,914m<sup>2</sup> of non-residential GFA;
- 330 residential apartments;
- a childcare centre; and
- podium car parking (160 spaces with a car stacker).

The rezoning review request was submitted as Council failed to indicate support for the proposal within 90 days. Following the proponent's request for a rezoning review, Lane Cove Council resolved at its meeting on 16 March 2020 not to support the proposed amendment (**Attachment D4**).

## 1.1 Background

The rezoning review was submitted to DPIE as Council failed to indicate support within 90 days after the proponent submitted a request for a Gateway determination (which Lane Cove Council has now determined to not support). Specifically, Council and the proponent have not reached a resolution on several components of the planning proposal, explained throughout this report.

A timeline of the planning proposal is outlined in **Table 1**.

**Table 1:** Planning proposal timeline.

Submission	Type	Date
Original planning proposal lodged with Lane Cove Council (215m height limit).	Lodgement	19 December 2016
Amended planning proposal lodged with Lane Cove Council (195m height limit).	Lodgement	7 December 2018
Letter sent to Council by applicant requesting that Council reactivate planning proposal.	Correspondence	15 July 2019
Council response received acknowledging receipt of letter.	Correspondence	15 July 2019
Applicant presented amended planning proposal to Lane Cove councillors.	Meeting	15 July 2019
Amended planning proposal lodged with Lane Cove Council (with updated assessment to address issues raised).	Amended proposal	24 September 2019
Applicant met with Council officers to discuss key issues and obtain feedback on planning proposal.	Meeting	10 October 2019
Supplementary package of information submitted to Lane Cove Council addressing a range of matters raised in the meeting of 10 October 2019.	Supplementary information	14 November 2019
Applicant met with DPIE officers (with Lane Cove Council officers present) to discuss planning proposal.	Meeting	22 November 2019
Amendment to planning proposal lodged with Lane Cove Council (182m height limit).	Amended proposal	18 December 2019
Supplementary planning letter and letter regarding Telstra's interest in tenanting building lodged with Lane Cove Council.	Supplementary information	19 December 2019
Applicant met with Council officers to discuss and obtain feedback on information lodged in late December 2019.	Meeting	15 January 2020
Applicant lodges request for rezoning review	Lodgement	30 January 2020

## 1.2 Locality and context

The site is located at 524-542 Pacific Highway, St Leonards in the Lane Cove local government area (LGA) (**Figure 1** below and **Attachment A**) and bound by North Sydney LGA to the north. The site is 200m walking distance from St Leonards Station to the north-west, and 20m walking distance to one of several public bus stops that service the area along the Pacific Highway. Less than 600m walking distance from the site is the Royal North Shore Hospital, and 400m walking distance to Gore Hill Oval.

The site falls within the St Leonards strategic centre, as identified in the North District Plan, which aims to provide an increased amount of employment opportunities and other mixed-

use activities within proximity to Sydney CBD. A rendered image of the site and proposed building looking towards Sydney CBD is at **Figure 2**.

As a result of the strategic significance of the area, the surrounding character is described as a mix of ageing commercial buildings and land under construction and transitioning to multi-storey mixed-use towers.

The site is bound by the Pacific Highway and older commercial buildings to the north, an under construction mixed-use tower (New Hope development) to the east at 504-420 Pacific Highway, a seven storey commercial building (AMA Building) to the south, with Christie Street and an under construction 144m high mixed-use development (previously occupied by two-storey commercial/retail tenancies) to the west.



**Figure 1:** Location context of 524-542 Pacific Highway, St Leonards (Source: Nearmap).





**Figure 2:** Indicative building viewed from the south towards Sydney CBD (Source: PTW Architects).

## 1.2 Site description

The site is known as the 'Telstra Exchange Site' comprising 8 separate allotments with a total area of 1671m<sup>2</sup> and is located on the corner of the Pacific Highway and Christie Street. A breakdown of the lots and addresses is outlined in **Table 2**, below.

**Table 2:** Legal site description.

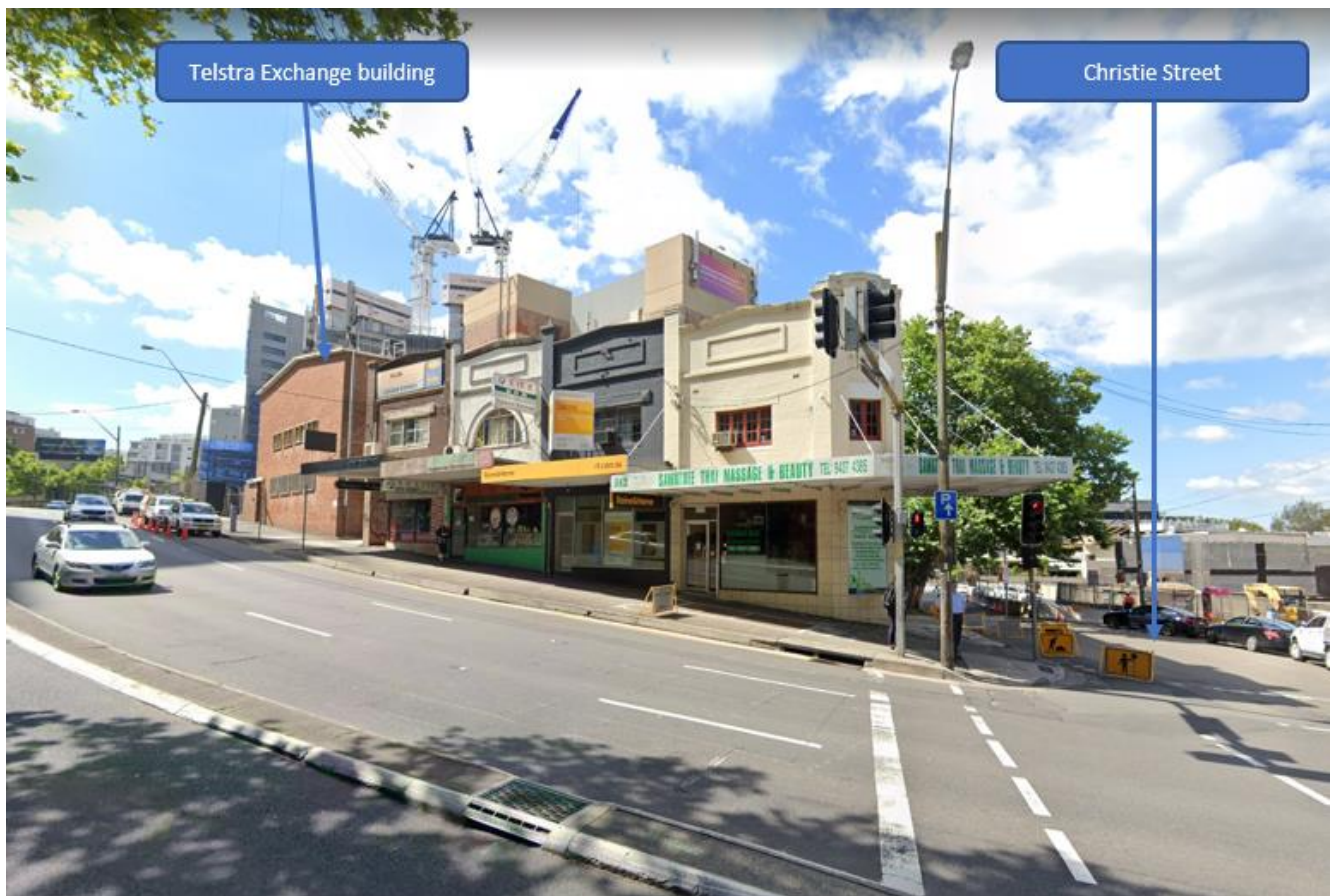
Address	Legal Description	Owner
524-530 Pacific Highway	Lot 7 Section 17 DP 3175	Telstra Corporation
	Lot 8 Section 17 DP 3175	Telstra Corporation
	Lot 9 Section 17 DP 3175	Telstra Corporation
	Lot 1 DP 433297	Telstra Corporation
536 Pacific Highway	Lot D DP 377423	Lea Baron ATF the Estate of Joseph Gollan
538 Pacific Highway	Lot C DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its capacity as trustee of GFM Home Trust Subtrust No. 2
540 Pacific Highway	Lot B DP 377423	H M Pty Ltd
542-542A Pacific Highway	Lot A DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its



The eastern portion of the site is occupied by the Telstra Telephone Exchange building along the Pacific Highway. The western portion of the site contains several older two-storey commercial/retail premises that extend through to Christie Street. Vehicular access is via a shared driveway off Christie Street. A site map is provided at **Attachment B**, and **Figure 3**. A street-view is provided at **Figure 4**.



**Figure 3:** Site map (Source: Nearmap).



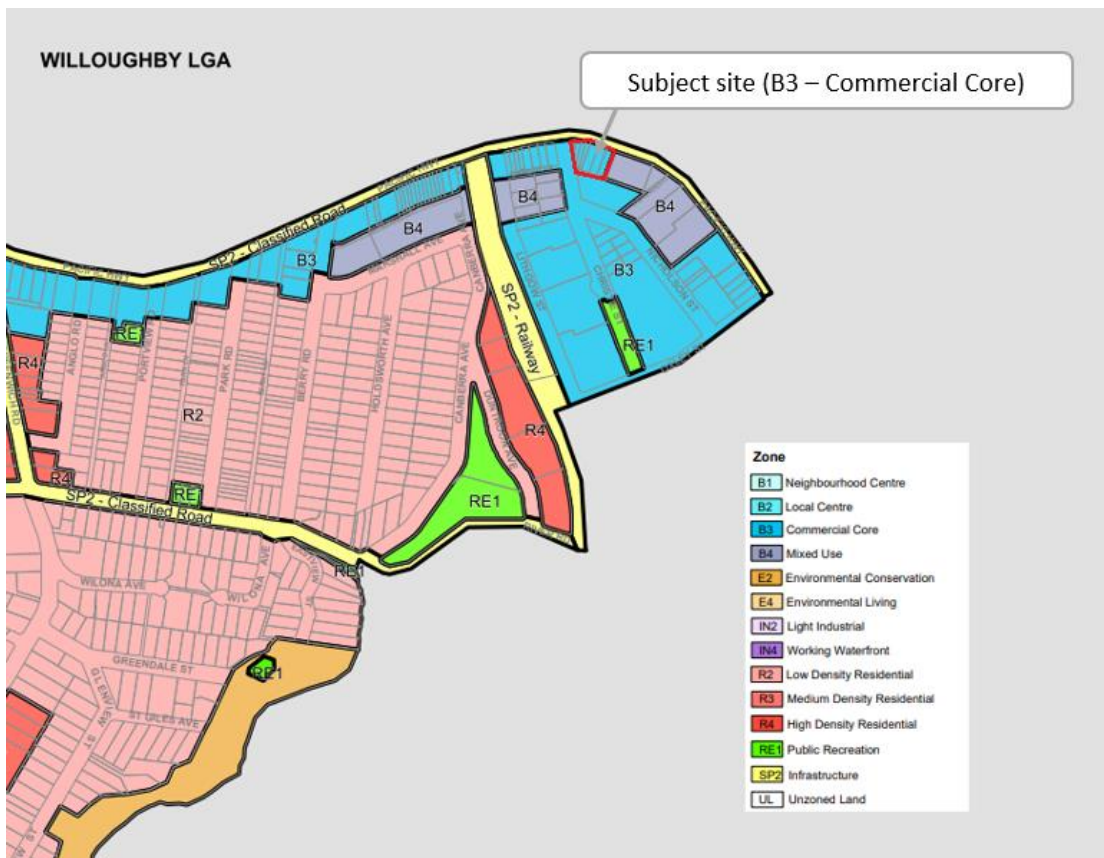
**Figure 4:** Street-view of the site looking south (Source: Google).

### **1.3 Current planning provisions**

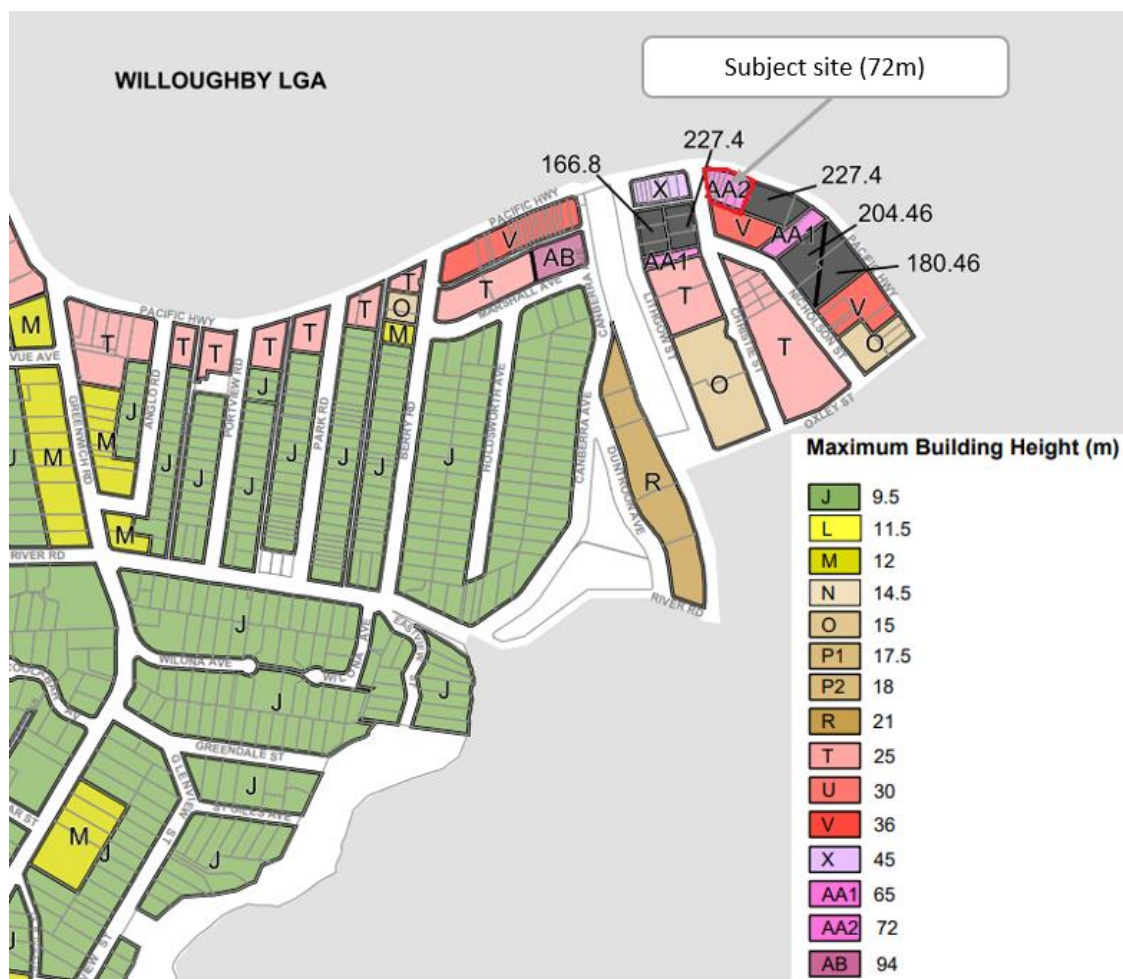
Under Lane Cove LEP 2009, the site is subject to the following planning controls:

- a B3 Commercial Core zoning (**Figure 5**);
- a maximum height of buildings of 72m (**Figure 6**); and
- a maximum FSR of 17.1:1 (**Figure 7**).





**Figure 5:** Current land zoning map within Lane Cove LEP 2009 (NSW Legislation).



**Figure 6:** Current maximum height of buildings map within Lane Cove LEP 2009 (Source: NSW Legislation).

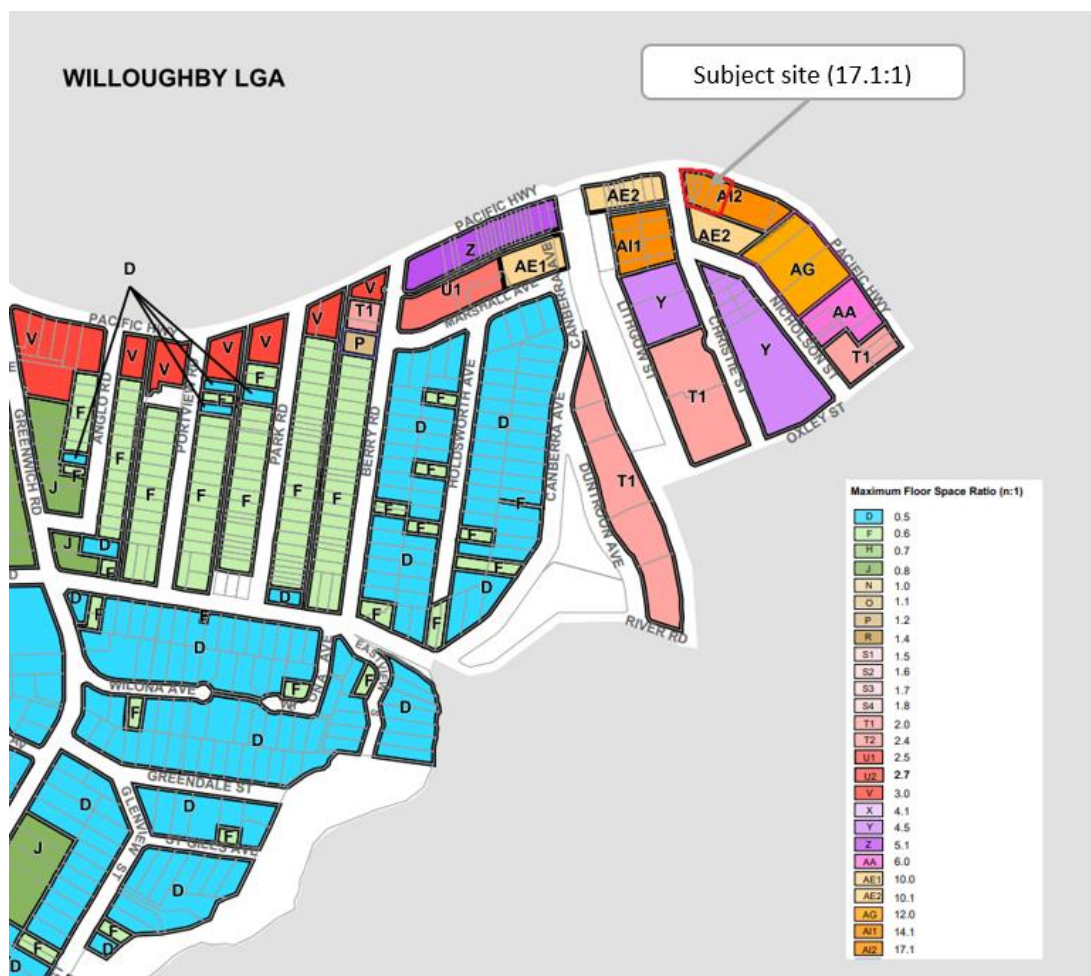


Figure 7: Current maximum FSR map within Lane Cove LEP 2009 (Source: NSW Legislation).

#### 1.4 Proposed planning provisions

The proposed amendment to the Lane Cove LEP 2009 seeks to enable a mixed-use development across the site and retain the Telstra Exchange building. Specifically, the planning proposal seeks to:

- rezone the site from B3 Commercial Core to B4 Mixed Use (**Figure 8**);
- increase the maximum building height from 72m to 182m (RL 264 AHD) (**Figure 9**); and
- increase the maximum FSR from 17.1:1 to 21.3:1 including a minimum non-residential gross floor area (GFA) of 4.1:1 (**Figure 10**).

The concept plan submitted with the proposal indicates that the proposed controls could deliver a 53-storey development which includes:

- a total GFA of 35,506m<sup>2</sup> including 6,914m<sup>2</sup> of non-residential GFA;
- 330 dwellings;
- a childcare centre; and
- podium car parking (160 spaces with a car stacker)

Concept plans of the potential development are provided at **Figures 11-14**.



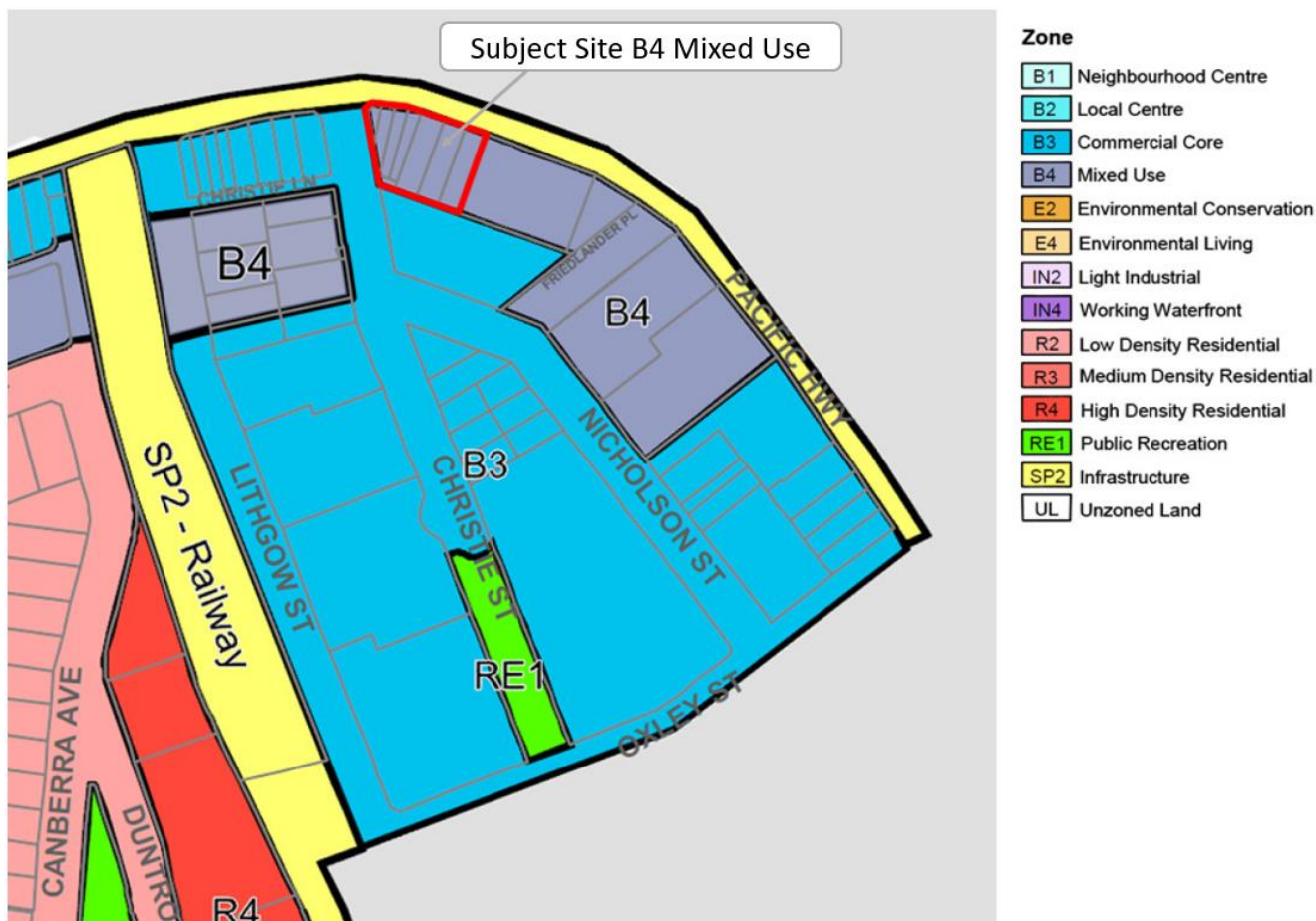


Figure 8: Proposed land use map (Source: Ethos Urban).

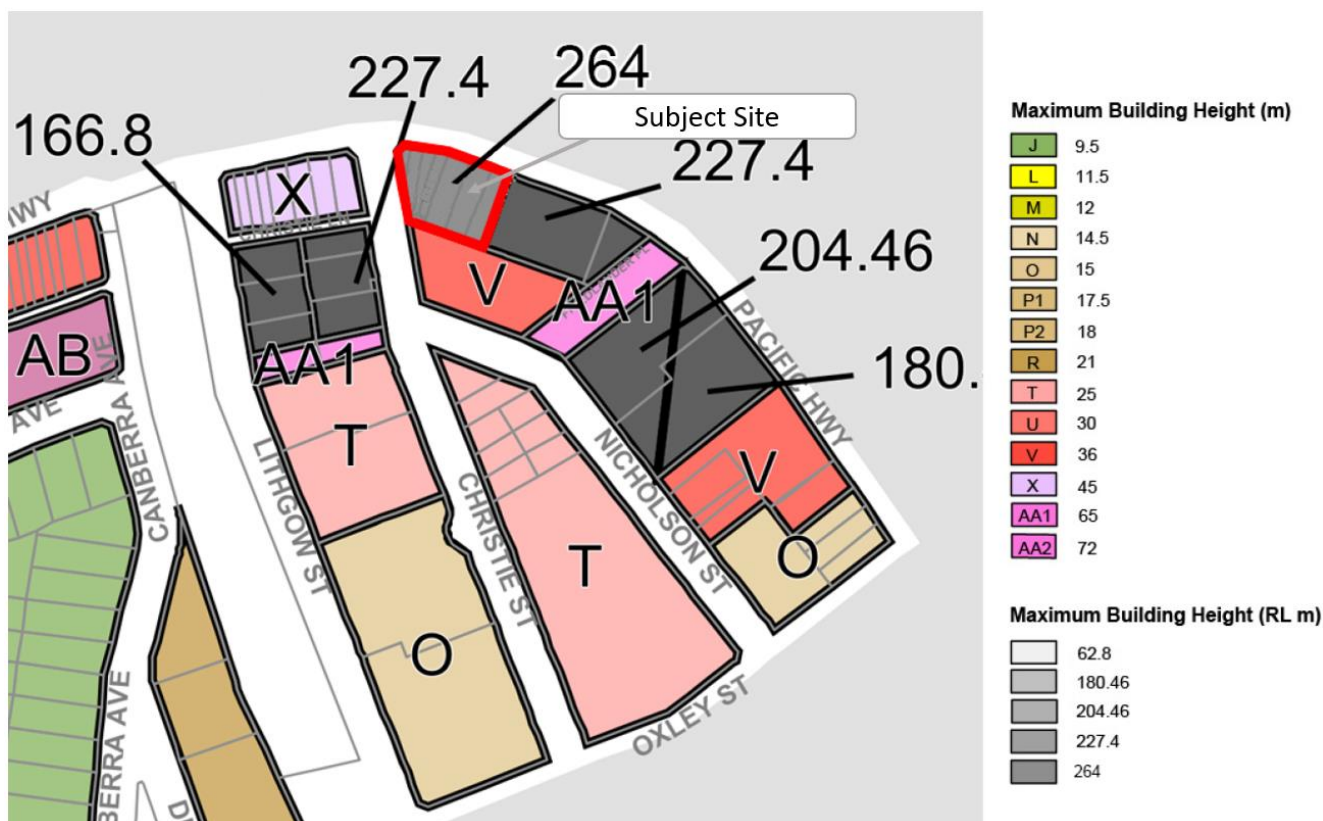


Figure 9: Proposed maximum height of buildings map (Source: Ethos Urban).

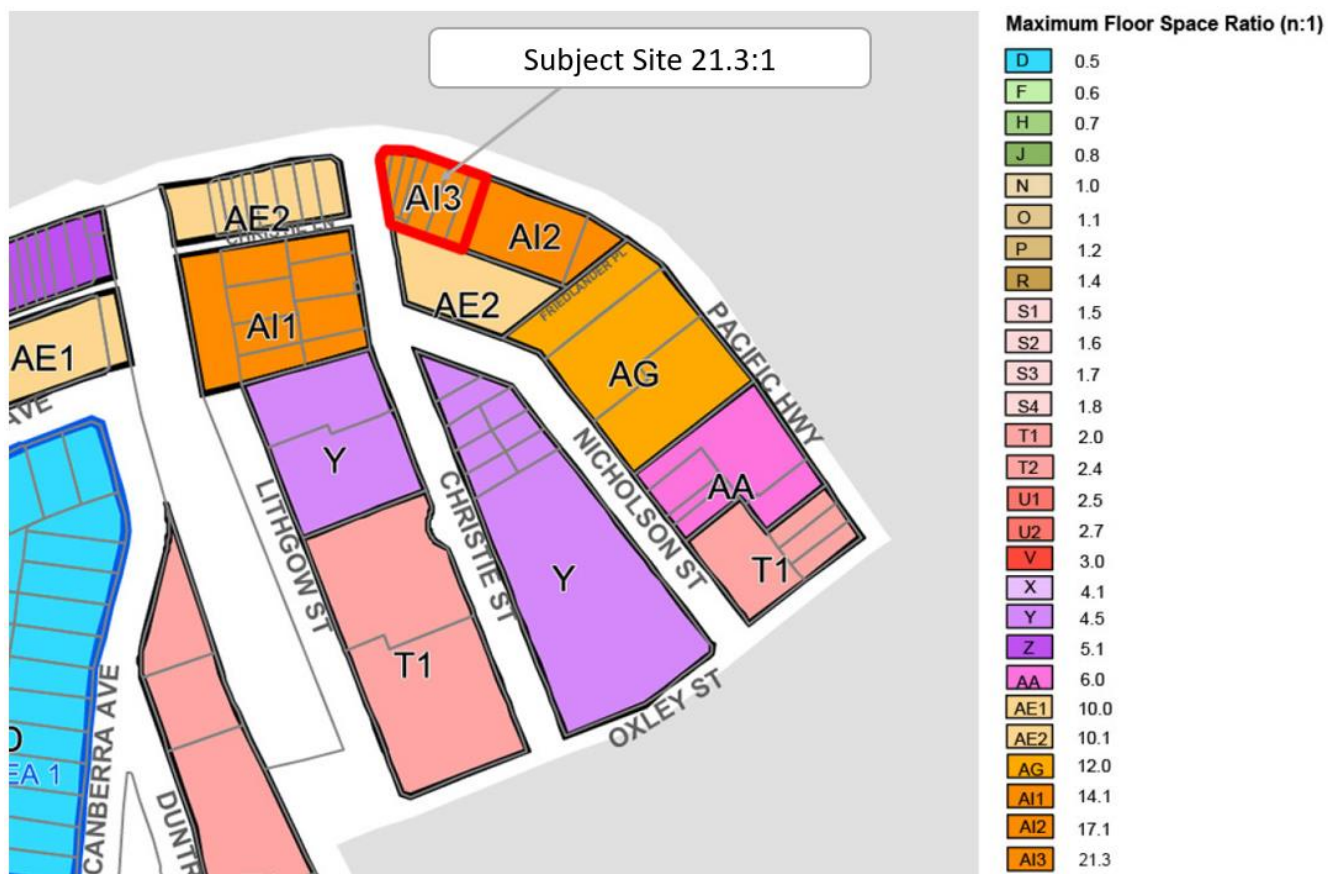


Figure 10: Proposed maximum FSR map (Source: Ethos Urban).

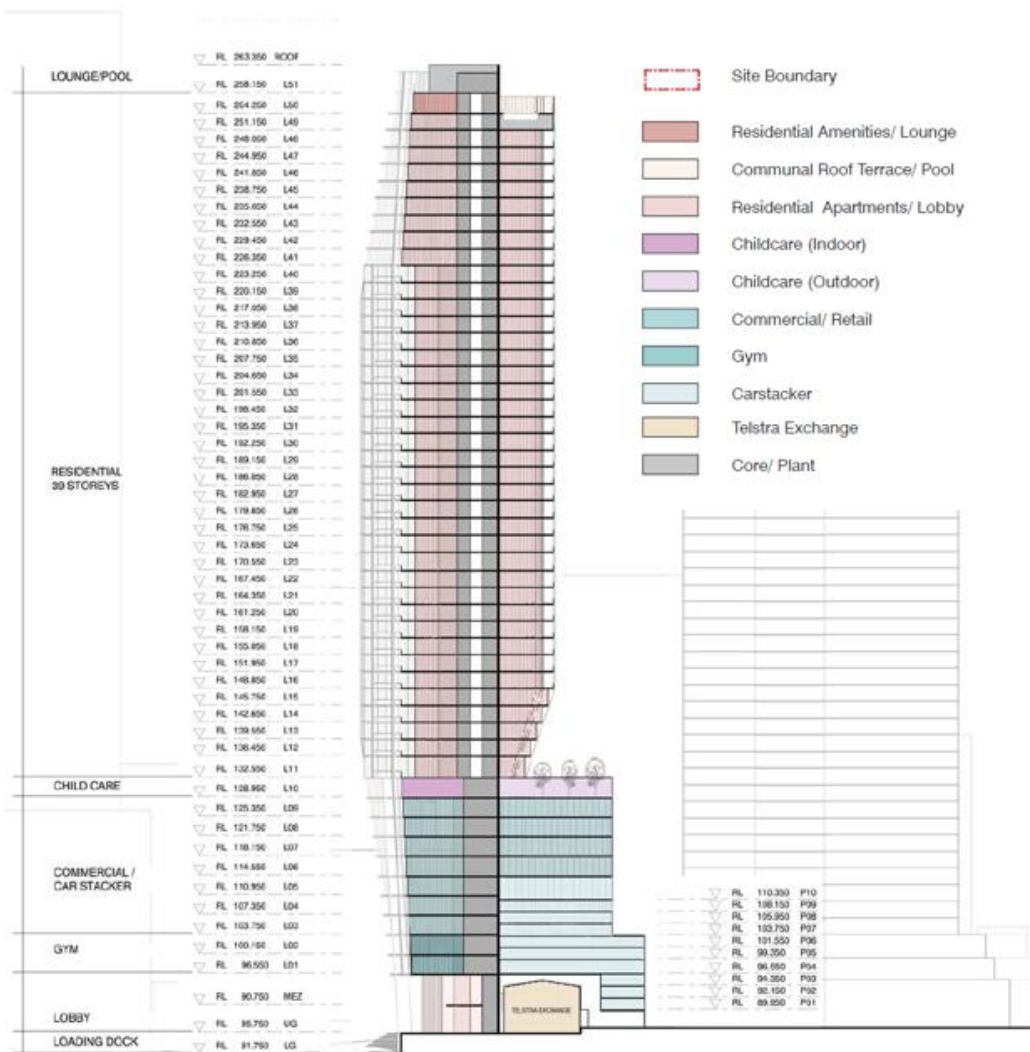
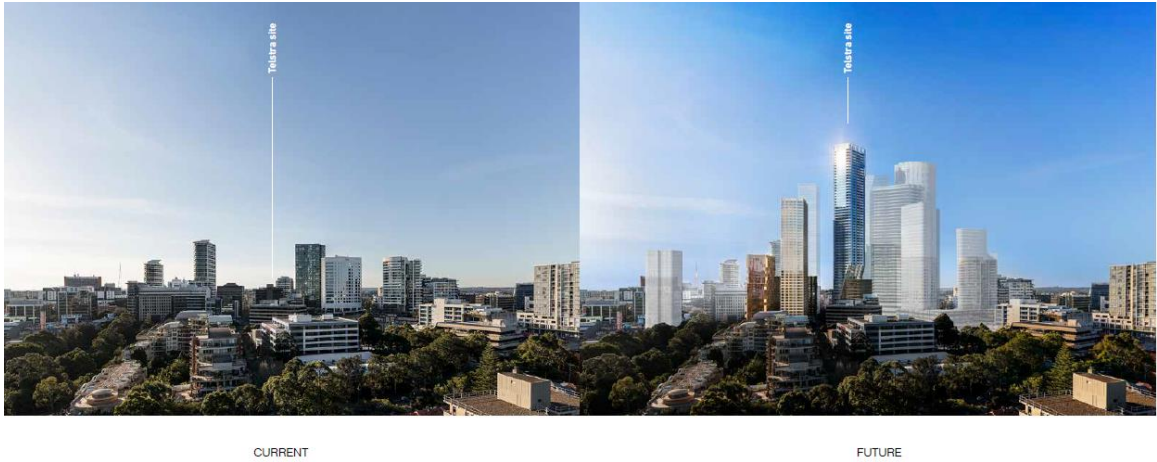


Figure 11: Indicative section plan (Source: PTW Architects).





**Figure 12:** Existing and proposed street elevation (Source: PTW Architects).



**Figure 13:** Existing and proposed skyline (Source: PTW Architects).



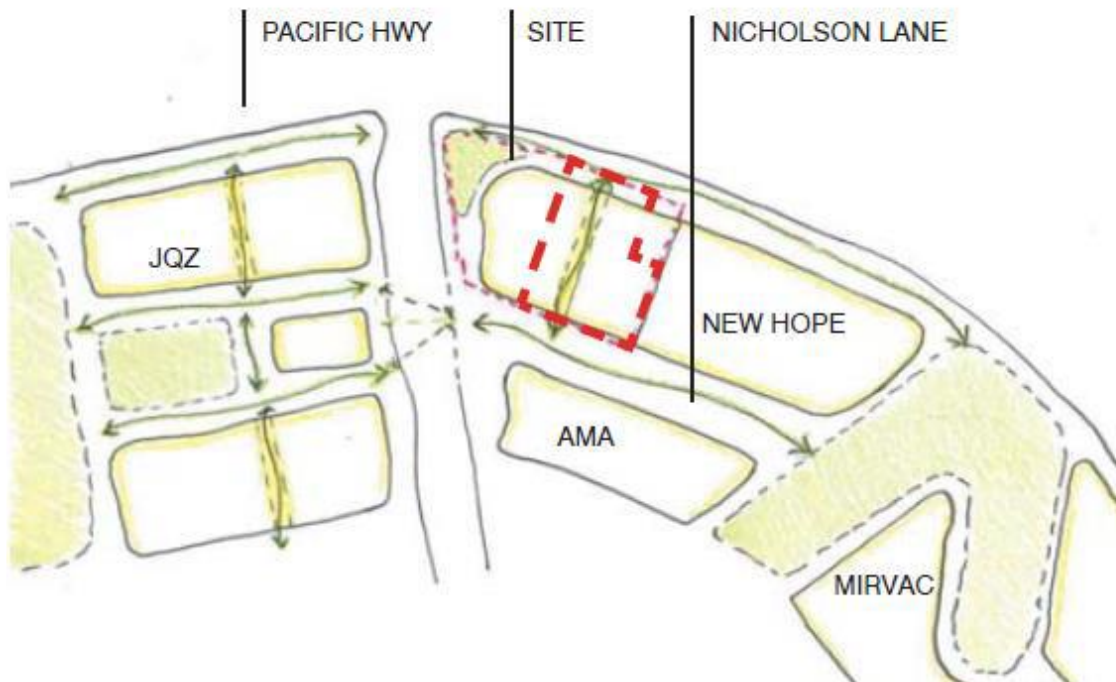
**Figure 14:** Proposed ground view upon entry (Source: PTW Architects).

## 1.5 Existing Telstra Exchange Building

The planning proposal states that the current Telstra Exchange building (**Figure 15**) and other Telstra Exchange buildings across NSW are considered to be critical infrastructure and that they form a key part of Telstra's network across the state. Buildings are often unable to be removed or relocated without causing significant disruption to the network, while also presenting constraints on redevelopment.

The continued operation of the exchange building means that car parking is unable to be accommodated below ground, as any excavation would disrupt the network of cabling that exists.

As a result of this, the proposed concept design involves a car stacker arrangement located above the Telstra Exchange buildings. The report states that this will push the building higher and reduces the size of the lower commercial floor plates (**Figure 16**).



**Figure 15:** Telstra Exchange building – outlined in red (Source: Ethos Urban).



**Figure 16:** Telstra Exchange building – outlined in red (Source: Ethos Urban)



## **2. INFORMATION ASSESSMENT**

*Does the proposal seek to amend a zone or planning control that is less than five years old?*

No. The proposal seeks to amend the Lane Cove LEP 2009, which commenced on 19 February 2010.

### **2.1 Strategic merit test**

*Consistency with the relevant regional plan outside the Greater Sydney region, 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.*

*Proponents will not be able to depend on a draft regional, district or corridor/precinct plan when the Minister for Planning and Public Spaces or the Department of Planning, Industry and Environment have announced that such a plan will be updated before being able to be relied on.*

#### **North District Plan**

The rezoning review application states that the proposed amendment is generally consistent with the North District Plan, as the major themes of the North District Plan are:

- greater housing supply
- more diverse and affordable housing; and
- better located and designed housing.

The application specifically identifies that the proposal is consistent with Planning Priority N5:

*‘Providing housing supply, choice and affordability, with access to jobs, services and public transport’.*

The rezoning review application states that the proposed amendment will align with the North District Plan, as the District Plan identifies the importance of St Leonards in leveraging off the new Sydney Metro at Crows Nest.

The Economic Impact Assessment (**Attachment F7**) further explains how the development will do this by delivering 366 dwellings and almost 6700m<sup>2</sup> of commercial floor area that will bring in approximately 450 jobs

*(Note: The rezoning review application did not contain an addendum to the Economic Impact Assessment to consider the revised proposal of 330 dwellings).*

The rezoning review application states that the proposal is consistent with Action 34 of the District Plan:

*Strengthen St Leonards through approaches that:*

- a. leverage the new Sydney Metro Station at Crows Nest to deliver additional employment capacity*
- b. grow jobs in the centre*
- c. reduce impact of vehicle movements on pedestrian and cyclist accessibility*
- d. protect and enhance Willoughby Road’s village character and retail/restaurant strip*
- e. deliver new high quality open space, upgrade public areas, and establish collaborative place-making initiatives*
- f. promote synergies between the Royal North Shore Hospital and other health and education related activities, in partnership with NSW Health*
- g. retain and manage the adjoining industrial land*

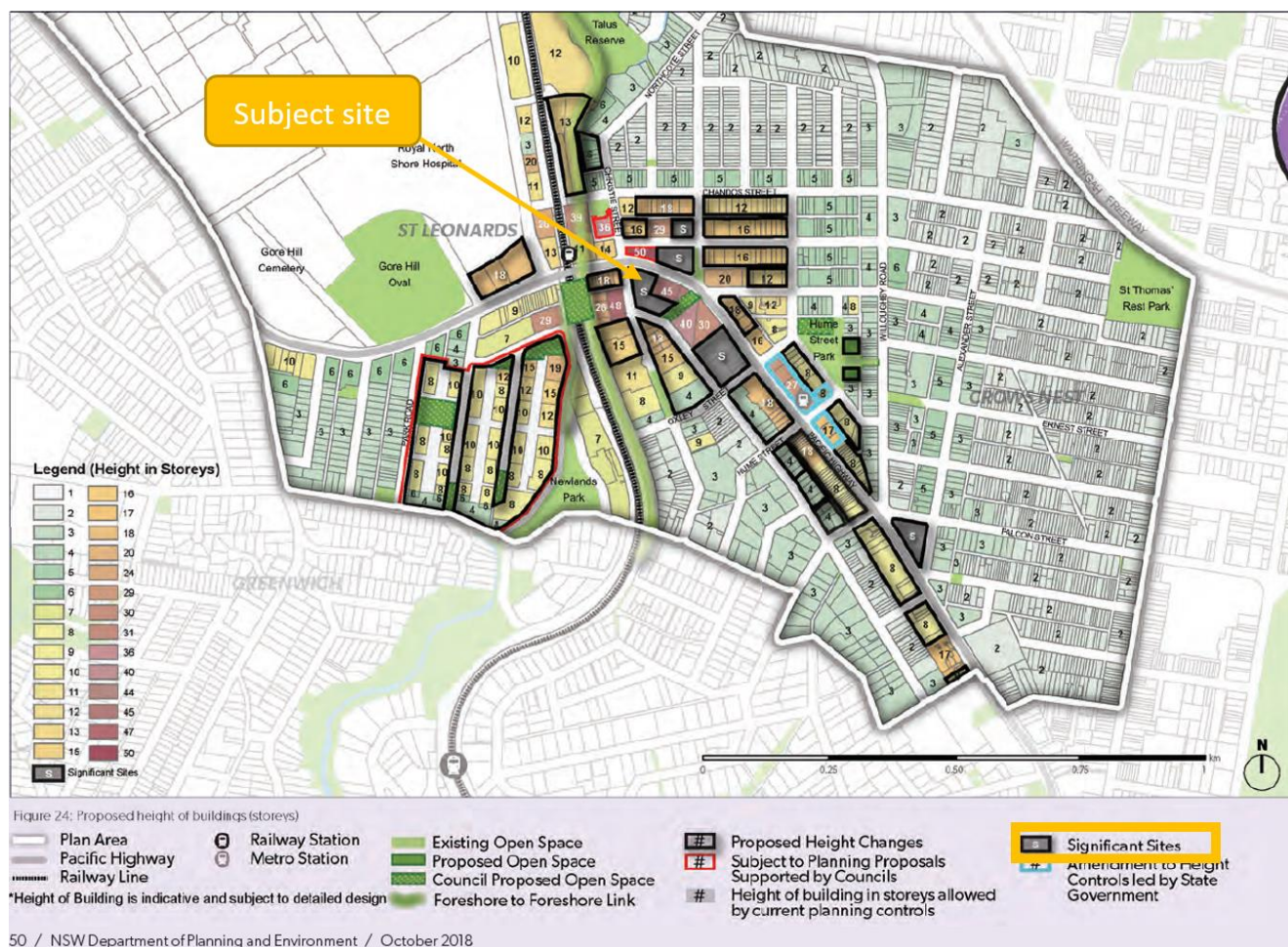
The planning proposal seeks to facilitate an increase in density close to transport infrastructure, including the Metro Station, deliver additional employment floor space that synergises with Royal North Shore Hospital and will facilitate a contribution towards important social initiatives such as key worker housing.

### St Leonards and Crows Nest 2036 Draft Plan

The Draft 2036 Plan provides a framework to guide development in the St Leonards and Crows Nest Station Precinct. It has been shaped by several design criteria and area-wide planning principles.

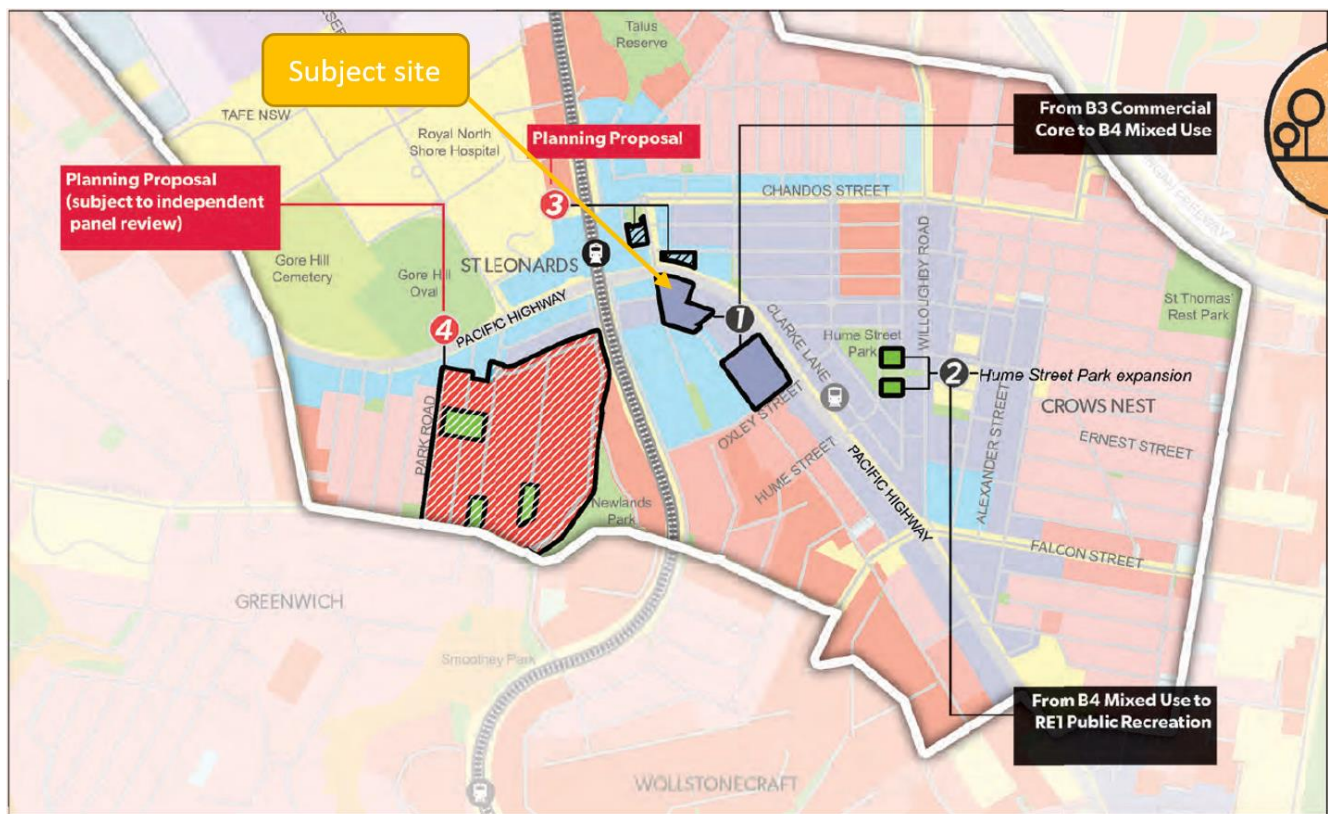
The draft plan was publicly exhibited by the Department from 15 October 2018 to 8 February 2019. The plan identifies the following for the site:

- the site is identified as a 'significant site', which recommends the site as being *'appropriate for additional height, subject to further assessment and community consultation'* (**Figure 17**);
- as a significant site, it will be subject to a *'rigorous design excellence process to determine the appropriate height, floor space ratio and other design details'*;
- recommends a zoning amendment from B3 Commercial Core to B4 Mixed Use (**Figure 18**);
- a proposed non-residential FSR of 6:1;
- a proposed 0m street setback; and
- a proposed 6 storey street wall height.



**Figure 17:** Draft St Leonards - Crows Nest 2036 Plan height identification (Source: DPIE).





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**Figure 18:** Draft 2036 Plan indicative land zone and recommended land zone changes (Source: DPIE).

It is worth noting that the 2036 Plan requires that, in order to justify an increase in height and density, any proposal be consistent with the vision, area wide design principles, design criteria and significant site design criteria identified in the Plan.

A comparison of the proposal and the Draft 2036 Plan is outlined in Table 2, below

**Table 2:** Comparison of Draft 2036 Plan and the proposed scheme.

Control	Draft 2036 plan	Planning proposal
Land Zone	Recommends B4 Mixed Use	B4 Mixed Use
FSR (Max)	N/A (Significant site)	21.3:1
Non-residential FSR (min)	6:1	4.1:1
Height (max)	N/A (Significant site)	182m (RL 264 AHD)
Street setback	0m	0m to a height of 4 storeys with considerable setback at ground level, 1.5-6.4m tower setback to Pacific Highway.
Street wall height	6 storeys	4 storeys (consistent with New Hope development to the east).

The rezoning review states that the retention of the Telstra Exchange building constrains the ability of the proposal to be consistent with the 6:1 non-residential FSR recommended in the Draft 2036 Plan.

The planning proposal report states that the proposal will be consistent with the 2036 Plan and the Significant Site Design Criteria, as:

- the proposed zoning is consistent with the proposed change to B4 Mixed Use identified in the 2036 Plan;
- the proposal is located in the area defined for towers under the 2036 Plan (being along the Pacific Highway between St Leonards Station and Crows Nest Metro);
- the site responds strongly to the character established by surrounding buildings, including matching street wall heights and responding with sufficient tower separation and building setbacks;
- the site meets the River Road sun access plane, and only results in minor shadowing of a heavily wooded and little-used part of Newlands Park;
- the site manages cumulative overshadowing by largely 'hiding' within shadow cast by existing and approved buildings;
- the proposal provides activation in the form of retail tenancies and lobbies along all three street frontages of the site, and allows for the future revitalisation and improvement of Nicholson Lane;
- the proposal will act as an important visual market in the St Leonards skyline, denoting the centre of St Leonards, and is located in a logical location for a height peak in St Leonards;
- the tower form of the proposal is extremely slender, with an average floor plate of only 743 sqm GFA; and
- the proposal makes contributions to the public domain, both through street activation, tree planting and facilitating future pedestrian connections, and through a public benefit offer with a monetary contribution that could be put towards further public domain upgrades;
- the site does not unreasonably constrain the development potential of any surrounding development sites, noting that the AMA site is already heavily constrained by the existing condition created by the New Hope approval to the east; and
- the proposal will provide street tree planting along the Pacific Highway.

*Consistency with a relevant local strategy that has been endorsed by the Department.*

There are no local strategies that have been endorsed by the Department which apply to the subject site or surrounding area.

*Responding to a change in circumstances, such as investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.*

The rezoning review application states the planning proposal is looking to facilitate development in the immediate vicinity of the future Crows Nest Metro Station, and the State government's strategic planning investigation of the St Leonards and Crows Nest Draft 2036 Plan.

The rezoning review documentation states the construction of the Crows Nest Metro Station lends the site to being uniquely positioned to aid in the reduction of the impact of future vehicle movements in the area and provides an excellent opportunity to create genuine Transit Oriented Development (**Attachment F2**).



## 2.2 Site-specific merit test

*The natural environment (including known significant environmental values, resources or hazards).*

The rezoning review application states the site is in an urbanised environment and there are no known critical habitats, threatened species or ecological communities on the site. In this regard the likelihood of any negative impact is minimal.

### Built form and scale

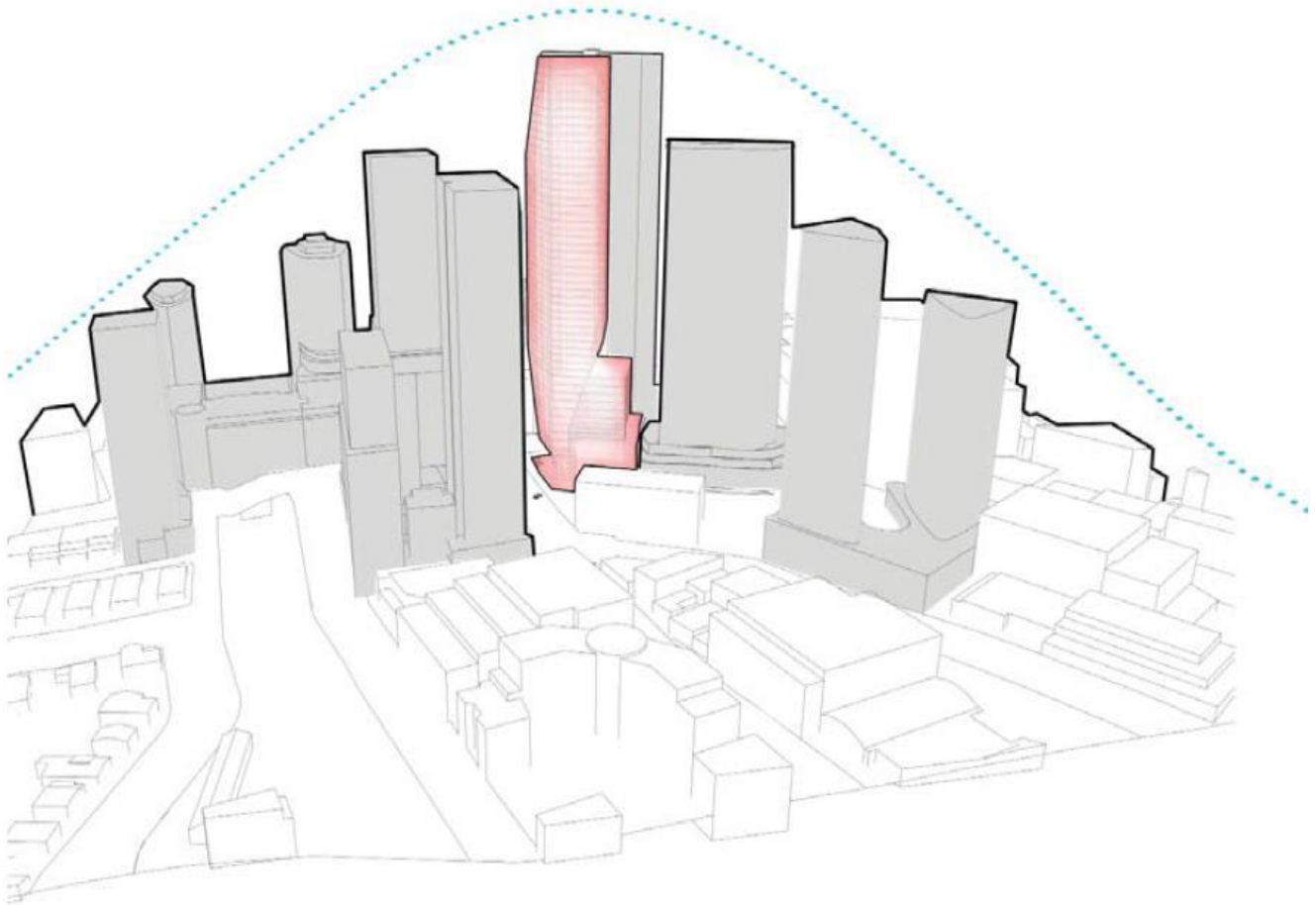
The rezoning review application identifies 5 other similar developments close to the subject site (**Figure 19**), namely:

- 621 Pacific Highway (immediately north) - 50 storeys
- New Hope (immediately east) - 45 storeys
- 88 Christie Street (immediately south-west) - 48 storeys
- St Leonards Square (south-east) - 40 storeys
- 100 Christie Street (north-west) - 36 storeys



**Figure 19:** Neighbouring sites with similar development (Source: Nearmap).

The rezoning review application states that in addition to the above site, the subject site is located in the centre of a cluster of tall buildings, and there is an opportunity for the site to act as ‘a visual marker for the core of St Leonards and a benchmark for the height peak envisaged by the height concept in the Draft 2036 Plan.’ **Figure 20** below provides further context relating to the justification of the height proposed.



**Figure 20:** Indicative bulk and scale in context of surrounding locality (source: Ethos Urban).

### Traffic and transport

The planning proposal includes a traffic and transport assessment undertaken by GTA Traffic Consultants in 2018 (**Attachment F5**). The assessment concludes a traffic generation rate as follows:

- 14-17 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 62-65 vehicles per hour two-way during the weekday morning and afternoon peak hours respectively.

The transport assessment also states 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.

The assessment took into account a possible commercial-only development on the site, which resulted in 150% more traffic movements than the proposed mixed-use building. This is largely due to the residential uses generating significantly less vehicle movements than the commercial use.

### Parking

The subject site is in proximity to St Leonards Station and the future Crows Nest Metro. The proposed development involves 160 total car spaces comprising 112 residential spaces and 48 commercial spaces, which the report states is in line with the North District Plan that aims to reduce vehicle movements in the Centre.

While the GTA Traffic Assessment highlights that the number of proposed parking spaces is below Lane Cove Council's Development Control Plan (DCP) 2009, justification is given due to:



- the site being well located in terms of access to public transport options;
- providing the maximum car parking rates would result in significant traffic generation, and put more stress on the local traffic network; and
- the Lane Cove DCP parking rates are higher than other similar centres and do not reflect a location that is close to public transport opportunities.

A queuing analysis was also undertaken in relation to the car stacker, which found that there is sufficient queuing distance available before Pacific Highway operation is affected.

The proposal also states that RMS has provided an initial response in support of the car stacker as a suitable solution for the site (**Attachment F16**).

### Contamination

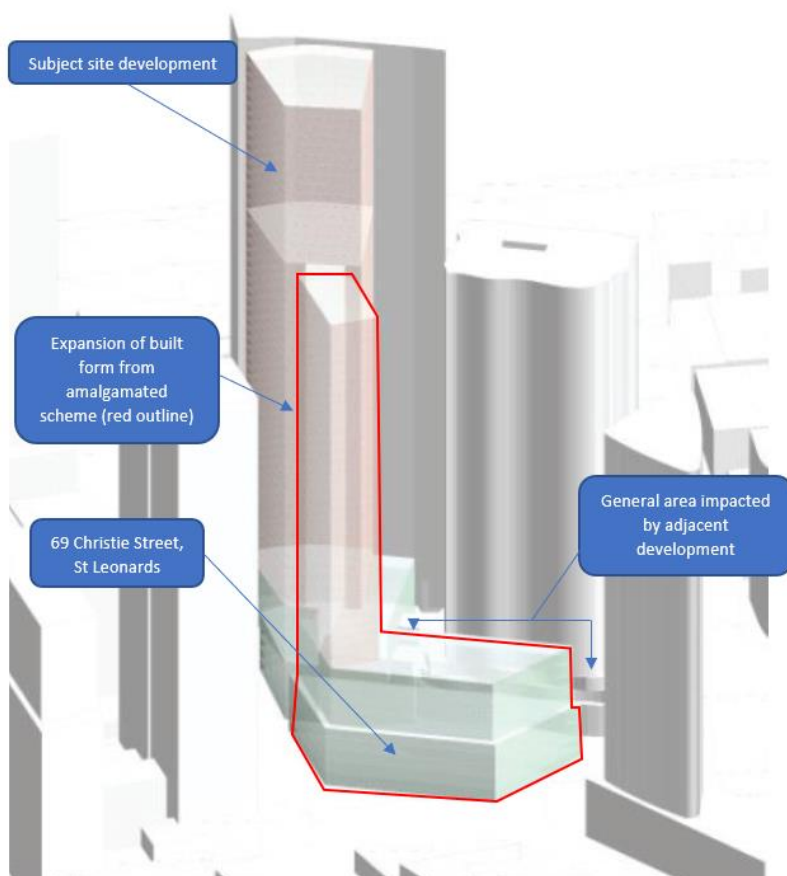
The report states that a Phase 1 Preliminary Site Investigation (PSI) was undertaken by EI Australia (**Attachment F8**), to determine the potential risk for land contamination from past and current activities in accordance with the requirements of State Environmental Planning Policy No. 55 – Remediation of Land.

The PSI concluded that, based on the results of the investigation and consideration of the Statement of Limitations, site contamination is unlikely to prevent the site from redevelopment of the land-uses proposed.

### Site isolation

The Draft 2036 Plan identifies the subject site and 69 Christie Street, which is currently occupied by the Australian Medical Association (AMA), as one 'Significant Site', with the intention of the Draft 2036 Plan being that any future development will amalgamate the sites (**Attachment F12**).

In response, PTW has prepared various scenarios that incorporate 69 Christie Street, noting that the 'New Hope' development to the north and east impacts on the interface between the sites (**Figure 21**).



**Figure 21:** Potential amalgamated development response (Source: PTW Architects).

The planning proposal states that as a result of the above, two-thirds of the site would be impacted by overshadowing and privacy, and generally be unable to comply with the regulations of the Apartment Design Guide (ADG).

The example above shows how the site could be amalgamated with 69 Christie Street as a lower-scale mixed-use site with ground activation, and limited high-rise development to the east.

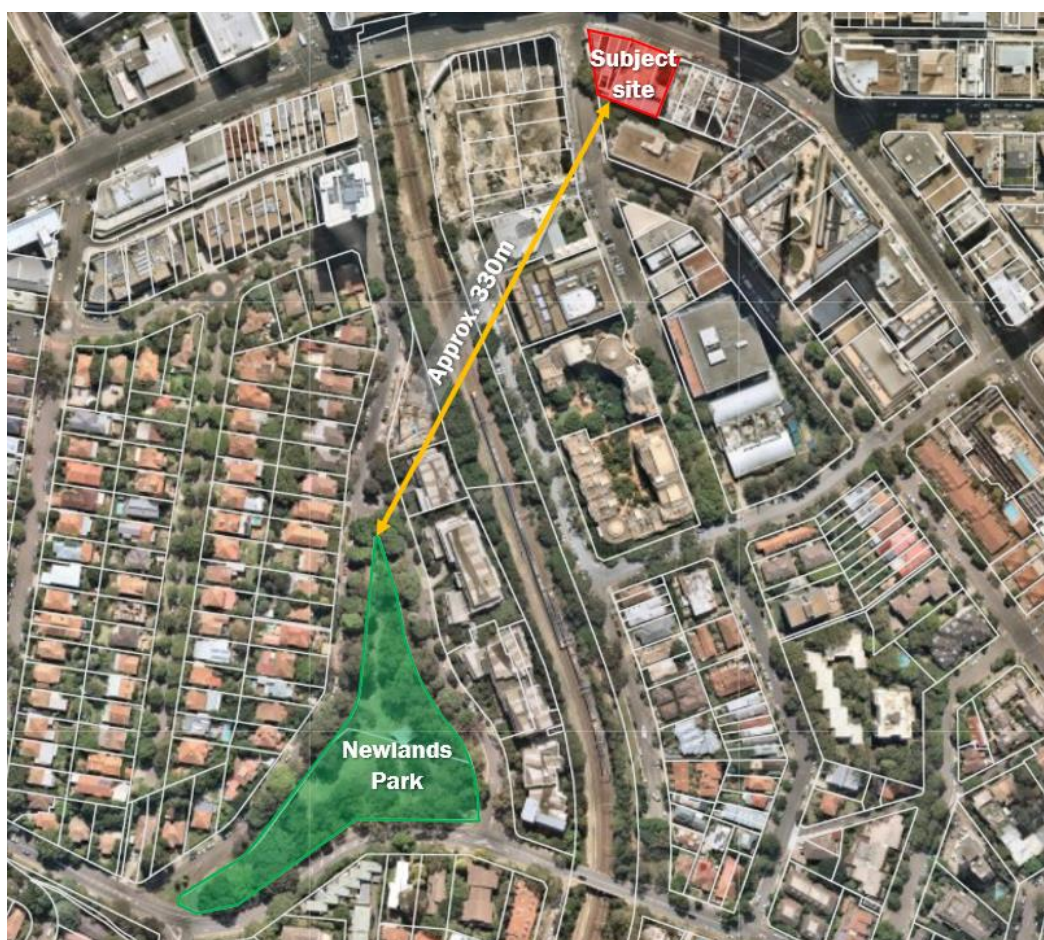
While the report does state the benefits that an amalgamation will bring, there will be an impact on:

- the ability of the development to maintain public domain linkage through Christie Lane through to Friedlander Place – which is a key element of linking the JQZ site to the west with Mirvac’s St Leonards Square to the east;
- the presentation to Christie Street, removing the currently proposed slender building solely on 524-542 Pacific Highway and replacing with increased bulk;
- the compliance with the ADG in relation to visual privacy through building separation; and
- amenity due to increased overshadowing.

The planning proposal also states that Grocon has attempted to initiate negotiations with AMA, with no resolution to any potential amalgamation.

### Overshadowing

A shadow analysis was submitted with the rezoning review package, prepared by PTW Architects (**Attachment F17**), to show the impact of overshadowing on Newlands Park, which is approximately 330m in a straight line, to the south-west of the subject site (**Figure 22**).



**Figure 22:** Proximity of Newlands Park to subject site (Source: Nearmap).

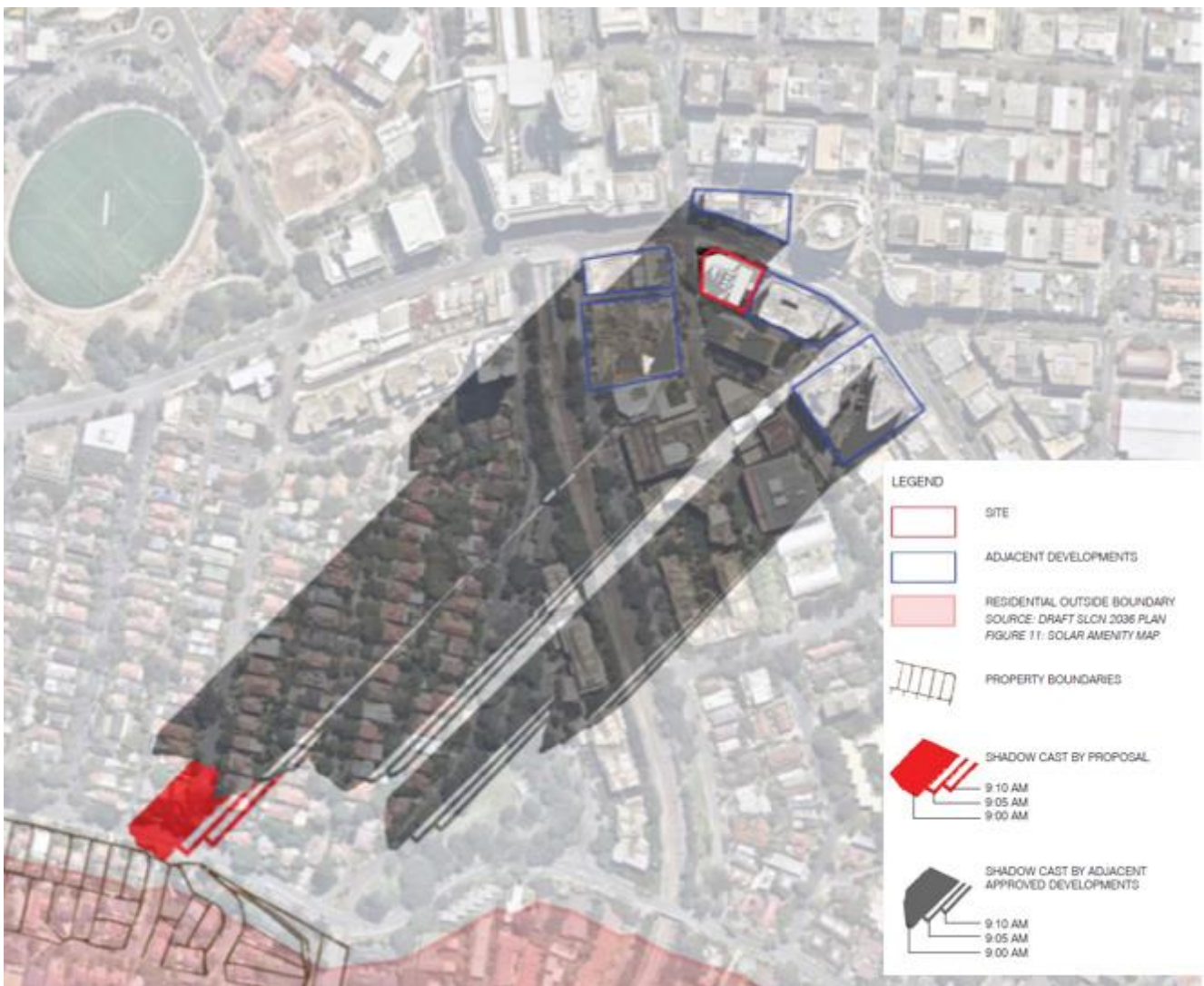


The rezoning review report states that the proposal would overshadow Newlands Park between the hours of 10:00am and 10:45am on June 21 (**Figure 23**). The following points are also noted in the report:

- the proposed height limit has been set to limit overshadowing to this wooded and heavily overshadowed area of the park, without significantly impacting the main area of wider open space in the central area of the park. The analysis shows that all shadow falls on areas that area already affected by canopy overshadowing;
- the shadow moves extremely quickly – any given part of the park is only shadowed for approximately 15 minutes before the shadow has moved to the east;
- no part of the park is shadowed by the proposed development beyond 11:00am – therefore, the shadow impacts last less than one hour on June 21;
- the impacts lessen as the year moves towards spring and summer – meaning that the impacts are limited to only a few months of each year in the depths of winter;
- between 10:15am and 10:30am, when the overshadowing impacts to Newlands Park are most pronounced, the entirety of the shadow falls on wooded areas that are normally heavily overshadowed by trees in any case;
- the middle area of the park – the open area least affected by existing development or overshadowing from existing vegetation – is not affected at all on June 21 by the proposed height limit;
- the east-west profile of the building is extremely slender and minimises the extent of overshadowing; and
- use of the park between 10:00am and 11:00am in mid-winter is likely to be extremely limited, particularly in the northern section of the park. The more important period of solar access is from 11:00am to 2:00pm, consistent with sun access controls in the current Lane Cove DCP.



**Figure 23:** Impact of overshadowing on Newlands Park to the south-west (Source: PTW Architects).



**Figure 24:** Impact of overshadowing on residential dwellings to the south-east (Source: PTW Architects).

### Views

The rezoning review states that the proposed height will have an impact on the current views that are shared around St Leonards and the wider area. As a way of responding to this issue, the proposed slender building form aims to reduce the impact on existing views.

### Social Impacts

The planning proposal states that redevelopment of the site will deliver the following:

- 453 permanent jobs on the site and 628 jobs during construction;
- approximately 330 apartments on the site in a good location close to public transport options and a future Metro station; and
- increased passive surveillance through a mixed-use development that activates public domain and retail space.

### Economic impacts

An Economic Impact Assessment (EIA) prepared by Urbis (**Attachment F7**), has been submitted with the rezoning application. Generally, the assessment focused on the constraints associated with the retention of the Telstra Exchange building and the impacts on a purely commercial development, with statements to support the argument that a reduced demand for commercial floor space in St Leonards over the last 15 years is due to:

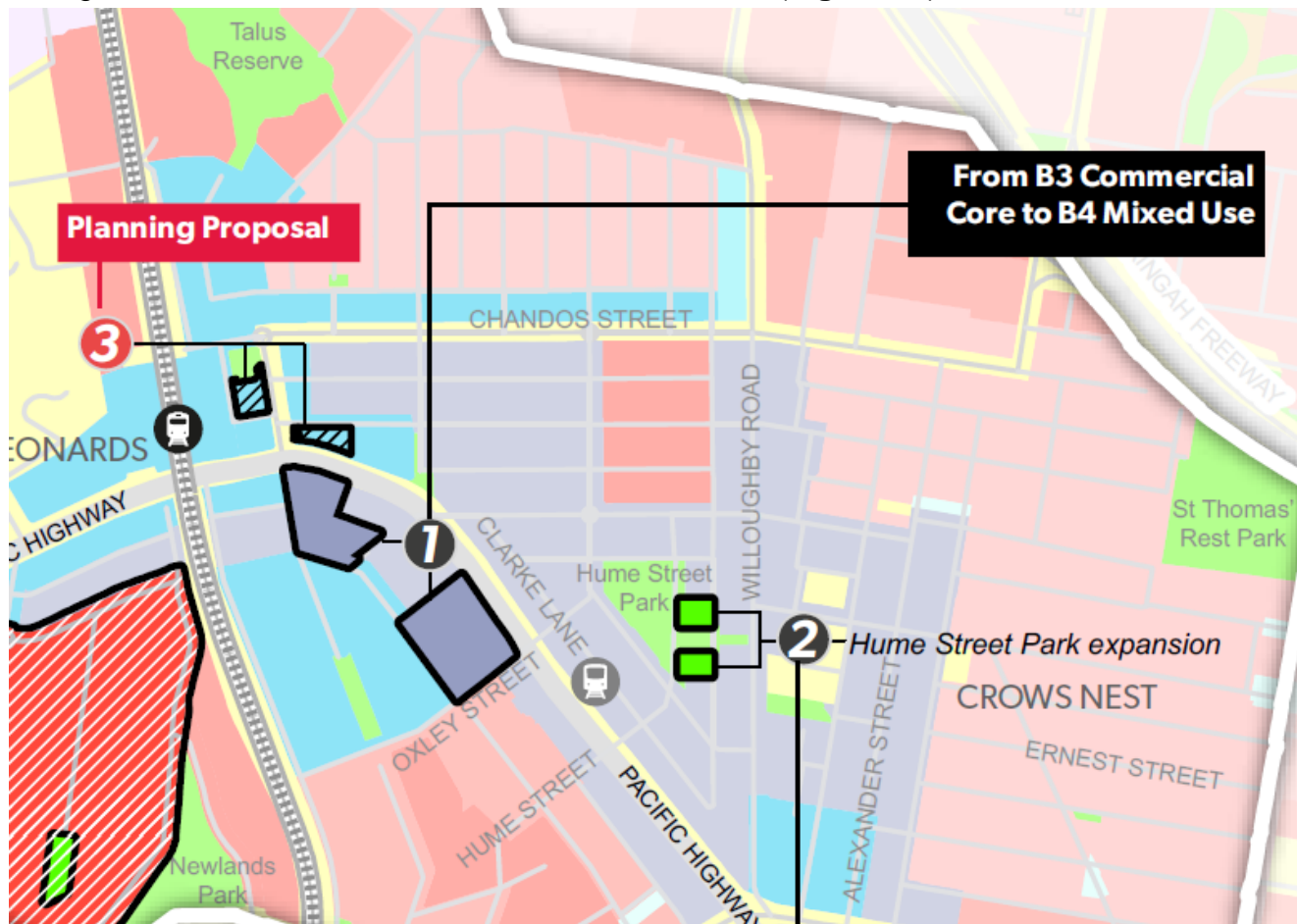
- more affordable rents in other suburban office markets;
- higher quality commercial offerings with larger floorplates in other centres; and
- greater amenity and proximity to major retail centres in other centres.



The report also claims that the reduced demand is likely to continue for the next 15 years, and that there is likely to be surplus commercial floor space in St Leonards.

The above serves to form the basis of the EIA's conclusion that the site is only able to enhance employment opportunities through a mixed-use development.

Furthermore, the recommendation of the Draft 2036 Plan nominates the site for a land zoning change from B3 – Commercial Core to B4 - Mixed Use (**Figure 25**).



**Figure 25:** Draft 2036 Plan - diagram recommending the site for a land zone change (Source: DPIE).

#### A-grade commercial floor space issues

An analysis of the commercial floor space that could be provided has been undertaken by PTW, based on the Property Council of Australia's *A Guide to Office Building Quality* (3<sup>rd</sup> Edition).

The application states that the analysis shows that all criteria can be met as part of a future development, including levels 6-9 meeting the floor place parameters (from the guide), and suggestions of combining levels 3-5 into a single tenancy to achieve the minimum net lettable area (NLA) (**Attachment F6**).

#### Amenity

The planning proposal states that the built form of the development will be determined through the development assessment process, however the design has considered residential amenity and expects to:

- provide adequate building separation distances from the nearby existing and approved residential flat buildings;
- achieve compliance with the solar access design criteria;
- achieve cross-ventilation; 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.

*The existing uses, approved uses and likely future uses of land in the vicinity of the proposal.*

The planning proposal states that in light of the existing and proposed context, the proposal is considered to be complimentary to and befitting of the strategic centre that is growing and evolving at St Leonards.

*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.*

### Voluntary Planning Agreement (VPA)

Grocon has submitted a letter of offer with the package that outlined a voluntary planning agreement with Lane Cove Council.

The VPA generally provides a monetary contribution for the amount of GFA uplift achieved by the proposal, in the order of \$1300 per square metre of uplift. The rezoning review report states that this constitutes 'satisfactory arrangements', and was offered instead of contributions under Section 7.11 and any Special Infrastructure Contribution that may be implemented in the future.

### **3. COUNCIL VIEWS**

The Department wrote to Council on 11 April 2019 advising of the rezoning review request. Council responded on 20 April 2020 (**Attachment D1**). Council staff provided the following material to support their comments:

- cover letter responding to the Department (**Attachment D1**);
- copy of the Council report presented to the Lane Cove Local Planning Panel dated 3 March 2020 (**Attachment D2**);
- report for Lane Cove Council ordinary meeting dated 16 March 2020 (**Attachment D3**);
- minutes of Lane Cove Council meeting 16 March 2020 (**Attachment D4**); and
- North Sydney Local Planning Panel advice dated 3 March 2020 (**Attachment E**).

Council staff confirmed that the submitted material was the same as considered by Council on 16 March 2020.

The Lane Cove Local Planning Panel considered the planning proposal at its meeting of 3 March 2020 and agreed with Council's recommendations, and recommended the proposal not be supported because:

- the panel is of the view that there is a need to retain the subject land for employment uses due to its strategic location;
- permitting residential development on this site would represent a lost opportunity for the future provision of high-quality commercial floor space in this strategic location;
- the emerging built form in this locality respects and enhances open space, view corridors and connectivity. The proposal does not respond appropriately to this emerging form;
- there is no apparent justification for the significant height increase over the existing and approved buildings in the immediate locality. It is also noted that the building height proposed would encroach on the Obstacle Limitation Surface Level for Sydney Airport;
- the proposal provides no justification as to why the Telstra building must remain on site in its current form. This is a significant constraint which appears to be driving the



outcome. Any proposal should consider alternatives to retaining the Telstra building in its current form; and

- the proposal does not properly consider the adjoining sites in a strategic context. In the absence of amalgamation, the constraints presented by this site prohibit a development of the size and scale proposed. Indeed, developing the land in isolation would hinder the ability to provide a master-planned outcome for the precinct.

The panel highlighted that the Lane Cove LGA has exceeded its residential targets for 2020 and will continue to do so based on approvals issued and future developments which are in the pipeline, and that there is no demand for additional residential land within the LGA in the foreseeable future.

At its meeting of 16 March 2020, Council considered the recommendations of its assessment officer and the Lane Cove Local Planning Panel, both of which recommended not to support the planning proposal. Council resolved to not support the planning proposal proceeding to Gateway determination for the following reasons:

- the proposal is inconsistent with A Metropolis of Three Cities which identifies the St Leonards Strategic Centre as a major employment asset of the Eastern Economic Corridor for *“attracting investment, business activity and jobs in strategic centres across Greater Sydney increasing access to a wide range of jobs, goods and services close to people’s homes and supporting the 30-minute city.”*;
- the proposal is inconsistent with the North District Plan’s priorities and actions surrounding the St Leonards Commercial area, which focuses on the site and surrounds being a key employment centre, specifically a health and education precinct;
- counter to the ‘Significant Site’ concept identified in the Draft 2036 Plan, the Plan’s Economic Feasibility Plan recommends retaining most or all of the existing B3 zoned sites, and allowing additional mixed-use floor space with a minimum FSR in the B4 – Mixed Use zones only;
- the proposal is inconsistent with the St Leonards/Crows Nest Draft 2036 Plan, in that:
  - the proponent’s proposition that commercial floor space in St Leonards cannot compete with nearby commercial centres (Chatswood and Macquarie Park) is refuted by the Draft 2036 Plan’s *Economic Feasibility Report* – which states that *“the new Metro station and Metro rail investment is expected to catalyse higher value office development in the medium-short term.”* (p75).
  - it does not align with the ‘significant site’ concept from the Draft 2036 Plan, that:
    - identified the site as being amalgamated with the AMA site to the south; and
    - allows mixed-use development on key sites to *“encourage more A-grade commercial office floorspace.”* The proposal only intends to develop 24% of the current employment potential GFA, and therefore represents a significant underutilisation of the potential 28,000 m<sup>2</sup> of commercial space.
  - it will constrain development on the AMA site to the south, contrary to the Draft 2036 plan that aims to *“avoid unreasonably constraining development potential of neighbouring sites”*;
  - it does not align with the height concept of the Plan; and
  - it does not align with the Plan’s principle of ensuring no additional overshadowing of public open space.

- the proposal is inconsistent with Lane Cove Council's Draft Local Strategic Planning Statement, in that:
  - additional housing is focused on the St Leonards Strategic centre and surrounds, but not at the expense of the growth of jobs; and
  - the proposal is inconsistent with Councils action surrounding the growth of jobs, and that all Commercial Core zoned land will be retained until a review after the delivery of the Crows Nest Metro Station (2024).
- Council believes it is too soon to consider further B4 rezoning in the area.

Council also determined that the proposal fails to meet the site-specific merit test due to:

- the underutilisation of commercial floor space, being a 24% underutilisation; and
- the use of a car stacker, that will likely compromise the amenity of businesses and residential tenants, as well as the potential to affect traffic at the intersection of Christie Street and the Pacific Highway.

Council and the panel agreed that the number and degree of non-compliances with the Draft 2036 Plan objectives, design criteria, design principles and actions, the proposed vehicular egress (via Pacific Highway) is not justified. If the site was amalgamated with 69 Christie Street (as per the Draft 2036 Plan) this would potentially be alleviated.



## **ATTACHMENTS**

**Attachment A** – Locality map

**Attachment B** – Site map

**Attachment C** – Current LEP Maps

**Attachment D1-D4** – Council Comments and submission

**Attachment E** – Lane Cove Local Planning Panel advice

**Attachment F1-F30** – Rezoning Review application package

Assessment officer: Michael Cividin  
Planning Officer, North District  
Contact: 9860 1554