



# Alfred Street Precinct, North Sydney

## Planning Proposal

On behalf of  
Benmill Pty Ltd & JB No. 3 Pty Ltd  
March 2019



## Project Director

Kate Bartlett

Signed\*

.....  
Date

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

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# Executive Summary

This Planning Proposal has been prepared by Mecone on behalf of Benmill Pty Ltd & JB No. 3 Pty Ltd in relation to the Alfred Street Precinct which includes sites 283 Alfred Street (Building A), 275 Alfred Street (Building B), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D). The planning proposal satisfied the requirements of Section 3.33 of the *Environmental Planning and Assessment Act 1979* (EPA Act).

## Subject Site

The Alfred Street Precinct is located in North Sydney local government area located east of the North Sydney CBD separated by the Warringah Expressway. The Precinct comprises of a block zoned B3 Commercial Core which includes the sites 263-283 Alfred Street and 4 Little Alfred Street. The site is roughly rectangular in shape and has a combined area of 5,217m<sup>2</sup>. The site has significant level variations with a steep crest of 7m (approximately) to the middle of the eastern boundary (Little Alfred Street) and the site falls steeply from Alfred Street to Little Alfred Street by approximately 3m.

The site has a range of land uses with commercial buildings to 271, 273 and 283 Alfred Street which are 3-4 storeys, a 3-5 storey strata building with townhouses, residential units and some commercial uses at 263-268 Alfred Street and 4 Little Alfred Street and an 18 storey commercial building known as the Bayer Building at 275 Alfred Street.

The Precinct is located between the high rise North Sydney Commercial Core and fine grain, low rise residential buildings to the north and east which are within the Whaling Road Conservation Area. The proposed Victoria Cross Metro Station is located approximately 500m from the Precinct, while North Sydney train Station is approximately located 400m to the west. The Precinct is also located 500m from bus services which operates regularly along the Pacific Highway and is 1km from the North Sydney Ferry.

## Planning Background

The subject Precinct has an extensive planning background which is detailed in section 3.1 of the report. A Planning Proposal was lodged in September 2015 for the Bayer Building which proposed the rezoning of the site to B4 Mixed Use, increase the maximum building height from 13m (existing building 52.36m) to 85m and increase the maximum FSR from 3.5:1 (existing building 7.3:1) to 10.2:1. However, the Joint Regional Planning Panel (JRPP) did not support the proposal and JRPP made the following comments:

- The JRPP considers the site and the street block zoned B3 is isolated from North Sydney CBD and closely related to the adjoining residential area and therefore a change in zoning that would allow residential use, would be appropriate;
- The Planning Proposal only deals with one site rather than the Precinct and results in a piecemeal approach. Furthermore, the proposal leads to the site having three times the development potential of the other sites within the B3 zone and fails to achieve separation distances and affects the development potential of the adjoining sites; and
- The JRPP considered appropriate to grant the Bayer Building the density it currently enjoys with additional height subject to appropriate amenity. As for the other sites in the B3 zone, the existing density of 3.5:1 may be combined with some additional height, with appropriate amenity.

Following the JRPP decision, Council prepared a draft Alfred Street Precinct Planning Study in February 2017 which would provide a framework for the entire Precinct and would act as a guide for a future land owner led Planning Proposal. Whilst at its meeting in January 2019, Council resolved not to support the draft Study due to political reasons.

It is noted that the draft Study has no statutory force given it was not formally adopted however, it is considered to have probative value. It has been used as a guide for the Planning Proposal and be given evidentiary weight as it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback. The proposal is also generally consistent with the objectives and design requirements outlined in the Study.

Council's preferred option in the draft Study is outlined below:

- Amalgamate sites 275 and 283 Alfred Street to create Site A and the remainder of the southern sites to create Site B;
- Achieves an FSR of 3.9:1 – 4.4:1 across the Precinct with 6.5:1-7.4:1 for Site A and 2.1:1-2.4:1 for Site B;
- Little Alfred Street incorporates fine grain residential accommodation which is 3 storeys in height;
- For Site A, the built form would include a three storey commercial podium (to the through site links and Alfred Street) with a new tower to align with the Bayer Building (including its width along Little Alfred Street) with an additional 6 storeys which are to be tapered along the eastern boundary;
- For Site B, the ground floor is to be commercial (along through the through site link, Alfred Street and Whaling Road, with a 4 and 9 storey built form along Alfred Street;
- Shared basement access; and
- Public benefits including a public through site link to the northern edge of Site A, a laneway which straddles Sites A and B, street frontage setbacks and an upgraded public domain.

There is value in Council's preferred scheme as it represents a balance between what Council's professional expertise and community would like to see in the Precinct.

**Note:** the FSR targets in Council's draft Precinct Planning Study for each site did not allow for Sites A, C and D to achieve their current maximum permissible FSRs in the LEP (3.5:1). Refer to the table below which outlines the target FSRs for each site based on Council's draft Precinct Planning Study.

	Site A	Site B	Site C	Site D
Precinct Planning Study – Target FSRs	1.39:1	10.58:1	1.62:1	3.42:1

Source: Grimshaw

The Planning Proposal will ensure that Sites A, C and D will be able to achieve the current permissible 3.5:1 FSR they currently enjoy in the LEP. Whilst Sites A and B were to be amalgamated (with a higher FSR on Site B as a result of this) the subject Planning Proposal will retain an FSR of 3.5:1 to Site A and reduce the FSR to a base of 7.3:1 (existing building) with an additional 2:1 design excellence provision (total FSR of 9.3:1).

We have demonstrated that we are willing to work with Council to achieve a good planning outcome for the Precinct. Council's Precinct Planning Study took over 2



years to prepare which has meant significant delays and momentum in the future redevelopment of the Precinct. We would like to continue to work with Council and the Department of Planning and Environment to ensure that a Planning Proposal is approved which will create a vibrant mixed use Precinct.

## Proposal

The Planning Proposal seeks the following amendments to North Sydney Local Environmental Plan (NSLEP) 2013:

- Rezone the Precinct from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
  - 31m for 283 Alfred Street (Building A);
  - 80m for 275 Alfred Street (Building B);
  - 28m for 271-273 Alfred Street (Building C); and
  - 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site.

**Note:** the maximum FSR controls will be retained at 3.5:1 for 283 Alfred Street (Building A), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).

A reference scheme has been provided which demonstrates how the density can be achieved on the site. The reference scheme for the Planning Proposal will contribute approximately 156 residential units and 10,127m<sup>2</sup> of modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct. The proposal seeks to retain the existing building frame of the Bayer Building and overhaul the building services and undertake remediation works of the existing commercial floor space which would be offset by the additional building height.

A site specific DCP has been prepared for the Precinct which provides controls relating to number of storeys, building setbacks, through site links, amalgamations, public domain works, vehicle access points and controls limiting signage (refer to **Appendix 7**).

## Rationale for the proposed changes to Planning Controls

The purpose of the Planning Proposal is to provide a Precinct wide approach to the future redevelopment of the block zoned B3 which is consistent with the JRPP decision (in September 2016). The Planning Proposal seeks to increase the density to facilitate the redevelopment of the Precinct and will create a lively mixed use Precinct which will incorporate a number of public benefits for the wider community.

Whilst the draft Precinct Planning Study (prepared by Council) was not formally adopted by Council and doesn't have any legal force, it has been used as a guide for the subject Planning Proposal. The proposal is generally consistent with the objectives and design requirements and provides improvements to the built form and amalgamation patterns as outlined in the Study.

An alternate amalgamation pattern is proposed from Council's draft Precinct Planning Study which provides a more flexible approach and will provide more certainty that the Precinct will be redeveloped. In relation to the amalgamation of sites 275 and 283 Alfred Street, a genuine attempt to purchase 283 has been

undertaken which is consistent with planning principle for site amalgamation, *Karavellas v Sutherland Shire Council [2004] NSWLEC 251 at 17-19*.

For Sites A, C and D, the proposal seeks heights of 8 storeys which differ from the heights in the draft Precinct Planning Study – 3 storeys to Sites A and C and 3 and 9 storeys to Site D. Whilst the proposed heights are slightly different to the Study, the proposal allows for these sites to be redeveloped in isolation and to achieve the existing maximum FSR they currently enjoy which will provide an incentive for these sites to be redeveloped. Furthermore, the proposed heights will not create any significant amenity issues to the Conservation Area with regard to solar access, privacy and significant bulk and scale.

## Urban Design

The approach for the future redevelopment of the Precinct was to seek a balance between amenity, public benefit, quality, economic viability and development surety. An urban form for the Precinct has been developed as a holistic approach, with massing responding to topography and existing residential context whilst maintaining it's unique character as a gateway precinct.

The proposal will incorporate a 3 storey podium along all the edges of the Precinct which is consistent with the existing built form. Fine grain residential accommodation will be located along Little Alfred Street to create an appropriate transition with the low scale dwellings. The built form above the 3 storey along Little Alfred Street will be generous to allow for solar access deep into the site and pedestrian arcade.

The built form will be setback 4.2-4.85m along Little Alfred Street, 6-6.75m to the ground floor and 2.4m to the ground floor along the northern boundary. Landscaping buffer zones will be created along all elevations which will provide visual screening to the adjoining Heritage Conservation Area and Freeway. The proposal will also incorporate elevated landscaping podiums along Little Alfred Street which will further soften the built form along this elevation.

The pedestrian arcade would be linked through the precinct at ground level and centred around the Bayer Building which will create significant improvements to the ground floor plane. The arcade incorporates a series of laneways which are activated with retail shops to promote social interaction and provide connections between the adjoining residential areas and North Sydney CBD.

## Economic Analysis

Within North Sydney Centre there are a number of initiatives which will provide significant commercial growth including Council's Capacity and Land Use Study/North Sydney Centre Planning Proposal, ongoing developments, Ward Street Precinct Masterplan and Victoria Cross Metro Station. Cumulatively, there appears to be in the order of 806,000m<sup>2</sup> of additional commercial supply capacity in the Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.

The draft Precinct Planning Study proposed 4,200-4,800m<sup>2</sup> of commercial floor space which results in the loss of 9,000m<sup>2</sup> existing floor space and is equivalent to 450 jobs. The loss of commercial floorspace was acknowledged by Council to be unfortunate, however in the context of capacity in the Centre and demonstrated development interest it was considered an acceptable outcome. Furthermore, the JRPP acknowledged that the Precinct is not a suitable location for employment growth given it is isolated and disconnected from the North Sydney CBD.

However, the proposal will provide 10,127m<sup>2</sup> of modern retail, commercial, office and business floor space which would result in a reduction of approximately 4,000m<sup>2</sup> from the existing floorspace which is a lot less than proposed in the draft Precinct Planning

Study. Displaced businesses could seek space in the North Sydney Centre where there is large stock of secondary grade buildings with low rents which are comparable to the Precinct. The economic activity would therefore not be 'lost' from North Sydney but, merely relocated elsewhere within the LGA.

## Traffic and Parking

A Traffic Impact Assessment (TIA) has been prepared on behalf of TTPP (refer to **Appendix 2**) which provides an assessment on the proposed parking and internal layout and examines the traffic generation of the proposed development. The proposal will reduce the trips generated from the Precinct by 31 trips at the AM peak and 23 trips at the PM peak given the residential trip generation rates are lower than the commercial rates.

Traffic modelling was undertaken for the existing base case and the proposed development to the intersections of Little Alfred Street/Whaling Road and Neutral Street/Whaling Road. The intersections are currently operating at 'A' (good operation) level of service and will continue to operate as this level as a result of the proposal. The TIA concludes that the proposal is not expected to result in any noticeable traffic impacts on the surrounding road network and therefore, no mitigation measures are required as the existing road network is expected to accommodate the proposed development traffic.

The North Sydney Development Control Plan 2013 (NSDCP 2013) incorporates a maximum parking rate for the Precinct. The reference scheme in the Urban Design Report (refer to **Appendix 1**) demonstrates how these spaces can be accommodated for in the basement layouts. However, there may be an opportunity to reduce the car parking spaces given the Precinct is well serviced by public transport.

## Social Impacts

The planning proposal will create a number of, including:

- Improving the ground floor plane and public domain by:
  - Providing a generous amount of landscaping along all the boundaries which will provide a buffer in between the Heritage Conservation Area and the Freeway along Alfred Street;
  - Increasing the setbacks along Little Alfred Street and Alfred Street to improve the pathways with some kerb build outs along Alfred Street; and
  - Providing a pedestrian arcade at the ground floor which provides a series of laneways and through site links to improve permeability within and through the Precinct to North Sydney CBD.
  - Upgrading and reconfiguring the Mount Street Overpass to improve pedestrian amenity (including potential weather protection and plantings).
- Create a lively mixed use precinct which will ensure activity throughout the day and night. The retail shops will activate the street frontages and through site links and provide opportunities for social interaction;
- Create a mixed use Precinct which will integrate housing, employment opportunities and services and reduce the need for car travel whilst promoting cycling and walking in the locality;
- Upgrading existing outdated commercial floor space which will provide employment opportunities;
- Increasing housing choice and stock in close proximity to a range of public transport options and other services;

- Providing an appropriate transition to the low scale development in the Conservation Area with a residential fine grain typology along Little Alfred Street; and
- Proposing a building envelope which will comply with ADG building separation distances and minimise amenity impacts to the surrounding Conservation Area with regard to overshadowing, privacy and view loss.

## Strategic Merit

Whilst this application is not for a rezoning review, the proposal has been considered against the strategic merit test and the site-specific merit test to demonstrate that the Planning Proposal has strategic merit (refer to **Appendix 5**). The proposal is consistent with relevant state, regional and local strategies and the rezoning of the Precinct will allow for a better transition with the adjoining Heritage Conservation Area which is close proximity to a number of public transport services.

## Conclusion

This report provides a full justification of the proposal in line with the Department of Planning and Environment's template for gateway rezonings. The justification demonstrates that:

- The proposal is consistent with the JRPP decision made in September 2016 in that it allows for a Precinct wide approach to the future redevelopment of the B3 zoned block. Furthermore, it will rezone the Precinct to incorporate residential use which was considered by the JRPP to be appropriate given the isolation of the Precinct from the North Sydney CBD;
- Although Council's draft Precinct Planning Study was not formally adopted and has no legal weight, it is considered to have some probative value. The Study acts as a framework for the future redevelopment of the Precinct and it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback. The Planning Proposal is consistent with the objectives and design requirements of Council's draft Precinct Planning Study;
- The proposal is consistent with the Greater Sydney Region Plan and Northern District Plan given it will integrate housing and employment opportunities with public transport which contributes to the 30 minute city and contributes to housing targets;
- Is consistent with relevant Ministerial Directions and in particular with Direction 1.1 Business and Industrial Zones as the Precinct is not considered appropriate for employment growth whilst there is significant employment growth occurring within North Sydney CBD which will well exceed the job targets for the North District Plan;
- The proposal strategic merit given it is consistent with the relevant state, regional and local strategies and the rezoning of the Precinct will allow for a better transition with the adjoining Heritage Conservation Area which is close proximity to a number of public transport services. A strategic merit test and the site-specific merit test has been undertaken (refer to **Appendix 5**);
- Significantly improves the ground floor plane and public domain of the Precinct. The additional landscaping and widening of the footpaths along Little Alfred Street and Alfred Street will improve the pedestrian experience. The pedestrian arcade and upgrading of the Mount Street Overpass will significantly improve permeability within and through the Precinct;

- Creates an exciting opportunity to create a vibrant mixed use Precinct for the entire Precinct which will incorporate a highly activated ground floor plane with retail shops along Little Alfred Street and Alfred Street;
- Provides an opportunity to improve existing outdated commercial floor space and create modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct which are affordable and provide a supportive role to the North Sydney CBD;
- Provides housing diversity and choice for the future residents of North Sydney LGA with a variety of unit types and affordable housing; and
- Provides an appropriate built form between the North Sydney CBD and the low scale residential development in the Conservation Area and will not create any significant amenity concerns with regard to overshadowing or privacy.

# 1 Introduction

This Planning Proposal has been prepared by Mecone on behalf of Benmill Pty Ltd & JB No. 3 Pty Ltd in relation to the Alfred Street Precinct which includes sites 283 Alfred Street (Building A), 275 Alfred Street (Building B), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).

The Planning Proposal seeks the following amendments to North Sydney Local Environmental Plan (NSLEP) 2013:

- Rezone the Precinct from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
  - 31m for 283 Alfred Street (Building A);
  - 80m for 275 Alfred Street (Building B);
  - 28m for 271-273 Alfred Street (Building C); and
  - 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert an design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site.

**Note:** the maximum FSR controls will be retained at 3.5:1 for 283 Alfred Street (Building A), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).

The Planning Proposal is accompanied by a site specific Development Control Plan for the precinct which provides controls relating to number of storeys, building setbacks, through site links, amalgamations, public domain works and vehicle access points (refer to **Appendix 7**).

Whilst Council has not prepared their Local Strategic Planning Statement, it is envisaged that this site will be identified as an opportunity site in the Statement.

The Planning Proposal has been prepared in accordance with:

- Section 3.33 of the *Environmental Planning and Assessment Act 1979* (the Act); and
- The NSW Department of Planning and Environment's (DP&E) *A guide to preparing planning proposals*.

Specifically, the planning proposal includes the following information:

- A description of the site in its local and regional context;
- A statement of the objectives or intended outcomes of the proposed instrument;
- An explanation of the provisions that are to be included in the proposed instrument; and
- The justification for those provisions and the process for their implementation including:
  - Whether the proposed instrument will comply with relevant directions under Section 9.1;
  - The relationship to the strategic planning framework;
  - Environmental, social and economic impacts;

- Any relevant State and Commonwealth interests; and
- Details of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.

The Planning Proposal Report is accompanied by the following reports:

- **Appendix 1** – Urban Design Package;
- **Appendix 2** - Traffic and Parking Assessment;
- **Appendix 3** – Economic Impact Report;
- **Appendix 4** – Economic Feasibility Analysis;
- **Appendix 5** – Strategic merit test and the site-specific merit test;
- **Appendix 6** – Local Environmental Plan Maps;
- **Appendix 7** – Site Specific Development Control Plan; and
- **Appendix 8** - Letter of offer to purchase adjoining site/independent site valuation.

## 1.1 Proponent and Project Team

The Planning Proposal has been prepared on behalf of Benmill Pty Ltd & JB No. 3 Pty Ltd. Table 1 identifies the project team.

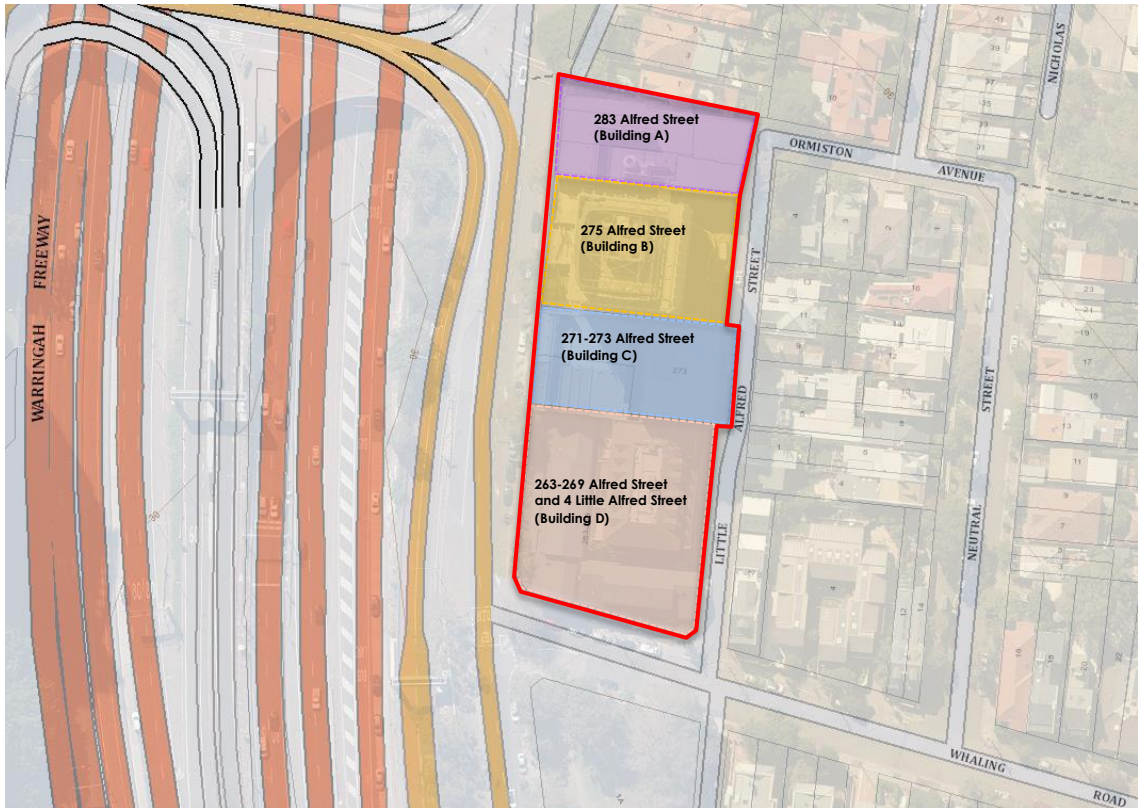
Table 1 – Project Team	
Item	Description
Urban Planning Assessment	Mecone
Architects / Urban Design Consultant	Grimshaw Architects/Legge and Legge Architects
Economic Consultant	AEC Group
Traffic Consultants	TTPP



## 2 The Site

### 2.1 Precinct location and description

The Alfred Street Precinct is located in North Sydney local government area located east of the North Sydney CBD separated by the Warringah Expressway. It comprises of a block zoned B3 Commercial Core with a combined area of is 5,217m<sup>2</sup>. An aerial image depicting the site and its immediate context is provided in the figure below. Note the Planning Proposal references the sites as Buildings A, B, C and D which is consistent with the proposed amalgamation patterns. The table below provides the legal description and a brief summary of the precinct and its surrounding context.



**Figure 1 – Subject site**

Source: Sixmaps, modified by Mecone

**Table 2 – Alfred Street Precinct**

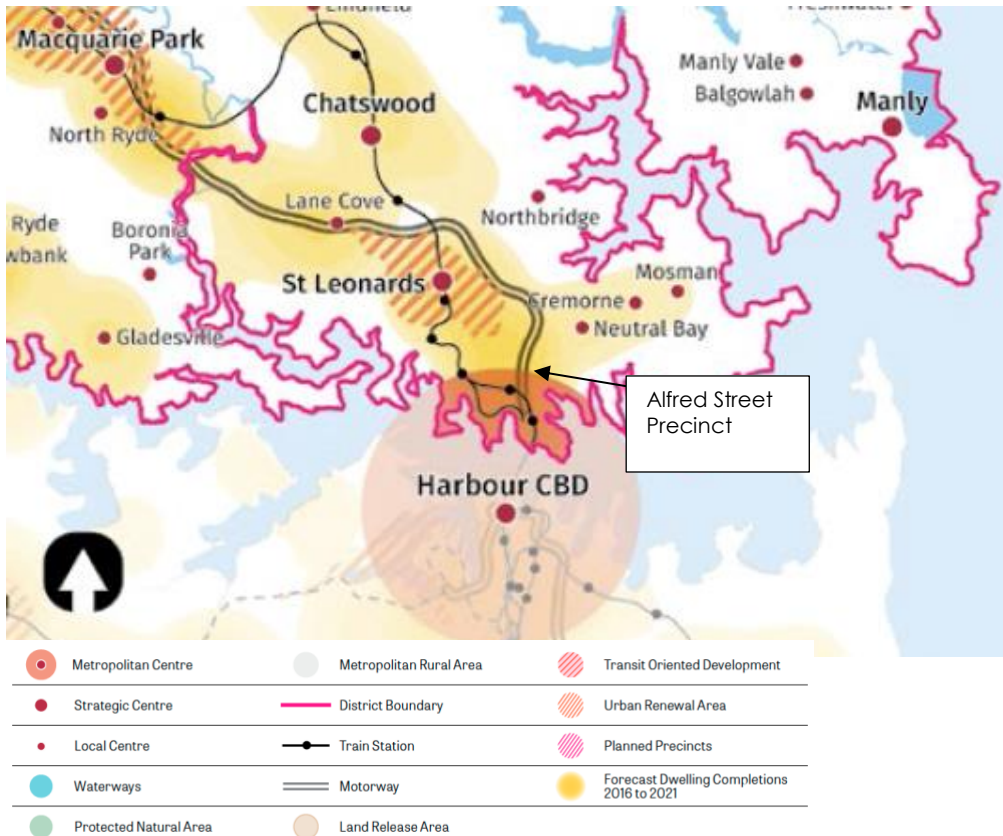
Item	Detail
Legal description	<p><b>283 Alfred Street:</b> Lot 14 DP67882; Lot 15 DP67882; Lot 16 DP67882; Lot 3 DP554750; and Lot 1 DP554749.</p> <p><b>275 Alfred Street:</b> Lot 1 DP54856</p> <p><b>271 Alfred Street:</b> Lot 1 DP532504</p> <p><b>273 Alfred Street:</b> SP6830</p> <p><b>263-269 Alfred Street/4 Little Alfred Street:</b> SP71563 and SP71454</p>



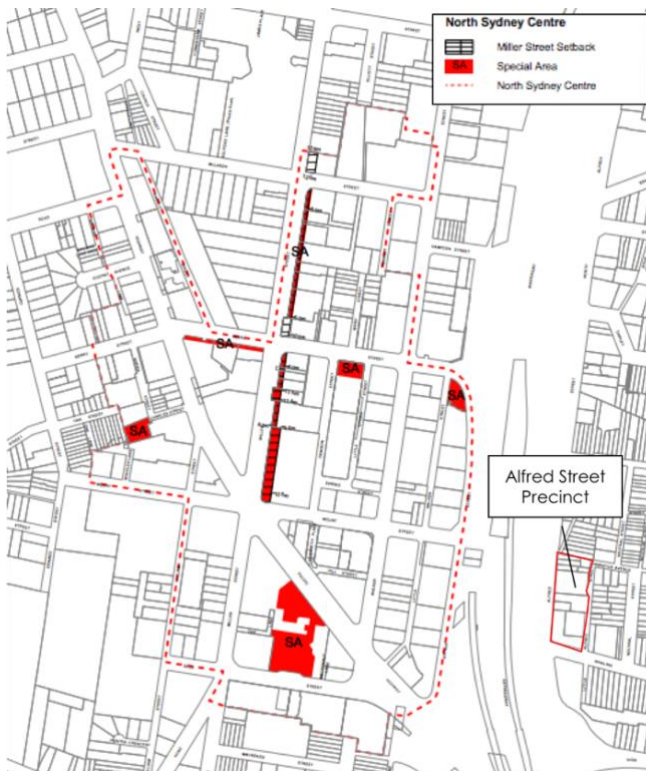
Table 2 – Alfred Street Precinct	
Item	Detail
Total site area	5,217m <sup>2</sup>
Site description and frontage	The Precinct is roughly rectangular shape with a combined frontage of approximately 120m to Alfred Street to the west, 43m to Whaling Road to the south, and 120m to Little Alfred Street to the east.
Site topography	The Precinct has significant level variations. Little Alfred Street (eastern boundary) has a steep crest of approximately 7m with the northern and southern ends dipping down. The Precinct falls steeply from Alfred Street to Little Alfred Street by approximately 3m.
Existing buildings/ structures	<p><u>283 Alfred Street</u> 3-4 storey commercial building, estimated 1,740m<sup>2</sup> net lettable area.</p> <p><u>275 Alfred Street</u> The Precinct is characterised by 'the Bayer Building' constructed in 1970, which is an 18 level commercial building (ground floor retail + 17 levels of office space with a total of 7,920m<sup>2</sup> net lettable area) with underground parking. The overall building height, including the signage panel, is 60.97m, while the ground floor is at RL40.00 and the very top of the panel behind the signage is RL100.97. The site has an FSR of 7.3:1. Constructed in 1971, the building is now nearing the end of its economically useful life as a commercial office building.</p> <p><u>273 Alfred Street</u> 3-4 storey commercial building, approximately 1,490m<sup>2</sup> net lettable area</p> <p><u>271 Alfred Street</u> 3-4 storey commercial building, approximately 521m<sup>2</sup> net lettable area.</p> <p><u>263-269 Alfred Street/4 Little Alfred Street</u> 3-5 storey strata building with townhouses and residential units, some occupied for commercial, some converted for residential use.</p>
Surrounding uses	<p>The Precinct is located between the high rise North Sydney Commercial Core and fine grain, low rise residential buildings to the north and east which are within the Whaling Road Conservation Area.</p> <p><u>North and East</u> Residential dwellings including terrace houses and detached dwellings of 1-3 storeys in height. The area is included in the Whaling Road Heritage Conservation Area. There are also a number of taller, high-density residential buildings which were built around 1970's to the north east and south east of the precinct, including 22 Doris Street at 9-10 storeys and 50 Whaling Road at 23 storeys.</p> <p><u>West</u> The Warringah Expressway borders the precinct to the west. Beyond the Warringah Expressway is the North Sydney CBD comprising</p>

Table 2 – Alfred Street Precinct	
Item	Detail
	<p>medium to high rise buildings of predominantly commercial offices with some retail and residential uses</p> <p><u>South</u></p> <p>Directly south of the precinct opposite Whaling Road is an RMS owned reserve, which provides a buffer between the highly trafficked Warringah Expressway, Alfred Street and the residential areas beyond. Across Whaling Road is Alfred Street North Park.</p>
Access	<p>Alfred Street connects the precinct to Warringah Freeway, which is a state road. There are a number of vehicle access points along Little Alfred Street and one to Alfred Street. There are various pedestrian entrances currently provided to buildings on site along each of the street frontages.</p>
Public transport	<p>The proposed Victoria Cross Metro Station is located approximately 500m from the precinct. While North Sydney Railway Station is approximately located 400m to the west.</p> <p>The Precinct is also located approximately 500m from bus services which operates regularly along the Pacific Highway.</p> <p>North Sydney Ferry is located a kilometre south from the Precinct.</p>

The Precinct falls just outside of the 'North Sydney CBD' area as defined in the North District Plan however is within the northern portion of the Harbour CBD and outside of the 'North Sydney Centre' as identified in the North Sydney Centre Capacity and Land Use Study and North Sydney Planning Proposal, refer to the figure below.



**Figure 2 – Harbour CBD**  
 Source: North District Plan



**Figure 3 – North Sydney Centre**  
 Source: North Sydney Centre Capacity and Land Use Study and North Sydney Planning Proposal

The following images depict the site, its interface and surrounding locality.



Figure 4 –

**View of precinct from the west**  
*Source: Grimshaw*



Figure 5 – Built form along Alfred Street



Source: Grimshaw



**Figure 6 – Southern boundary of precinct**  
Source: Grimshaw



**Figure 7 – Precinct along Little Alfred Street (looking north)**  
Source: Grimshaw





**Figure 8 – View along Little Alfred Street (looking south)**  
*Source: Grimshaw*



**Figure 9 – Public accessway to Bray Street**  
*Source: Grimshaw*





**Figure 10 – Residential properties along Whaling Avenue**  
*Source: Grimshaw*



**Figure 11 – View along Ormiston Avenue (looking east)**  
*Source: Grimshaw*



## 2.2 Surrounding context

The figure below illustrates the regional context of the subject site. The site is within close proximity to North Sydney Train Station, and the Bradfield Highway which provides access north and south. Victoria Cross Metro Station will also be located nearby. To the north and east of the site is the Whaling Road Heritage Conservation Area.

Due to the proximity to the harbor foreshore and topography, the area has high amenity with views and pedestrian access to the waterfront.

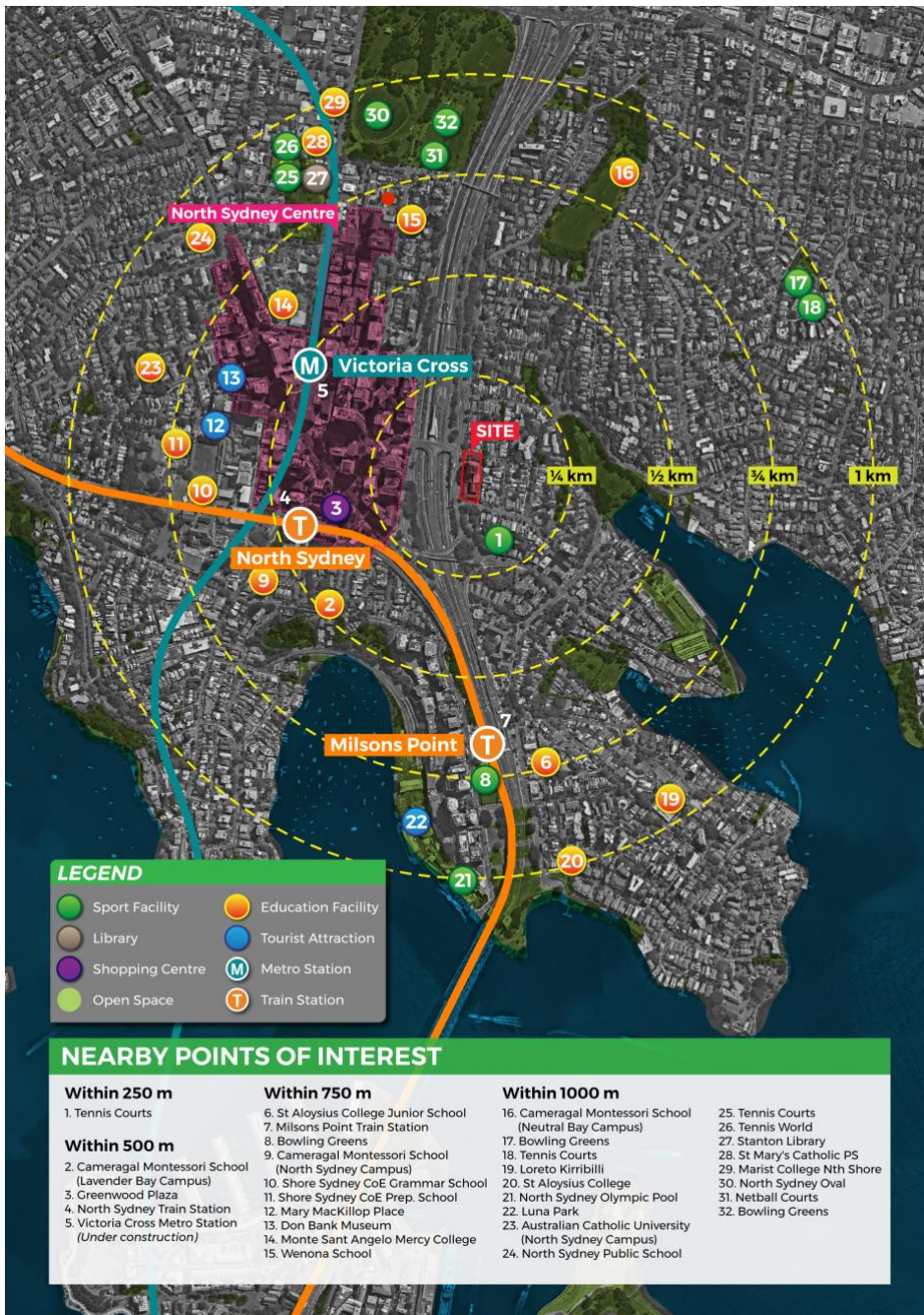


Figure 12 – Regional Map

Source: Mecone



## 2.3 Planning Context

### A Metropolis of Three Cities – the Greater Sydney Region Plan

The Greater Sydney Region Plan (the Plan), *A Metropolis of Three Cities*, published in March 2018 outlines a vision for Sydney to 2056. The Plan's 40 year vision is built upon a 20 year plan to manage the built and natural environment to accommodate the anticipated growth of Greater Sydney.

The vision includes:

- A Metropolis of three cities where economic, cultural and social life is supported by three distinct metropolitan centres or clusters. The three cities are the Eastern Harbour City, the Central River City and the Western Parkland City. Each city is characterised by its current economic, social and natural attributes with planning for their future based on their competitive strengths and advantages;
- The creation of 30-minute cities where people are within 30-minutes to jobs and services via public transport. The Plan aims to achieve the 30-minute City through investment in infrastructure, locating housing and jobs in the right places and improving accessibility to places where people want to be;
- Creating capacity of an additional 725,000 dwellings in well located and connected places to meet anticipated need;
- Creating capacity for 817,000 additional jobs with a focus of locating jobs in well-connected economic corridors, health and education precincts and strategic and local centres; and
- Increasing the urban tree canopy and delivering green-grid links to provide for better urban amenity, reduce heat island effects and improve climate resilience.

The Plan includes 40 Objectives that further outline the intended outcomes of the Plan. The Objectives are supported by a series of Strategies and Actions to will give effect to the vision. These Strategies are to be adopted and Actions implemented by NSW Government agencies and Local Government.

The Plan identifies the site as being within the Eastern Harbour City and within the Eastern Economic Corridor. The Corridor is NSW's if not Australia's primary economic area and contains approximately 775,000 jobs, stretching from Macquarie Park to Green Square. The vision for the Eastern Economic Corridor is for increased economic activity enabled enhanced accessibility within the corridor and growing investment and businesses in centres and trade gateways. This will be enabled through investments in transport infrastructure such as Sydney Metro North West, City and South West as well as urban renewal projects within the corridor that provide additional capacity of investment and activity.

The Plan also requires Council's to prepare housing strategies to supply housing for the next 20 years. In addition, the Eastern City provides over-arching objectives to provide local infrastructure to support its transportation and develop a fine grain urban form and land use mix that is essential for improving the regions' liveability.

The proposal represents an opportunity to provide for additional housing and jobs located in a well-connected and well-served centre. The site is well located with access to jobs health and education services and amenities within walking distance. Furthermore, the site has strong connections to metropolitan employment markets, open space, cultural and recreational assets.

The site is within the Eastern Economic Corridor. However, the Precinct is considered to be isolated from the North Sydney CBD and adjoins a residential zone and therefore is not considered appropriate for employment growth. Whilst the proposal will result in

the loss of some commercial floor space, there appears to be in the order of 806,000m<sup>2</sup> of additional commercial supply in the North Sydney Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.

However, the proposal will still provide some 10,127m<sup>2</sup> of modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct. The proposed commercial spaces will be for businesses that can not afford the rents within the CBD and will play a supportive role to the North Sydney CBD.

### North District Plan

The North District Plan was published with the Greater Sydney Region Plan in March 2018. The North District Plan reflects the vision of the Region Plan, giving it effect at the District and local level.

The District Plan provides guidance to local government, state agencies and other planning authorities and delivery groups as to the actions required to deliver on the vision for the District. The District Plan informs local environmental plans, local strategic planning statements as well as other supporting strategies and policy.

The Precinct falls out of the North Sydney CBD as identified in the District Plan. The vision for North Sydney CBD is to grow the economic capacity of the centre by capitalising on transport investment and connections; improving centre amenity and improving the capacity for jobs. These are reflected through North District Plan Actions 24 and 25 which outline a series of directions for North Sydney CBD for North Sydney Council, State agencies, other council and planning authorities to enact.

These actions are The District Plan notes that North Sydney competes with other strategic centres including Macquarie Park to attract commercial investment as part of the Greater Sydney office market. As office markets are influenced by available floorspace, opportunities for agglomeration, accessibility and quality of building stock, by providing modern office floorplates and facilities the proposal will improve commercial interest in the area and improve North Sydney's competitive advantage within the Greater Sydney office market.

Further, North Sydney Council are required to plan for a range of additional housing in appropriate locations. This includes in planning for various dwelling types in areas that are close to regional and district transport infrastructure, areas with existing transport accessibility, and areas within walking distance to jobs and services. The proposal represents an opportunity to add to the housing capacity of North Sydney LGA that is supported by transport, jobs and services.

### North Sydney Local Environmental Plan 2013

North Sydney Local Environmental Plan (NSLEP) 2013 is the principle planning instrument, guiding development in the LGA. The table below provides an overview of the key local planning controls contained in NSLEP 2013 in relation to the Precinct.

Table 3 – Alternate planning principles/design requirements	
Clause/standard	Provision
Zoning	B3 - Commercial Core
Height of Building	13 metres
Floor Space Ratio	3.5:1

**Table 3 – Alternate planning principles/design requirements**

Clause/standard	Provision
Minimum lot size	A minimum lot size does not apply to the site.

## 3 Planning background

The Precinct has an extensive planning background which is outlined below. We have demonstrated that we are willing to work with Council to achieve a good planning outcome for the Precinct. Council's Precinct Planning Study took over 2 years to prepare which has meant significant delays and momentum in the future redevelopment of the Precinct. We would like to continue to work with Council and the Department of Planning and Environment to ensure that a Planning Proposal is approved which seeks a balance between amenity, public benefit, quality, economic viability and development surety and will create a vibrant mixed use Precinct.

### 3.1 Previous Planning Proposal – Bayer Building

In late 2014 initial discussions for the rezoning and renewal of 275 Alfred Street, North Sydney (referred to as the Bayer Building) were held with North Sydney Council and Department of Planning and Environment (DP&E). While the site is part of the North Sydney CBD, its dislocation from the commercial core of North Sydney CBD was acknowledged by both Council and DP&E officers.

A Planning Proposal for the Bayer Building was submitted to North Sydney Council on the 3 September 2015 to facilitate a mixed-use development including 24 levels of residential apartments above 2 levels of retail/commercial uses. The Planning Proposal sought to amend the NSLEP 2013 as follows:

- Rezone the site from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum building height for the site from 13m (existing building 52.36m) to 85m; and
- Increase the maximum FSR for the site from 3.5:1 (existing building 7.3:1) to 10.2:1.

On 15 February 2016, Council resolved to not support the Planning Proposal proceeding to Gateway Determination.

On 17 February 2016, Mecone submitted a request for a Pre-Gateway Review to DP&E. A review of the planning proposal was undertaken, and it was determined to have merit to proceed to the Sydney East Joint Regional Planning Panel (the 'JRPP').

On 13 September 2016, the JRPP concluded the Planning Proposal should not be submitted for a Gateway Determination. The JRPP acknowledged the sites isolation from the main commercial centre and considered a change in zoning to enable residential use would be appropriate. However, the JRPP recommended that any future rezoning apply to the entire B3 area (Alfred Street Precinct) to demonstrate a holistic planning approach.

The basis of the JRPP determination is as follows:

*'1. The Panel considers that this site and the street block zoned B3 in which it is located is isolated from the main commercial centre of North Sydney and closely related to the adjoining residential area. Therefore, a change in zoning that would allow residential use in the street block, would be appropriate.*

*2. The main reason why the Panel does not recommend that this planning proposal proceed to Gateway Determination is that it deals with one site only rather than the area zoned B3 in which it is located. This piecemeal approach is contrary to the strategic intent of zoning decisions. In addition, the planning proposal leads to this site having three times the development potential of the other sites within the B3 zone. It fails to achieve the desirable separation distances between residential buildings and adversely affects the development potential of the adjoining sites.*

3. The Panel considers that, in any future planning proposal for the block zoned B3, it would be appropriate to grant this site the density it now enjoys by virtue of the existing building on it, with some additional height so that a mixed use building with appropriate amenity may be developed on it. As concerns the other sites within the B3 zone, the existing density of 3.5:1 may be combined with some additional height, so that it becomes possible to develop them to their development potential for mixed use buildings with appropriate amenity.'

## 3.2 Meetings with Department and Council

Following the determination of the JRPP, we met with Department of Planning and Environment and Council to discuss submitting a Planning Proposal for the entire Precinct. However, Council recommended that we wait until they prepare a Planning Study for the Precinct which will provide a framework for a future Planning Proposal for the entire Precinct. We confirmed that we were willing to work with Council and wait until they prepare a Study for the entire Precinct, to lodge a Planning Proposal.

## 3.3 Draft Alfred Street Precinct Planning Study

Following the JRRP decision, Council responded to the Planning Proposal by resolving to prepare a draft Alfred Street Precinct Planning Study (the draft Precinct Planning Study) at its meeting on 20 February 2017:

1. *THAT Council endorse the preparation of a planning study for the Alfred Street precinct as a basis to guide the preparation of any future planning proposal for the site at 275 Alfred Street, North Sydney.*

A draft Precinct Planning Study for the Alfred Street Precinct was prepared by Council and on 26 March 2018 Council resolved to adopt and publicly exhibit the draft Alfred Street Planning Study which was exhibited from 26 April 2018 to 8 June 2018.

### Council's preferred option

Council's preferred option of the Precinct Planning Study proposed (refer to figure below):

- A maximum 23 storey residential tower over a three storey commercial podium at the northern end of the precinct;
- A maximum six storey residential tower over a three storey commercial podium at the southern end of the precinct, with a three storey apartment block fronting Little Alfred Street;
- Shared basement access; and
- Public benefits including a new pocket park between Alfred and little Alfred Streets, new pedestrian links and through site links, street setbacks and an upgraded public domain.



**Figure 13 - Draft Alfred Street Planning Study: Preferred Option**  
 Source: North Sydney Council

### 3.4 Meeting with Council officers – 18 May 2018

Following the release of the draft Precinct Planning Study, a meeting was held with Council officers on 18 May 2018 to discuss the Precinct Planning Study further. An outline of the items discussed in the meeting are detailed below:

- AEC summarised its Economic Feasibility Study, which demonstrates Council's preferred option is not economically feasible.
- It was noted that based on previous analysis the refurbishment of the existing building may not be economically feasible and Council asked for further evidence of this.
- Council would like the applicant to consider alternative massing options.
- Council noted that if the Bayer building was to be fully redeveloped, they would like to see a slender tower. Key matters to be addressed in alternative options include GFA, setbacks/building separation distances, overshadowing and privacy impacts.
- Council seemed generally supportive of a piazza with retail to activate the frontages. Council to advise whether there are any alternative social infrastructure options.
- In terms of amalgamation, Council confirmed that they do not support redevelopments where there will be isolated sites as the amalgamation of sites will allow for a greater floor plate and better urban outcome. Council also confirmed if the northern site (283 Alfred St) is to be redeveloped in isolation, we must consider the potential floor plate that could be provided.

### 3.5 Submission to the Draft Precinct Planning Study - June 2018

In June 2018, Mecone lodged a submission on the draft Alfred Street Precinct Planning Study on behalf of Benmill Pty Ltd, the land owner group of 275 Alfred Street, the Bayer Building.

The submission detailed concerns with the draft Precinct Planning Study, specifically the preferred option. Concerns included:

- **The preferred option is not financially feasible:** AEC Group's Economic Feasibility Study (submitted with the submission) found that the preferred option would not facilitate feasible development of the Precinct because of the marginal increase to the overall GFA for the precinct, and the proposed reduction to the achievable GFA for 271-273 Alfred Street;
- **Site amalgamations would be difficult to achieve:** Council's preferred option is heavily reliant on a number of site amalgamations, which may be difficult to achieve given the scheme is not financially attractive to all landowners and there are a number of strata titled lots;
- **Urban design issues:** A number of urban design issues with the proposed building envelopes (including the consolidated basement) that would be very difficult to deliver;
- **Additional public benefits:** A number of additional public benefits (which were not required in the JRPP resolution) included in the draft Planning Study, which would need further significant density uplift to be feasibly incorporated;
- **Inconsistency with the JRPP recommendation:** The draft Study and preferred option was not consistent with the September 2016 JRPP recommendations for the following reasons:
  - The JRPP resolution suggests that the existing building density would be a base case, with additional height and density potentially appropriate. The draft Planning Study is inconsistent with the approach given the preferred option would reduce the GFA/FSR for some sites and only marginally increase the GFA/FSR for other sites;
  - The JRPP resolution did not recommend any site amalgamations for the precinct to achieve additional height; however, the draft Planning Study includes this within the preferred option; and
  - The previous Planning Proposal for the Bayer Building outlined a number of public benefits (including a through site link, improvements to the pedestrian bridge and public domain upgrades). The draft Planning Study has proposed additional public benefits not suggested as part of the JRPP resolution. The additional public benefits in the draft Planning Study, including the consolidated basement and pocket park, are onerous and will not be able to be feasibly delivered due to the constrained built form.

Mecone recommended Council reconsider the JRPP resolution to ensure that the Planning Study is consistent which may require addressing first principles.

Further, Mecone recommended Council consider a series of changes in the finalisation of the Precinct Planning Study for the precinct and individual sites. This included:



- Recommended FSR thresholds for individual sites that reflect a financially attractive proposition to all landowners in order to encourage precinct renewal and associated public benefits. The table below illustrates the FSR thresholds required for feasible development for each site in the Precinct;
- Reconsideration of the site amalgamations and allow for a more flexible approach, which may include an alternate amalgamation pattern combined with more flexible provisions or greater incentives to amalgamate;
- Draft a Clause in the North Sydney LEP to allow sites to develop in isolation where negotiations between relevant owners of adjoining properties are unsuccessful despite a concerted effort being made by the relevant parties;
- Recalculation of requirements to provide and contribute toward public benefits so that they are shared evenly amongst the landowners in the precinct; and
- Reconsideration of the type and location of public benefits and public domain outcomes including the pocket park and consolidated basement.

The following table outlines the required FSRs for each site to ensure the redevelopment of these sites are economically feasible.

Table 4 – Feasibility Testing Results, required FSR					
Development Yield	Site Area (m <sup>2</sup> )	Non-residential GFA (m <sup>2</sup> )	Residential GFA (m <sup>2</sup> )	Total GFA (m <sup>2</sup> )	Minimum FSR
<b>Site A</b>					
271-273 Alfred Street	1,031	1,445	1,401	2,846	2.75:1
275 Alfred Street	1,334	1,951	11,552	13,473	10.1:1
283 Alfred Street	872	711	1,818	2,529	2.9:1
<b>Total</b>	<b>3,237</b>	<b>4,107</b>	<b>14,741</b>	<b>18,848</b>	<b>5.82:1</b>
<b>Site B</b>					
263-269 Alfred Street 4 Little Alfred Street	1,980	1,542	6,378	7,920	4:1
<b>Total</b>	<b>1,980</b>	<b>1,542</b>	<b>6,378</b>	<b>7,920</b>	<b>4:1</b>

Source: AEC Group



### 3.6 Meeting with Council officers – 27 August 2018

A meeting was held with Council officers on 27 August 2018 to discuss potential alternate massing options for the Precinct which considered Council's Preferred Option in the draft Precinct Planning Study. Three alternate massing options were prepared by Legge and Legge Architects for the Precinct which closely achieve the FSR thresholds in the AEC Economic Feasibility Study and provided alternate site amalgamation options to provide a suitable balance between achieving an economic outcome without reasonably impacting upon the amenity of the surrounding neighbours.

The following key items were discussed in the meeting:

- The preference is to retain the existing Bayer building given cost implications and the existing building is structurally sound to accommodate additional levels on top. There are some good examples of retention of existing buildings including the Water Board site.
- There may be noise/vibration issues if the commercial tenants are to remain in the Bayer building while the additional levels are to be constructed above.
- The public domain improvements to the wider Precinct would need to be identified including additional landscaping, retail fronting Alfred Street and a continuous awning.
- Little Alfred Street could be proposed as a one way loop which would minimise the traffic conflicts along this street.
- The location of the plaza wasn't logical and a through site link would be better located to 283 Alfred St.
- Attempts of site amalgamation should be documented to build a case however they said that not amalgamating the sites should be last resort. The applicant noted that the site to the north (283 Alfred St) can be redeveloped in isolation.
- A good mix of uses should be incorporated into the design and perhaps a reduction in commercial floor space be presented as an option. The proposal must be consistent with the objectives of the draft Precinct Planning Study which looks at 'establishing a liveable, high amenity precinct that supports a good mix of new commercial, mixed use and residential buildings'. It was noted that the Stockland development in Cammeray is a good example of an appropriate mix of uses.
- The draft Precinct Planning Study will be a document which will invite landowners to prepare a Planning Proposal for the precinct.

### 3.7 Meeting with Council – 28 September 2018

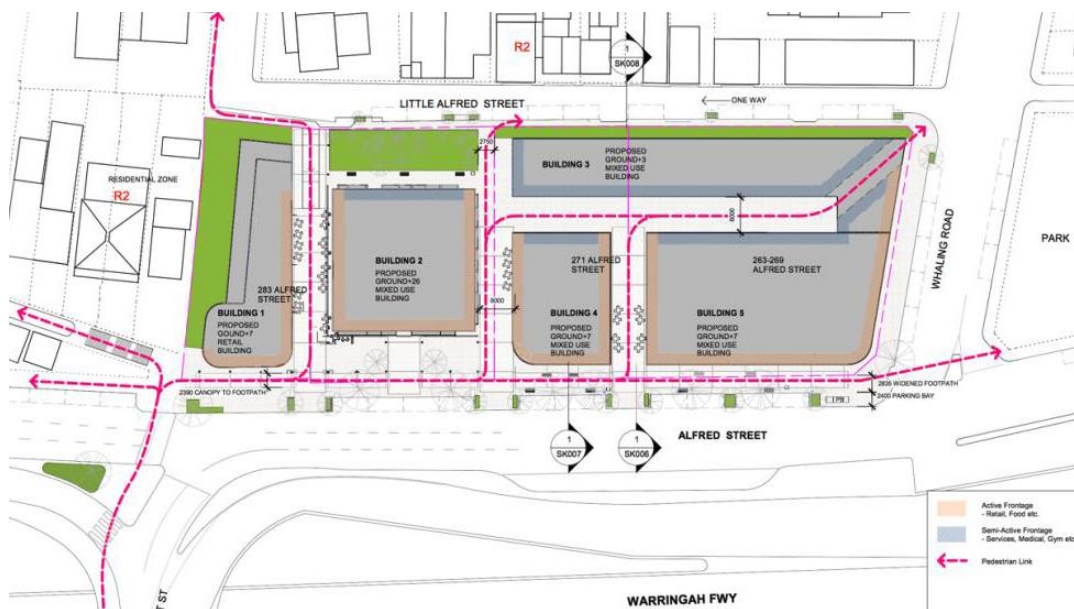
A meeting was held with the Mayor (Jilly Gibson), General Manager (Ken Gouldthorp) and Council's Director of Planning (Joseph Hill) on 28 September 2018. At this meeting an update of the draft Precinct Planning Study was provided by Council. Furthermore, a peer review was undertaken by MAKO Architects of the massing options prepared by Legge and Legge Architects and MAKO's feedback was incorporated into the options and presented at this meeting.

### 3.8 Subsequent submission to the Draft Precinct Planning Study – October 2018

Following the meetings with Council's officers, Mecone submitted a subsequent submission to the draft Precinct Planning Study. MAKO Architects were engaged to prepare a peer review of the three alternate massing options presented to Council (27 August 2018) and incorporate any of Council's feedback. This submission presented a refined massing option which included a number of similarities between Council's preferred option in the draft Precinct Planning Study including:

- provision of multiple through site links;
- active ground floor frontages; and
- additional landscaping along Alfred Street and Little Alfred Street.

The main material difference was the removal of the pocket park which was considered to be a poor planning outcome given the park would be underutilised and adjoin a busy road. Mecone considered the alternate massing provided a substantial improvement to the ground floor plane beyond Council's exhibited preferred option, refer to the figure below.



**Figure 14 - Site plan for alternative potential massing option**

Source: Legge and Legge Architects

The key features of the alternative option proposed in the Mecone submission included:

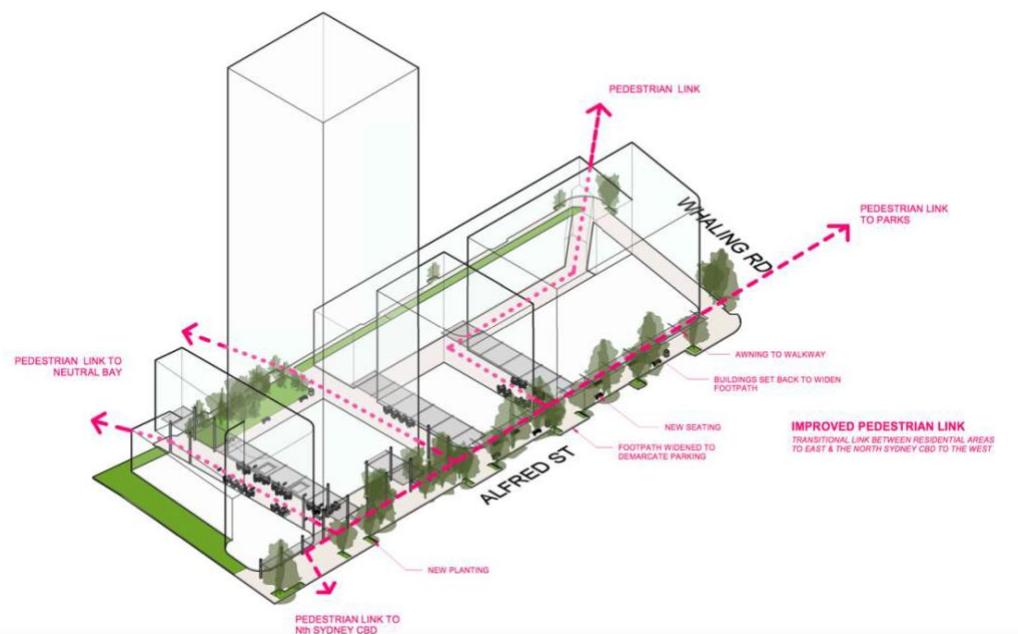
- Enabling the redevelopment of sites 283 and 275 Alfred Street individually and the amalgamation and redevelopment of sites 271-273 and 263-269 Alfred Street.
- Where amalgamations are to occur, an appropriate economic incentive exists for this to occur.
- The proposed densities would achieve the minimum FSR thresholds identified in the AEC Economic Feasibility Study and Buildings 1, 4 and 5 could achieve 8 storeys, the Bayer Building could achieve 27 storeys (an additional 9 storeys) and Building 3 could achieve 4 storeys, refer to figure above;

- All properties would be subject to a Voluntary Planning Agreement (VPA) which would outline the public benefits to be provided in order to achieve additional height and FSR to the sites;
- The retention and refurbishment of the existing Bayer Building;
- Incorporation of mixed uses including retail, cafes and commercial and residential uses which will enable the development of a lively precinct; and
- Undertaking a design competition to ensure a high standard of Architectural quality is achieved for the Precinct.

The submission outlined that the alternate option was consistent with the recommendation of the JRPP for the previous Planning Proposal for the Bayer Building as it minimises the need for site amalgamations. It was noted that the JRPP resolution did not recommend any site amalgamations for the precinct to achieve additional height – which compared to the Council preferred option is significantly less complex in order to achieve a final redevelopment outcome.

The issue of the ground floor treatment was raised by Council Staff at the August 2018 meeting. To address issues raised the alternative option incorporated the following improvements and features including (refer to figure below):

- The creation of multiple through site links which will significantly improve permeability in and around the site which is to be activated by retail/cafes;
- Additional planting and increased footpath width along Alfred Street to create a buffer between pedestrians and vehicles along the street;
- Provision of an awning along Alfred Street to provide a pedestrian scale and weather protection; and
- Additional planting along the northern boundary and Little Alfred Street to create a landscaping buffer with the Heritage Conservation Area and residential zones.



**Figure 15 - Mecone Alternative Massing Option: Public Domain improvements**  
 Source: Legge and Legge Architects

### 3.9 Amended Alfred Street Planning Study and Council meeting – 29 January 2019

Following the public exhibition of the draft Alfred Street Planning Study (26 April to 8 June 2018), the Precinct Planning Study was amended as a response to the submissions received. The amended Study was heard at a Council on 29 January 2019, however the Council resolved to not adopt the draft Precinct Planning Study.

Given the Study was not formally adopted due to political reasons it doesn't have any statutory weight however, it is considered to have probative value. It has been used as a guide for the Planning Proposal and be given evidentiary weight as it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback. The proposal is also generally consistent with the objectives and design requirements envisaged in the Study.

The main amendments from the previous scheme are outlined below:

- Fine grain residential accommodation was located along the length of Little Alfred Street up to 3 storeys to create a better transition with the Whaling Road HCA;
- The existing Bayer Building floorplate was retained (rather than a knock down rebuild) and specific built form principles that promote architectural detailing to the façade and balconies were incorporated. The Bayer Building was lowered from 26 to 24 storeys while the bulk of the building was increased from 20m to 24.75m along Alfred Street. The maximum width of the eastern façade is to be the same as the existing tower and the height is to be tapered along the eastern boundary;
- The efficiency of the floorplate was adjusted 70% to 80% and a higher rate of residential floorspace was recommended reduce the height and bulk and allow for a more feasible scheme;
- Revised amalgamation patterns – with 275 and 283 Alfred Street amalgamated and the remainder of the sites to the south amalgamated;
- Removal of the pocket park along the northern boundary to create a 10m wide through site link;
- Create a 6m setback along Little Alfred Street to allow for public domain upgrades and canopy trees;
- Affordable housing is not recommended to be pursued given it would create greater pressure on the height and bulk of the development; and
- The amended Study points out the transport issues that are to be addressed in a future Planning Proposal:
  - **Driveway access:** Investigate the opportunity to consolidate access into the parking basement to ensure the least pedestrian volumes are impacted by a driveway into the precinct;
  - **Shared Path:** The kerbside should be expanded to Alfred Street North with trees, street furniture, cycle-path and parklets where possible (3m wide);
  - **Street Parking:** Identify improvements to street parking capacity of the surrounding community;
  - **Traffic through Little Alfred Street:** Opportunities should be explored for either a street closure, a shared zone, a oneway street or a mix of solutions;

- **Mount Street Overpass Upgrade:** A best practice pedestrian improvement of the Mount Street overpass to improve pedestrian amenity with added shade, vegetation and art across the bridge;
- **Intersections at Whaling Road:** There's traffic congestion and little amenity for pedestrians on the intersection of Whaling Road including Alfred Street North, Little Alfred Street and Neutral Street. Improvements should be proposed and implemented.

**Note:** Vehicle access points to Little Alfred Street, increased footpath widths/landscaping along Alfred Street North and the Mount Street Overpass Upgrade are all elements addressed in the site specific DCP.

Council developed an amended preferred option for the Precinct which is outlined below:

- Amalgamate sites 275 and 283 Alfred Street to create Site A and the remainder of the southern sites to create Site B;
- Achieves an FSR of 3.9:1 – 4.4:1 across the Precinct with 6.5:1-7.4:1 for Site A and 2.1:1-2.4:1 for Site B;
- Little Alfred Street incorporates fine grain residential accommodation which is 3 storeys in height;
- For Site A, the built form would include a three storey commercial podium (to the through site links and Alfred Street) with a new tower to align with the Bayer Building (including its width along Little Alfred Street) with an additional 6 storeys which are to be tapered along the eastern boundary;
- For Site B, the ground floor is to be commercial (along through the through site link, Alfred Street and Whaling Road, with a 4 and 9 storey built form along Alfred Street);
- Shared basement access; and
- Public benefits including a public through site link to the northern edge of Site A, a laneway which straddles Sites A and B, street frontage setbacks and an upgraded public domain.

**Note:** the FSR targets in Council's draft Precinct Planning Study for each site did not allow for Sites A, C and D to achieve their current maximum permissible FSRs in the LEP (3.5:1). Refer to the table below which outlines the target FSRs for each site based on Council's draft Precinct Planning Study.

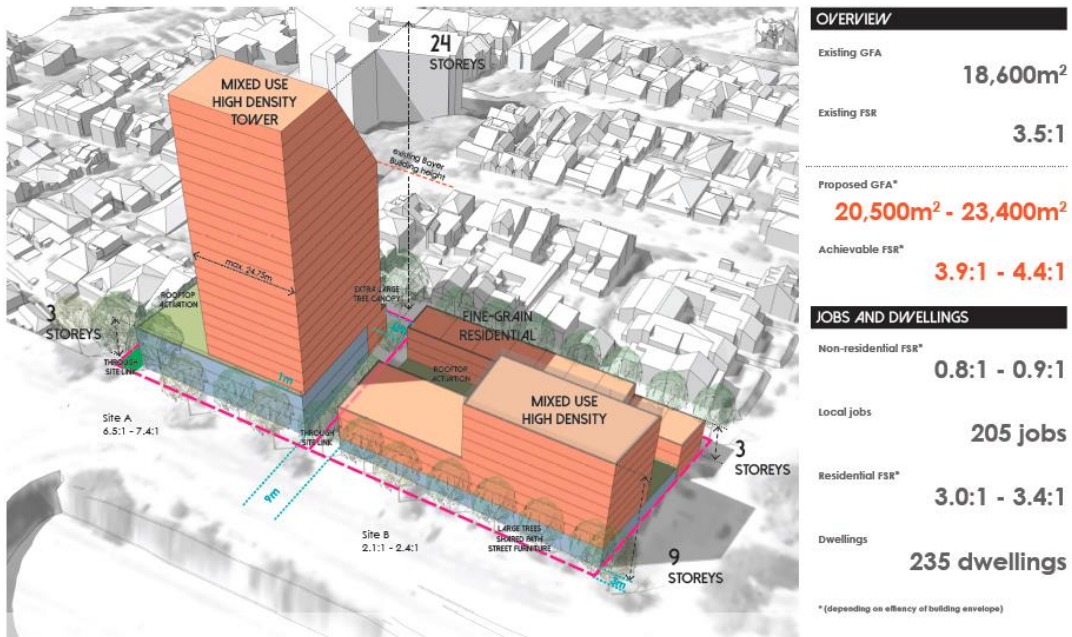
	Site A	Site B	Site C	Site D
Precinct Planning Study – Target FSRs	1.39:1	10.58:1	1.62:1	3.42:1

Source: Grimshaw

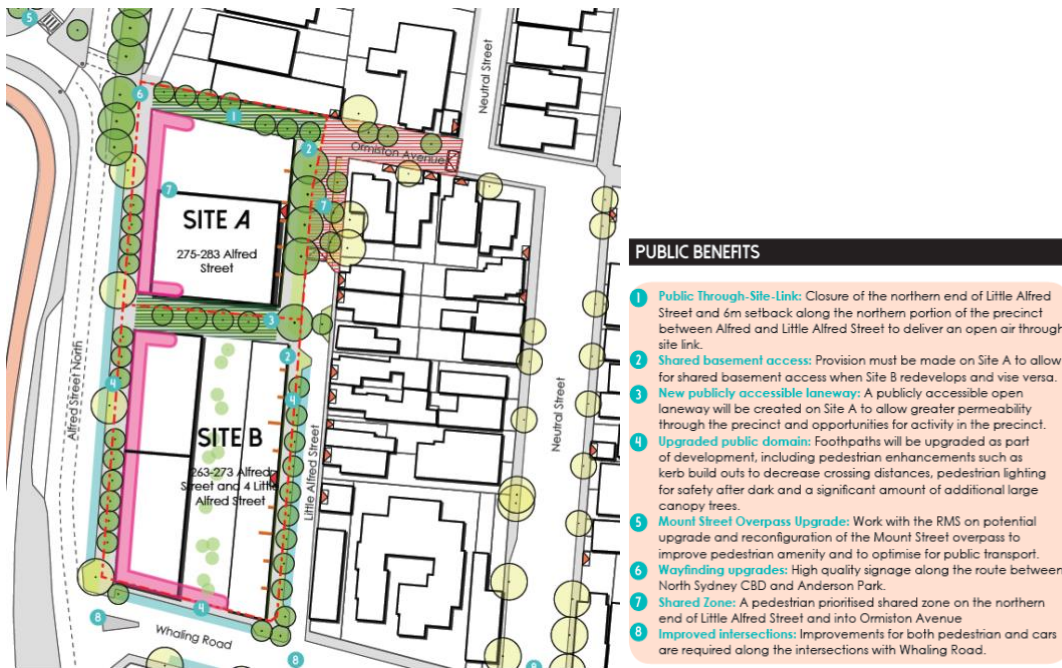
The Planning Proposal will ensure that Sites A, C and D will be able to achieve the current permissible 3.5:1 FSR they currently enjoy in the LEP. Whilst Sites A and B were to be amalgamated (with a higher FSR on Site B as a result of this) the subject Planning Proposal will retain an FSR of 3.5:1 to Site A and reduce the FSR to a base of 7.3:1 (existing building) with an additional 2:1 design excellence provision (total FSR of 9.3:1).



Refer to the figures below for Council's preferred scheme and proposed public benefits.



**Figure 16 – Council's Preferred Option**  
Source: North Sydney Council



**Figure 17 – Public benefits**  
Source: North Sydney Council

## 4 Planning Proposal Overview

Section 3.33 of the EPA Act outlines the required contents of a planning proposal. The former Department of Planning and Infrastructure's "A Guide to Preparing Planning Proposals" (2017), breaks these requirements into six parts. These parts are addressed in proceeding chapters as follows:

- Chapter 5 addresses Part 1— A statement of the objectives and intended outcomes of the proposed instrument;
- Chapter 6 addresses Part 2— An explanation of the provisions that are to be included in the proposed instrument;
- Chapter 7 addresses Part 3— The justification for those objectives, outcomes and the process for their implementation;
- Chapter 8 addresses Part 4— Maps, where relevant, to identify the intent of the planning proposal and the area to which it applies;
- Chapter 9 addresses Part 5— Details of the community consultation that is to be undertaken on the planning proposal; and
- Chapter 10 addresses Part 6—draft timeline for the Planning Proposal.

## 5 Objectives and Intended Outcomes

The objectives and intended outcomes of the planning proposal are to:

- To facilitate renewal of the entire Precinct consistent with Council's draft Alfred Street Precinct Planning Study (2018);
- To incorporate a number of public benefits within the scheme including improvements to the ground floor plane (with a pedestrian arcade, additional landscaping and retail activation) and upgrade of Mount Street overpass;
- To facilitate local employment uses such as neighbourhood shops, café/restaurants which will contribute to the local economy and activate the site. The Planning Proposal will incorporate commercial suites which will protect local jobs in the Precinct and ensure there is sufficient floor space to support local businesses that can't afford to locate to the CBD;
- To facilitate the redevelopment of the Precinct as a livable high-quality mixed use development in close proximity to public transport, recreational facilities and services;
- To provide a lively Precinct with a pedestrian arcade with a series of laneways/through site links to ensure community social interaction and a high level of architectural design/design excellence;
- To provide for improved permeability in the area by delivering a pedestrian arcade and incorporating areas which are covered for weather protection;
- To provide amalgamation patterns which will easily facilitate the redevelopment of the Precinct;
- To rezone the Precinct from B3 Commercial Core to B4 Mixed use to allow for residential accommodation. The 'mixed use' typology will be more appropriate for the locality given it will create a suitable transition between North Sydney CBD and residential zones and activate the precinct in the evenings with the residential uses;
- Increase the height of buildings and floor space ratio provisions which will create an appropriate transition in density from North Sydney CBD to the adjoining low scale residential areas and heritage conservation area. The proposed densities will ensure the redevelopment of the Precinct is economically feasible;
- To allow for additional height to the Bayer Building as an incentive to improve the outdated office space and ground floor plane. A high quality architectural design and façade treatment (with the retention of the structural frame) will be provided that responds to its context, topography, adjoining residential dwellings/heritage conservation area and the North Sydney CBD;
- To provide a design excellence bonus provision for the Bayer Building site which requires a design competition process to be undertaken to ensure a high standard of architecture, urban and landscape design is achieved for the site which allows additional FSR to be considered;



- To provide for additional dwellings in an urban area while minimising adverse amenity impacts on the surrounding residential dwellings, heritage conservation area and public domain;
- To improve the public domain along all street frontages by incorporating additional landscaping and activating the street frontages with retail uses;
- To provide neighbourhood convenience shops and cafes/restaurants for the day to day needs of residents without detracting from higher order commercial activities nearby; and
- To assist in achieving State and local government's housing targets and address the lack of housing availability within the locality by providing additional residential accommodation.

## 6 Explanation of Provisions

The Planning Proposal seeks to achieve the intended outcomes outlined in Section 5 of this report by proposing amendments to the maps and introducing new provisions in the NSLEP 2013. The LEP maps are shown in section 7 of this report and in **Appendix 6**.

### 6.1 Amendments to NSLEP 2013 maps

The proposal seeks amendments to the land use zoning, FSR and HoB maps in the NSLEP 2013 which are outlined in the table below.

Table 5 – Proposed map amendments		
Map Sheet	Amendment	Explanation
Land use zoning map LZN_002A	<ul style="list-style-type: none"> <li>Rezone the Precinct from B3 Commercial Core to B4 Mixed Use</li> </ul>	<p>The precinct is isolated from the North Sydney CBD the B4 Mixed Use zone will allow for residential accommodation. The amendment will create a better transition between North Sydney CBD and the adjoining residential areas and create a more lively precinct with more evening activity. The rezoning of the precinct to B4 Mixed Use was supported by the JRPP decision in 2016 and is consistent with the draft Alfred Street Precinct Study prepare by Council.</p>
Height of Buildings map HOB_002A	<ul style="list-style-type: none"> <li>Increase the maximum height of buildings from 13m to:               <ul style="list-style-type: none"> <li>31m for 283 Alfred Street (Building A);</li> <li>80m for 275 Alfred Street (Building B). <b>Note:</b> the existing building 52.36m;</li> <li>28m for 271-273 Alfred Street (Building C); and</li> <li>29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).</li> </ul> </li> </ul>	<p>The proposal seeks to increase the heights to allow for a maximum 8 storey development for Buildings A, C and D and a maximum 24 storey development for Building B.</p> <p>It is highlighted that the FSRs for Buildings A, C and D are to be retained at 3.5:1 whilst the FSR for Building B is to be consistent with the existing FSR (with a design excellence bonus which allows for additional FSR only if a Design Competition is undertaken).</p> <p>The proposal is generally consistent with the heights proposed in the draft Precinct Planning Study. Furthermore, the increase in height is consistent with the JRPP decision which stipulated it would be appropriate to grant the precinct the density it now enjoys with</p>

**Table 5 – Proposed map amendments**

Map Sheet	Amendment	Explanation
		<p>additional height so that a mixed use building with appropriate amenity may be developed on it.</p> <p>Given the Precinct has significant ground level variations, the measurement of existing ground level is consistent with the judgement <i>Bettar v Council of the City of Sydney [2014] NSWLEC 1070</i> which utilises the levels of the surrounding context to determine existing ground level and includes the average level between these points.</p>
<p>Floor Space Ratio map FSR_002A</p>	<ul style="list-style-type: none"> <li>• Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Insert an design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to the achievement of design excellence through a design competition being undertaken for the site.</li> </ul> <p><b>Note:</b> the maximum FSR controls will be retained at 3.5:1 for 283 Alfred Street (Building A), 271-273 Alfred Street (Building C) and 263-269 Alfred Street/4 Little Alfred Street (Building D).</p>	<p>The proposal will increase the base FSR to 7.3:1 for 275 Alfred Street which is consistent with the existing FSR for the Bayer Building. It is noted that the JRPP considered it appropriate to grant this site the density it now enjoys by virtue of the existing building on it.</p> <p>A design excellence provision is also proposed which will allow for an additional 2:1 FSR, subject to the site undergoing a Design Competition process and the future building exhibiting design excellence. A Design Competition will be triggered if a Development Application is lodged for a building exceeding 62m in height (with the existing height being 60.97m including the signage) and will ensure a high standard of architecture, urban and landscape design is achieved for the site.</p> <p>It is highlighted that the FSR (including the design excellence bonus) is below the FSR in Council's preferred option in the draft Precinct Planning Study.</p> <p>The wording for the new provisions including Clause 4.4 (2A) – Floor Space</p>

Table 5 – Proposed map amendments		
Map Sheet	Amendment	Explanation
		Ratio and Clause 6.15 - Design Excellence are detailed below.

## 6.2 New for provisions for the NSLEP 2013

The proposal seeks to introduce the following provisions in the NSLEP 2013:

- Clause 4.4 (2A) – Floor Space Ratio; and
- Clause 6.15 - Design Excellence.

Refer to the proposed wording below:

### **4.4 Floor space ratio**

*(2A) Despite subclause (2), the floor space ratio of a building may exceed the maximum floor space ratio allowed under that subclause by up to:*

- (a) 9.3:1—if the building is in Area A identified on the Floor Space Ratio Map and achieves design excellence.*

### **6.15 Design Excellence**

- (1) The objective of this clause is to deliver the highest standard of architectural, urban and landscape design.*
- (2) This clause applies to the following development:*
- (a) development that is the subject of a development application that relies on Clause 4.3 (3) (a) or 4.4 (3) (a).*
- (3) Development consent must not be granted to development to which this clause applies unless, in the opinion of the consent authority, the proposed development exhibits design excellence.*
- (4) In considering whether development to which this clause applies exhibits design excellence, the consent authority must have regard to the following matters:*
- (a) whether a high standard of architectural design, materials and detailing appropriate to the building type and location will be achieved,*
- (b) whether the form and external appearance of the proposed development will improve the quality and amenity of the public domain,*
- (c) whether the proposed development detrimentally impacts on view corridors,*
- (d) how the proposed development addresses the following matters:*
- (i) the suitability of the land for development,*
- (ii) the existing and proposed uses and use mix,*

- (iii) any heritage issues and streetscape constraints,*
  - (iv) the location of any tower proposed, having regard to the need to achieve an acceptable relationship with other towers (existing or proposed) on the same site or on neighbouring sites in terms of separation, setbacks, amenity and urban form,*
  - (v) the bulk, massing and modulation of buildings,*
  - (vi) street frontage heights,*
  - (vii) environmental impacts, such as sustainable design, overshadowing and solar access, visual and acoustic privacy, noise, wind and reflectivity,*
  - (viii) the achievement of the principles of ecologically sustainable development,*
  - (ix) pedestrian, cycle, vehicular and service access and circulation requirements, including the permeability of any pedestrian network,*
  - (x) the impact on, and any proposed improvements to, the public domain,*
  - (xi) the impact on any special character area,*
  - (xii) achieving appropriate interfaces at ground level between the building and the public domain,*
  - (xiii) excellence and integration of landscape design.*
- (5) Development consent must not be granted to the following development to which this clause applies unless an architectural design competition process has been held in relation to the proposed development:*
- (a) development in respect of a building that has, or will have, a height above ground level (existing) greater than:*
    - (i) 62 metres on land in Area A on the Floor Space Ratio Maps*
- (6) An architectural design competition process is not required under subclause (5) if the consent authority is satisfied that such a process would be unreasonable or unnecessary in the circumstances or that the development:*
- (a) involves only alterations or additions to an existing building, and*
  - (b) does not significantly increase the height or gross floor area of the building, and*
  - (c) does not have significant adverse impacts on adjoining buildings and the public domain, and*
  - (d) does not significantly alter any aspect of the building when viewed from public places.*
- (7) An architectural design competition conducted in accordance with Design Excellence Guidelines that were in force when the competition was conducted is taken to have been conducted in accordance with the Design Excellence Guidelines.*
- (8) In this clause:*

**building demonstrating design excellence** means a building where the design of the building (or the design of an external alteration to the building) is the winner of a competitive design process and the consent authority is satisfied that the building or alteration exhibits design excellence.

**architectural design competition** means a competitive process conducted in accordance with the Design Excellence Guidelines.

**Design Excellence Guidelines** means the Design Excellence Guidelines adopted by the Council and in force at the commencement of State Environmental Planning Policy Amendment (Arncliffe and Banksia Precincts) 2018, or, if none have been adopted, the Design Excellence Guidelines issued by the Secretary.

## 7 Part 3 – Justification

### 7.1 Section A – Need for the proposal

#### 1. Is the Planning Proposal a result of any strategic study or report?

The Planning Proposal has been prepared as a direct result of the draft Alfred Street Precinct Planning Study. The Planning Proposal is also broadly consistent with key state and local documents including:

- NSW State Plan;
- Premier's Priorities;
- A Metropolis of Three Cities – the Greater Sydney Region Plan;
- Future Transport Strategy 2056;
- North District Plan;
- North Sydney Local Development Strategy (2009);
- North Sydney Residential Strategy (2009); and
- North Sydney Community Strategic Plan 2018 - 2028.

#### Draft Alfred Street Precinct Planning Study

The draft *Alfred Street Precinct Planning Study (YEAR)* (the draft Precinct Planning Study) was prepared as a result of a decision of the former Joint Regional Planning Panel (JRPP).

On 13 September 2016 the JRRP had considered a Pre-Gateway Review for a previous Planning Proposal for 275 Alfred Street. The Proposal sought to amend controls for 275 Alfred Street (to the exclusion of all other sites) including changing the land use zone from B3 Commercial Core to B4 Mixed Use, increase the building height and floor space ratio standards.

While the JRPP recommended refusal of the PP, it advised that (summary of advice):

- A change in zoning to allow residential use in the street block would be appropriate;
- The main reason the PP was not recommended to proceed was the manner in which the PP only dealt with 275 Alfred Street rather than the area zoned B3 Commercial Core in which it is located;
- For any future PP for the block, it would be appropriate to grant 275 Alfred Street the density it now enjoys, with some additional height so that a mixed use building with appropriate amenity can be developed on it; and
- For the other sites within the B3 Commercial Core zoned land the existing density of 3.5:1 may be combined with some additional height so that it becomes possible to develop them to their development potential for mixed use buildings with appropriate amenity.

In response to JRPP decision, North Sydney Council resolved to prepare a planning study for the Alfred Street Precinct. Council resolved at its meeting on 26 March 2018 to adopt and publicly exhibit the draft Alfred Street Planning Study. Following the public exhibition of the draft Precinct Planning Study, it was amended, however at the meeting on the 29 January 2019, Council resolved not to adopt the Precinct Planning Study.



Whilst, the draft Precinct Planning Study was not adopted by Council, the study was undertaken in response to earlier consideration of the matter by the JRPP and the purpose of the Study was to create a framework for a future land owner led Planning Proposal for the entire Precinct. The draft Precinct Planning Study provides a guide of what Council and the wider community would like to see in the future redevelopment of the Precinct.

The subject Planning Proposal has been prepared as a result of the draft Precinct Planning Study and whilst it is not a complete adoption of Council's preferred option, it is generally consistent with the recommendations of the JRPP and Study's objectives and design requirements (this is discussed in greater detail in section 7.2 below). The Planning Proposal is consistent with the JRPP decision in that it allows for a Precinct wide approach, rezones the Precinct to allow for residential accommodation (thereby creating a better transition between North Sydney CBD and the adjoining residential area) and allows for additional density which the JRPP supported.

The Proposal provides an opportunity to improve the amenity of the Alfred Street Precinct, provide for a good mix of uses, establish urban design precedent, provide public benefits and permeability across the Precinct and support small businesses and start-ups through the provision of additional commercial floor space.

The variations between this proposal and Council's preferred option in the draft Precinct Planning Study including the amalgamation patterns and revised built form outcomes to Sites A, C and D. The proposal seeks to overcome the challenges of securing amalgamation by proposing an alternate amalgamation pattern which still allows for large sites to be developed individually.

For Sites A, C and D, the proposal seeks heights of 8 storeys which differs from the heights in the draft Precinct Planning Study. Whilst the proposed heights are slightly different to the Study, the proposal allows for these sites to be redeveloped in isolation and to achieve the existing maximum FSR they currently enjoy which will provide an incentive for these sites to be redeveloped. Justification for these departures from the draft Precinct Planning Study are discussed in section 7.3 of this report below.

## 2. Is the Planning Proposal the best means of achieving the objectives and outcomes, or is there a better way?

The Planning Proposal seeks to rezone the site to B4 Mixed Use and increase the density (Height of Buildings and FSR provisions) of the site which is controlled by North Sydney Local Environmental Plan 2013 and the only way of amending these provisions is through a Planning Proposal. While it would be possible for the rezoning to be contemplated through the upcoming comprehensive LEP review, this is considered to be a less desirable method as it would not allow detailed site master planning or consideration of public benefits alongside the changes to planning controls. There would be no opportunity to increase the FSR and Height of Buildings controls through a Clause 4.6 variation as part of a Development Application as the extent of variation is generally outside of the realm of which Council would consider.

## 7.2 Section B – Relationship to strategic planning framework

### 3. Is the Planning Proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Metropolitan Strategy and exhibited draft strategies)?

Whilst this application is not for a rezoning review, the proposal has been considered against the strategic merit test and the site-specific merit test to demonstrate that the Planning Proposal has strategic merit (refer to **Appendix 5**). The Planning Proposal is

consistent with the priorities, objectives and actions contained within the following plans and strategies:

#### Premier's Priorities

The 'Premier's Priorities' set out 12 priorities which reflect a whole-of-government approach to tackling important issues for the people of NSW, from helping vulnerable children and raising the performance of school students, to improving housing affordability and building local infrastructure.

By seeking to contribute to dwelling supply, the Proposal is consistent with the priority "making housing more affordable" which seeks an average of 61,000 housing completions per year to 2021. The reference scheme for the Planning Proposal will contribute approximately 156 residential units to the locality which will contribute to the government housing targets.

#### The Greater Sydney Regional Plan - A Metropolis of Three Cities

The Greater Sydney Regional Plan 2056 was published in March 2018 and sets out a vision, objectives, strategies and actions for a metropolis of three cities across Greater Sydney. The Plan replaced the previous *A Plan for Growing Sydney*. The Plan outlines 10 overarching directions supported by 40 objectives which aim to provide interconnected infrastructure, productivity, liveability and sustainability benefits to all residents. The Planning Proposal's consistency with the 40 objectives is discussed in the table below:

Table 6 – A Metropolis of Three Cities		
Objective		Consistency
1	Infrastructure supports the three cities	The proposal is located within proximity to public transport services, North Sydney CBD (which includes employment, health and education, retail and other services) and open space. The proposal seeks to utilise new transport infrastructure in the Sydney Metro City and South West accessible via Victoria Cross Station.
2	Infrastructure aligns with forecast growth – growth infrastructure compact	The proposal aligns with population, employment and housing demand for North Sydney LGA, facilitating additional commercial, retail and residential floor space.
3	Infrastructure adapts to meet future needs	The proposal does not include provision of infrastructure.
4	Infrastructure use is optimised	Not Applicable
5	Benefits of growth realised by collaboration of governments, community and business	The proposal has been subject to discussion and collaboration with Council in relation to realising the vision for the site and providing an outcome that is consistent with the directions of strategic planning.
6	Services and infrastructure meet communities' changing needs	The proposal will facilitate additional housing in a location well serviced by education, health and community facilities and other infrastructure.

**Table 6 – A Metropolis of Three Cities**

Objective		Consistency
7	Communities are healthy, resilient and socially connected	<p>The Proposal will establish improved pedestrian connections and links and ground floor retail, which will encourage socially connected communities and allow for ground floor activation.</p> <p>The proposal will create a walkable place with the provision of retail and commercial uses conveniently located close to residential accommodation. Bicycle parking will be provided in the scheme which will be detailed in the future Development Application and a bicycle lane has been identified along Alfred Street by North Sydney Council. The promotion of walking and cycling will improve the health of future residents and reduce traffic congestion.</p> <p>Enhancing accessibility across the site to the surrounding area and proximity to North Sydney CBD will encourage active transport and public transport use.</p>
8	Greater Sydney's communities are culturally rich with diverse neighbourhoods	Not Applicable
9	Greater Sydney celebrates the arts and supports creative industries and innovation	The Proposal could provide opportunity for public art and sculpture works throughout the precinct.
10	Greater housing supply	The reference scheme provides approximately 14,449m <sup>2</sup> of residential GFA that will account for a total of 156 dwellings. This will contribute to the housing targets as mandated by the GSC.
11	Housing is more diverse and affordable	<p>The proposal will deliver a mix of housing types across the site including 1, 2 and 3-bedroom apartments, contributing to housing diversity.</p> <p>The draft Precinct Planning Study stipulated that affordable housing is not recommended to be pursued given it would create greater pressure on the height and bulk of the development. However, we seek to include affordable housing (approximately 10%) within the scheme to ensure a diversity of housing is provided for the locality.</p>
12	Great places that bring people together	The proposal will enable the initial steps toward the enhance of the sense of place for the Precinct. This will be achieved through urban design, amenity and safety improvements for

**Table 6 – A Metropolis of Three Cities**

Objective		Consistency
		the precinct and provide wider place making benefits for the North Sydney CBD.
13	Environmental heritage is identified, conserved and enhanced	The proposal has been designed so that it is respectful to and will not adversely impact the Whaling Road Heritage Conservation Area adjacent to the site.
14	<i>A Metropolis of Three Cities</i> – integrated land use and transport creates walkable and 30-minute cities	The proposal provides housing and employment in close proximity to public transport services. It also will provide improved links between North Sydney CBD and the surrounding area improving walkability to jobs and services within 10 minutes of the centre.
15	The Eastern, GOP and Western Economic Corridors are better connected and more competitive	<p>The site is within the Eastern Economic Corridor and the site is considered to be isolated and dislocated from the</p> <p>. The proposal will result in growth and activity within the Corridor and will be supported by transport infrastructure investments to enable workers to access the site.</p>
16	Freight and logistics network is competitive and efficient	Not Applicable.
17	Regional connectivity is enhanced	Not Applicable.
18	Harbour CBD is stronger and more competitive	<p>The site is within the Eastern Economic Corridor. However, the Precinct is considered to be isolated from the North Sydney CBD and adjoins a residential zone and therefore is not considered appropriate for employment growth. Whilst the proposal will result in the loss of some commercial floor space, there appears to be in the order of 806,000m<sup>2</sup> of additional commercial supply capacity in the North Sydney Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.</p> <p>The proposal will still provide some 10,127m<sup>2</sup> of modern commercial floor space for potential small businesses, creative and start ups within the Precinct. The proposed commercial spaces will be for businesses that can not afford the rents within the CBD and will play a supportive role to the North Sydney CBD.</p>
19	Greater Parramatta is stronger and better connected	Not Applicable.

**Table 6 – A Metropolis of Three Cities**

Objective		Consistency
20	Western Sydney Airport and Badgerys Creek Aerotropolis are economic catalysts for Western Sydney	Not Applicable.
21	Internationally competitive health, education, research and innovation precincts	Not Applicable.
22	Investment and business activity in centres	The proposal will contribute to the Harbour CBD and North Sydney CBD through the provision of improved connections to these centres from the surrounding area, adding to the diversity of uses, providing for residential development but not at the expense of commercial jobs, and creating a quality public realm.
23	Industrial and urban services land is planned, retained and managed	Not Applicable.
24	Economic sectors are targeted for success	Not Applicable.
25	The coasts and waterways are protected and healthier	Not Applicable.
26	A cool and green parkland city in the South Creek corridor	Not Applicable.
27	Biodiversity is protected, urban bushland and remnant vegetation is enhanced	Not Applicable.
28	Scenic and cultural landscapes are protected	Not Applicable.
29	Environmental, social and economic values in rural areas are protected and enhanced	Not Applicable.
30	Urban tree canopy cover is increased	The proposal includes tree canopy improvements to the streetscape of Little Alfred Street and Alfred Street with some elevated podium areas along Little Alfred Street for further landscaping opportunities.
31	Public open space is accessible, protected and enhanced	The proposal will enhance access from North Sydney CBD, through the site itself to open space at Anderson park and the Harbour Foreshore.
32	The Green Grid links parks, open spaces, bushland and walking and cycling paths	The proposal will provide links to surrounding open spaces and walking and cycling paths.

**Table 6 – A Metropolis of Three Cities**

Objective		Consistency
33	A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change	The proposal will contribute to a more sustainable and resilient city through natural revegetation of the site and its surrounds. The proposal will create a development which integrates employment (commercial/retail) and housing which reduces the need to travel by car. The proposal will also incorporate sustainable construction methods and energy efficient design measures within the building which will be explored further as part of the Development Application process.
34	Energy and water flows are captured, used and re-used	The proposal will provide uses that will enable WSUD and ensure water is appropriately drained across the site.
35	More waste is re-used and recycled to support the development of a circular economy	The proposal will facilitate a mix of land uses that can utilise recycled water for landscaping and WSUD which will be explored further at Development Application stage.
36	People and places adapt to climate change and future shocks and stresses	The proposal will deliver a gradual improvement of vegetation across the site by providing landscaping for mature trees.
37	Exposure to natural and urban hazards is reduced	The proposal will deliver a resilient community that is able to respond to varying shocks and stresses of surrounding environment.
38	Heatwaves and extreme heat are managed	The proposal will deliver additional landscaping and tree plantings on the site, improving the overall urban cooling of the site.
39	A collaborative approach to city planning	Not Applicable.
40	Plans refined by monitoring and reporting	Not Applicable.

## Future Transport Strategy 2056

The Future Transport Strategy 2056 (Strategy) is an update of the 2012 Long Term Transport Master Plan for NSW. It is a 40 year strategy, supported by plans for regional NSW and for Greater Sydney. It outlines a vision, strategic directions and customer outcomes, with infrastructure and services plans underpinning the delivery of these directions across the state.

The Proposal is consistent with the measure of 'successful places' which is as follows:

*Increase the number of people able to access centres by walking, cycling and using public transport -*

The Proposal will provide a pedestrian arcade with a series laneways/through site links which will create a highly accessible Precinct. The Proposal offers a transition from adjoining residential areas to the CBD by providing a place for people as they move between where they live and work. Furthermore, the proposal will create a mixed use

Precinct by providing a mixture of retail, commercial and residential land uses which will be accessible by public transport, cycling or walking.

## North District Plan

The table below provides a summary of the planning proposal's consistency with the relevant District Plan priorities.

Table 7 – North District Plan		
Planning Priority		Consistency
N1	Planning for a city supported by infrastructure	The Planning Proposal aligns with city-shaping infrastructure investment of the Sydney Metro City and South West line which will support increased demand for transport services resulting from renewal of the Precinct.
N5	Providing housing supply, choice and affordability with access to jobs, services and public transport	<p>A housing supply target of 3,000 additional dwellings by 2021 in the North Sydney LGA has been set. The Precinct is within walking distance to jobs, health and education, retail and other services as well as a number of public transport services.</p> <p>The rezoning of the site to B4 Mixed Use will allow for residential accommodation to be provided in the Precinct. Further amendments to the height of building and FSR provisions will facilitate the increase of density within the Precinct. As such the proposal will increase the planning capacity for dwellings in the LGA, contributing to the housing required by the District Plan. A diversity of dwelling types, through provision of bedrooms, will provide for a range of price points.</p>
N7	Growing a stronger and more competitive Harbour CBD	<p>The Precinct falls just outside of the North Sydney CBD as defined by the North District Plan. North Sydney CBD has a thriving commercial market and is considered to complement the Sydney CBD and is referred to as the northern component of the Harbour CBD.</p> <p>The reference scheme for the Planning Proposal will provide approximately 10,127m<sup>2</sup> of modern commercial floor space (for potential small businesses, creative and start ups) within the Precinct. The proposal will provide 1,122 FTE jobs (including 510 FTE directly related to commercial activity and dispersed jobs in the Precinct). The commercial spaces will be for businesses that can not afford the rents within the CBD and will play a supportive role to the North Sydney CBD.</p>
N10	Growing investment, business opportunities and	The Precinct is located outside of the North Sydney CBD and is not within a strategic centre. The Precinct is not suitable for employment growth given it is isolated and dislocated from the CBD which was acknowledged by the JRPP and North Sydney



Table 7 – North District Plan		
Planning Priority		Consistency
	jobs in strategic centres	Council. Refer to further discussion in section 7.3 below.
N12	Delivering integrated land use and transport planning and a 30-minute city	The Planning Proposal capitalises on the investment and planned investments of the Sydney Metro City and South West, the Western Harbour Tunnel and Beaches Link. Development resulting from the Planning Proposal will increase the number of jobs and dwellings within the 30-minutes to a strategic centre through public and active transport.
N19	Increasing urban tree canopy and delivering Green Grid connections	The proposal seeks to provide additional mature landscaping along Little Alfred Street and Alfred Street to increase the urban tree canopy and allow for further Green Grid connections.

#### 4. Is the Planning Proposal consistent with a council's local strategy or other local strategic plan?

##### Draft Alfred Street Precinct Planning Study

Whilst, the draft Precinct Planning Study was not adopted by Council, the purpose of the Study was to create a framework for a future land owner led Planning Proposal for the entire Precinct. The Study considers site specific and wider implications with regard to solar access, building separation, visual impact, built form and heritage. The draft Precinct Planning Study provides a number of objectives which the proposal is consistent with and are discussed under the relevant headings below:

- *Establish a liveable, high amenity precinct that supports a good mix of commercial, mixed use and residential buildings*

The proposal seeks to create a liveable and lively mixed use precinct with an appropriate mixture of retail, commercial and residential uses. The ground floor retail will activate the pedestrian arcade, incorporate day and night time activities (including restaurants) and provide for the day to day needs of the residents. The retail and commercial spaces will also provide employment opportunities for the future residents.

The precinct will have a high level of amenity as it proposes significant improvements to the ground floor plane with a number of public domain improvements and a pedestrian arcade which is double height in some areas. Furthermore, the residential accommodation will provide a high level of amenity given it will comply with the Apartment Design Guide requirements for building separation distances, solar access and cross ventilation.

- *Ensure an appropriate transition to the surrounding low scale heritage conservation area*

The northern elevation of the existing commercial building (283 Alfred Street) is built along the boundary with the Whaling Road Heritage Conservation Area. The proposal will improve the built form along this elevation by providing a landscaping buffer at the ground floor which is 2.4m wide. Level 4 and above

has a reduced floor plate and is setback further from the northern boundary than the lower levels.

The proposal will provide fine grain residential accommodation which is 3 storeys along Little Alfred Street. This is consistent with Council's preferred option in the draft Precinct Planning Study and will create an appropriate transition to the lower scale development to the east.

- *Support small businesses and start-ups locate near the North Sydney CBD*

The reference scheme for the Planning Proposal will provide approximately 8,927m<sup>2</sup> of modern commercial floor space for potential small businesses, start ups and creative uses which are within proximity to the North Sydney CBD. These commercial spaces will provide more affordable rents than within the North Sydney CBD.

- *Provide public benefits that are commensurate with zoning uplift*

The proposal will incorporate a number of public benefits within the scheme which are to be captured through the site specific Development Control Plan (refer to **Appendix 7**). The public benefits for each site are also to be detailed in a future VPA as part of any future Development Application for the individual sites.

The public benefits for the Precinct include which are generally consistent with the draft Precinct Planning Study:

- **Pedestrian arcade:** Provide a pedestrian arcade at the ground floor which provides a series of laneways and through site links to improve permeability within and through the Precinct;
- **Upgrades to public domain:** The following upgrades are proposed for the public domain:
  - Increase landscaping along Little Alfred Street and Alfred Street (with some mature trees to create a canopy) to create a landscaping buffer;
  - Increase setbacks along Little Alfred Street (4.2-4.85m front setback) and Alfred Street (6-6.75m front setback) to improve the pathways with some kerb build outs along Alfred Street; and
- **Mount Street Overpass Upgrade:** Work with the RMS on potential upgrade and reconfiguration of the Mount Street overpass to improve pedestrian amenity (including potential weather protection and plantings) and to optimise for public transport.

Within the draft Precinct Planning Study, Council identified a number of design requirements and detailed a preferred option for the Precinct. The proposal is generally consistent with the design requirements for the preferred option (refer to table below for further discussion). The proposal will slightly vary from Council's suggested amalgamation patterns, however the proposal will overcome the challenges of securing amalgamation for multiple lots under fragmented ownership (refer to section 7.3 for further discussion).

**Table 8 – Design requirements in the draft Precinct Planning Study**

Design requirements	Consistency
<b>Principle 1: Built Form</b>	

**Table 8 – Design requirements in the draft Precinct Planning Study**

Design requirements	Consistency
<p>The built form will step down from the scale of North Sydney CBD, presenting an appropriate transition to the scale of the Whaling Road Conservation Area.</p>	<p>In the North Sydney Centre Planning Proposal heights of up to 115m are proposed. The proposed height for 275 Alfred Street is consistent with Council's preferred option in the draft Precinct Planning Study (24 storeys) and will well below the heights as proposed in the North Sydney CBD.</p> <p>The proposal will provide an appropriate height transition to the Heritage Conservation Area to the north and the east of the Precinct. The proposal will incorporate fine grain residential accommodation along Little Alfred Street (3 storeys in height) and this built form will be setback 4.2-4.85m which will provide opportunities for mature landscaping. A landscaping buffer will be provided along the northern elevation and the floor plates above the podium will be reduced in size and setback further from the Heritage Conservation Area.</p>
<p>A new tower building will not be located further north than the location of the existing Bayer Building. This would limit additional impacts on privacy and solar access.</p>	<p>The Bayer Building will retain the existing building frame and will not be located further to the north to ensure amenity impacts to the surrounding neighbours are minimal.</p>
<p>Future development will result in a well proportioned podium with ground floor setbacks for public amenity and upper level setbacks for built form articulation.</p>	<p>The 3 storey podium is consistent with the existing built form and is to be setback 4.2-4.85m along Little Alfred Street and 6-6.75m along Alfred Street which will improve the public amenity. The upper levels along Little Alfred Street are well setback from the building edge to reduce the bulk and scale along this elevation and to increase solar access into the centre of the Precinct.</p> <p>At the ground floor the Alfred Street elevation incorporates a multi layered zone of green / uncovered sidewalk / protected undercroft space enabling a comfortable dwell zone for retail, commercial and residential building access. A further massing setback is provided at the fourth level to visually define the podium / base of the precinct from the tower forms.</p>
<p>A mixed use development must achieve the necessary separation requirements of the Apartment Design Guide to residential components.</p>	<p>The proposed residential accommodation is consistent with the ADG building separation requirements between the sites within the Precinct and with the surrounding neighbours.</p>
<p><b>Principle 2: Transition</b></p>	

**Table 8 – Design requirements in the draft Precinct Planning Study**

Design requirements	Consistency
Little Alfred Street will have residential use with a fine grain building typology to reflect the use of the Conservation Area.	The proposal will incorporate a fine grain residential typology along Little Alfred Street to reflect the use of the Conservation Area.
The built form will present a bulk and scale that minimises shadow, privacy and bulk upon Whaling Road Conservation Area.	<p>The built form along Little Alfred Street will have generous setbacks to minimise privacy concerns and to reduce overshadowing to the Conservation Area. The proposed landscaping along this elevation (to the ground floor and podium levels) will provide screening of the built form. Refer to section 7.3 below for further discussion on overshadowing.</p> <p>Along the northern elevation, the podium will be setback further than the existing built form whilst the upper levels will be setback. The residential accommodation will be orientated east/west to minimise privacy concerns.</p>
A new tower building's eastern facade will have a similar scale as the existing Bayer Building in both width and height. It will taper down beyond this existing height.	The proposal seeks to retain the existing building frame of the Bayer Building and therefore will have a similar scale to the width. Whilst the additional height to the building isn't tapered, the development will not create any significant additional overshadowing to the surrounding Conservation Area and will be required to undergo a design competition to exhibit design excellence.
Advertising signage is restricted on residential buildings in particular facing the Whaling Road Conservation Area.	The future advertising signage will be limited which is in the site specific DCP (refer to <b>Appendix 7</b> )
As part of any public domain upgrades significant street trees are required to be placed in the ground floor setback. Site A should allow for street canopies up to 16m at maturity placed in the ground floor setback along Little Alfred Street.	Increased setbacks are proposed along Alfred Street and Little Alfred Street to allow for street trees. The proposal incorporates a 4.85m wide landscaping strip to the front of Buildings A and B for mature plantings.
<b>Principle 3: Public Domain</b>	
A key mid-block pedestrian desire line located between Alfred Street and Little Alfred Street will be formalised as an open air through site link.	The proposal incorporates a pedestrian arcade which has a series of retail laneways and through site links and connects Little Alfred Street and Alfred Street. The arcade is mainly open to air with some covered areas for weather protection.
Redevelopment of the buildings in the precinct must facilitate	The proposal seeks an alternate amalgamation pattern and the reference scheme illustrates how each site can achieve

**Table 8 – Design requirements in the draft Precinct Planning Study**

Design requirements	Consistency
potential shared basement options with access on Little Alfred Street.	an individual basement and waste services. The basement layouts demonstrate that the sites are able to achieve vehicle access off Little Alfred Street, either via a two way driveway or car lift.
Through reducing barriers to movement via enhanced public domain, consolidated service access and mid-block thoroughfares, future development will facilitate ease of movement throughout the block and beyond.	The proposal will incorporate through site links which provide north/south and east/west connections and provide ease of movement within and around the Precinct.
Provide a large sized tree canopy along the perimeter of the precinct.	The reference scheme allows for landscaping opportunities around all the perimeter of the Precinct.
<b>Principle 4: Employment</b>	
The precinct will support non-residential floor space while allowing a substantial residential component, if residential allows for a lower density/bulk of the building.	The proposal allows for commercial uses as well as a substantial residential component which allows for a more efficient floor space, thereby reducing the bulk and scale of the development.
The employment function of the precinct will continue to be supported by efficiently designed commercial and retail spaces, supporting small to medium sized enterprises and startups.	The commercial and retail spaces will provide an offering to smaller businesses (that can not afford the North Sydney CBD rents), start ups and creative uses.
<b>Principle 5: Transport</b>	
A Planning Proposal must be supported by a detailed Transport Study that aims to improve pedestrian and cyclist safety and amenity.	The proposal is supported by a Traffic Impact Assessment (refer to <b>Appendix 2</b> ). The proposal will improve pedestrian safety by increasing the footpath widths along Alfred Street and Little Alfred Street and encouraging foot traffic through the Precinct via the pedestrian arcade. A bicycle lane is identified along Alfred Street by North Sydney Council and the proposal will incorporate bicycle parking.
Improve access into the site from the intersections on Whaling Road, consolidate driveways and other improvements to slow down traffic and improve pedestrian amenity (see requirements on page 51).	It is highlighted that the proposal will reduce traffic generation for the Precinct given the residential use has a lower trip generation rate than the commercial use. The proposal will reduce the number of vehicle access points from 5 to 4 along Little Alfred Street and will increase the footpath widths to improve pedestrian safety. It was not considered necessary to introduce any traffic upgrades along Little Alfred Street.

**Table 8 – Design requirements in the draft Precinct Planning Study**

Design requirements	Consistency
There will be no net increase in traffic generation across the precinct as a result of any redevelopment through reduced basement car parking and innovative parking schemes.	As demonstrated in the TIA, the proposal will reduce traffic generation for the Precinct given the residential use has a lower trip generation rate than the commercial use. The DCP also has a maximum car parking rate and there is an opportunity to reduce car parking numbers given the Precinct is accessible via a number of public transport options.

## North Sydney Centre Review - Capacity and Land Use Study (CLUS)

The CLUS was adopted by North Sydney Council on 24 October 2016 for the purposes of exhibition. The CLUS was prepared to address a number of issues relating to land use matters, including residential uses, within the North Sydney Centre Commercial Core (the 'Commercial Core') in relation to future development capacity and expansion opportunities. Key objectives of the study seeks to:

- “identify residential development opportunities in mixed use periphery” and
- “identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.”

Alfred Street Precinct is a B4 Commercial Core zoned area located on the eastern of the Warringah Freeway and does not formally constitute part of the Commercial Core. Despite the commercial core zoning, the NSLEP 2013 permits residential accommodation on 263 Alfred Street, south of the Precinct, as an additional permitted use which has led to the construction 20 residential units to an existing commercial development in 2003.

The existing Bayer Building consists of around half of the existing commercial floor space in the precinct. However, the building is approaching 50 years of age and is experiencing significant ageing which will require major capital expenditure in the future to maintain basic levels of quality and service. Given the quantum of commercial planning capacity in addition to commercial projects already underway in North Sydney, it is unlikely a commercial refreshment would be financially viable.

While the CLUS still considers the importance of the Precinct as an employment generator, the economic viability of the existing commercial floor space is reaching stagnation. Therefore, the provision of an appropriate mix of residential and commercial use will ensure the ongoing economic feasibility of the Precinct. The commercial uses will provide a different offering to the North Sydney CBD, as they will be more affordable and be more attractive to business start ups, creative uses and smaller businesses.

The CLUS also advises that the Commercial Core should not function in isolation and should require the complementary support of other land uses provided in the wider North Sydney Centre, in particular, the periphery. As identified in the CLUS, the Precinct suffers a “physical and psychological disconnect” from the Commercial Core due to the separation by Warringah Freeway. Despite the negative geographical factors, Alfred Street Precinct offers a seamless transition between the

Commercial Core and residential area immediately surrounding the Precinct through providing an appropriate mix of land uses.

The findings of the JRPP recommendation have been adopted in the CLUS which considers residential use appropriate in Alfred Street Precinct. The CLUS further recommends any rezoning proposal for this precinct “would need to include the precinct as a whole and demonstrate that significant land use, amenity and urban design improvements would result”. The provisions in this Planning Proposal will seek to implement the recommended approach of the CLUS and will unlock future redevelopment opportunities that is currently hindered by the existing singular commercial zoning of the precinct.

### North Sydney CBD Capacity and Land Use Strategy and Planning Proposal (2017)

After Council endorsement, the CLUS was publicly exhibited in November and December of 2016. At its meeting of 20 March 2017, Council adopted a post-exhibition report, resolving to produce a final Capacity and Land Use Strategy (Strategy) document and associated Planning Proposal to amend North Sydney Local Environmental Plan (NSLEP) 2013. The Planning Proposal will give statutory effect to the Strategy and Council are currently under their final assessment following Gateway approval.

The Planning Proposal seeks to amend the maximum building heights on various sites along Arthur Street, Berry Street, Miller Street, Mount Street, Walker Street, and others. Maximum building height increases vary from the equivalent of 13m up to 115m. The new heights of the affected sites will vary between 70 RL and 289 RL. Furthermore, the new height controls to the North Sydney Centre were based on maintaining solar access to residential land outside of the North Sydney Centre by reducing the time frame from 9am-3pm to 10am-2pm. This approach was undertaken to provide an acceptable balance between allowing the Centre to grow whilst minimising impacts on adjoining residents. The proposal has considered these additional heights within the overshadowing diagrams.

### North Sydney Local Development Strategy (2009)

The North Sydney Local Development Strategy (LDS) sets out the strategic vision for North Sydney Council has been identified in the (then) Metropolitan and Subregional Strategies. The LDS also informed the preparation of the NSLEP 2013.

The LDS identifies the following actions for North Sydney LGA:

- Current controls will prohibit residential development in the CBD core;
- Residential development is to be encouraged in mixed-use development outside of the CBD core;
- Concentrate the bulk of new dwellings in Mixed Use centres in close proximity to retail, office, health, education, transport, leisure, entertainment facilities and community and personal services; and
- Deliver housing choice for a range of socio-economic groups throughout North Sydney to meet the needs of existing and future residents.

Alfred Street Precinct is situated on the fringe of the North Sydney CBD Core and as such the Planning Proposal aligns with the actions relating the North Sydney CBD and surrounds. The proposal refines and improves upon the LDS by providing for mixed-use



development in an appropriate location on the well-located fringe of the commercial core. Further, it will provide housing choice and improve housing affordability by providing additional housing to the locality.

It is noted that the LDS was prepared in 2009 and given it is 10 years old it is generally outdated by other more recent strategies.

### North Sydney Residential Strategy (2009)

The North Sydney Residential Development Strategy (RDS) 2009 guides North Sydney's residential development over the next 25 years. It identifies the potential for 6,199 dwellings in the North Sydney LGA by 2031 under the provisions of NSLEP 2013. These targets exceed the current housing targets for the LGA established in the current North District Plan and it is noted that the RDS was prepared nearly 10 years ago.

The following principles for residential development are identified in the RDS:

1. Concentrate new dwellings in centres within walking distance of shops, jobs, public transport, facilities and services;
2. Minimise the impact of new development on local character, amenity, environment and heritage;
3. Preserve existing and potential commercial floor space in the commercial core of the North Sydney CBD;
4. Maintain existing mixed use areas as village centres for the local community;
5. Maintain housing choice by retaining intact areas of detached and semi detached housing and allowing for further development of apartments and attached dwellings only in appropriate locations; and
6. Discourage further intensification in the areas of Kirribilli, McMahons Point, Waverton, Wollstonecraft and Cremorne Point, which are considered fully developed in terms of the impacts of existing development on parking, traffic, heritage and infrastructure.

The proposal is generally consistent with the above principles in that it provides for housing choice to meet the needs of future residents; minimises impacts on local character, amenity, environment and heritage and provides for a mixed-use development in a location with good access to public transport and other services.

### North Sydney Community Strategic Plan 2018-2028

The North Sydney Community Strategic Plan 2018 – 2028 (CSP) is an extensive plan developed from the ground up and based on the vision and desires of the North Sydney community. Developed through extensive community consultation, the CSP reflects the social, environmental and economic priorities of residents to 2028 and provides a series of Directions, Outcomes and Strategies to realise these.

The Planning Proposal seeks to enable the redevelopment of the Alfred Street Precinct which would provide for renewal of commercial, business and residential structures. The proposal would also allow for improved access to and through the Precinct improving integration with the broader area. As such the Planning Proposal aligns with the CSP, in particular it supports the CSP natural and built environment, economic and social aspirations by:

- Improving the use of open space through enhanced accessibility and connectivity;
- Providing integrated and efficient off-street parking options;

- Encouraging a diverse mix of business size and type;
- Support existing businesses and attract and foster new businesses;
- Improving North Sydney's standing as one of NSW pre-eminent commercial centres; and
- Using a place-based approach to achieve design excellence and management of places as they change.

## 5. Is the Planning Proposal consistent with the applicable state environmental planning policies?

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

Table 9 – State environmental planning policies		
SEPP	Consistent	Comments
SEPP No. 1- Development Standards	Not Applicable	Not applicable pursuant to clause 1.9 of the North Sydney LEP 2013.
SEPP No. 19 – Bushland in Urban Areas	Not Applicable	
SEPP No 21 – Caravan Parks	Not Applicable	
SEPP No. 33 – Hazardous and Offensive Development	Consistent	The proposal is to adopt the standard instrument definitions of hazardous and offensive development, which are not permitted on precinct.
SEPP No. 36 – Manufactured Home Estates	Not Applicable	
SEPP No. 44 – Koala Habitat Protection	Not Applicable	
SEPP No. 47 – Moore Park Showground	Not Applicable	
SEPP no. 50 – Canal Estate Development	Not Applicable	
SEPP No. 52 – Farm Dams and Other Works in Land and Water Management Plan Areas	Not Applicable	
SEPP No. 55 – Remediation of Land	Consistent	All sites would be appropriately remediated to make it suitable for residential development. This would be addressed further at Development Application stage.
SEPP No. 64 – Advertising and Signage	Not Applicable	Any future proposals for signage and advertising structures would

**Table 9 – State environmental planning policies**

		be consistent with this SEPP and the North Sydney DCP 2013. Refer to site specific DCP which provides controls limiting signage in <b>Appendix 7</b> .
SEPP No. 65 – Design Quality of Residential Flat Development	Consistent	The building envelope established by the proposal is capable of accommodating residential development that is consistent with SEPP 65 principles and with the design criteria in the Apartment Design Guide. For further detail refer to the SEPP compliance table in the Urban Design Report in <b>Appendix 1</b> .  Detailed assessment of compliance with SEPP 65 principles and Apartment Design Guide guidelines would occur at DA stage.
SEPP No. 70 – Affordable Housing (Revised Schemes)	Consistent	The proposal would not affect the schemes within this SEPP.
SEPP (Affordable Rental Housing) 2009	Consistent	The draft Precinct Planning Study stipulated that affordable housing is not recommended however, we seek to include affordable housing within the scheme to ensure a diversity of housing is provided for the locality and this SEPP will be addressed at Development Application stage.
SEPP (Building Sustainability Index: BASIX) 2004	Consistent	To be addressed at Development Application stage.
SEPP (Exempt and Complying Development Codes) 2008	Consistent	The proposal does not inhibit any operations of this SEPP.
SEPP (Housing for Seniors or People with a Disability) 2004	Not Applicable	
SEPP (Infrastructure) 2007	Not Applicable	
SEPP (Kosciuszko National Park – Alpine Resorts) 2007	Not Applicable	
SEPP (Kurnell Peninsula) 1989	Not Applicable	
SEPP (Major Development) 2005	Consistent	The proposal does not inhibit operations of the former Part 3A provisions or the replacement measures.

**Table 9 – State environmental planning policies**

SEPP (Mining, Petroleum Production and Extractive Industries) 2007	Not Applicable	
SEPP (Miscellaneous Consent Provisions) 2007	Not Applicable	
SEPP (Penrith Lakes Scheme) 1989	Not Applicable	
SEPP (Rural Lands) 2008	Not Applicable	
SEPP (State and Regional Development) 2011	Not Applicable	
SEPP (Sydney Drinking Water Catchment) 2011	Not Applicable	
SEPP (Sydney Region Growth Centres) 2006	Not Applicable	
SEPP (Three Ports) 2013	Not Applicable	
SEPP (Urban Renewal) 2010	Not Applicable	
SEPP (Western Sydney Employment Area) 2009	Not Applicable	
SEPP (Western Sydney Parklands) 2009	Not Applicable	
SREP No. 8 – Central Coast Plateau Areas	Not Applicable	
SREP No. 9 – Extractive Industry (No 2 – 1995)	Not Applicable	
SREP No. 16 – Walsh Bay	Not Applicable	
SREP No. 20 – Hawkesbury – Nepean River (No 2 – 1997)	Not Applicable	
SREP No. 24 – Homebush Bay Area	Not Applicable	
SREP No. 26 – City West	Not Applicable	
SREP No. 30 – St Marys	Not Applicable	
SREP No. 33 – Cooks Cove	Not Applicable	
SREP (Sydney Harbour Catchment) 2005	Not Applicable	

## 6. Is the Planning Proposal consistent with applicable Ministerial Directions (S. 9.1 directions)?

The Planning Proposal is consistent with all relevant section 9.1 Directions (previously 117 directions). The assessment of these is outlined in the table below.

Table 10 –Section 9.1 Ministerial Directions			
Clause	Direction	Consistent	Comments
<b>1 Employment and Resources</b>			
1.1	Business and Industrial Zones	Consistent	Refer to further discussion below this table.
1.2	Rural Zones	Not Applicable	
1.3	Mining, Petroleum Production & Extractive Industries		
1.4	Oyster Aquaculture		
1.5	Rural Lands		
<b>2 Environment and Heritage</b>			
2.1	Environmental Protection Zones	Not applicable	
2.2	Coastal Protection	Not applicable	
2.3	Heritage Conservation	Consistent	<p>The Whaling Road Conservation Area is located to the north and east of the Precinct. It contains mostly 1-2 storey dwellings on small allotments. The proposal will provide an appropriate built form along the northern and eastern boundaries which will create an appropriate transition to the low scale residential dwellings in the conservation area.</p> <p>Along the northern elevation, a landscaping buffer will be provided along the boundary and the upper levels will be setback. Along the eastern boundary, the proposal will incorporate fine grain residential accommodation which is 3 storeys.</p> <p>The proposal is not expected to have adverse impacts on the heritage significance of this area. More detailed consideration of heritage impacts can be addressed at the DA stage.</p>
2.4	Recreation Vehicle Areas	Not applicable	



Table 10 –Section 9.1 Ministerial Directions

<b>3 Housing, Infrastructure and Urban Development</b>			
3.1	Residential Zones	Consistent	<p><i>Objectives</i></p> <p><i>(1) The objectives of this direction are:</i></p> <p><i>(a) to encourage a variety and choice of housing types to provide for existing and future housing needs,</i></p> <p><i>(b) to make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and</i></p> <p><i>(c) to minimise the impact of residential development on the environment and resource lands.</i></p> <p>The proposal will incorporate a variety of studio, 1, 2 and 3 bedroom units which is generally consistent with the unit mix provisions in the North Sydney Development Control Plan 2013. The variety of unit types will provide accommodation for singles, couples and families and a portion of the units are to be allocated as affordable housing. The mixture of housing will provide for existing and future housing needs of the locality.</p> <p>The additional housing will be in close proximity to public transport services and a number of services and facilities within North Sydney CBD. Therefore the proposal will make efficient use of the existing infrastructure and services.</p>
3.2	Caravan Parks and Manufactured Home Estates	Not applicable	
3.3	Home Occupations	Not applicable	
3.4	Integrating Land Use and Transport	Consistent	<p><i>Objectives:</i></p> <p><i>a) improving access to housing, jobs and services by walking, cycling and public transport, and</i></p> <p><i>b) increasing the choice of available transport and reducing dependence on cars, and</i></p> <p><i>c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and</i></p> <p><i>d) supporting the efficient and viable operation of public transport services, and</i></p>

**Table 10 –Section 9.1 Ministerial Directions**

			<p>e) providing for the efficient movement of freight.</p> <p>The proposal accords with the above objectives in that it creates a mixed use precinct which will integrate housing, employment opportunities and services and will reduce the need for car travel. The Precinct is also located in close proximity to North Sydney CBD which provides a number of services and facilities that are within walking distance. Furthermore, the Precinct is highly accessible as it is located close to Victoria Cross and North Sydney train stations, North Sydney ferry and a number of bus services along Pacific Highway which reduces the reliance of car travel by future residents and employees.</p>
3.5	Development near Licensed Aerodromes	Not applicable	
3.6	Shooting ranges	Not applicable	
<b>4 Hazard and Risk</b>			
4.1	Acid Sulfate Soils	Not applicable	
4.2	Mine Subsidence and Unstable Land	Not Applicable	
4.3	Flood Prone Land	Not Applicable	
4.4	Planning for Bushfire Protection	Not Applicable	
<b>5 Regional Planning</b>			
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	

**Table 10 –Section 9.1 Ministerial Directions**

5.4	Commercial and Retail Development along the Pacific Highway, North Coast	Not Applicable	
5.5	Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA) (Revoked 18 June 2010)	Not Applicable	
5.6	Sydney to Canberra Corridor (Revoked 10 July 2008. See Amended Directions 5.1)	Not Applicable	
5.7	Central Coast (Revoked 10 July 2008. See amended Directions 5.1)	Not Applicable	
5.8	Second Sydney Airport: Badgerys Creek	Not Applicable	
5.9	North West Rail Link Corridor Strategy	Not Applicable	
<b>6 Local Plan Making</b>			
6.1	Approval and Referral Requirements	Consistent	<p><i>The objective of this direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development.</i></p> <p>The proposal has minimised the inclusion of provisions that require the concurrence, consultation or referral of Development Applications to a Minister or public authority.</p> <p>The site is not identified as designated development.</p>
6.2	Reserving Land for Public Purposes	Consistent	<p>The objectives of this direction are:</p> <p><i>a) to facilitate the provision of public services and facilities by reserving land for public purposes, and</i></p>

Table 10 –Section 9.1 Ministerial Directions			
			<p><i>b) to facilitate the removal of reservations of land for public purposes where the land is no longer required for acquisition.</i></p> <p>The proposal does not alter any reservations of land.</p>
6.3	Site Specific Provisions	Consistent	<p><i>The objective of this direction is to discourage unnecessarily restrictive site specific planning controls.</i></p> <p>The proposal will not impose any unnecessarily restrictive site specific controls.</p>
<b>7. Metropolitan Planning</b>			
7.1	Implementation of A Plan for Growing Sydney	Consistent	<p><i>The objective of this direction is to give legal effect to the planning principles; directions; and priorities for subregions, strategic centres and transport gateways contained in A Plan for Growing Sydney.</i></p> <p>The proposal is consistent with the aims, objectives and provisions in the Greater Sydney Region Plan: A Metropolis of Three Cities (previously A Plan for Growing Sydney). The Plan identifies the site as being within the Eastern Harbour City and Eastern Economic Corridor. The proposal represents an opportunity to provide for additional housing and jobs located in a well-connected and well-serviced centre. The site is well located with access to jobs health and education services and amenities within walking distance. Furthermore, the site has strong connections to metropolitan employment markets, open space, cultural and recreational assets.</p>

## Direction 1.1 Business and Industrial Zones

The Economic Impact Report addresses this direction in detail, refer to **Appendix 3**. Direction 1.1 provides objectives and directions for business and industrial zones and subclause 4 of the direction stipulates:

### **What a relevant planning authority must do if this direction applies**

- (4) A draft LEP shall:
- (a) give effect to the objectives of this direction,
  - (b) retain the areas and locations of existing business and industrial zones,
  - (c) not reduce the total potential floor space area for employment uses and related public services in business zones,
  - (d) not reduce the total potential floor space area for industrial uses in industrial zones, and

- (e) *ensure that proposed new employment areas are in accordance with a strategy that is approved by the Director-General of the Department of Planning.*

### **Our response**

Our response relating to subclause (4) are detailed below:

- (a) The objectives of the direction are to:
  - (1) *a) encourage employment growth in suitable locations,*
  - b) protect employment land in business and industrial zones, and*
  - c) support the viability of identified Centres.*

In relation to (1)a), the Precinct is physically disconnected from the North Sydney Centre by the Warringah Freeway and adjoins the Whaling Road Heritage Conservation Area which incorporates low scale residential accommodation. The Precinct's isolation and disconnection are factors that were acknowledged in the JRPP decision and by North Sydney Council, thereby recognising that the Precinct is not a suitable location for employment growth.

Investigations undertaken by Council as part of the North Sydney Centre, propose to unlock 529,000m<sup>2</sup> of additional floorspace which is within walking distance to North Sydney train station and the future Victoria Cross Metro Station. Commercial growth in the North Sydney is considered to be much more suitable than the subject Precinct.

The commercial buildings in the Precinct appear to date from the 1960s and 1970s. In particular, the existing commercial floor space in the Bayer Building is coming to the end of its economically useful life and the refurbishment of the building would not be financially feasible. If the Bayer Building was retained (with no refurbishments) the building will continue to age and deteriorate, resulting in lower occupancy rates and negative employment growth.

The reference scheme will provide 10,127m<sup>2</sup> of employment floor space which would result in around a 4,000m<sup>2</sup> loss of existing floorspace and displacement of businesses. However, it is likely that businesses will seek to be accommodated in the North Sydney Centre, thereby the economic activity would not be 'lost' from the North Sydney LGA, merely relocated elsewhere within the LGA.

In relation to (1)b), whilst the proposal seeks to rezone the Precinct to B4 Mixed Use, the proposal will not lead to a reduction in the quantum of land zoned for commercial uses in North Sydney CBD and the Precinct. The proposal would still accommodate 10,127m<sup>2</sup> of commercial floor space.

In relation to (1)c), the North Sydney Centre should be the primary location for high density commercial development and the proposal will not harm the viability of the commercial centre as it will provide a different commercial offering.

The Proposal would increase the quantum of household expenditure by new residents and thereby provide a net positive addition to the pool of expenditure available to be captured by local businesses in the North Sydney Centre and elsewhere in the North Sydney LGA.

- (b) Whilst the proposal seeks to rezone the Precinct from B3 Commercial Core to B4 Mixed Use the proposal will still accommodate commercial floor space. The quantum and location of commercial floor space will not



impact upon the business zoned land in the locality and would support the viability of the North Sydney Centre.

- (c) Whilst the proposal would reduce the quantum of employment floorspace in the Precinct, the suitability of the Precinct for commercial office uses has deteriorated and will continue to if there is no change to planning controls. The Precinct is unsuited for continued commercial use for the reasons explained above. The Proposal would have no impact upon public service land use within a business zone.
- (d) No industrial land would be impacted by the proposal.
- (e) The proposal is consistent with State and local government objectives to focus employment in suitable locations as well as accelerate housing supply in suitable locations, support jobs, economic development and efficient use of land.

Furthermore, subclause (5) of the Direction 1.1 outlines where inconsistencies are allowable:

### **Consistency**

*(5) A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Secretary of the Department of Planning and Environment (or an officer of the Department nominated by the Secretary) that the provisions of the planning proposal that are inconsistent are:*

- (a) justified by a strategy which:
  - (i) gives consideration to the objective of this direction, and*
  - (ii) identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites), and*
  - (iii) is approved by the Secretary of the Department of Planning and Environment, or**
- (b) justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this direction, or*
- (c) in accordance with the relevant Regional Strategy, Regional Plan or Sub-Regional Strategy prepared by the Department of Planning and Environment which gives consideration to the objective of this direction, or*
- (d) of minor significance.*

### **Our response**

The rezoning of the Precinct from B3 Commercial Core to B4 Mixed Use will generally be inconsistent with the subclause 4(b) (retention of existing business zones), however the proposal will be generally consistent with the objectives of the North District Plan and Greater Sydney Region Plan which encourage employment growth in suitable locations, support jobs, economic development and efficient and effective use of land. The site is isolated from the North CBD and adjoins a residential zone and the JRPP decision and North Sydney Council have stipulated that it is not suitable for employment growth. Whilst the site is located in the northern portion of the Harbour CBD, it will still provide some commercial space for small businesses, start ups and creative uses which will play a support role to the North Sydney CBD.

## 7.3 Section C – Environmental, Social and Economic Impact

7. 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?

There are no critical habitat or threatened species, populations or ecological communities, or their habitats on or around the site that will be affected by this Planning Proposal.

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

### Built Form

The Precinct is located just outside of the North Sydney Centre in the Capacity and Land Use Strategy (Strategy) and North Sydney Planning Proposal. The Strategy identifies sites within the Centre which are suitable for significant commercial uplift and the Planning Proposal seeks to increase building heights up to 115m. Adjoining to the north and east of the site is Whaling Road Heritage Conservation Area which incorporates low scale residential development (1-2 storeys in height).

The Bayer Building, is a key component of North Sydney's skyline and creates an 18 storey iconic landmark building for the Precinct along the eastern side of the freeway. The buildings to the remainder of the Precinct are currently under developed and between 3-4 storeys in height with the built form abutting the street boundaries.

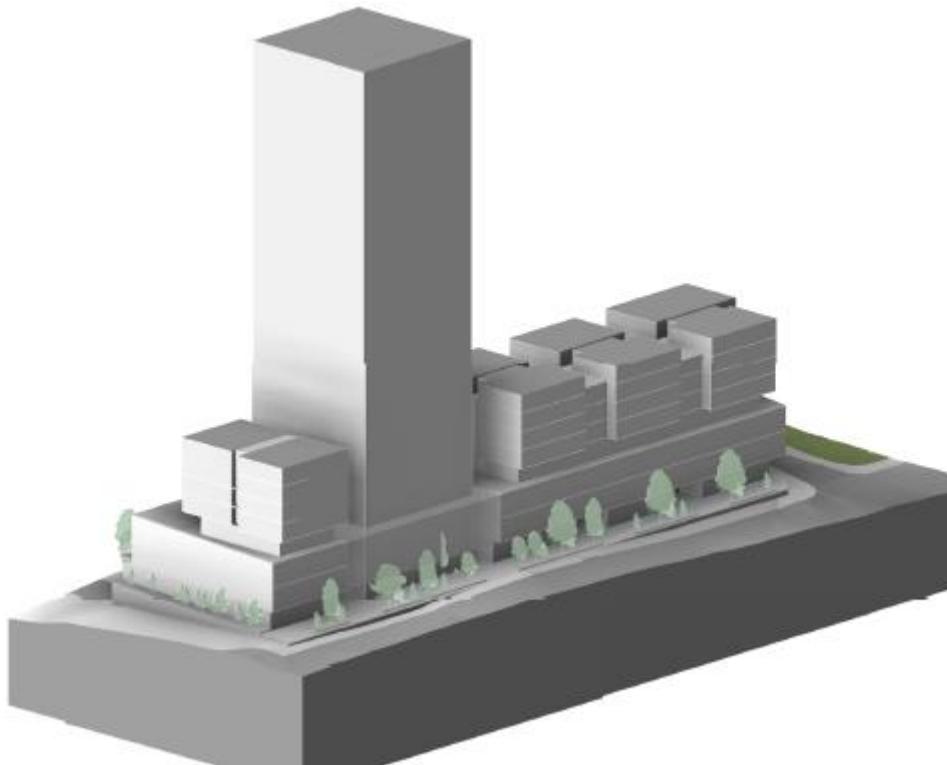
The approach for the future redevelopment of the Precinct was to seek a balance between amenity, public benefit, quality, economic viability and development surety. An urban form for the Precinct has been developed as a holistic approach, with massing responding to topography and existing residential context whilst maintaining it's unique character as a gateway precinct. The proposed development will create a smooth transition between the Heritage Conservation Area to the CBD in terms of heights, scale, function and connectivity.

As part of our submission (in June 2018) to the draft Precinct Planning Study, AEC Group undertook an Economic Feasibility Study (refer to **Appendix 4**) which identified FSR thresholds for individual sites that reflect a financially attractive proposition to all landowners in order to encourage precinct renewal and associated public benefits. These are identified in Table 4 above and have been considered when determining the proposed FSRs. For Sites A and C, the existing FSR control is above the FSR thresholds identified in the Economic Feasibility Study. It is more challenging to achieve the thresholds in the Economic Feasibility Study for Sites B and D taking into consideration amenity impacts on the locality and the draft Alfred Street Planning Study, however this Planning Proposal recommends FSRs that are close to the economic thresholds.

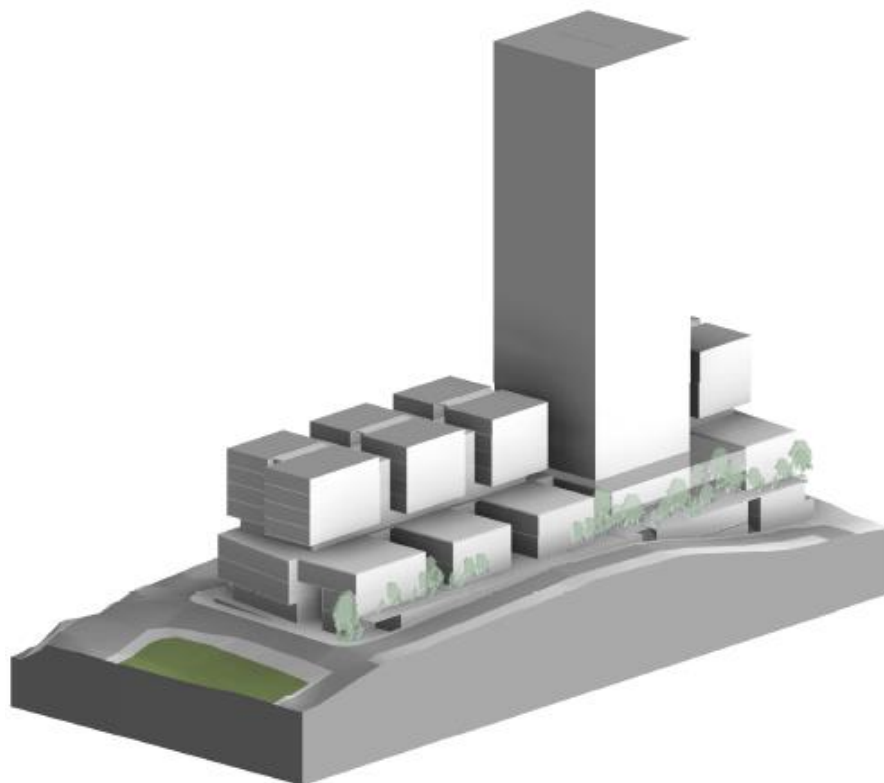
The proposal seeks to retain the existing FSRs for Buildings A, C and D (3.5:1) and increase the FSR to 275 Alfred Street to reflect the existing FSR to the Bayer Building (base FSR of 7.3:1 with the potential for a design excellence bonus, subject to a design competition being undertaken). The proposal seeks to increase the heights of all the buildings to ensure they are consistent with the FSR provisions. It is highlighted that the FSR (including the design excellence bonus) is below the FSR in Council's preferred option in the draft Precinct Planning Study.

The proposal will incorporate a 3 storey podium along all the edges of the Precinct which is consistent with the existing built form while the upper levels will be setback from the building edge. Fine grain residential accommodation will be located along Little Alfred Street to create an appropriate transition with the low scale dwellings. The

built form above the 3 storey along Little Alfred Street will be generous to allow for solar access deep into the site and pedestrian arcade.



**Figure 18 – 3D image along Alfred Street**  
*Source: Grimshaw*



### Figure 19 – 3D image along Little Alfred Street

Source: Grimshaw

The built form will be setback 4.2-4.85m along Little Alfred Street, 6-6.75m to the ground floor and 2.4m to the ground floor along the northern boundary. Landscaping buffer zones will be created along the northern, eastern and western elevations which will provide visual screening to the adjoining Heritage Conservation Area and Freeway. The proposal will also incorporate elevated landscaping podiums along Little Alfred Street which will further soften the built form along this elevation.

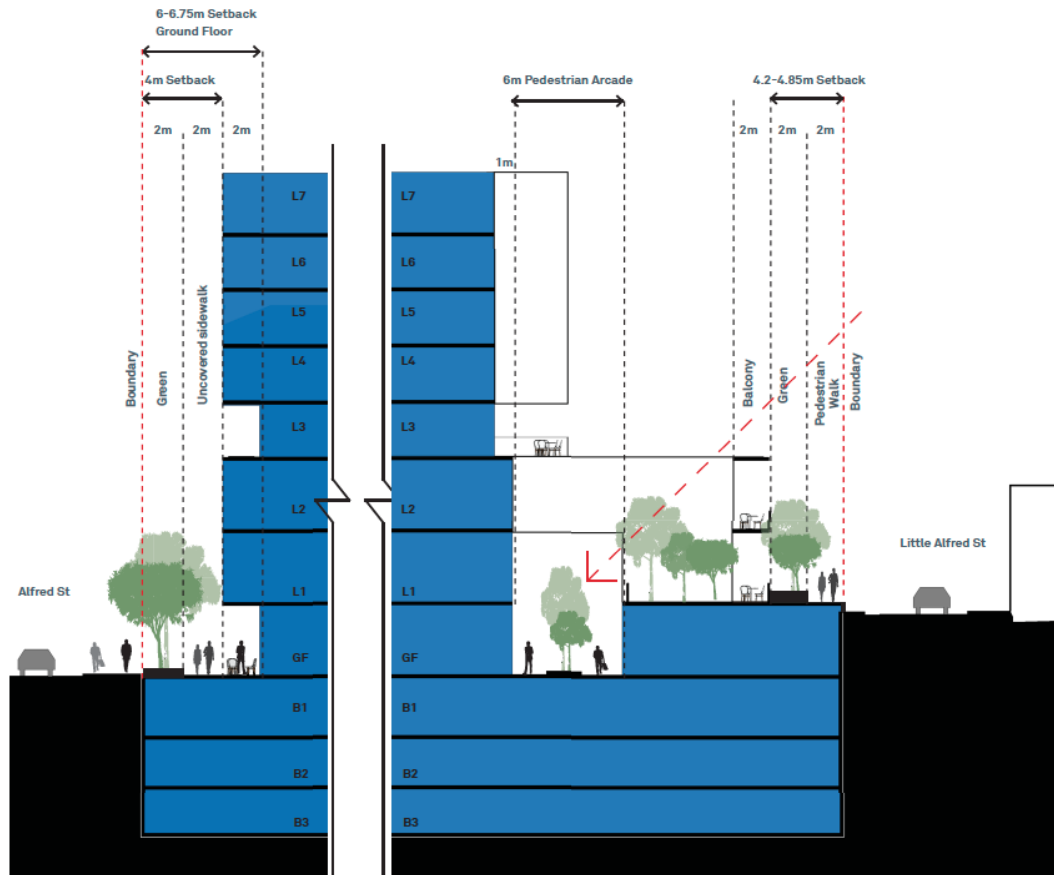


Figure 20 – Massing articulation

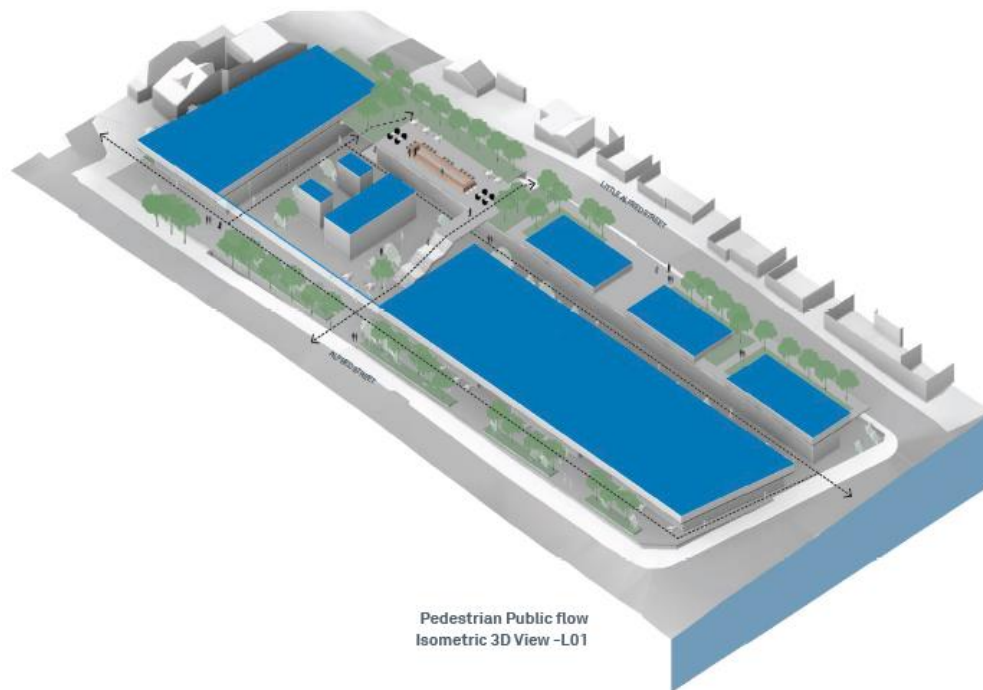
Source: Grimshaw

For Sites A, C and D, the proposal seeks heights of 8 storeys which differ from the proposed heights in the draft Precinct Planning Study – 3 storeys to Sites A and C and 3 and 9 storeys to Site D. Whilst the proposed heights are slightly different to the Study, the proposal allows for these sites to be redeveloped in isolation and to achieve the existing maximum FSR they currently enjoy which will provide an incentive for these sites to be redeveloped.

The built form to these sites have generous setbacks above the podium along the elevations with the Conservation Area and generally define the street edge along Alfred Street (with some articulation along this elevation). The proposed heights will not significantly impact upon the amenity of the adjoining neighbours with regard to solar access and privacy and therefore the variation with the Study is considered acceptable.

The pedestrian arcade would be linked through the precinct at ground level and centred around the Bayer Building. The arcade incorporates a series of laneways

which are activated with retail shops to promote social interaction and provide connections between the adjoining residential areas and North Sydney CBD. Due to the significant height variations between Alfred Street and Little Alfred Street, a connecting stair is required for access. The arcade is approximately 6m in width and is partially double storey in height and open to the sky to allow for solar access deep into the Precinct.



**Figure 22 – Public benefits**

Source: Grimshaw

The commercial buildings in the Precinct appear to date from the 1960s and 1970s. In particular, the Bayer Building is coming to the end of its economic useful life and a number of development scenarios for the building have been explored in the Urban Design Report (refer to **Appendix 1**). The best strategy for the Bayer Building would be to retain the existing building frame, overhaul the building services and undertake remediation works of the existing commercial floor space which would be offset by the additional building height. This scenario would also involve the significant reconfiguration of the ground floor required to accommodate retail uses and deliver the pedestrian arcade within the site. There would still be limited revenue in the refurbished commercial offering due to the isolation from the main commercial district although the offset of high-quality residential floors would deliver an economic opportunity for redevelopment.

Furthermore, the proposal offers a design excellence provision for the Bayer Building, which allows for additional FSR subject to a design competition being undertaken which is only triggered if a Development Application is lodged for the site which is greater than 62m in height. This will ensure that the landmark building will exhibit design excellence and a high standard of architecture, urban and landscape design is achieved. In particular, this will ensure that façade of the building is upgraded which is currently dated and deteriorated.

The proposal is generally consistent with the design requirements as detailed in the draft Precinct Planning Study (refer to section 7.2 above for further discussion) and has provided further improvements to the built form with greater permeability and



opportunities for mature landscaping. The Bayer Building is generally consistent with the built form within the draft Precinct Planning Study with the exception of the tapered element to the top of the building, however the development will not create any significant additional overshadowing to the surrounding residential dwellings and will be required to undergo a design competition to exhibit design excellence.

The proposed residential accommodation will comply with the key Apartment Design Guide (ADG) design criteria including solar access, cross ventilation, building separation distances and building depth. The scheme demonstrates that the site can be developed under the planning proposal with a built form featuring high residential amenity, improved public domain and minimised environmental impacts.

## Overshadowing

The Urban Design Report (refer to **Appendix 1**) provides a shadow analysis of the proposed development versus the existing built form at mid winter which is the worst case scenario. In principal all residential properties in this area maintain existing solar access prior to 12pm. It is also noted that Council's draft Precinct Planning Study considered that the additional shadow impacts associated with Council's preferred option was acceptable.

The residential properties to the south of Whaling Road incorporate semi-detached dwellings which are oriented north-south. It is untested where the living spaces are arranged in these properties although any southern orientated living spaces would not currently receive solar access. It is also noted that these sites generally overshadow their own rear private open space given their orientation. The northern rooms of all these dwellings will receive 3 hours of morning solar. The overshadow from the Bayer Building is generally fast moving given it is slender and tall.

Dwellings located in the adjacent residential block between Little Alfred Street and Neutral Street would only overshadowed between 2 and 3pm. Dwellings along Little Alfred Street may have minor afternoon solar impact pending actual living space locations although also receive 3 hours of morning solar access to their north and east facades as per existing conditions.

The solar access diagrams demonstrate that the proposal will create additional overshadowing to only a small portion of the park to the south of the Precinct between 11am and 2pm. The open space due south of the site will be impacted by any height increase to Site D in particular, similar to the councils 'preferred scheme' over shadowing impacts. It is highlighted that the park abuts a Freeway and is not highly used whilst there are a number of other larger open space areas in the immediate locality.

## Parking and Traffic

A Traffic Impact Assessment (TIA) has been prepared on behalf of TTPP (refer to **Appendix 2**) which provides an assessment on the proposed parking and internal layout and examines the traffic generation of the proposed development.

### Traffic generation

The site currently comprises of 33 residential units and 3 commercial buildings (with a combined GFA of 14,235m<sup>2</sup>) which generate 233 trips in the AM peak and 175 trips in the PM peak, refer to the table below. The proposal however will reduce the future trips generated by 41 during the AM peak and 30 trips during the PM peak given the residential trip generation rates are lower than the commercial rates.

Table 11 –Net changes in traffic generation		
Traffic generation	AM peak	PM peak
Existing traffic generation	233	175
Future traffic generation	192	145
<b>Net change</b>	<b>-41</b>	<b>-30</b>

Traffic modelling was undertaken for the existing base case and the proposed development to the intersections of Little Alfred Street/Whaling Road and Neutral Street/Whaling Road. The intersections are currently operating a, 'A' (good operation) level of service and will continue to operate at this level as a result of the proposal. The TIA concludes that the proposal is not expected to result in any noticeable traffic impacts on the surrounding road network and therefore, no mitigation measures are required as the existing road network is expected to accommodate the proposed development traffic.

#### Car parking

The North Sydney Development Control Plan 2013 (NSDCP 2013) incorporates a maximum parking rate for the Precinct. The proposal is required to provide the following maximum car parking numbers:

- Site A – 13 spaces
- Site B – 68 spaces
- Site C – 15 spaces
- Site D – 36 spaces

The reference scheme in the Urban Design Report (refer to **Appendix 1**) demonstrates how these spaces can be accommodated for in the basement layouts. There may be an opportunity to reduce the car parking spaces given the Precinct is well serviced by public transport.

#### Vehicle access

The vehicle access along 271 Alfred Street is to be removed for the scheme and separate vehicle access points are proposed on Little Alfred Street to service the respective basement car parking and loading dock areas for each site. The proposal will amalgamate two existing vehicle access points for Site D into one. Further to this, access to the Site C basement car parking area is proposed via a car lift system due to the existing building constraints, i.e. available building footprint and car parking required for the site.

#### Bicycle parking

A cycle lane has been identified along Alfred Street by North Sydney Council. Based on the minimum bicycle parking rates in the NSDCP 2013, Sites A, B, C and D would require a total minimum of 31, 132, 33 and 73 spaces (respectively).

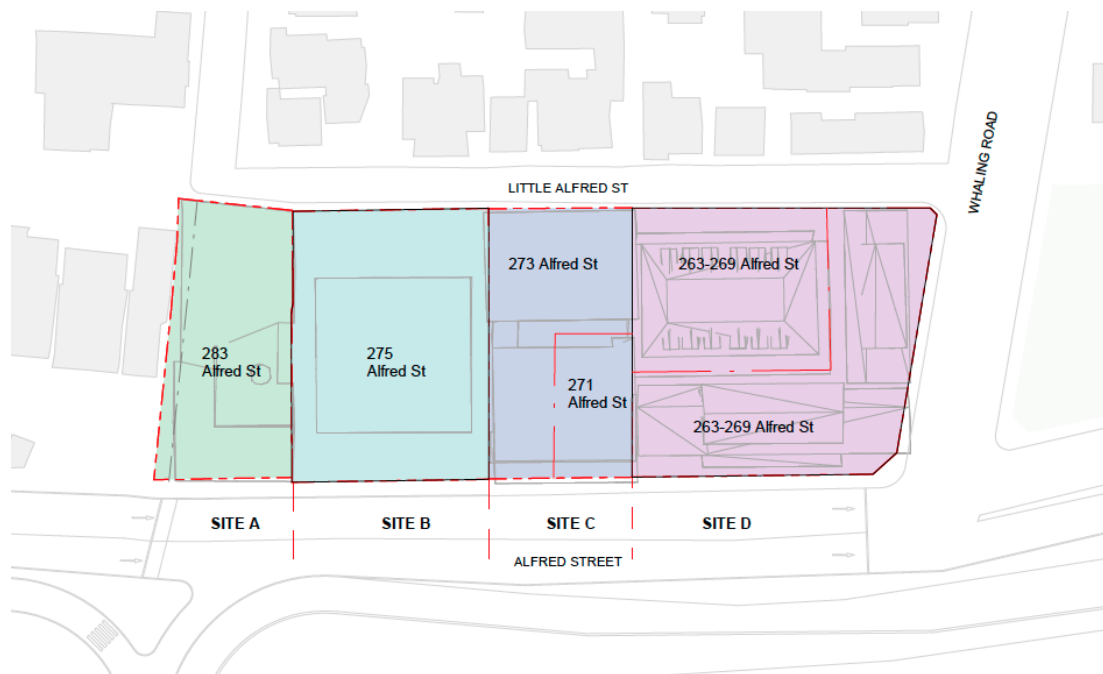
#### Loading facilities

Based on the existing building constraints and topography surrounding the site, it is proposed to provide on-site loading areas for Sites A and B and indented on-street kerbside loading areas for Sites C and D. These loading areas are expected to predominately cater for waste collection vehicles and occasional deliveries.

It is however expected that the existing loading zone on Alfred Street North would continue to service the site due to its proximity to the main road (where trucks travel to/from) in order to minimise truck movements along Little Alfred Street and Whaling Road.

## Amalgamation patterns

Council's draft Precinct Planning Study recommended the amalgamation of sites 275 and 283 Alfred Street to create Site A and the amalgamation of 273, 271 and 263-269 Alfred Street/4 Little Alfred Street to create Site B. These amalgamation patterns heavily rely on negotiations between relevant and in particular to Site B, rely on a number of strata titled lots. There is no guarantee that these landowners are willing to amalgamate which may prevent the Precinct from being redeveloped. It is recommended that a more flexible approach be taken and an alternate amalgamation pattern have been proposed in the site specific DPC (refer to **Appendix 7**) and the figure below.



**Figure 23 – Amalgamation patterns**

Source: Grimshaw

### **Offer to purchase 283 Alfred Street**

A genuine effort to purchase 283 Alfred Street by the landowner of 275 Alfred Street has been undertaken, however there has been no response from the landowner of 283 (Honuka Pty Ltd). An independent valuation of 283 Alfred Street was prepared by Cushman and Wakefield and an offer to acquire the site was sent to the landowner of 283 via registered post on 14 February 2019 (refer to **Appendix 8**). An attempt to call the landowner was also made on 13 February and a follow up email was sent on 26 February to discuss this matter further, however there has been no response or willingness to negotiate.

The attempt to purchase the site is consistent with planning principle for site amalgamation, *Karavellas v Sutherland Shire Council [2004] NSWLEC 251 at 17-19* which deals with two questions when dealing with isolated sites:

1. Is amalgamation of the sites feasible?

2. Can orderly and economic use and development of the separate sites be achieved if amalgamation is not feasible?

The first question (is amalgamation of the sites feasible?) is to be determined in accordance with three principles (Melissa Grech v Auburn Council [2004] NSWLEC 40 (at 50)):

1. Where a property will be isolated by a proposed development and that property cannot satisfy the minimum lot requirements, then negotiations between the owners of the properties should commence at an early stage and prior to the lodgement of the development application.

2. Where no satisfactory result is achieved from the negotiations, the development application should include details of the negotiations between the owners of the properties. These details should include offers to the owner of the isolated property. A reasonable offer, for the purposes of determining the development application and addressing the planning implications of an isolated lot, is to be based on at least one recent independent valuation and may include other reasonable expenses likely to be incurred by the owner of the isolated property in the sale of the property.

The relevant question is whether the applicant has taken reasonable steps to cause an amalgamation. It is not necessary for an applicant to do any more than what is reasonable.

3. The level of negotiation and any offers made for the isolated site are matters that can be given weight in the consideration of the development application. The amount of weight will depend on the level of negotiation, whether any offers are deemed reasonable or unreasonable, any relevant planning requirements and the provisions of s 79C of the Environmental Planning and Assessment Act 1979.

A genuine attempt to purchase no. 283 Alfred Street has been undertaken and correspondence has been provided to demonstrate this. A reasonable offer was made which was determined by an independent valuation and it was suggested that each site undertakes its own Due Diligence of the site. Therefore, in this regard it has been demonstrated that the amalgamation of the sites are not feasible. Furthermore, no. 283 Alfred Street can be redeveloped individually given the size of the site is sufficient and the site can achieve the FSR threshold as identified in AEC's Economic Feasibility Study (2.75:1), therefore this will ensure the orderly and economic use of the no. 283.

In this regard, we propose that the redevelopment of 275 and 283 Alfred Street be undertaken individually. Furthermore, we have proposed that sites 273 and 271 Alfred Street and 263-269 Alfred Street/4 Little Alfred Street be redeveloped individually.

The proposal will minimise the number of landowners required to amalgamate and the sites are generous which ensures that they can be redeveloped individually with meaningful floor plates with a high level of amenity. It is also noted that the JRPP decision did not recommend any amalgamations to increase the density within the Precinct.

9. How has the Planning Proposal adequately addressed any social and economic effects?

Social effects

The planning proposal will create a number of positive social outcomes, including:

- Improving the ground floor plane and public domain by:

- Providing a generous amount of landscaping along all the boundaries which will provide a buffer inbetween the Heritage Conservation Area and the Freeway along Alfred Street;
  - Increasing the setbacks along Little Alfred Street and Alfred Street to improve the pathways with some kerb build outs along Alfred Street; and
  - Providing a pedestrian arcade at the ground floor which provides a series of laneways and through site links to improve permeability within and through the Precinct to North Sydney CBD.
  - Upgrading and reconfiguring the Mount Street Overpass to improve pedestrian amenity (including potential weather protection and plantings).
- Create a lively mixed use precinct which will ensure activity throughout the day and night. The retail shops will activate the street frontages and through site links and provide opportunities for social interaction;
  - Create a mixed use Precinct which will integrate housing, employment opportunities and services and reduce the need for car travel whilst promoting cycling and walking in the locality;
  - Upgrading existing outdated commercial floor space which will provide employment opportunities and commercial spaces for small businesses, start ups and creative uses;
  - Increasing housing choice and stock in close proximity to a range of public transport options and other services;
  - Providing an appropriate transition to the low scale development in the Conservation Area with a residential fine grain typology along Little Alfred Street, greater building envelope setbacks and a landscaping buffer;
  - Providing an opportunity to improve the façade and appearance of the existing Bayer Building through undertaking a design competition process; and
  - Proposing a building envelope which will comply with ADG building separation distances and minimise amenity impacts to the surrounding Conservation Area with regard to overshadowing, privacy and view loss.

## Economic effects

The Planning Proposal is accompanied by an Economic Impact Assessment (EIA) prepared by AEC Group which considers the need for the proposal and assesses the economic impacts as a result of the amended planning controls (refer to **Appendix 3**).

The Precinct falls just outside of the North Sydney CBD as defined by the North District Plan. The District Plan considers the North Sydney CBD as the northern component of the Harbour CBD and has a thriving office market which complements the Sydney CBD. The North Sydney CBD has a high level of job in professional, scientific and technical services, financial and insurance services, and information, media and telecommunications and is well connected to public transport services. The District Plan sets a target for the North Sydney CBD of 15,600-21,100 new jobs by 2036 which equates roughly to 300,000+ sqm of commercial floor space.

Within North Sydney Centre there are a number of initiatives which will provide significant commercial growth which are outlined below:



- **North Sydney Centre:** Council's CLUS and North Sydney Centre Planning Proposal will unlock 529,000m<sup>2</sup> of additional commercial floorspace. It is noted that the Precinct falls just outside of the nominated Centre;
- **Ongoing Developments:** There is significant development and investor interest in the Centre and over the next 3-4 years an additional 112,000m<sup>2</sup> floor space will be provided;
- **Ward Street Precinct Masterplan:** This Masterplan prepared by Council (which was publicly exhibited in August 2018) will result in the potential to deliver an additional 100,000m<sup>2</sup> commercial floor space;
- **Victoria Cross Metro Station:** The over-station development above the Victoria Cross metro station will provide an additional 65,000m<sup>2</sup>+ of office and retail space.

Cumulatively, there appears to be in the order of 806,000m<sup>2</sup> of additional commercial supply capacity in the Centre which would provide 40,300 additional jobs and exceed the job targets for the North District Plan.

The draft Alfred Street Precinct Planning Study proposes 4,200-4,800m<sup>2</sup> of commercial floor space which results in the loss of 9,000m<sup>2</sup> existing floor space and is equivalent to 450 jobs. The loss of commercial floorspace was acknowledged by Council to be unfortunate, however in the context of capacity in the Centre and demonstrated development interest it was considered an acceptable outcome.

The commercial buildings in the Precinct appear to date from the 1960s and 1970s. The EIA examines a number of scenarios which include a base case, base case looking forward and the proposal case. In particular, the Bayer Building is approaching the end of its economic useful life (being approximately 50 years old) and the cumulative impact of its limited revenue potential (small floorplates and isolated location) and substantial cost to refurbish means that commercial refurbishment is not a viable solution. There is a compelling case for planning interventions to prevent it being economically redundant.

As part of our submission (in June 2018) to the draft Precinct Planning Study, AEC Group undertook an Economic Feasibility Study (refer to **Appendix 4**) which identified FSR thresholds for individual sites that reflect a financially attractive proposition to all landowners in order to encourage precinct renewal and associated public benefits. These are identified in Table 4 above and have been considered when determining the proposed FSRs.

If the base case looking forward was taken as the baseline comparison, the proposal results in net positive economic impacts through the initial stimulus and flow-on impacts (per annum):

- \$13.6 million in additional output (including \$6.1 million directly).
- \$7.5 million in additional GRP (including \$3.2 million directly).
- \$3.8 million additional in incomes and salaries paid to households.
- 39 additional FTE jobs (including 18 FTE directly related to commercial activity and dispersed jobs).

The proposal would result in 10,127m<sup>2</sup> of modern retail, commercial, office and business floor space which would result in a reduction of approximately 4,000m<sup>2</sup> from the existing floorspace (note: this is a lot less than proposed in the draft Precinct Planning Study). It is reiterated that the JRPP and North Sydney Council acknowledged that the Precinct is not a suitable location for employment growth given it is isolated and disconnected from the North Sydney CBD. Displaced businesses could seek space in the North Sydney Centre where there is large stock of secondary grade buildings with low rents which are comparable to the Precinct. The economic

activity would therefore not be 'lost' from North Sydney but, merely relocated elsewhere within the LGA.

Whilst the loss of commercial/employment floor space on Alfred Street would be unfortunate, there is a direct relationship between the height and scale of development and the extent of commercial floor space to be provided. The sensitive interface with the low scale residential development in the heritage conservation area means that managing the scale of any future building, is in this case, a higher planning priority than pursuing a significant quantum of commercial floor space. This recognises that residential floor space is currently more economically viable than commercial floor space and therefore would represent less height and building bulk pressure on any future development.

## 7.4 Section D – State and Commonwealth Interests

### 10. Is there adequate public infrastructure for the Planning Proposal?

The Precinct is well serviced by public transport with the North Sydney train station and future Victoria Cross Metro Station within close proximity. The Precinct is also close to the North Sydney ferry and bus services along the Pacific Highway. The Precinct is well serviced by North Sydney CBD which offers retail and commercial activity, employment, community facilities, education, health and community facilities and other infrastructure. Directly to the south of the site is small park and within the wider catchment are a number of larger parks including Anderson Park, Forsyth Park and Milson Park.

### 11. What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?

At this stage, the views of appropriate State and Commonwealth public authorities have not been obtained in accordance with a Gateway determination as this has not yet been obtained. This will occur following the Gateway determination.

## 8 Part 4 – Mapping

The table below outlines the proposed amendments to the NSLEP 2013 maps and refer to **Appendix 6** for the draft maps.

Table 12 – Key planning controls		
Control	Current Controls	Proposed Controls
Zoning	B3 Commercial Core	B4 Mixed Use
Floor Space Ratio	3.5:1	Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building. Identify the site as 'Area A' which refers to Clause 4.4 (2A) – Floor Space Ratio and allows for a bonus FSR of 2:1 (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site. It is highlighted that the FSR (including the design excellence bonus) is below the FSR in Council's preferred option in the draft Precinct Planning Study.
Height of Building	13m	<ul style="list-style-type: none"> <li>• 31m for 283 Alfred Street (Building A);</li> <li>• 80m for 275 Alfred Street (Building B). <b>Note:</b> the existing building 52.36m;</li> <li>• 28m for 271-273 Alfred Street (Building C); and</li> <li>• 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).</li> </ul>

## 9 Part 5 – Community Consultation

The Planning Proposal will be placed on public exhibition in accordance with the Gateway Determination, should the Department of Planning and Environment support the proposal.

A comprehensive engagement strategy will be prepared by Council which would include the following mechanisms:

- Advertisement in a local newspaper which is circulated within the local government area;
- Notification letters to relevant State Agencies and other authorities nominated by the DP&E;
- Notification (via letter) to land holders of properties within and adjoining the Precinct;
- Advertise and exhibit the Planning Proposal on Council's website and at the Customer Service Centre; and
- Undertake any other consultation methods appropriate for the proposal.

## 10 Part 6 – Project Timeline

This project timeline has been provided to assist with monitoring the progress of the Planning Proposal through the plan making process and assist with resourcing to reduce potential delays.

Table 13 – Project timeline	
Milestone	Date
Anticipated commencement date (date of Gateway determination)	August 2019 (4-6 weeks after submission to DP&E)
Anticipated timeframe for the completion of required technical information	N/A
Timeframe for government agency consultation (pre and post exhibition as required by Gateway determination)	8 weeks (estimated)
Commencement and completion dates for public exhibition period	TBA (28 days)
Dates for public hearing (if required)	TBA
Timeframe for consideration of submissions	4 weeks (estimated)
Timeframe for consideration of a proposal post exhibition	4 weeks (estimated)
Consideration of PP by Council (Council Meeting)	December 2019
Date of submission to the department to finalise the LEP	January 2020
Anticipated date RPA will make the plan (if delegated) or Anticipated date RPA will forward to the department for notification	February 2020
Anticipated date for publishing of the plan	March 2020

# 11 Conclusion

The planning proposal has been prepared in accordance with:

- Section 3.33 of the *Environmental Planning and Assessment Act 1979* (the Act); and
- The NSW Department of Planning and Environment's (DP&E) *A guide to preparing planning proposals*.

The Planning Proposal pertains to the land described as 263-283 Alfred Street and 4 Little Alfred Street, North Sydney.

This report provides a full justification of the proposal in line with the Department of Planning and Environment's template for gateway rezoning's.

The justification demonstrates that:

- The proposal is consistent with the JRPP decision made in September 2016 in that it allows for a Precinct wide approach to the future redevelopment of the B3 zoned block. Furthermore, it will rezone the Precinct to incorporate residential use which was considered by the JRPP to be appropriate given the isolation of the Precinct from the North Sydney CBD;
- Although Council's draft Precinct Planning Study was not formally adopted and has no legal weight, it is considered to have some probative value. The Study acts as a framework for the future redevelopment of the Precinct and it is based on the professional opinion of Council officers as to what would be an acceptable built form taking into consideration community feedback. The Planning Proposal is consistent with the objectives and design requirements of Council's draft Precinct Planning Study;
- The proposal is consistent with the Greater Sydney Region Plan and Northern District Plan given it will integrate housing and employment opportunities with public transport which contributes to the 30 minute city and contributes to housing targets;
- Is consistent with relevant Ministerial Directions and in particular with Direction 1.1 Business and Industrial Zones as the Precinct is not considered appropriate for employment growth whilst there is significant employment growth occurring within North Sydney CBD which will well exceed the job targets for the North District Plan;
- The proposal strategic merit given it is consistent with the relevant state, regional and local strategies and the rezoning of the Precinct will allow for a better transition with the adjoining Heritage Conservation Area which is close proximity to a number of public transport services. A strategic merit test and the site-specific merit test has been undertaken (refer to **Appendix 5**);
- Significantly improves the ground floor plane and public domain of the Precinct. The additional landscaping and widening of the footpaths along Little Alfred Street and Alfred Street will improve the pedestrian experience. The pedestrian arcade and upgrading of the Mount Street Overpass will significantly improve permeability within and through the Precinct;
- Creates an exciting opportunity to create a vibrant mixed use Precinct for the entire Precinct which will incorporate a highly activated ground floor plane with retail shops along Little Alfred Street and Alfred Street;
- Provides an opportunity to improve existing outdated commercial floor space and create modern commercial floor space for potential small businesses, creative uses and start ups within the Precinct which are affordable and provide a supportive role to the North Sydney CBD;



- Provides housing diversity and choice for the future residents of North Sydney LGA with a variety of unit types and affordable housing; and
- Provides an appropriate built form between the North Sydney CBD and the low scale residential development in the Conservation Area and will not create any significant amenity concerns with regard to overshadowing or privacy.

