

1 March 2019

Ms Amanda Harvey
Department of Planning and Environment
Sydney Region East
GPO Box 39
SYDNEY NSW 2001

Dear Amanda

PLANNING PROPOSAL 253-267 PACIFIC HIGHWAY, NORTH SYDNEY- REQUEST FOR REZONING REVIEW

1. INTRODUCTION

On behalf of LegPro 45 Pty Ltd (the proponent), we hereby request a Rezoning Review of a Planning Proposal submitted to North Sydney Council on 27 September 2018, pertaining to land at 253-267 Pacific Highway, North Sydney, being the subject site.

This request for a Rezoning Review has been prepared in accordance with Section 5.1 of '*A guide to preparing local environmental plans*.' The review has been initiated by the proponent as Council has resolved not to support the Planning Proposal and supporting documentation.

Pursuant to the *North Sydney Local Environmental Plan 2013* (NSLEP 2013), the Planning Proposal (refer **Attachment A**) seeks to:

- Increase the maximum height of buildings control;
- Increase the minimum non-residential Floor Space Ratio (FSR) control; and
- Establish a maximum FSR control. No change to the land use zoning is proposed.

The Planning Proposal demonstrates strategic merit as:

- The proposed amendments achieve the objectives of the *Greater Sydney Region Plan* and *North District Plan*, as it seeks to facilitate the promotion of orderly development of land in a key strategic centre.
- The Planning Proposal responds to the confirmation that the Sydney Metro will include a station in North Sydney, known as Victoria Cross, with its northern entrance some 260 metres from the subject site.

The Planning Proposal demonstrates site-specific merit as:

- The site is located on the Pacific Highway, North Sydney, in a built-up area and contains no known significant environmental values or resources that would inhibit or restrict its redevelopment.
- The Planning Proposal is consistent with the emerging trend of development and recent increased building height controls in the CBD in terms of scale, character and land use.
- Given the sites' large combined area (1,469m²) encompassing the block, its highway fronted location and its ability to meet building separation requirements and other apartment design guidelines, there is site specific merit to support increased density.
- The Planning Proposal has had regard to the existing and future urban character in terms of overshadowing and solar access to demonstrate that the site is suitable to support a measured height increase.
- The construction of the Sydney Metro Victoria Cross Station will provide additional transport infrastructure to support the growing demands of North Sydney. The Planning Proposal is accompanied by a substantial VPA to the value of \$9.2mill that will positively contribute to a range of benefits that align with local needs, including the provision of affordable / key worker housing, affordable office space, floor space for a community facility and widening of Church Lane and associated dedication of land.

This Rezoning Review Request is supported by the following Attachments:

- A. Planning Proposal and Appendices
- B. Post Lodgement Correspondence and Information
- C. North Sydney Council Local Planning Panel and Council Meetings
- D. Pre Planning Proposal Packages

2. THE SITE

The site is located at 253-267 Pacific Highway, North Sydney. The site has a primary frontage to the Pacific Highway of 60m and secondary frontages to Church Lane (65m) and West Street (23m). Church Lane provides access to the individual lots and ranges in width from 3-4.5m due to the existing uneven boundary alignments of the subject properties.

The consolidated site comprises five (5) separate lots, with a total land area of 1,469sqm. The street addresses, legal description and description of existing development on each is lot is described below in **Table 1**.

Table 1: Site Description

Address and legal description	Existing development and access arrangements
253 Pacific Highway, North Sydney SP 16134	<ul style="list-style-type: none"> Two (2) storey commercial building fronting Pacific Highway. One at-grade onsite parking space accessed from Church Lane.
255-259 Pacific Highway, North Sydney SP 22870	<ul style="list-style-type: none"> Two storey commercial building with pedestrian access fronting the Pacific Highway. Vehicular access and on-site parking accessed from Church Lane.
261 Pacific Highway, North Sydney Lot 51 DP 714323	<ul style="list-style-type: none"> Three (3) storey commercial building fronting the Pacific Highway. Vehicular access and on-site parking accessed from Church Lane.
265 Pacific Highway, North Sydney Lot B DP 321904	<ul style="list-style-type: none"> Three storey heritage shopfront (locally listed item No. 0959 under the NSLEP 2013). Heritage building is orientated towards the Pacific Highway, with garage (new addition) accessed from Church Lane.
267 Pacific Highway, North Sydney Lot 10 DP 749576	<ul style="list-style-type: none"> Two (2) storey commercial building with pedestrian access fronting the Pacific Highway and West Street. Vehicular access and on-site parking shared with 265 Pacific Highway and accessed from Church Lane.

3. SUMMARY OF PLANNING PROPOSAL

3.1. INTENDED OUTCOME

The Planning Proposal has been prepared to initiate an amendment to the *NSLEP 2013* as it relates to the subject site. Specifically, the Planning Proposal seeks to amend the *NSLEP 2013* as described in Table 2.

Table 2: Indicative Concept Design - development outcome

Item	Current	Proposed	NSLEP Amendment
Zoning	B4 Mixed Use	No change	
Building Height (maximum)	10 metres	part 23 metres & part 68 metres	<i>Height of Buildings Map Sheet HOB_002A</i>
Overall FSR (maximum)	n/a	7.2:1	<i>Maximum Floor Space Ratio Map FSR_002A</i>
Non-residential FSR (minimum)	0.5:1	1:1	<i>Non-Residential Floor Space Ratio Map LCL_002A</i>

The Planning Proposal seeks to achieve increased height and density to facilitate redevelopment which balances areas on the site with opportunity for a tall building form with more sensitive site edges suitable for a more modest height increase.

The proposal also seeks to encourage increased commercial floorspace and job growth as part of any redevelopment, suited to small business or start-up operations.

3.2. CONCEPT PROPOSAL

The Planning Proposal is informed by an urban design study by *GMU Architects* and concept architectural schematics, prepared by *PTW Architects*. The documents analyse the development opportunities for the site by undertaking detailed context analysis and testing of the indicative concept design (included as supporting documents with the Planning Proposal).

It is highlighted that the Planning Proposal seeks to establish amendments to the *NLEP 2013*. The indicative concept design has been prepared to demonstrate how the site could be redeveloped in the future using the controls sought by the Planning Proposal, and in a way that would deliver on metropolitan planning objectives.

For the purpose of preparing the indicative concept design, the following key principles were established to build a test scheme:

- **Urban renewal:** Facilitate the redevelopment of the site and upgrade the existing commercial offering to contribute to employment generation on the site. Facilitate the creation of 89 residential apartments on the site and approximately 1,667sqm of GFA for office, retail and community uses.
- **Street Activation:** Provide continuous active edges to the Pacific Highway and West Street.
- **Emerging skyline:** Respond and design to the changing context of the North Sydney skyline. Design a slender tower form in the southern portion of the site and a lower scale podium extending underneath the tower to occupy the northern end of the site around the heritage item. Modulate the built form to retain views and solar access to surrounding properties whilst creating a height, bulk and scale that is commensurate with the future desired character of the surrounding area.
- **Solar Access:** Develop a slender tower form to create a fast moving shadow which ensures that reasonable solar access to adjoining properties is retained, including the education uses on the western side of the Pacific Highway and residential uses to the south and east of the site.
- **Heritage:** Retain the heritage item on the site and facilitate the adaptive reuse of the building. Increase building separation and the visibility of the building.
- **Transport orientated development:** Leverage on the Sydney Metro project and provide residential and employment uses in walking distance to a future transport hub.

The development outcome shown in the Indicative Concept Design achieves a high degree of compliance with the requirements of the Apartment Design Guide (ADG), which demonstrates that the controls sought in the Planning Proposal are reasonable and would facilitate a viable future redevelopment (from an urban design perspective). The development outcome tested in the Indicative Concept Design is described in detail in the table below.

Table 3: Indicative Concept Design - development outcome

Element	Depicted in the Indicative Concept Design
Land uses	Part 3, part 4 levels of office / retail / community land uses Residential apartments Residential communal facilities
Indicative yield <i>(these yields are based on the indicative test fit design presented in the Urban Design Report)</i>	1,667m ² non-residential GFA 8,810m ² residential GFA (indicatively 89 residential apartments)

Element	Depicted in the Indicative Concept Design
Gross Floor Area (GFA) Total	10,477m ²
Floor Space Ratio (FSR)	7.14:1
Non-residential floor space (FSR)	1.14:1
Built form	Split level podium Tower above podium in southern portion of site
Split maximum building height	<ul style="list-style-type: none"> • 67.2 metres (RL 154.02) • 22.3 metres (RL 111.82)

3.3. PUBLIC BENEFITS

Under Section 7.4 of the EP&A Act, a proponent may enter into a Voluntary Planning Agreement (VPA) where a change is sought to an environmental planning instrument, under which the developer agrees to dedicate land, pay a monetary contribution and/or provide any other material public benefit in association with the change to the environmental planning instrument.

Following a Gateway determination, it is anticipated that the Proponent and North Sydney Council will enter into discussions regarding the Offer of Public Benefits outlined in this Planning Proposal.

The Offer of Public Benefit forms part of the Planning Proposal Package, with the key terms summarised below:

- Dedication of 233m² of the residential yield on Level 2 of the development (which equates to 3 x 1 bedroom apartments and 1 x studio apartment) to Council or an affordable housing provider for use as affordable housing for low and very low income renters, in accordance with the objectives of the North Sydney Affordable Housing Strategy 2015;
- Dedication of 349m² of GFA on Level 2 of the development to Council to be used as affordable office space by 'start-up' businesses. The commercial space will be provided in the form of a partial fit-out, including finished walls, ceiling, flooring and basic service connections for electricity, water and sewer;
- Dedication of 55m² of GFA on the ground level of the development to Council to be used for community facilities, as defined by the North Sydney LEP 2013. The community space will be provided in the form of a partial fit-out, including finished walls, ceiling, flooring and basic service connections for electricity, water and sewer;

- Construction of a portion of new road within the boundaries of the site to widen Church Lane from 3-4.5m to 6m and the excision of approximately 130m² of land from the site area for dedication to the Council for the purpose of the new road following construction of the nominated works; and
- Embellishment of approximately 200m of footpaths and public domain around the site on the Pacific Highway, West Street, Church Lane and McLaren Street.

We note that under Section 4.4.1 of the Council assessment report, Council's Director of Community and Library Services commented on the VPA offer – which was the first formal response by Council to the offer. Specifically, the suggestion from Council was for the applicant to consider adding 349sqm of proposed office start-up space to the key worker housing proposal, to total 582sqm. The proponent would be willing to discuss further with Council as part of a Gateway Determination condition, prior to a draft VPA being exhibited.

4. BACKGROUND TO PLANNING PROPOSAL

4.1. PRE-LODGEEMENT MEETINGS & KEY DATES

Legacy Property and the design team have met with North Sydney Council Strategic Planning Officers on two occasions prior to lodgement of this planning proposal.

Prior to Council receiving LEP acceleration funding and confirmation to undertake a Northern CBD Planning Study, the Planning Proposal was formally lodged and informed by the Greater Sydney Commission's strategic housing directions contained in the *North District Plan*, the *Greater Sydney Region Plan* and the *Future Transport Strategy*.

A summary of the engagement and key dates are outlined in the Table below.

Table 4: Council and Local Planning Panel meetings

Meetings & Key Project Dates	Dates
<p>A preliminary meeting was held where the proponent and design team provided an overview of the site, including site amalgamation progress, site considerations including opportunities and constraints for future residential development in North Sydney, and a brief study of building height and urban design outcomes.</p> <p>Council provided limited feedback on the proposal and highlighted Council's intention to lead the process of planning change and therefore wouldn't not endorse a proponent lead Planning Proposal.</p>	28 June 2017
<p>A second meeting was held where the proponent and design team provided an overview of the concept progression and further detailed urban design analysis. The proponent informed Council of further site acquisition, the evolution of the building forms and the intention to include a Public Benefit Offer as part of the Planning Proposal.</p>	9 August 2018

Meetings & Key Project Dates	Dates
An analysis of two built form options was presented, which are discussed in the Urban Design Report attached at Appendix A. The first option presented included a 13-storey block form across the site. The second option included a lower scale stepped podium across the site and a tower form in the southern portion of the site. Both options included the retention of the heritage item at 265 Pacific Highway. Whilst Council did not provide a view on their preferred option, the second option of the stepped podium and tower built form was chosen to form the subject of this planning proposal as it represents a superior outcome in relation to the site's urban design context and environmental impacts of the building form, as discussed in this report.	
Planning Proposal lodged with North Sydney Council	27 September 2018
Formal letter received from Council requesting Legacy Property withdraw the Planning Proposal	9 October 2018
Confirmation Council received LEP acceleration funding grant	15 October 2018
North Sydney Local Planning Panel Meeting	13 February 2019
Full Council Meeting where it was resolved not to support the application	25 February 2019
Council commence Northern CBD Planning Study	Target start date: in 1 st half of 2019

4.2. SITE AMALGAMATION

Legacy Property has acquired the subject lots over the last year, dating from October 2017 to September 2018, as set in **Table 5** below.

Table 5 – Site acquisition summary

Property	Option / Contract Date
253 Pacific Highway	6/10/2017
255-259 Pacific Highway	11/07/2017
261 Pacific Highway	23/05/2018

Property	Option / Contract Date
265 Pacific Highway (Heritage shop)	25/09/2018
267 Pacific Highway	23/05/2018

5. JUSTIFICATION FOR THE REZONING REVIEW

Section 5.1 of *A guide to preparing local environmental plans* outlines the test in determining whether the proposal has merit and should be submitted for a determination under Section 3.34 of the Act (Gateway Determination). The proposal must demonstrate both strategic merit and site-specific merit.

5.1. STRATEGIC JUSTIFICATION

As outlined in *Section 8.2: Section B – Relationship to Strategic Planning Framework* of the submitted Planning Proposal, the Planning Proposal aligns with the strategic planning intent for the North Sydney Local Government Area.

In our view, the following critical issues demonstrate that a change in density for the site is warranted:

- **It responds to a change in circumstances** – being the metro rail infrastructure. According to the Environmental Impact Statement (EIS) for the Victoria Cross Metro, the walking catching population is expected to increase by 40% from 2011 to 2041. The site is located 260m from the Victoria Cross Metro Station and this places significant obligation on Council to optimise the development potential for in-demand uses on such a strategically valuable site.
- As identified in our strategic land use mapping (refer to Planning Proposal report), **there is very limited potential for increased residential densities to existing residential areas** within close walking distance to the CBD and new Metro Station due to various constraints (large B3 zoning of the CBD, heritage, strata title, educational establishments, special purpose uses and segregation by the Freeway), thus making the density decision critical for our site.
- This Planning Proposal will enable a future development outcome that **will deliver just 3% of the LGA housing supply target for 2021-2026**, on a site that the Council assessment confirms has merit for greater density. The remaining 97% of the 2021-2026 supply will be accommodated primarily within the St Leonards/Crows Nest Precinct, perhaps with some identified from the Northern CBD Planning Study. Thus the implications of this planning proposal proceeding ahead of Council's Northern CBD Study will be inconsequential in terms of contribution to future housing supply.
- **The proposal will facilitate employment growth** by increasing the non-residential FSR minimum from 0.5:1 to 1:1.

The following table articulates the strategic merit associated with the site, against each of the criteria established by the DPE.

Table 6: Strategic Merit Test

Criteria – Does the proposal have strategic merit? Is it;	Planning Proposal Response
<p>1. <i>Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant District Plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or</i></p>	<p>Yes. As outlined in Section 9.2 of the Planning Proposal, the proposed amendments deliver on key desired outcomes of the <i>Greater Sydney Region Plan</i> and <i>North District Plan</i>.</p> <p>The specific objectives of the Greater Sydney Region Plan that the proposal meets are outlined below:</p> <ul style="list-style-type: none"> • Objective 4: Infrastructure use is optimised - The site is located approximate 260m from the Victoria Cross Station entrance. The proposed uplift will ensure the public transport infrastructure is optimised and will help to drive better travel behaviour in future residents and workers. • Objective 5: Benefits of growth realised by collaboration of governments, community and business – The proposal includes the dedication of 349sqm of floor space to Council for affordable office space to be used by ‘start-up’ businesses and 55sqm of floor space to be utilised for community facilities. • Objective 10: Greater housing supply & Objective 11: Housing is more diverse and affordable – The proposal accommodates approximately 89 new dwellings and seeks to dedicate 233sqm of residential floor space for affordable rental housing. This outcome would positively contribute to achieving the 6-10 year housing targets for the Council as part of the North District. • Objective 12: Great places that bring people together – The planning proposal will facilitate the redevelopment of the site which will transform the existing underutilised commercial floor space into new highly usable and flexible spaces which provide activation to the streetscape. • Objective 14: A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities – The site’s location just outside of the defined commercial core represents an appropriate location for mixed-use uplift which will provide housing is

Criteria – Does the proposal have strategic merit? Is it;	Planning Proposal Response
	<p>a location which is highly accessible to jobs, yet will not erode the commercial importance of the core itself.</p> <ul style="list-style-type: none"> • Objective 22: Investment and business activity in centres – The proposal seeks to double the non-residential FSR control for the site to 1:1, to ensure that the site continues to make a contribution to jobs and economic growth of North Sydney. • Objective 33: A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change – The Planning Proposal facilitates the promotion of walkable neighbourhoods and low carbon transport options due to its proximity to public transport. <p>Furthermore, the proposal is consistent with the following objectives and desired outcomes of the North District Plan:</p> <ul style="list-style-type: none"> • N1. Planning for a city supported by infrastructure; • N12. Delivering integrated land use and transport planning and a 30-minute city; • N5. Providing housing supply, choice and affordability, with access to jobs and services; • N10. Growing investment, business opportunities and jobs in strategic centres; and • N13. Supporting growth of targeted industry sectors.
<p>2. <i>Consistent with a relevant local council strategy that has been endorsed by the Department; or</i></p>	<p>There is no local strategy endorsed by the Department that applies to the site. Nevertheless, the following are Council strategies of relevance and have been considered.</p> <p>North Sydney Residential Development Strategy 2009</p> <ul style="list-style-type: none"> • The North Sydney Residential Development Strategy (RDS) was formerly adopted in 2011 and is the strategic framework for guiding housing in North Sydney, up until 2031. • The RDS indicates that North Sydney Council should contribute 5,500 additional dwellings between 2004 and 2031. This is less than half of the target set by the

Criteria – Does the proposal have strategic merit? Is it;	Planning Proposal Response
	<p>North District Plan, which has been calculated to be approximately 11,170 dwellings from 2016-2036.</p> <ul style="list-style-type: none"> • Whilst Council assert, despite the outdated housing Strategy they have been delivering new dwellings to the new minimum housing target, written advice from the Greater Sydney Commission (GSC) has confirmed that Council is on track to just fall short of its 2016-2021 minimum target of 3,000 dwellings by 170 dwellings. • This Planning Proposal creates the potential for 89 dwellings, which provides Council with the opportunity to add to housing supply for its medium-term 2021-2026 target. <p>North Sydney CBD Capacity and Land Use Strategy</p> <ul style="list-style-type: none"> • The North Sydney CBD Capacity and Land Use Strategy was prepared in support of the North Sydney Centre review, which primarily encompasses land within the B3 Commercial Core. The recommendations of this strategy have been translated into recent changes to the NLEP 2013, substantially increasing building heights. • The subject site is located within the B4 Mixed Use zoned precinct on the northern fringe of the CBD, falling just outside of the study area, which has the effect of a changing future context for lands immediately south. • Whilst residential lands weren't considered in the study, the Planning Proposal supports the following objectives of the Strategy: <ul style="list-style-type: none"> – It identifies residential development opportunities in the periphery; – It facilitates growth of employment lands; – It takes advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure; and – It allows for the growth of North Sydney Centre to ensure it maintains and improves its status as a

Criteria – Does the proposal have strategic merit? Is it;	Planning Proposal Response
<p>3. <i>Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.</i></p>	<p>resilient, vibrant and globally relevant commercial centre.</p> <p>Yes. The Planning Proposal responds to Australia's largest rail infrastructure investment being Sydney Metro that include a new metro station, known as Victoria Cross, which will have a northern entry some 260 metres from the site.</p> <p>Additional transport infrastructure investment is driving investment in North Sydney. Council has responded to this by recently increasing the built form controls for land within the North Sydney CBD – within the B3 zoned lands. The Council study unfortunately did not extend to the subject site, which sits on the fringe of the CBD.</p> <p>Similarly the St Leonards/Crows Nest Planning Precinct is identifying opportunities for growth around the Crows Nest station.</p> <p>The 'missing piece' of strategic thinking is identifying opportunities for housing close to the Victoria Cross station in North Sydney. Council is about to commence work on its Northern CBD Planning Study, which was announced after the lodgement of this Planning Proposal</p> <p>This proposal presents a whole of Pacific Highway block analysis for a site close to the Victoria Cross station entry that has identified a modest residential uplift potential of 89 units. Given this, and the fact that the proposal has been discussed with Council dating back to 2017, it would be unjust not to assess this proposal on its merits as it is not of a scale to undermine future potential directions of the Northern CBD Strategy.</p>

Other considerations within *A Guide to Preparing Local Environmental Plans* include:

- *There will be a presumption against a Rezoning Review request that seeks to amend LEP controls that are less than 5 years old, unless the proposal can clearly justify that it meets the Strategic Merit Test.*

- A draft regional plan outside of the Greater Sydney Region, draft district plan within the Greater Sydney Region or draft corridor/precinct plan that has been released for public comment by the Minister for Planning, Greater Sydney Commission or Department of Planning and Environment does not form the basis for the Strategic Merit Test where the Minister for Planning, Greater Sydney Commission or Department of Planning and Environment announces that there is to be another exhibition of, or it is not proposed to finalise, that draft regional, district or corridor/precinct plan.

With regard to the above considerations, we note the following:

- The NSLEP 2013 came into force on 13 September 2013, making the LEP controls over five years old, which was informed by a Residential Strategy (2009) that is now 10 years old. Therefore, there should not be a presumption against a rezoning review given the aged nature of the applicable Housing Strategy and LEP.
- In addition, it is considered that the proposal meets the Strategic Merit Test, as outlined in Table 2 above and within the submitted Planning Proposal.
- The Planning Proposal achieves a number of strategies and actions that underpin the vision for Sydney, as outlined in the *Greater Sydney Region Plan*.
- The Planning Proposal assists Council in delivering the actions and priorities of the *North District Plan*, particularly in the relation to achieving baseline housing targets and the delivery of a 30 minute city.
- There has been significant infrastructure investment for the new Victoria Cross Station, some 260 metres from the site.

5.2. SITE-SPECIFIC MERIT

In addition to meeting at least one of the strategic merit criteria, a Planning Proposal is required to demonstrate site-specific merit against the following criteria:

Table 7: Site Specific Merit Test

Criteria – <i>Does the proposal have site-specific merit, having regard to the following:</i>	Planning Proposal Response
1. <i>The natural environment (including known significant environmental values, resources or hazards), and</i>	<p>Yes. The site is located in North Sydney, on the edge of the commercial CBD, in a highly urbanised highway corridor area.</p> <p>The site contains no known critical habitats, threatened species or ecological communities that would inhibit or restrict its redevelopment.</p>

Criteria – <i>Does the proposal have site-specific merit, having regard to the following:</i>	Planning Proposal Response
	<p>The concept design presents the opportunity to incorporate landscaped residential communal open space, podium level planting and street trees which will provide a positive environmental contribution to creating new soft landscaping on the site.</p>
<p>2. <i>The existing uses, approved uses, and likely future uses of land in the vicinity of the proposal, and</i></p>	<p>Yes. The Planning Proposal is consistent with the emerging trend of development, in terms of scale and land use mix as described in the Planning Proposal Report and as demonstrated by the nature of development proposed and under construction on surrounding sites.</p> <p>The subject site is located at the periphery of the Northern Sydney CBD, which is currently subject to a Planning Proposal that includes significant uplift, resulting in heights of up to RL289. The Planning Proposal for North Sydney Centre is with DPE for finalisation and includes significant uplift on sites zoned B3 Commercial Core.</p> <p>In addition to this, properties located within the Ward Street Precinct (approximately 300m east of the site) are also identified for significant uplift under the Ward Street Precinct Masterplan, resulting in heights of up to RL206.</p> <p>The Planning Proposal and accompanying specialist consultant reports conclude that the subject site is suitable for the high density mixed use development and that the proposed building envelope has been designed to respect the heritage significance of the contributory heritage building on the site, to promote view sharing, retain a compliant degree of solar access to surrounding residential properties, and provide a design that addresses heritage and transport issues.</p>
<p>3. <i>The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial</i></p>	<p>The subject site is located within an established urban area and is fully serviced by existing and planned infrastructure which is capable of accommodating increased density.</p>

Criteria – <i>Does the proposal have site-specific merit, having regard to the following:</i>	Planning Proposal Response
<p><i>arrangements for infrastructure provision.</i></p>	<p>To support the additional density, the proposal includes a VPA to the value of \$9.2mill, incorporating dedication of 4 affordable rental housing apartments, as well as dedication of GFA to Council for office start up space and for community use.</p> <p>In addition, we recognise the following existing surrounding infrastructure:</p> <p>Transport Infrastructure</p> <p>As previously stated in this document, the subject site is 260m from the Victoria Cross Metro Station and 850m from the North Sydney Train Station. By 2024, North Sydney will become one of the most connected centres in Sydney with ready access to all major employment centres in rapid time.</p> <p>The area is also well-serviced by district state bus networks as well as footpaths and a network of dedicated and on-road cycle paths, providing a wide range of available options for workers and residents to travel.</p> <p>Traffic Generation</p> <p>As stated in the submitted Traffic and Transport Assessment, a total of 40 off street parking bays are provided, well below the maximum permitted in the DCP.</p> <p>Based on the traffic distribution and generation assumptions, the analysis indicates that the increase of 4 vehicle trips during the AM peak hour and 3 vehicle trips during the PM peak hour is negligible and is not envisaged to affect the existing surrounding road network.</p>

Criteria – <i>Does the proposal have site-specific merit, having regard to the following:</i>	Planning Proposal Response
	<p>Utility Infrastructure</p> <p>Preliminary investigations have been undertaken to identify the services required on the site to bring the proposed concept to fruition.</p> <p>In this regard, existing infrastructure, if required, will be modified and / or extended to accommodate the needs of future development.</p> <p>Social Infrastructure</p> <p>The site is conveniently located to a wide range of social infrastructure and facilities, including, but not limited to:</p> <ul style="list-style-type: none"> • A number of educational establishments (North Sydney Girls High School, Marist College North Shore, Cammeraygal High School, Monte Sant Angelo Mercy College); • Mater Hospital; • Sports and recreation parks; and • Religious Centres.

6. RESPONSE TO LOCAL PLANNING PANEL RECOMMENDATION & COUNCIL RESOLUTION

The following table sets out our response to the North Sydney Local Planning Panel's recommendation and the North Sydney Council's resolution that the Planning Proposal not proceed to a Gateway Determination.

It is noted that the proposed height was not identified as a reason for refusal of the Planning Proposal.

Table 8: Response to Local Planning Panel Recommendation & Council Resolution

LPP + Council Reasons	Response
<p><i>The proposed built form is excessive and out of keeping with the existing and desired future character of the area. It will visually dominate the area, which is characterised by low-scale buildings. It will be even larger than buildings permitted to the south of McLaren Street which are located within the North Sydney CBD.</i></p>	<p>The North Sydney skyline, including the Pacific Highway corridor is undergoing change. The proposed height is consistent with the emerging height context of the Pacific Highway as indicated in the diagram below prepared by GMU which accompanies the Planning Proposal submission.</p> <p>Scale change between high rise developments and conservations areas commonly occur in North Sydney and St Leonards. Of relevance is the recent master planning exercise undertaken for St Leonards and Crows Nest Station Precinct, which focuses density along the Pacific Highway with abrupt density changes on properties falling away from the commercial spine.</p> 
<p><i>Whilst providing higher density development near the new Victoria Cross Metro Station would be consistent with Metropolitan and District Planning Strategies, to provide the best planning outcome for this precinct a coordinated approach to growth should be undertaken, similar to that which is in progress at St Leonards/Crows Nest. Council has recently secured funding to progress the North CBD Planning Study which will investigate opportunities for increased density in the area round the station. Council has advised that this will include the subject site.</i></p>	<p>This project has long history of engagement with North Sydney Council, which first commenced in June 2017, prior to the Council resolution on rezonings in June 2018. During this time, the proponent has acquired individual sites to create a large consolidated land holding.</p> <p>The Planning Proposal was lodged with Council prior to confirmation that Council would receive the LEP acceleration funding grant and prior to the Northern CBD Planning Study being identified as up-coming action.</p> <p>The planning proposal represents a whole-of-block approach and constitutes a detailed submission which will assist Council with their work, not compromise it.</p>

LPP + Council Reasons	Response
<p><i>There is no short-term 'need' for the proposal as the Greater Sydney Commission has advised Council that it is on track with the additional dwelling targets set out in the North District Plan.</i></p>	<p>The 5-year housing target contained within the North District Plan sets a minimum housing target. The target reflects the delivery potential under existing planning controls.</p> <p>The Greater Sydney Commission has confirmed that Council is on track to just fall short of this minimum by 170 dwellings. This proposal comprises potential for only 89 dwellings.</p> <p>In any instance, the delivery timeline of the development aligns with the 6-10 year housing targets for Council established under the North District. The proposal will assist in ensuring that Council are on track for mid to longer term housing targets. Notwithstanding, the dwelling yield of the development is only a small portion of the 20 year target of 92,000 dwelling target for the District, equating to 0.1%.</p> <p>As demonstrated within the Planning Proposal, many areas surrounding the North Sydney CBD and Pacific Highway are constrained from future development which would meaningfully contribute to future housing stock. GIS analysis detailed within the Planning Proposal demonstrates that many sites within an 800m radius of Victoria Cross Station are constrained by one or more of the following characteristics:</p> <ul style="list-style-type: none"> • Heritage items or conservation areas; • Non-residential land uses unlikely to be redeveloped (schools, places of worship hospitals); and / or • Large strata properties (16+ owners). <p>The subject site is one of few sites capable of being redeveloped in the short to medium term.</p>
<p><i>The proposed building form will have unacceptable overshadowing impacts on North Sydney Demonstration School.</i></p>	<p>The slender tower form creates a fast moving shadow, traverses the North Sydney Demonstration School before moving across the highway before midday in midwinter. Primary outdoor play spaces and building facades are relieved of the shadow by 11am. The Planning Proposal is accompanied by shadow diagrams and analysis. Further shadow diagram which were issued to Council during</p>

LPP + Council Reasons	Response
	correspondence following the lodgement of the Planning Proposal also accompany this Rezoning Review Request.
<i>The proposal will have unacceptable impacts in relation to heritage and conservation in relation to the curtilage and relationship to the existing heritage item on the site at 265 Pacific Hwy and its height relationship with the adjoining conservation area.</i>	<p>The Planning Proposal includes the retention of the heritage item at 265 Pacific Highway. The upper podium levels are stepped to provide relief to heritage item and provide three metre side setbacks to the historic shop.</p> <p>The Heritage Impact Statement accompanying the Planning Proposal confirms that the proposal is sympathetic to the heritage item and has been designed to mitigate adverse visual impacts. The Urban Design Report accompanying the planning proposal includes site-specific urban design guidelines to ensure that an appropriate built form and design excellence is achieved. The guidelines include elements such as height in storeys, setbacks and separation and landscaped areas.</p> <p>The visual impacts of the proposed development will be further refined and considered at the detailed DA stage, including façade design and materials and finishes.</p>

7. CONCLUSION

In our opinion, the Planning Proposal undeniably has strategic and site-specific planning merit that warrants the review of the proposal and the Panel's support to proceed to a Gateway Determination.

The Planning Proposal achieves the right balance of growing employment opportunities while also recognising the benefits of taking advantage of the locational and amenity outcomes this site can provide. The Planning Proposal seeks to unlock the justified uplift potential of the site. It does not seek to amend the site's B4 Mixed Use zoning.

There has been a considerable history of consideration of the site but no ability to reach agreement with Council. Council staff have made it clear they cannot support the proposal primarily on procedural grounds, as Council does not support landowner-led Planning Proposals. There is obviously no legal basis for this policy position, and thereby creates this need to have an independent determination on strategic merit by the Sydney Planning Panel.

The proponent has invested over 18 months of time and made considerable financial commitment to secure the properties to enable a holistic block masterplan of a site only 260 metres from the Victoria Cross station entry.

The proposal achieves a positive balance between optimising a strategically valuable site of the edge of the City Centre whilst mitigating its external impacts to ensure when viewed objectively on its planning merit, it is supportable.

The Planning Proposal also seeks to deliver considerable public benefit. It is accompanied by a substantial VPA to the value of \$9.2mill which will positively contribute to a range of benefits including the provision of affordable / key worker housing, affordable office space, floor space for a community facility and public road improvements and associated dedication of land.

In our view, Council's position is in direct contrast to the land use vision and emerging character of the development along Pacific highway in walking distance to the two metro stations, which if upheld by the Panel, would create an unwanted anomaly. That, in our opinion, would not constitute an orderly planning outcome for such a strategic site.

The Rezoning Review therefore requests a fresh and independent review from the Sydney Planning Panel, based on the merits of the proposal in the context of the new infrastructure investment and changing scale of the CBD.

For the reasons outlined in this letter, we consider the proposal comfortably satisfies the strategic and site-specific merit tests outlined in *"A Guide to Preparing Local Environmental Plans"* and thus warrants the Panel's support to proceed to Gateway for public exhibition.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen White".

Stephen White
Director