

13 January 2020

**Our Ref:** 18-222 LW

**Brendan Metcalfe**

A/ Director Eastern and South Districts, Eastern Harbour City  
Department of Planning, Industry & Environment  
Level 24, 320 Pitt Street  
Sydney NSW 2000

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Dear Brendan,

**REZONING REVIEW: PLANNING PROPOSAL FOR 294-298 NEW SOUTH HEAD ROAD AND 2-10 BAY STREET, DOUBLE BAY**

City Plan Strategy and Development Pty Ltd (City Plan) acts on behalf of Loftex Pty Ltd, the applicant of the abovementioned Planning Proposal (PP) which was submitted to Woollahra Municipal Council on 5 April 2019. This letter is provided in support of a Rezoning Review Application that is being made because Woollahra Council has rejected the request to prepare a PP for the subject site.

Please find enclosed with this letter the following documents:

- Completed Rezoning Review Application Form;
- Copy of the Applicant's Request for Planning Proposal Application Form to Woollahra Council;
- Copy of the Applicant's original Planning Proposal Report and Appendices (8) as originally submitted to Council on 5 April 2019. This Planning Proposal Report includes the Applicant's justification to the Strategic and Site Specific Merit tests referred to in "*A guide to preparing local environmental plans*";
- Copy of the Applicant's additional information submitted to Council on 13 June 2019; and
- Copy of the correspondence received from Council.

The PP seeks to amend the following provisions of the Woollahra Local Environmental Plan 2014 (WLEP):

- Amend the height of buildings map to increase the maximum building height of the site from 14.7 metres to 21.5 metres.
- Amend the floor space ratio (FSR) of the site from part 2.5:1 and part 3:1 to 3:1 across the site. The PP also seeks to include a non-residential FSR control of 1.3:1 to be included as part of the proposed maximum 3:1 FSR control.

Council staff assessed the PP and supported the request. Specifically, Council staff determined the PP to have strategic and site-specific merit. Staff sought a resolution of Council to prepare a PP and the PP was submitted to Council's Environmental Planning Committee for a resolution. At the Environmental Planning Committee meeting on 2 December 2019 a motion was passed with a vote of 4/3 for Council to prepare a PP for the subject site. However, at the full Council meeting on 9 December 2019, Council unanimously resolved a motion to refuse to prepare a PP.

The purpose of this letter is to outline the justification against the Strategic and Site Merit Tests to accompany the formal request to the Department of Planning, Industry and Environment (DPIE) for a rezoning review.

## 1. STRATEGIC MERIT TEST

**Is the proposal 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?**

### 1.1. Greater Sydney Region Plan - A Metropolis of Three Cities & Eastern City District Plan

The *Greater Sydney Region Plan - A Metropolis of Three Cities* (GSRP) identifies a vision of three cities where most residents live within 30 minutes of their jobs, education and health facilities, services and great places. The GSRP's vision is linked on addressing; Infrastructure and Collaboration; Liveability; Productivity and Sustainability.

The subject site is located within the Woollahra local government area (LGA), which forms part of the Eastern City District. The Eastern City District Plan (ECDP) is one of five district plans to guide implementation of the GSRP.

The proposal is consistent with the relevant priorities in the GSRP and ECDP as demonstrated in **Table 1**.

*Table 1: Consideration of the Proposal against the Greater Sydney Region Plan and Eastern City District Plan*

Greater Region Objective	Sydney Plan	Eastern City District Planning Priority	Response
Objective 4 Infrastructure use is optimised		Planning Priority E1 Planning for a city supported by infrastructure	The PP will increase employment and residential capacity in a location already well serviced by road based public transport routes and the ferry network. This provides access to a range of destinations along the Economic Corridor including Sydney CBD and Bondi Junction.
Objective 7 Communities are healthy, resilient and socially connected		Planning Priority E4 Fostering healthy, creative, culturally rich and socially connected communities	The PP will build on an opportunity to leverage the benefits of a unique building and provide activation on a neighbourhood level. This will provide a welcoming local destination for the local community providing opportunities for interaction and community building at the neighbourhood scale.
Objective 8 Greater Sydney's communities are culturally rich with diverse neighbourhoods		Planning Priority E4 Fostering healthy, creative, culturally rich and socially connected communities	The PP seeks to enable the redevelopment of the site to provide a mixed-use development accommodating non-residential uses (commercial and retail uses), as well as residential accommodation.  The PP will provide increased opportunities to encourage interaction between the local residential and working populations.
Objective 10 Greater housing supply		Planning Priority E5 Providing housing supply, choice and affordability, with access to jobs and services	Table 3 of the ECDP seeks to establish 46,550 new dwellings in the Eastern City to 2021 and 157,500 new dwellings to 2036.
Objective 11 Housing is more diverse and affordable			The PP will enable the redevelopment of the site to provide additional housing supply. The PP will improve the supply and choice of housing in the local centre and will provide "homes" close to "jobs".

Greater Sydney Region Objective	Eastern City District Planning Priority	Response
		<p>The PP will also assist in reaching the 5-year housing target for Woollahra LGA, to include an additional 300 dwellings by 2021.</p> <p>However, the 1.3:1 Council requirement for non-residential GFA will limit the capacity of any development to deliver housing numbers and choice.</p>
Objective 12 Great places that bring people together	Planning Priority E6 Creating and renewing great places and local centres, and respecting the District's heritage	Ongoing urban renewal in the locality and the redevelopment of this prime site within the Double Bay Local Centre presents a unique opportunity to enhance the locality's distinctive identity.
Objective 14 Integrated land use and transport creates walkable and 30-minute cities	Planning Priority E10: Delivering integrated land use and transport planning and a 30-minute city	Double Bay is identified as a local centre and the ECDP encourages the growth of these centres to reduce the need for people to travel long distances to access jobs and local services. The subject site is located within a highly accessible location, nearby to Edgecliff Railway Station, Double Bay Ferry Wharf and local bus services. The proximity of the site to the local transport network will assist in the creation of a 30-minute city by providing additional jobs and homes in a highly accessible location.
Objective 30 Urban tree canopy cover is increased	Planning Priority E17. Increasing urban tree canopy cover and delivering Green Grid connections	Landscape treatments will be considered as part of a later detailed design and DA process. Opportunities for tree planting in the street (if appropriate and achievable) and intended open space areas within the property will be considered as provided for in the Urban Design and Development Envelope Study prepared by Tzannes which accompanies the PP.
Objective 31 Public open space is accessible, protected and enhanced	Planning Priority E17. Increasing urban tree canopy cover and delivering Green Grid connections Planning Priority E18. Delivering high quality open space	There is an opportunity to establish a new public laneway between New South Head Road and Brooklyn Lane to promote connectivity and increase pedestrian amenity.
Objective 32 The Green Grid links parks, open spaces, bushland and walking and cycling paths	Planning Priority E17. Increasing urban tree canopy cover and delivering Green Grid connections	The site is in close proximity to identified green grid routes providing good access to wider destinations via active transport means. The PP will build on opportunities to utilise active transport by providing a destination in proximity to identified green grid routes.

Greater Region Objective	Sydney Plan	Eastern City District Planning Priority	Response
Objective 33 A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change			As the site is well located in proximity to road and harbour based public transport as well as local employment opportunities and amenities, the PP builds on the opportunity to intensify employment uses in a location that encourages uptake of public transport use and discourages the use of private vehicles.

**Is the proposal consistent with relevant local council strategy that has been endorsed by the Department?**

There are no known local strategic plans which have been prepared for the Woollahra LGA and endorsed by the Department other than the draft Local Strategic Planning Statement (discussed below). However, there are several strategic planning documents which consider the growth strategy of the LGA and Double Bay.

**1.2. Double Bay Economic Feasibility Study**

The *Double Bay Economic Feasibility Study* (Feasibility Study) was prepared by Hill PDA Consulting to investigate opportunities for increased residential development within the Double Bay Centre. The findings of the Feasibility Study highlight that the Centre has become an increasingly attractive location for younger residents and visitors on account of its changing retail and lifestyle mix. The growing appeal of the Centre has supported strong demand for retail floorspace at ground level together with sound demand for commercial office suites for professionals in prime locations. However, despite the strength and scale of this demand, mixed use development within the Centre has been limited in recent years.

The Feasibility Study acknowledges that one of the primary reasons for this relates to the Centre's existing planning controls which do not facilitate sufficient floor space to make redevelopment economically viable. As part of the Study, independent modelling was undertaken which confirmed for the majority of sites within the Centre there were insufficient financial incentives to redevelop in accordance with the existing controls. Under the Woollahra LEP the existing FSR control for the centre is 2.5:1 (and 3:1 for corner sites). The independent modelling found that four out of the six sites tested were not economically viable when redeveloping to the current FSR control. The report recognised that by adjusting the controls to allow for greater floor space and height, redevelopment would become more financially attractive thereby making residential growth possible and increasing the Centre's residential population.

In light of the key findings set out within the Feasibility Study, Council has been assessing the appropriateness of increasing the FSR and height controls in Double Bay to between 3:1 and 3.5:1 and 5-7 storeys. Council has undertaken a fine-grain urban design review of the whole centre and modelled building envelopes on a block by block basis to assess the built form implications, as some area, locations or sites may be more suitable for increased FSRs. This review was presented to Councillors on 28 October 2019 but has not been formally presented to or endorsed by Council.

The PP is consistent with the findings of the Feasibility Study and the subsequent work which has been undertaken by Council's urban design team for the subject site. Council has identified that the proposed envelopes are very similar to those which were identified in the urban design study insofar as they propose a five storey form to New South Head Road and a five-six storey form to Bay Street. This form has regard to the position of the site on a street corner and the down sloping topography of the site from New South Head Road along Bay Street.

The PP is consistent with the recommendations set out within the Feasibility Study and will increase housing opportunities within Double Bay to assist in creating a more diverse and varied housing mix. The proposed development will incorporate a range of unit types, including smaller units suitable for younger people and lower income groups which will assist in encouraging a more diverse demographic within Double Bay.

### 1.3. Woollahra Community Strategic Plan 2030

The *Woollahra Community Strategic Plan 2030* (Strategic Plan) identifies the strategic direction and integrated planning framework for the Woollahra Municipality. The PP will assist in revitalising Double Bay, to deliver a vibrant village with local access to a range of shops and facilities. Notably, the PP will meet the following strategies within Goal 4 (Well-planned neighbourhoods) under the theme Quality Places and Spaces as set out in **Table 3** below.

*Table 2: Consideration of the Proposal against the relevant strategies of the Strategic Plan*

Strategies	Response
4.1 Encourage and ensure high quality planning and urban design outcomes	The PP will enable a high quality, well designed, urban design outcome on the site which responds to its urban context, topography and orientation. The PP will facilitate the redevelopment of the site and will transform this significant corner in Double Bay. The PP will assist in activating an underutilised corner of New South Head Road and will revitalise and enhance the built form along Bay Street. The PP proposes public domain improvements including a through-site link to provide a pedestrian connection from New South Head Road to Brooklyn Lane and improvements to footpaths on New South Head Road.
4.3 Protect our heritage, including significant architecture and the natural environment	The PP is accompanied by a Heritage Impact Statement prepared by Urbis. The Planning Proposal will facilitate future development of a multi-storey mixed-use typology on a heavily modified section of Bay Street, which has already been substantially redeveloped to the point that no evidence of the former small-lot subdivision pattern or buildings remain. Therefore, in facilitating future redevelopment of the subject site, there will be no further loss of small-lot subdivision patterns in the area, and site amalgamation and redevelopment is appropriate.  There are no listed heritage items in the vicinity of the subject site on Bay Street, and the character buildings are generally located opposite to the subject site and will not be physically or visually impacted by future development facilitated by the Planning Proposal.
4.5 Enhance the form and function of the local business centres	The PP will increase the amount of non-residential floor space which will assist in protecting the capacity of the centre to meet community needs, maintain vibrancy and provide local employment now and into the future.

### 1.4. Double Bay Place Plan 2019 to 2023

The *Double Bay Place Plan 2019 to 2023* (Place Plan) sets out a series of strategies, priorities and actions to achieve the vision of Double Bay as Sydney's stylish bayside village.

The Place Plan sets out a series of strategies, priorities and actions aimed at achieving a new vision and place storey for the Centre. Consistency with the Place Plan is outlined in **Table 3**.

Table 3: Consistency with the Double Bay Place Plan 2019 to 2023

Strategy	Response
<b>Theme 3: Planning and Centre Beautification</b>	
3.1 Make Double Bay a place for people to live, work and play.	The PP will provide a high-quality mixed-use development incorporating retail, commercial and residential uses. The proposal will provide a development in which people can live and work and will help to enhance the vitality and vibrancy of Double Bay.
3.2 Provide increased housing opportunities for people to live in Double Bay.	<p>The PP will increase opportunities for people to live in the Centre. Priority 3.2.1 builds on the feasibility work undertaken by Hill PDA and recommends proposals for revised planning controls in the Double Bay Local Centre are prepared, supported by a draft Community Impact Statement, transport report and supporting economic analysis.</p> <p>On 28 December 2015 Council resolved to receive and note the Double Bay Economic Feasibility Study prepared by Hill PDA, conduct a review of planning controls in the Double Bay Centre and prepare a community engagement strategy. The subject PP meets the study's suggested density baseline of 3:1 and provides for additional density in a suitable location.</p> <p>The subject PP responds directly to Strategy 3.2 and provides for increased housing opportunities to create a more diverse housing mix to make housing more affordable for young people and to increase the resident population of the village.</p>
3.6 Create a distinctive sense of arrival and departure to and from Double Bay.	<p>Priority 3.6.1 seeks to develop distinctive gateways to and from Double Bay from land and water.</p> <p>The site is noted as the "Western Gateway" into Double Bay within the Double Bay Centre Public Domain Strategy and provides an important arrival point into the Centre.</p> <p>However, the existing buildings on the site do little to address and activate the street frontages along Bay Street and New South Head Road. The PP will provide a high-quality development which will define this important street corner and create a distinctive gateway into the Centre. The development will provide a better articulation of the gateway through an enhanced urban design and built form with an appropriate increase in scale and form.</p>
3.7 Maintain and improve Double Bay's pedestrian network of roads, footways and laneways	As part of the PP, it is intended that a through site link is created along the western extent of the site, linking New South Head Road through to Brooklyn Lane. As part of a VPA offer, the applicant is willing to construct this link as part of a future development application and will register an easement in favour of the public to create a right of footway over the through-site link.

### 1.5. Draft Woollahra Local Strategic Planning Statement

The *Draft Woollahra Local Strategic Planning Statement* (draft Woollahra LSPS) sets out a 20-year land use vision to guide land use planning within Woollahra. The draft Woollahra LSPS was publicly exhibited for six weeks between September 2019 and November 2019.

Consistency of the PP with the draft Woollahra LSPS is provided in **Table 4**.

*Table 4: Consideration of the Proposal against the draft Woollahra LSPS*

Planning Priority	Response
<b>Liveability</b>	
Planning Priority 4 - Sustaining diverse housing choices in planned locations that enhance our lifestyles and fit in with our local character and scenic landscapes.	The proposal will provide housing in a location close to services and public transport hubs. The proposal will respect the character and role of Double Bay and will not decrease space for employment uses.
Planning Priority 6 - Placemaking supports and maintains the local character of our neighbourhoods and villages whilst creating great places for people.	The proposal will maintain and enhance the unique character of Double Bay, specifically its high-quality built environment. The proposal will provide a well-designed building which preserves the heritage and village character of Double Bay.
<b>Productivity</b>	
Planning Priority 7 - Supporting access to a range of employment opportunities and partnerships.	The proposal will protect local job opportunities and employment space within Double Bay. This will assist in retaining and enhancing the vitality and vibrancy of Double Bay as an important local centre providing jobs, businesses and services.
Planning Priority 8 - Collaborating to achieve great placemaking outcomes in our local centres which are hubs for jobs, shopping, dining, entertainment and community activities.	The proposal will support Double Bay as a thriving place for local business and community life. The proposal will support the diverse business offering of Double Bay while carefully protecting the amenity of the surrounding residential area.

**Is the proposal responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls?**

The PP responds to the need to increase residential densities within the Double Bay Centre which is identified within the ECDP, the draft Woollahra LSPS, Council's Place Plan and the Double Bay Economic Feasibility Study prepared by Hill PDA. The PP will increase housing opportunities within Double Bay to assist in creating a more diverse and varied housing mix.

## 2. SITE SPECIFIC MERIT TEST

### **Does the site have regard to the natural environment (including known significant environmental values, resources or hazards)?**

There are no known site-specific environmental considerations identified in the PP and supporting material that would preclude further consideration of the proposed urban renewal.

The PP includes a Flood Impact Statement which concludes that the proposed development will have no adverse impact on the existing flood extents nor the conveyance of stormwater throughout the area. In this respect, noting that much of Double Bay is affected by a high groundwater table which limits locations for redevelopment to satisfy strategic growth, the subject site is not so encumbered and is therefore an opportunity site.

### **Does the site have regard to the existing uses, approved uses, and likely future uses of land in the vicinity of the proposal?**

The Urban Design and Development Envelope Study, Heritage Impact Statement, Overshadowing Impact Assessment, Traffic Impact Assessment and Visual Impact Statement appended to the PP give particular regard to the proposal's relationship to existing, approved, and future uses in the vicinity of the site. A summary of each is provided below.

#### **2.1. Urban Design**

The PP includes an Urban Design and Development Envelope Study prepared by Tzannes Architects.

The Urban Design Study includes a site analysis which identifies why the site is uniquely suitable for a mixed-use development with increased density and heights. An overview of these opportunities is provided below:

- The delivery of public domain improvements, including a through site link, to provide pedestrian connection from New South Head Road to Brooklyn Lane and improvements to footpaths on New South Head Road.
- The potential for a gateway building located at the Western Gateway of Double Bay which will cause minimal negative environmental impacts to surrounding residential buildings.
- Activation of the corner of New South Head Road and opportunity to revitalise the retail offer along Bay Street.
- Opportunity to provide additional non-residential floorspace including retail and commercial development.
- Provision of a lower scale four-storey built form along Bay Street, with the upper two storeys set-back above.
- Opportunity to accommodate a variety of apartment types and sizes.
- Opportunity to provide below ground parking that is above the levels of the ground water and outside of the acid sulphate soils affected land.
- Opportunity to maintain current vehicular access from Brooklyn Lane enables vehicular access to and from the site without adding additional traffic along Bay Street and the Double Bay Commercial Centre.
- Proximity of site to public transport connections.
- Opportunity for the development to comply with SEPP 65 and ADG requirements.
- Opportunity for limited overshadowing to adjacent residential dwellings.

#### **2.2. Heritage**

The PP contains a Heritage Impact Statement prepared by Urbis.

Urbis considered the relationship of the proposed changes to development controls in relation to the various heritage related items in the vicinity of the subject site and concluded that overall, the PP's impacts are acceptable.

Urbis identified that all character buildings identified in the Woollahra DCP will be wholly retained along Bay Street. There are no physical or visual impacts to any character buildings as a result of the PP or future DAs which will be required to obtain consent for actual built works.

### 2.3. Overshadowing

The PP contains an Overshadowing Impact Assessment prepared by Ecological Australia.

Ecological Australia considered the potential overshadowing to Overthorpe Gardens is unlikely to have an impact on the present gardens in the area indicated in the shadow diagrams, as all groundcover species are shade tolerant, and are currently shaded by the present canopy species for extended periods. The canopy species which may be potentially impacted by increased shading to the soil surface during the mid-year period are mature and unlikely to have reduced vigour due to the very small change in sunlight.

### 2.4. Visual Impact

The PP contains a Visual Impact Statement prepared by Richard Lamb and Associates.

Richard Lamb and Associates identified that none of the surrounding residential context along New South Head Road to the west, east and south, north and north-west facing dwellings at Overthorpe are likely to be potentially affected by view loss caused by the proposed development.

### 2.5. Traffic Impacts

The PP contains a Traffic Impact Assessment prepared by PDC Consultants. In summary, their assessment concludes that the proposal would not unreasonably impact on surrounding land uses. No external improvements are required to facilitate the development.

**Does the proposal have regard to the services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.**

All services and infrastructure are already in place to support a greater density of development. The payment of local contributions at development application stage will ensure this proposal appropriately contributes to the provision of infrastructure and services.

## 3. CONCLUSION

This correspondence specifically addresses the strategic and site specific merit tests required as part of a Rezoning Review application.

This information provided clearly demonstrates that the PP satisfies both merit tests, principally because it:

- Facilitates a significant increase in housing supply and diversity in an area well serviced by existing and proposed public transport and social infrastructure, thereby supporting a key priority in the GSRP and ECDP;
- Retains and improves the quantity of non-residential floorspace in the Double Bay Local Centre, thereby providing employment opportunities and supporting a key priority in the GSRP and ECDP;
- Contributes to the renewal and revitalisation of the subject site and the urban domain of Double Bay; and

- Represents a unique opportunity to leverage site amalgamation to create a high quality outcome that meets the amenity and solar access objectives of SEPP 65 and the Apartment Design Guide.

Should you wish to discuss any information in this letter, please do not hesitate to contact Lotti Wilkinson on (02) 8270 3500 or [lottiw@cityplan.com.au](mailto:lottiw@cityplan.com.au).

Yours Sincerely,



**Susan E Francis**  
Executive Director