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Department of Planning and Environment  
Sydney Region East  
GPO Box 39  
SYDNEY NSW 2001  
**Att: Amanda Harvey - Director**

Dear Amanda,

## **PLANNING PROPOSAL I 173-179 WALKER STREET, NORTH SYDNEY REQUEST FOR REZONING REVIEW**

### **1. INTRODUCTION**

On behalf of Avenor Pty Ltd (the proponent), we hereby request a Rezoning Review of a Planning Proposal submitted to North Sydney Council on 20 October 2017, pertaining to land at 173-179 Walker Street, North Sydney (Lots SP11082, SP86752, SP9808 and SP64615) being the subject site.

This request for the 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 failed to indicate its support 90 days after the lodgement of the Planning Proposal and the necessary supporting documentation.

Pursuant to the *North Sydney Local Environmental Plan 2013* (NSLEP 2013), the Planning Proposal seeks to increase the height from 12metres to RL210 and introduce a maximum FSR control of 13.63:1, over the subject site. The site is currently zoned R4 High Density Residential, so no change of zone is proposed.

#### **The Planning Proposal demonstrates strategic merit as it:**

- Positively contributes to the State planning strategic goals which seeks to intensify land use around significant transport infrastructure and in proximity to employment nodes.
- Achieves an appropriate built form and scale that reflects the vision for North Sydney and the Ward Street precinct which is expressed by local planning policy, draft precinct planning and the existing and emerging scale of development on adjacent and surrounding lands. Importantly, the Planning Proposal provides for additional housing stock adjacent to a centre, which has limited future potential to supply growing demand
- Generates the potential for 43 ongoing jobs and 284 new dwellings on the fringe of the CBD, in close walking distance to; public transport, schools, open space and employment.
- Capitalises on existing and planned infrastructure with sustainable benefits by reducing reliance on private vehicular transportation, being strategically located 200m from the Victoria Metro Station and 600m from the North Sydney Train Station.
- Supports the attainment of an 18-hour economy and a 30 minute city, as outlined within the draft North District Plan

**The proposal demonstrates site-specific merit as:**

- The amalgamated site creates one of the largest, suitably zoned development parcels on the periphery of the CBD;
- The site has the potential to service the North Sydney CBD commercial core and release the pressure of residential encroachment on commercial zoned land;
- The proposed concept envelope is sited so that the northern Hampden Street properties can be redeveloped in their own right;
- It is located within an area undergoing a period of regeneration and revitalisation, characterised by tower style development, commensurate with the height and density proposed on the site;
- The amalgamated site enables a building footprint which accounts for 39% of the site area. This results in the ability to offset a significant portion of the land to community facilities and public open space, which would be otherwise unattainable;
- The slender nature of the built form results in limited external amenity impacts, as confirmed by the accompanying specialist consultant reports;
- The concept proposal is compliant with the ADG design and amenity criterion, including building separation distances, open space, solar access, ventilation, apartment size and typology, private open space and storage (Part 3 and Part 4);
- Sustainable limited traffic and parking impacts, with only 13% of residents expected to utilise private vehicle as a mode of transport during peak hour;
- The density on the site results in the ability to provide significant community benefits unrivalled to other private developments with the Ward Street Precinct.

Further details of the Planning Proposal and the proposed amendments are contained within *Appendix 1.3 Planning Proposal Report prepared by Urbis*.

## 2. THE SITE

The subject site, being 173-179 Walker Street, has a combined frontage of 57.8m to Walker Street in the west and extends to the east for a depth of 40.2m, comprising a total site area of 2,339.16m<sup>2</sup>.

The development parcel is currently made up of four (4) strata titled land holdings, being:

- 173 Walker Street (SP 11082) comprising 517.82m<sup>2</sup>;
- 175 Walker Street (SP 86752) comprising 505.69m<sup>2</sup>;
- 177 Walker Street (SP 9808) comprising 506.06m<sup>2</sup>; and
- 179 Walker Street (SP 64615) comprising 809.33m<sup>2</sup>.

The subject site contains four (4), three storey residential flat buildings comprising a total of 24 strata titled units built approximately 75-80 years ago to the current 12metre height limit. The site has since remained underutilised and undeveloped due to the fragmented strata ownership and the significant risk, cost and time implications associated with amalgamation. The surrounding North Sydney Central

Business District (CBD) has since undergone extensive commercial, residential, educational and infrastructure redevelopment, and with the delivery of the Sydney Metro, is entering a new period of further growth and expansion. Walker Street No.100 Pty Ltd, with Avenor Pty Ltd as its development manager, has secured all properties in the development parcel. Therefore, the strata titled nature of the subject site no longer impedes the potential for redevelopment of this large land holding in line with the growth of the North Sydney CBD.

The site is in a prime location, being immediately east of the Ward Street Master Plan Precinct, 50m north east of the North Sydney Central Business District (CBD), 200m north east of the Victoria Cross Metro and 600m north of the North Sydney Train Station and the North Sydney Bus Interchange.

The site represents an ideal opportunity to capitalise on state government and North Sydney Council led initiatives and on existing and planned infrastructure networks, employment opportunities, educational establishments and local amenities in an in-demand location for residential accommodation.

### **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 follows:

- Amend the Height of Buildings Map to establish a site-specific height control, with a maximum height of RL210; and
- Amend the Floor Space Ratio Map to establish a maximum FSR control for the site of 13.63:1

The Planning Proposal seeks to achieve a height and density that facilitates a range of land uses which are permitted with consent in the R4 High Density Residential zone.

#### **3.2. CONCEPT PROPOSAL**

The Planning Proposal is accompanied by independent consultant and expert reports which have identified, evaluated and considered to confirm the site development opportunity and resolve the constraints associated with the site and any future building envelope. This includes the site's positioning on the eastern periphery of the North Sydney CBD, the sloping topography, sightlines and views to the eastern harbour, solar access and overshadowing, relationship to surrounding heritage items and access to the site.

As demonstrated with the supporting Concept Design Report prepared by Kann Finch (Appendix 1.15) and *Section 5: Development Outcome* and *Section 9.3 Section C – Environmental, Social and Economic Impact* of the submitted Planning Proposal (Appendix 1.3), the concept proposal successfully demonstrates how a building envelope could be skilfully positioned on the site, positively addressing its constraints, to facilitate a development outcome that is consistent with State, District, Regional and local planning policies.

The envisaged development outcome achieves full compliance with the requirements of the ADG and includes the following key components:

Table 1: Intended development outcome

Indicator	Development outcome	
Land Use	Community Facilities Neighbourhood Shop Residential accommodation	
Height	RL210 / 47 storeys	
FSR	Total FSR of 13.63:1	
GFA	Residential (internal)	26,307m <sup>2</sup>
	Balcony (external / wintergarden)	3,989m <sup>2</sup>
	Neighbourhood	80m <sup>2</sup>
	Community Facilities	1,515m <sup>2</sup>
Apartments	284 apartments, including 1 bedroom – 31% 2 bedroom – 59% 3 bedroom – 10%	
Communal open space	265m <sup>2</sup> at level 33 + 440m <sup>2</sup> within the terrace level – 705m <sup>2</sup>	
Car parking	252 spaces over 6 basements including (227 residential & 25 for the retail / community facilities use)	
Landscaped Area	865m <sup>2</sup> dedicated to the public	

### 3.3. PUBLIC BENEFITS

Whilst the concept of increased density is consistent with State and local planning policy direction, the proposal incorporates a generous range of additional public benefits. The public benefits offer associated with the Planning Proposal includes (*refer Appendix 1.7*):

- 1,515m<sup>2</sup> of GFA constructed and dedicated to Council in the form of a state-of-the-art multi-purpose Community Centre;
- 865m<sup>2</sup> of public open space fronting Walker Street ('the East Walker Street Park'); and
- Dedication of 5% of the residential yield to affordable rental accommodation.

Should a Gateway Determination decision be to proceed with the Planning Proposal for public exhibition, the applicant will take the necessary steps to prepare a draft Voluntary Planning Agreement (VPA) for Council Agreement to confirm commitment of the delivery of these public benefits.

## 4. BACKGROUND TO PLANNING PROPOSAL

The Planning Proposal was initiated in direct response to the outcomes of the North Sydney Council's Land Use and Capacity Study and the Ward Street Masterplan.

In addition, it has been informed by the Greater Sydney Commission's strategic housing directions contained in the Draft North District Plan and A Plan for Growing Sydney.

The below section provides a summary of the background to this Planning Proposal, which is discussed in detail in *Section 3 Background* and *Section 9.1 Need for the Planning Proposal*, of the submitted Planning Proposal.

### 4.1. POLICY HISTORY

#### 4.1.1. North Sydney Capacity and Land Use Strategy

- On 20 July 2017 – following years of detailed market and economic studies, the Planning Proposal to implement the outcomes of the North Sydney CBD Land Use and Capacity Strategy received Gateway Determination.
- North Sydney Council stated in the North Sydney CBD Land Use and Capacity Study *"The aim of the North Sydney Centre Planning Review is to identify and implement policies and strategies to ensure that the North Sydney Centre retains and strengthens its role as a key component Sydney's global economic arc, remains the principle economic engine of Sydney's North Shore, and becomes a more attractive, sustainable and vibrant place for residents, workers and businesses."*
- Whilst the site is not included within this proposal, the North Sydney CBD Planning Proposal includes maximum building heights which have been relevant in forming the height of the proposed building given this site's location in relation to the CBD.

#### 4.1.2. Draft Ward Street Masterplan

Parallel to the preparation of the North Sydney Capacity and Land Use Strategy and North Sydney CBD Planning Proposal, Council progressed with the preparation of the draft Ward Street Masterplan which seeks to increase densities of commercial and existing residential zoned on the northern edge of the city centre, that will facilitate the disposal and redevelopment of the North Sydney Council owned Ward Street car park.

Key dates are summarised below:

- August 2015 - Council began strategic planning for the site and surrounding locality.
- 26 April 2016 - Council sought expressions of interest from external consultants to assist in the preparation of the Ward Street Masterplan.
- 14 June 2016 - Council included the subject site within the precinct study area for the Ward Street Masterplan.
- 8 November 2016 - the Ward Street Masterplan was presented to the Design Excellence Panel, which included a concept scheme for the subject site. The scheme included a dual tower outcome, with potential for parking within a podium level.

- 5 December 2016 - the Ward Street Masterplan identified the site as currently underutilised and as an ‘**opportunity site**’ that is ready for redevelopment, with the Council deferring the site “*to future discussions with **relevant landowners who may seek to initiate a planning proposal***” (North Sydney Council Report, Item CiS06, 5 December 2016).
- 26 January 2017 – 10 March 2017 - The draft Ward Street Precinct Masterplan was publicly exhibited, which included a number of building envelopes.

The Subject Site and northern properties fronting Hampden Street were identified as opportunity site No.3. The key characteristics included:

- Two tall buildings
- A new plaza within Hampden Street
- A through site link between the two built forms providing connectivity to the harbour view walk
- The draft Ward Street Precinct Masterplan states that “*while conceptual at this stage, **the Masterplan outlines the framework** for various stakeholders to carry out future development planning.*”
- The draft Masterplan does not set a height for the potential redevelopment but instead invites landowners of sites to submit site specific Planning Proposals to Council for individual consideration.

To help realise Council’s strategic vision for part of the Ward Street Masterplan, at considerable time and financial cost, Avenor has proactively acquired strata properties to create a large amalgamated land parcel to unlock the area and realise its opportunity as identified by Council. The procurement and amalgamation of the majority of the identified East Walker Street opportunity site has removed the key barrier to achieving the redevelopment vision of this underutilised site.

## 4.2. COUNCIL & LAND OWNER ENGAGEMENT

Prior to the lodgement of the Planning Proposal, the proponent engaged in a number of informal discussions with the Manager of Strategic Planning and Director of the City Strategy Division.

In addition, three formal meetings with Council were held. The formal meetings are summarised as follows:

- **Meeting 1 | 25 May 2017 | Concept Meeting**

(Refer to Volume 3 – Tab 4)

Initial concept meeting was held with North Sydney Council’s Strategic Planning Manager. The proponent presented an overview of the amalgamated site including site considerations and context, opportunities and constraints mapping, limitations for large lot redevelopment in North Sydney and a brief study of high level height and urban design outcomes.

Council indicated that Avenor Pty Ltd should proceed with lodging a Planning Proposal with more detailed information for Council assessment. Council also noted that it had not previously anticipated such swift amalgamation with significant financial outlays for a large residential site close to the CBD.

- **Meeting 2 | 18 July 2017 | Pre-Planning Proposal Meeting**

*(Refer to Volume 3 – Tab 3)*

Council stated that; *“Council has prepared a draft Masterplan for the Ward Street precinct but excluded the “East Walker Street” sites. This was on the basis that the Ward Street sites were a higher priority to resolve and it was recognised that the Masterplan still required work to be fully refined. To make the finalisation of the Masterplan more manageable” the East Walker Street sites were deleted” as Council prefer to undertake a planning study for East Walker street, though do not have sufficient resources and time and prefer to prepare a revised Ward Street masterplan study.*

Council further stated that it would *“in all likelihood refuse any Planning Proposal lodged in the interim”* This is contrary to the previous advice provided by Council on 1 December 2016, which states that *“investigations of the east Walker Street site have been deferred to future discussions with relevant landowners who may seek to initiate a planning proposal.”*

Nonetheless, Council raised concerns in relation site isolation, overshadowing, commercial floor space, parking, heritage and views. These issues were comprehensively addressed with the Planning Proposal and accompanying documentation.

- **Meeting 3 | 21 August 2017 | Public benefits Meeting**

*(Refer to Volume 3 – Tab 2)*

Meeting convened to present and discuss with Council the range of additional public benefits that are included in the proposed development. The public benefits offer associated with the Planning Proposal are as follows:

- 1,515m<sup>2</sup> of GFA constructed and dedicated to Council in the form of a state-of-the-art multi-purpose Community Centre;
- 865m<sup>2</sup> of public open space fronting Walker Street (‘the East Walker Street Park’); and
- Dedication of 5% of the residential yield to affordable rental accommodation.

Council advised the proponent that:

Council’s policy position is that they wish to lead planning proposals including the community engagement process, and for this reason, a proponent led planning proposal on the site would not receive officer or Council support, despite strategic merits.

The amount of community space provided was a great outcome however a VPA cannot be assessed on the site prior to undertaking an assessment of the planning outcome for the precinct.

Despite Council acknowledging the merit of amalgamating a large strategic site, close to North Sydney CBD, they noted *“they do not have sufficient resources and time for another planning study and prefer to prepare a revised Ward Street masterplan study as their priority in North Sydney”*.



## 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 56 of the Act (Gateway determination).

The proposal must demonstrate both strategic merit and site specific merit.

### 5.1. STRATEGIC JUSTIFICATION

As outlined in *Section 9.2: Section B – Relationship to Strategic Planning Framework* of the submitted Planning Proposal (*refer Appendix 1.3*), 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 substantial density change on the site is warranted:

- The population is expected to increase by 40% from 2011 to 2041 (Environmental Impact Statement (EIS) for the Victoria Cross Metro). The site is located 200m from the metro station and therefore this places significant obligation on Council to optimise the development potential for in demand housing on such a strategically valuable site;
- As identified in our **strategic land use mapping** (*refer Appendix 1.15, page 12*), 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 is capable of delivering 10.4% of the LGA housing supply target for 2021-2026 within 200m of the Victoria Cross Metro, which is vital to the attainment and sustainability of the sought after 18 hour economy.

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



Table 2: Strategic Merit Test

Strategic Merit Criteria	Response
<b>A Plan for Growing Sydney 2014</b>	
<p>Is the planning proposal:</p> <p><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; <u>or</u></i></p>	<p>As outlined in Section 8.2 of the Planning Proposal (<i>refer Appendix 1.3</i>), the proposed amendments achieve the outcomes of <i>A Plan for Growing Sydney</i>. (the Plan), by way of the following:</p> <ul style="list-style-type: none"> <li>• It is consistent with <b>Direction 1.6</b> in supporting the aims of the global economic corridor by contributing an additional 284 dwellings to North Sydney, which is estimated to accommodate an additional 502 residents.</li> <li>• To protect and retain the commercial core it is considered necessary to increase existing residential zoned land densities and remove barriers to promote growth and allow efficient land use outcomes that will bring people closer to jobs and services. This Planning Proposal achieves this intent.</li> <li>• The Planning Proposal directly aligns with <b>Action 1.7.1</b> in that it has unlocked underutilised developable land through the amalgamation of 24 strata titled allotments in a key strategic location that is ready for redevelopment for high density purposes.</li> <li>• This investment in housing strengthens North Sydney role as a Strategic centre and facilitates the creation of a vibrant hub of activity associated with the global economic corridor and the urban regeneration of the North Sydney CBD.</li> <li>• The Planning Proposal seeks to remove the existing barriers by amending the current LEP controls that apply to the subject site to facilitate the delivery of 284 new dwellings to the North Sydney LGA, in accordance with <b>Direction 2.1</b>.</li> <li>• The subject site has been identified as an “opportunity site”, capable of accelerating the supply of housing within the local area (<b>Action 2.1.1</b>), given that the existing buildings are grossly undeveloped and are at the end of their economic life. The proposal would see the highest and best use of the land come to fruition (<b>Action 2.1.3</b>).</li> </ul>

Strategic Merit Criteria	Response
	<ul style="list-style-type: none"> <li>Increased residential density in this strategic location is consistent with <b>Direction 2.2</b>, providing housing on the fringe of the CBD, achieving sustainability outcomes and leading to employment containment within the region, i.e. residents are employed within the centre within which they live.</li> <li>The subject site is in a prime location for the high density mixed use development as it provides the ability to connect new homes to job-rich locations via good public transport– <b>Action 2.2.2</b>.</li> <li><b>Direction 2.3</b> - This planning proposal provides a mechanism for the Government to achieve such actions, with the proposed controls capable of delivering 284 new dwellings, in a variety of configurations and residential form, including the provision of affordable housing stock (5%) - <b>Action 2.3.3</b>.</li> <li>Achieves <b>Direction 3.3</b> through the realisation of a mixed-use development that has a strong community focus at the street level and facilitates a safe, active and vibrant place for enjoyment by residents, workers and the wider community.</li> <li>In terms of the North Subregion Priorities, the proposal is consistent with the directions because it will achieve a balance of employment and housing outcomes on the site that will meet the policy needs of enabling employment growth whilst also providing capacity for additional housing to support the required patronage levels for the new metro rail infrastructure.</li> </ul>
<b>Draft North District Plan</b>	
	<p>The Draft North District Plan states that, <i>“Our planning for where we locate this housing should consider proximity to public transport, day-to-day needs, health, education, infrastructure and services.”</i></p> <p>North Sydney LGA is required to supply a <b>baseline minimum of 2,724 dwellings</b> for the 5 year period between 2021-2026 which we understand will need to be achieved by amending built form controls in NSLEP.</p> <p>This Planning Proposal responds to the requirement for housing supply, <b>contributing some 10% to the 5-10 year housing target</b> (2021-2026), providing Council with the opportunity to leverage this development ready site to achieve independent local government housing targets.</p> <p>The Planning Proposal achieves the following actions and priorities:</p>

Strategic Merit Criteria	Response
	<ul style="list-style-type: none"> <li>• <b>Action 3.7</b> - This Planning Proposal fulfils the aims for a productive city through the facilitation of high density development conveniently connected to employment, health services, education, shops, public spaces and frequent high quality public transport, transporting the 502 projected residents to nearby strategic centres within 30 mins.</li> <li>• <b>Action 4.3</b> - Given the timing of the likely end of construction this Planning Proposal will contribute to the dwelling supply period between 2021-2026, which is assumed to be conservatively at approximately 2,723 dwellings.</li> <li>• Fundamentally, the proposal will deliver the provision of 284 residential dwellings to the in demand local housing market, being 10% of the required dwelling supply during the 2021-2026 period.</li> <li>• <b>Action L3</b> - This Planning Proposal presents a large amalgamated site within 200m of the metro station and 600m of the North Sydney train station, creating the ideal opportunity for urban renewal at the periphery of the commercial core, relieving pressure for rezoning of B3 zoned land.</li> <li>• <b>Liveability Priority 3: Implement the Affordable Rental Housing Target and Action L6: Support councils to achieve additional affordable housing</b> - this Planning Proposal dedicates 5% of the proposed floor space to affordable housing.</li> <li>• <b>Liveability Priority 8: Support the creative arts and culture</b> - this Planning Proposal dedicates 1,515m<sup>2</sup> of floor space to community facility uses.</li> </ul>
<b>Local Strategic Planning Framework</b>	
<p>Is the planning proposal:</p> <p><i>Consistent with a relevant local strategy that has been endorsed by the Department; <b>or</b></i></p>	<p><b>North Sydney Residential Development Strategy 2009</b></p> <p><i>(refer Appendix 1.4 Planning Proposal, page 52 – 54)</i></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The RDS indicates that North Sydney Council should contribute 5,500 additional dwellings between 2004 and 2031. <b>This is significantly below the targets set by the draft North District Plan</b>, which has been calculated to be approximately 11,170 dwellings from 2016-2036.</li> </ul>

Strategic Merit Criteria	Response
	<ul style="list-style-type: none"> <li>The population forecasts modelled within the RDS utilises 2006 ABS data, forecasting a residential population of 65,000 in 2021. This is in comparison to current population projections which forecast a population of 76,721 by 2021 (forecast.id) resulting in a net difference in the population projections of 11,720 residents</li> <li>This Planning Proposal provides Council with the opportunity to address the gross indifferences between the actual required supply of residential accommodation and that planned for in the strategy.</li> </ul> <p><b>North Sydney CBD Capacity and Land Use Strategy</b></p> <ul style="list-style-type: none"> <li>The North Sydney CBD Capacity and Land Use Strategy was prepared in support of the North Sydney Centre review, which encompasses land within the B3 Commercial Core and B4 Mixed Use zone.</li> <li>The subject site is located within the R4 High Density Residential zone and therefore is generally exempt from the study area. Notwithstanding this, the Planning Proposal supports the following objectives of the Strategy: <ul style="list-style-type: none"> <li>Identify residential development opportunities in the periphery;</li> <li>Identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability;</li> <li>Take advantage of planned infrastructure upgrades by intensifying land use around significant transport infrastructure; and</li> <li>Allow for the growth of North Sydney Centre to ensure it maintains and improves its status as a resilient, vibrant and globally relevant commercial centre.</li> </ul> </li> </ul> <p><b>Community Strategic Plan 2013 – 2023</b></p> <p><i>(refer Appendix 1.4 Planning Proposal, page 52 – 54)</i></p> <ul style="list-style-type: none"> <li><b>Direction 1 – Our Living Environment:</b> The concept proposal includes a new public park (east Walker Street Park), and includes dedication of 1,710m<sup>2</sup> or 73% of the site area to landscaping.</li> <li><b>Direction 2 – Our Built Environment:</b> As confirmed within the Economic Impact Statement, the concept proposal is expected to</li> </ul>

Strategic Merit Criteria	Response
	<p>generate 43 permanent jobs through the provision of 1,515m<sup>2</sup> of GFA for community facilities with 25 associated parking spaces (<i>refer Appendix 1.8</i>).</p> <ul style="list-style-type: none"> <li>The concept design includes a slender building footprint which results in a sustainable development outcome, whilst also demonstrating a high degree of compliance with the principles of SEPP65.</li> <li><b>Direction 3: Economic Vitality:</b> The generation of 43 new jobs and approximately 502 residents supports an 18 hour economy and contributes to the viability of the centre.</li> <li><b>Direction 4: Social Vitality:</b> The Planning Proposal includes dedication of 5% of the GFA to affordable housing.</li> </ul> <p><b>Draft Ward Street Masterplan</b></p> <p>(<i>refer Appendix 1.4 Planning Proposal, page 12 &amp; 13 and page 54 – 55</i>)</p> <ul style="list-style-type: none"> <li>This Planning Proposal delivers upon the vision of the draft Ward Street Precinct Masterplan and creates a vision for the east Walker Street Precinct which forms a nexus to Ward Street and the North Sydney CBD as a whole.</li> <li>This has been achieved through the perpetuity of land to Council, including community facilities, the east Walker Street public park and the potential for a pedestrian through site link.</li> <li>The proponent has thoroughly investigated the site constraints and created a building envelope that positively addresses the concerns raised by Council in regards to access, view sharing, site isolation, overshadowing and heritage affections.</li> </ul>
<p>Is the planning proposal:</p> <p><i>Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognized by existing planning controls.</i></p>	<p>As justified in the submitted Planning Proposal, North Sydney is undergoing a period of urban transformation as a result of Australia's largest rail infrastructure investment and the State Government's initiative to boost housing supply and job growth throughout Sydney.</p> <p>North Sydney is designated as a <b>Strategic Centre</b>; is located within the <b>Global Economic Corridor</b> (attracting new economic activity); and located along the Sydney Metro Northwest. This connection is set to implement Sydney Rapid Transit and the surrounding land is identified as an Urban Renewal Corridor, which is charged with attracting investment and stimulating new economic activity.</p>

Strategic Merit Criteria	Response
	<p><b>Sydney Metro: Integrated Station Development Website</b></p> <p><i>(Refer to <a href="https://www.sydneymetro.info/integrated-station-development">https://www.sydneymetro.info/integrated-station-development</a>)</i></p> <p><i>Introduction</i></p> <ul style="list-style-type: none"> <li>• “Sydney Metro will revitalise communities, transform places and make the nation’s only global city more liveable and connected.”</li> <li>• “Australia’s largest city will be more productive and more attractive globally. Not only will this new mass transit system move more people safely and reliably than ever before, it will unlock the potential of Sydney as a growing global city – creating new and diverse opportunities to support changing communities.”</li> <li>• “Joining other great global mass transit development initiatives, the NSW Government has identified stations on the Sydney Metro system which can be better integrated with the areas around them, creating world-class places that will shape our city’s future.</li> </ul> <p><i>Creating Great Places in a Global City</i></p> <ul style="list-style-type: none"> <li>• “Building new metro stations for Sydney will create exciting opportunities to bring together international best practice and innovative urban thinking to shape and create vibrant and attractive places in the precincts surrounding each station.”</li> <li>• “Vibrant places help strengthen communities, attract visitors, workers and investment and enhance our city’s liveability. Sydney’s new metro stations will create focal points in the communities that they serve, with new places for people to live, work, shop and play – and public spaces designed to encourage walking, cycling and social interaction.”</li> <li>• “Each station is different in character, and will require a tailored place-based approach to planning and place making to realise opportunities in each area.”</li> </ul> <p><i>A New International Standard of Place</i></p> <ul style="list-style-type: none"> <li>• “Building new metro stations for Sydney will create exciting A New International Standard of Place</li> <li>• “In building new metro stations for Sydney, an exciting opportunity exists to integrate global best practice and innovative thinking to create a sense of place.”</li> </ul>

Strategic Merit Criteria	Response
	<ul style="list-style-type: none"> <li>“Vibrant neighbourhoods help strengthen communities, attract investment and enhance liveability. A dynamic place integrates restaurants, parks, footpaths, buildings and other public space to invite greater interaction between people and foster healthier, more social and economically viable communities.”</li> <li>“Sydney Metro will help create places that are easy to access, are connected to their surroundings, are comfortable and clean, and that provide social interactions and boundless opportunities.”</li> </ul> <p><i>Victoria Cross Station</i></p> <ul style="list-style-type: none"> <li>The concept proposal for Victoria Cross is a 40-storey commercial building above the station’s southern entrance integrating retail opportunities and enhancing North Sydney as a thriving commercial, residential and entertainment hub.”</li> <li>“The future development will sit prominently in the North Sydney Skyline and complement neighbouring development including existing heritage buildings and nearby buildings currently under construction.”</li> </ul> <p>It is clear that North Sydney is a centre where high levels of growth, both commercial and residential in nature, will be encouraged and supported. Urban renewal and additional housing growth will be enabled along the railway corridor to capitalise on the planned upgrades to public transport services.</p> <p>This is further confirmed by Council’s undertaking of the Planning Proposal for the North Sydney Centre and the strategic planning associated with the draft Ward Street Masterplan, which identifies significant uplift in height and density.</p>

Other considerations with “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 less than 5 years old. In accordance with the superseded *NSLEP 2001*, the Subject Site was zoned Residential C which is the equivalent to the R4 High Density Residential zone under the standard instrument LEP. It is therefore considered that the zoning and associated controls have been a direct translation from the previous LEP, which was informed by a Residential Strategy (2009) that is now 9 years old.

Nonetheless, 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 *A Plan for Growing Sydney*.
- The Planning Proposal assists Council in delivering upon the actions and priorities of the draft North District Plan, particularly in the relation to achieving baseline housing targets and the delivery of a 30 minute city.
- NSW significant infrastructure investment for the new Victoria Cross Station, 200 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 3: Site Specific Merit Test

Criteria	Planning Proposal Response
Does the planning proposal have site specific merit with regard to:  <i>the natural environment (including known significant environmental values, resources or hazards)?</i>	The subject site does not contain any natural environmental features which would preclude the site from being redeveloped in accordance with the proposed concept high density mixed-use development.  Importantly, the proposed concept plan responds appropriately to the sites natural environment and provide for a range of uses that are ideal for the sub terrain environment as a result of the sites topography, which significant slopes from the Walker Street frontage to the rear / eastern boundary of the site.
Does the planning proposal have site	The subject site is located at the periphery of the North 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

Criteria	Planning Proposal Response
<p>specific merit with regard to:</p> <p><i>the existing uses, approved uses and likely future uses of land in the vicinity of the land subject to a proposal?</i></p>	<p>Sydney Centre, which is currently subject to Gateway Determination, includes (but is not limited to) the following uplifts:</p> <ul style="list-style-type: none"> <li>• 120m - 124 Walker Street increasing from RL140 to RL260;</li> <li>• 125m – 40 Mount Street increasing from RL105 to RL220;</li> <li>• 110m – 187 and 189 Walker Street increasing from RL120 to RL230;</li> <li>• 104m – 77-81 Berry Street increasing from RL185 to RL289; and</li> <li>• 90m – 65 Berry Street increased from RL140 to RL230.</li> </ul> <p>In addition to this, the properties to the west of the subject site, which are bound by the draft Ward Street Precinct Masterplan, are also identified for significant uplift, resulting in heights of up to RL206.</p> <p>In addition to the above, recent development activity within the area has resulted in the subject site being immersed amongst tall, dense buildings, with this northern portion of the east Walker Street precinct being the last undeveloped lots within the wider urban renewal context.</p> <p>Importantly, the surrounding area is undergoing a period of urban renewal in an attempt to rejuvenate and revitalise the North Sydney CBD. The transformation has been triggered by a number of factors, including the introduction of the Victoria Cross Metro Station, the commitment by the State Government to increase housing supply and encourage economic growth and the return of Council owned assets (Ward Street car park).</p> <p>North Sydney Council has, in so far, focused on providing additional floor space for commercial land uses, with limited opportunities identified for residential redevelopment.</p> <p>Investigations have been undertaken into the surrounding land use context which reveals that the areas within 800m walking distance of the North Sydney train station or Victoria Cross metro station is highly constrained and fragmented. Land within this area that is capable for high density residential redevelopment is either constrained by:</p> <ul style="list-style-type: none"> <li>• heritage affectations;</li> </ul>

Criteria	Planning Proposal Response
	<ul style="list-style-type: none"> <li>• adjoins sensitive land uses; or</li> <li>• contains a number of strata titled allotments which are unlikely to be unlocked for redevelopment.</li> </ul> <p>The subject site, being the amalgamation of four strata titled buildings (24 strata titles) comprises a substantial site area and represents a rare opportunity for residential redevelopment of this scale, in such a key strategic location.</p> <p>The site is well connected to existing and planned infrastructure, is located within walking distance to significant employment opportunities and educational establishments and can achieve a number of key directives outlined in <i>A Plan for Growing Sydney 2016</i> and the draft North District Plan.</p> <p>Moreover, the site has been identified as an “opportunity site” within Council’s planning studies, which encouraged proponent lead Planning Proposals.</p> <p>In this regard, the proposed concept plan demonstrates a holistic approach to the redevelopment of the subject site and surrounding urban context and effectively illustrates how the proposed concept development would fit comfortably within the changing urban fabric.</p> <p>This is demonstrated within the 3D context massing and within the public domain masterplan.</p> <p>Finally, this Planning Proposal is accompanied by a number of specialist consultant reports which conclude that the subject site is suitable for the high density mixed use development and that the proposed building envelope has been adequately designed to promote view sharing, retain a compliant degree of solar access to surrounding residential properties, enable appropriate separation distances to support the redevelopment of the northern neighbour and provide a design that addresses heritage and transport issues.</p>
Does the planning proposal have site	The subject is located within an established urban area and is fully serviced by existing and planned infrastructure which is capable of accommodating for the increased density on the subject site.

Criteria	Planning Proposal Response
<p>specific merit with regard to:</p> <p><i>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?</i></p>	<p><b>Transport Infrastructure</b></p> <p>As previously stated in this document, the Subject Site is 200m from the Victoria Cross Metro Station and 600m 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 buses networks as well 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>The Gateway Determination for the North Sydney CBD Planning Proposal also requires updates to the North Sydney CBD Public Domain Strategy and Transport Masterplan.</p> <p><b>Traffic Generation</b></p> <p>As stated in the submitted Traffic and Transport Assessment, a total of 252 off street parking bays are provided, including 227 residential and 25 for use by patrons of the communities facilities (<i>refer Appendix 1.4</i>).</p> <p>Based on the traffic distribution and generation assumptions, the analysis indicates that the increase in traffic is negligible and is not envisaged to affect the existing surrounding road network, noting that only 13% of residents will utilise private transport modes during peak hour.</p> <p><b>Utility Infrastructure</b></p> <p>Preliminary investigations have been undertaken to identify the services required on the site to bring the proposed concept to fruition (<i>refer Appendix 1.14 and 1.19</i>).</p> <p>In this regard, existing infrastructure, if required, will be modified and / or extended to accommodate the needs of future development.</p> <p><b>Social Infrastructure</b></p> <p>The site is conveniently located to a wide range of social infrastructure and facilities, including, but not limited to:</p>

Criteria	Planning Proposal Response
	<ul style="list-style-type: none"> <li>• A number of educational establishments (North Sydney Girls High School, Marist College North Shore, Cammeraygal High School, Monte Sant Angelo Mercy College);</li> <li>• Mater Hospital;</li> <li>• Sports and recreation parks; and</li> <li>• Religious Centres.</li> </ul>

## 6. CONCLUSION

There is overwhelming strategic and site-specific merit to justify advancement of the Planning Proposal for a positive Gateway Determination.

### **The Planning Proposal demonstrates strategic merit as it:**

- Positively contributes to the State planning strategic goals which seeks to intensify land use around significant transport infrastructure and in proximity to employment nodes.
- Achieves an appropriate built form and scale that reflects the vision for North Sydney and the Ward Street precinct which is expressed by local planning policy, draft precinct planning and the existing and emerging scale of development on adjacent and surrounding lands. Importantly, the Planning Proposal provides for additional housing stock adjacent to a centre, which has limited future potential to supply growing demand
- Generates the potential for 43 ongoing jobs and 284 new dwellings on the fringe of the CBD, in close walking distance to; public transport, schools, open space and employment.
- Capitalises on existing and planned infrastructure with sustainable benefits by reducing reliance on private vehicular transportation, being strategically located 200m from the Victoria Metro Station and 600m from the North Sydney Train Station.
- Supports the attainment of an 18-hour economy and a 30 minute city, as outlined within the draft North District Plan

### **The proposal demonstrates site-specific merit as:**

- The amalgamated site creates one of the largest, suitably zoned development parcels on the periphery of the CBD;
- The site has the potential to service the North Sydney CBD commercial core and release the pressure of residential encroachment on commercial zoned land;
- The proposed concept envelope is sited so that the northern Hampden Street properties can be redeveloped in their own right;
- It is located within an area undergoing a period of regeneration and revitalisation, characterised by tower style development, commensurate with the height and density proposed on the site;
- The amalgamated site enables a building footprint which accounts for 39% of the site area. This results in the ability to offset a significant portion of the land to community facilities and public open space, which would be otherwise unattainable;
- The slender nature of the built form results in limited external amenity impacts, as confirmed by the accompanying specialist consultant reports;
- The concept proposal is compliant with the ADG design and amenity criterion, including building separation distances, open space, solar access, ventilation, apartment size and typology, private open space and storage (Part 3 and Part 4);
- Sustainable limited traffic and parking impacts, with only 13% of residents expected to utilise private vehicle as a mode of transport during peak hour; and

- The density on the site results in the ability to provide significant community benefits unrivalled to other private developments with the Ward Street Precinct.

The proponent has simply built on the thinking and strategic direction already established by Council in its Ward Street Masterplan study to facilitate the delivery of a built form outcome reflective of its strategic location.

In response to the Council's strategic direction and vision for the precinct and its identification of the Subject site as and 'opportunity site' and its recommendation to enter "*discussions with **relevant landowners who may seek to initiate a planning proposal***", the proponent has invested considerable financial outlay, time and resources to secure the 24 individual strata titles, enabling the amalgamation of the **2,339.16m<sup>2</sup>** unconstrained development parcel in immediate proximity to the North Sydney CBD.

Despite the strategic merit outlined above, Council staff have indicated they cannot support the proposal primarily on procedural grounds, as in Council's view, a planning proposal of this nature should be led by Council.

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.

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 Panels support to proceed to Gateway for public exhibition.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen White". The signature is written in a cursive, flowing style.

Stephen White  
Director