

Rezoning Review Request



45 Victor Street and 410-416 Victoria Avenue, Chatswood

Prepared on behalf of Mirvac

Willoughby City Council - Planning Proposal PP-2016/7/A

February 25, 2021

Document control

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Project summary

Applicant	Mirvac
Applicant's address	Level 28, 200 George Street, Sydney
Land proposed to be developed	45 Victor Street and 410-416 Victoria Avenue, Chatswood
Legal description	Lot 4 DP82303, Lot A and Lot B DP406105, Lot 1 DP569272 and part of Post Office Lane
Project description	Amendment of Willoughby LEP to expand the additional permitted use of shop top housing and allow increased height and FSR
Council	Willoughby City Council
Council reference	PP-2016/7/A

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Executive Summary

Site context

This Rezoning Review has been prepared by FPD on behalf of Mirvac in support of a Planning Proposal to amend the *Willoughby Local Environmental Plan 2012* (Willoughby LEP). The Planning Proposal applies to a 2,297 sqm amalgamated site at the corner of Victor Street and Victoria Avenue, Chatswood comprising 45 Victor Street and 410-416 Victoria Avenue, along with an intersecting section of Post Office Lane. The amalgamated site provides the potential for a typical floor plate of 1,100sqm net lettable commercial area which is the of the minimum required to achieve workspace efficiencies for office space required by corporate and government tenants.

The site is located in the B3 Commercial Core zone within the Chatswood CBD and is adjacent to Chatswood Interchange, on the eastern side of the railway line where DPIE has endorsed mixed use development. The site is located on the eastern side of Chatswood Station which has a retail and mixed-use focus, with commercial office uses largely concentrated on the western side of the station. Part of the site and the surrounding area is described by the Willoughby LEP as “Area 5” which allows for shop top housing as an additional permitted use, effectively forming a mixed-use zone to the north, east and west of the site.

Proposal

The Planning Proposal seeks to facilitate renewal of the site for a mixed use commercial, retail and residential development. On completion, the commercial office space component would be the first significant development of commercial office space in Chatswood since 1995. It would also be the third largest commercial office development in Chatswood and the largest on the eastern side of the station.

The proposal resides in an iconic location in the heart of the Chatswood retail and mixed use precinct. It has been designed to maximise retail activation at the ground floor with generous floor to ceiling heights of minimum 4m on the ground floor, a dramatic minimum 8-9.5m high covered portal to Post Office lane and 13 storeys of A-grade commercial office space in the centre of the Victoria Avenue mall.

The concept design scheme comprises a single slender tower and podium which delivers a considered built form response to the location and context consistent with the recommended urban design outcomes from the *Chatswood CBD Planning and Urban Design Strategy* (Chatswood CBD Strategy). The concept design scheme will deliver a total gross floor area (GFA) of 45,940sqm comprising the following:

- 18,376sqm (FSR 8:1) of non-residential GFA (40%) secured through a site specific development control in the Willoughby LEP
- 27,564sqm of residential GFA across the top levels (FSR 12:1) delivering approximately 310 residential apartments with a mix of 1, 2 and 3 bedrooms achieving excellent solar access and outlook.

The inclusion of the residential component enables Mirvac to put forward the significant 8:1 FSR commercial component enabling the early delivery of the otherwise unviable commercial floorspace and will further serve to provide activation of the area across a range of hours adding to the vitality of the CBD.

The Planning Proposal is supported by feasibility and market analysis prepared by JLL which indicates that a stand-alone commercial building is not a viable proposition. The proposed mixed use scheme removes the need for a substantial commercial pre-commitment with the residential floor space effectively subsidising the early delivery of the commercial floor space.

This advice is supplemented by CBRE who provided similar expert advice regarding the lack of viability of a significant stand-alone commercial development.

Public benefits

The proposal seeks to deliver a number of public benefits including:

- A supply of more employment generating floorspace than that achieved in the last 25 years in Chatswood
- The third largest commercial office building in Chatswood overall
- A significant opportunity for housing in close proximity to excellent public transport and amenity
- Upgrade of Post Office Lane to deliver improved pedestrian amenity and connectivity to Chatswood Interchange
- Enhanced activation and built form interface to the surrounding streets
- Public art, green walls and rooftop landscaping including accessible open space at the podium level
- Affordable housing at a rate of 4% of the total residential floor space
- Regeneration of two poor quality sites and a low amenity service laneway, which without this proposal proceeding, are likely to remain as is indefinitely.

A competitive design process is also proposed to ensure the extensive design analysis already undertaken is carried through to the development application and delivery stage. A package of sustainability measures will be outlined during the detailed design phases.

Strategic Merit test

The proposal meets the strategic merit test being consistent with both the North District Plan as well as the Chatswood CBD Strategy which has been endorsed by the Department of Planning, Industry and Environment (DPIE), noting that mixed use development can be permitted east of the rail line where it results in significant, assured, and demonstrable jobs growth to meet the objectives of the North District Plan.

The North District Plan reinforces the role of the Eastern Economic Corridor and the benefits of major transport infrastructure within the corridor, as well as Chatswood's role as a Strategic Centre. The proposal supports the objectives of the North District Plan, including the continued growth of Chatswood as a major commercial hub through the delivery of a significant component of commercial floor space. The proposal has potential to provide for 1,578 jobs (on completion) delivering up to 25% of the 2036 employment target for the Chatswood Strategic Centre. Further, when combined with other commercial proposals within the Chatswood CBD up to 91% of the jobs target could be achieved should other proposals proceed, within a relatively short timeframe. This is consistent with DPIE's position that mixed use developments can be permitted on the eastern side of the railway line where it results in significant, assured and demonstrable jobs growth to meet the objectives of the North District Plan.

The proposal is consistent with Council's vision for the Chatswood CBD including the key recommendations for the site as outlined in the Chatswood CBD Strategy. The applicant engaged with Council during the preparation of the Chatswood CBD Strategy and the recommended envelope controls are largely consistent with the proposal for the amalgamated site. Any departures from Council's desired controls have been made to maximise the quantum of commercial floorspace and achieve a feasible development outcome including to provide for a commercial floor plate which can achieve workspace efficiencies for office space required by corporate and government tenants. The proposal aligns with the intent of the strategy by delivering a substantial commercial development within the Chatswood CBD which will deliver significant jobs, growth and enhance activation and amenity along Post Office Lane and the surrounding streets. The proposal is assured and the jobs growth is demonstrable.

Site specific merit

The proposal is considered to be consistent with the site specific merit test on the basis that:

- Redevelopment of the subject site has been identified and is generally consistent with Council's development parameters.
- It is located with excellent access to jobs, services and transport being within the heart of the Chatswood CBD and less than 50 metres from the Chatswood Interchange with a range of transport options including Metro rail.
- It will not have any impact on the natural environment and will provide for enhanced landscaping and green walls and improved sustainability outcomes
- Risk of contamination can be appropriately managed with the site being able to be made suitable for the proposed mixed-use redevelopment in accordance with the requirements of SEPP 55 outlined in the preliminary site investigation by Douglas Partners (Appendix B).
- It will not impact on the development potential of adjoining landholdings
- The overshadowing controls of the CBD Strategy have been met with no additional overshadowing to Chatswood Oval and the Garden of Remembrance.
- It is within aeronautical height limitation as confirmed by Strategic Airspace (Appendix D).
- An appropriate level of solar access can be maintained to surrounding residential development and proposed dwellings in accordance with the Apartment Design Guide surrounding residential uses
- The proposal is suitable from a traffic and transport perspective
- The site is well located in close proximity to jobs, services and infrastructure
- The proposal will deliver public domain enhancements through the delivery of upgrades to Post Office Lane, 4% affordable housing, and local infrastructure contributions towards infrastructure upgrades.

Conclusion

The proposal presents a rare opportunity to secure the renewal of an important site within the Chatswood CBD to deliver a significant component of commercial floor space adjacent to Chatswood Station.

It is a proposal that is consistent with DPIEs endorsement of the Chatswood CBD Strategy and will provide significant, assured and demonstrable jobs growth.

The proposal would be the first significant commercial office development in Chatswood since 1995. Once complete it would also be the third largest commercial office development in Chatswood and largest on the eastern side of the station. The proposal also has potential to accommodate 1,578 jobs making a significant contribution to the jobs targets (up to 25%) for Chatswood Strategic Centre.

For a material period Council has unsuccessfully sought employment uses in the CBD, due to the underlying market fundamentals resulting in new large-scale office developments being unviable in Chatswood. This proposal provides a significant component of otherwise unviable employment floor space which is enabled through a mixed use approach. This outcome is consistent with DPIE's endorsement of the Chatswood CBD Strategy and is capable of being supported and progressed.

The proposal is suitable to be fast-tracked under the DPIE acceleration program and meets the relevant acceleration criteria as follows:

- **Jobs and economy:** The proposal has potential to provide for 1,578 jobs (on completion) based on the commercial and retail floor space delivering up to 25% of the 2036 employment target for the Chatswood Strategic Centre. It will also provide substantial employment during the construction phase.
- **Timing:** Mirvac is prepared to lodge the DA as soon as possible following rezoning and commence the project immediately thereafter.

- **Public benefit:** The proposal provides significant public benefits, including: public domain enhancements through the delivery of upgrades to Post Office Lane, minimum 8:1 non-residential FSR, 4% affordable housing, and local infrastructure contributions towards infrastructure upgrades.

We look forward to discussions with DPIE in this regard.

The opportunity to revitalise the subject site to introduce a material non-residential component is extremely positive and provides the best chance for renewal of this site. Failure to support the proposal will likely result in the existing landholdings remaining as they are indefinitely, and the opportunity to deliver a material amount of employment floorspace for the Chatswood CBD would be missed. It would be a significant loss to the local and State economies should the proposal not be supported via a rezoning review.

Our assessment demonstrates the proposal has strategic and site specific merit and is capable of being supported without further delay.

1 Background and consultation

The Planning Proposal for the 2,297sqm amalgamated site at the corner of Victor Street and Victoria Avenue, Chatswood has been informed by an extensive design process and engagement with Willoughby City Council and Department of Planning, Industry and Environment (DPIE). The original Planning Proposal #1 (Appendix A) was lodged with Council in December 2016 and was developed in consultation with Council during the preparation of the draft Chatswood CBD Strategy.

The original Planning Proposal #1 sought to deliver approximately 11,500sqm of A-grade office accommodation (through a minimum non-residential FSR of 5:1). 800sqm of retail uses and approximately 320 residential apartments.

The draft Chatswood CBD Strategy which was subsequently released in February 2017 sought to protect commercial uses in the B3 Commercial Core zone through the prohibition of residential floor space in this zone. The built form recommendations of the draft Chatswood CBD Strategy were generally consistent with the original Planning Proposal #1, however Council advised that the proposed mixed use scheme was not consistent with the Strategy and that it was seeking entirely commercial development on the site.

The Chatswood CBD Strategy was adopted by Council in June 2017 and referred to DPIE for endorsement.

On 9 August 2019 the DPIE endorsed the Chatswood CBD Strategy as it relates to the CBD core area, noting that mixed use developments can be permitted on the eastern side of the railway line where it results in significant, assured and demonstrable jobs growth to meet the objectives of the North District Plan. The subject site is located on the eastern side of the railway line.

Council advised on 2 October 2019 that it could not support the original Planning Proposal #1 based on the allocation of employment uses, and that the Proposal did not meet the DPIE's direction on jobs growth. Council suggested that a revised planning proposal be lodged that aligns with Council's strategic documents as well as the DPIE's letter and recent discussions.

Even though Planning Proposal #1 was in fact consistent with DPIE's CBD Strategy endorsement, extensive additional work was undertaken to increase the quantum of commercial floorspace. A revised Planning Proposal #2 (Appendix B) was lodged with Council in September 2020 which sought to progress a revised mixed use concept design. The revised Planning Proposal #2 was prepared with a view to providing a material and feasible quantity of employment floor space that is significant, assured and demonstrable. In doing so, it sought to deliver a significantly increased component of employment floor space to 18,376sqm GFA and residential uses to deliver a viable development outcome and secure the renewal of this important site within the Chatswood CBD.

The revised Planning Proposal #2 comprised:

- 18,376sqm (FSR 8:1) of non-residential GFA (40%); and
- 27,563sqm of residential GFA across the upper levels (FSR 12:1) delivering approximately 310 residential apartments with a mix of 1, 2 and 3 bedrooms.

Council wrote to the applicant on 28 October 2020 (Appendix C). In response to this letter, the revised Planning Proposal #2 was further updated in response to items raised by Council including amendments to car parking rates, amendments to the Site Specific DCP to provide further consistency with the Chatswood CBD Strategy and potential for a shared loading dock and future shared basement entrance for adjacent landholdings.

These updates formed part of the final Planning Proposal #3 (Appendix D), which was lodged with Council in December 2020. The final Planning Proposal #3 represents a significant evolution of the prior planning proposals and demonstrates consistency with the objectives and principles of the Chatswood CBD Strategy and DPIE's direction for mixed use outcomes east of the railway line where significant, assured and demonstrable employment outcomes are achieved.

Following the submission of Planning Proposal #3 in December 2020, Council wrote to the applicant on 11 February 2021 (Appendix E) advising that Council was not in a position to support the application in its current form on the basis that:

- The proposed residential component is not consistent with the existing B3 Commercial Core zoning under Willoughby Local Environmental Plan 2012 (Willoughby LEP) or the envisioned future B3 Commercial Core zoning under the Chatswood CBD Strategy.
- The proposed height of RL 262 metres is above the specified maximum of 7 metres on the Victoria Avenue frontage and RL 246.8 metres under the CBD Strategy, which is only to be considered if the other aspects of the CBD Strategy, in particular land use, are satisfactorily addressed.
- In the same way, the proposed floor space ratio of no maximum under the CBD Strategy is only to be considered if the other aspects of the CBD Strategy are satisfactorily addressed.

Council is of the view that the final proposal, whilst providing some jobs growth, has this as a minor part of the proposal with the major part comprising residential floor space, and is therefore not in-line with the vision for Chatswood CBD.

The above issues were addressed in the response to Council provided in Planning Proposal #3 (Appendix D) however in summary we consider that:

- The proposal comprises a true mixed-use development with the highest non-residential FSR that we are aware of for a mixed-use building, being 8:1. This reflects a percentage mix of 40% non-residential uses.
- The mix of proposed land uses has been based on delivering a feasible overall development outcome, whilst maximising the otherwise unviable non-residential component at the request of Council. This will ensure the development is able to commence immediately following approvals.
- The proposal has potential to provide for over 1,500 jobs (on completion) based on the quantum of non-residential floor space proposed to be delivered, representing approximately 25% of the 2036 employment target for Chatswood. It is difficult to see how this is not consistent with the vision for the Chatswood Centre when it would deliver a quarter of the jobs growth envisaged for the centre.
- The proposal provides a significant, assured and demonstrable proposition which will make a large contribution to jobs growth in the Chatswood CBD.
- It is acknowledged that the CBD Strategy proposes a maximum height of 7m along Victoria Avenue, however a 7m height limit for a two-storey podium, which results in average floor to floor heights of 3.5m, does not provide generous, high quality, useable ground floor retail space in a larger scale commercial/mixed use development. The Mirvac proposal provides a much higher quality including greater amenity and potential for activation still within the two storey intent whilst responding to the surrounding context as outlined in Section 3.2 and in further detail in Appendix D.
- It is also acknowledged that the overall building height exceeds the suggested maximum height under the Chatswood CBD Strategy which, it is understood, may have been premised on incorrect Pans Ops Heights. The proposal however it is able to achieve key objectives of the Strategy including aeronautical height limits (see Section 5.2.4) and solar access to surrounding public domain (see Section 5.2.2). The height is required to achieve a viable development outcome which prioritises maximising non-residential uses by using residential uses as an enabler.

- The proposal is consistent with the Chatswood CBD Strategy, and any departures are sought to enable a viable non-residential floor plate to be achieved, enabling the delivery of a major commercial development within a mixed use building.
- The viability of commercial floor space is significantly challenged, as confirmed in advice from JLL and CBRE. If the proposal is unable to proceed in its current form, it is likely that the opportunity will be lost, with the subject sites remaining undeveloped in their current form in the long term. This would be an unfortunate situation for both State and local economies.

2 Site description and context

The site is located on the corner of Victor Street and Victoria Avenue, Chatswood within the Willoughby Local Government Area (refer to Figure 1). It comprises two parcels of land being 45 Victor Street which fronts Post Office Lane and Victor Street and 410-416 Victoria Avenue which fronts the Victoria Avenue Mall and Victor Street. The site also includes the adjacent section of Post Office Lane which is a public road in the ownership of Council. The applicant is seeking to enter into an arrangement with Council to allow development over the airspace of the laneway whilst maintaining public access along a significantly enhanced Post Office Lane. This approach is generally supported by Council and by a previous peer review by Architectus of the original Planning Proposal #1.

45 Victor Street is a redundant former Australian Postal service building. It is vacant and has been boarded up to prevent access. The tenants occupying the retail and commercial spaces in 410-416 Victoria Avenue all have vacant possession clauses in their leases to enable redevelopment.

The site currently presents an extremely poor urban outcome, particularly as a result of the vacant, boarded Post Office building. Further, Post Office Lane provides poor pedestrian amenity and safety due to blank façades, poor quality and aging pavement treatments and a lack of lighting.

The existing planning controls under the Willoughby LEP do not represent the potential of the site and the surrounding context, and require updating to reflect the recommendations of the draft Chatswood CBD Strategy including DPIE feedback and endorsement.

The site has significant potential to contribute towards improving the amenity and activation of a key corner of the Chatswood town centre, particularly the Victoria Avenue Mall which provides a direct station access route. It also has the potential to make a substantial contribution to employment and housing supply.

The site is located with excellent access to jobs, services and transport being within the heart of the Chatswood CBD and less than 50 metres from the Chatswood Interchange with a range of transport options including the Metro rail.

2.1 Site description

The Planning Proposal is in relation to a land at Victor Street, Chatswood as described in Table 1 and shown in Figure 1.

Table 1: Land description

Site attribute	Description
Land description	<ul style="list-style-type: none">Former Australia Post site at 45 Victor Street (Lot 1 DP569727)410-416 Victoria Avenue (Lot A DP406105, Lot B DP406105 and Lot 4 DP82303)Part of Post Office Lane which bisects the above lots
Site area	2,297sqm
Existing uses	The former Australia Post shop and office building is now vacant. The land fronting Victoria Avenue is occupied by a number of predominantly small retail tenancies.
Existing built form	The Australia Post site is occupied by a vacant three storey building, while the land on the corner of Victoria Avenue is occupied by a double storey building comprising small retail and commercial tenancies.

Site attribute	Description
Vehicle access	<p>Current vehicle access to the site is from Victor Street to the former Australia Post site and from Post Office Lane to the rear of the building which fronts Victoria Avenue.</p> <p>Post Office Lane bisects the site and is owned by Council. It also provides rear service access for the six retail tenancies to the west of the site at 420-430 Victoria Avenue and serves as a pedestrian access way to the Chatswood Interchange, including retail tenancies such as Woolworths.</p>

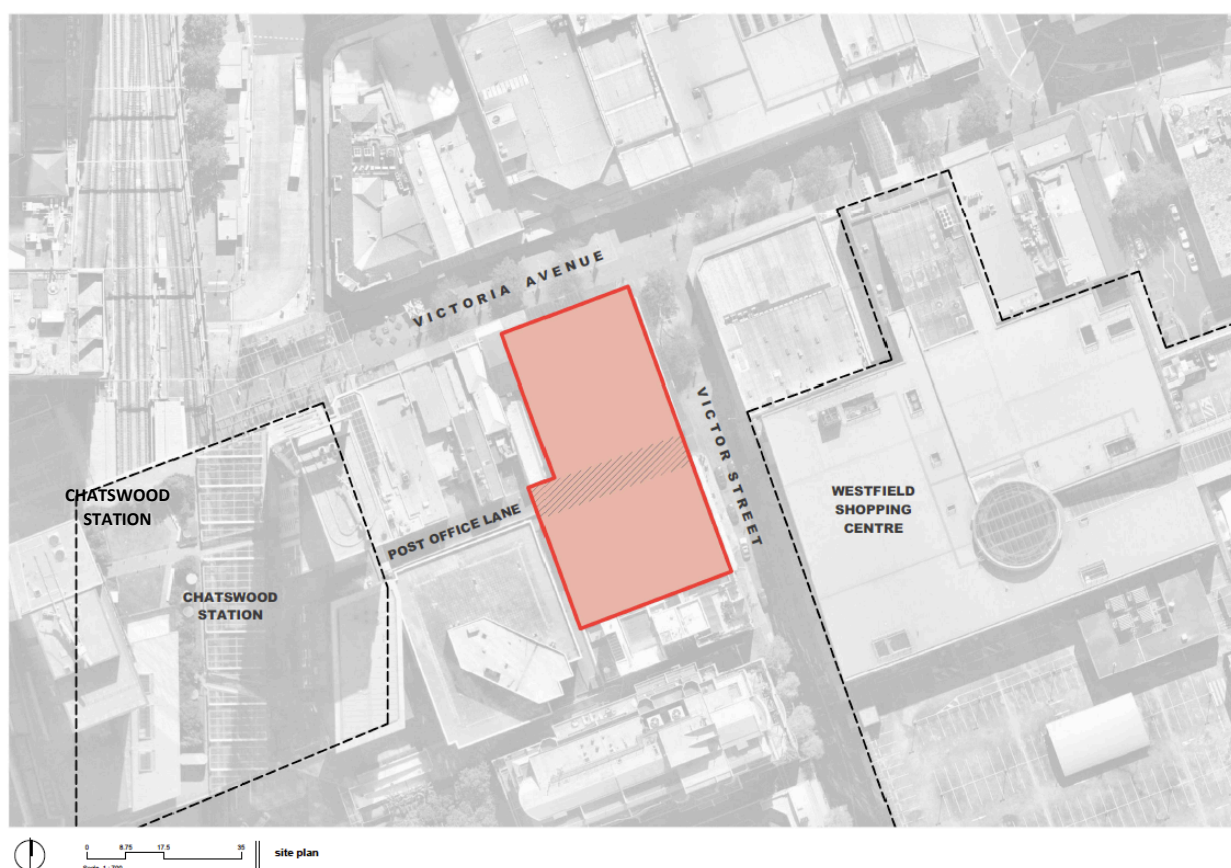


Figure 1: Subject site (Source: Mirvac Design)



Figure 2: Frontage of former Australia Post building to Victor Street, looking south



Figure 3: Post Office Lane looking west towards Chatswood Interchange



Figure 4: Corner of Victoria Avenue and Victor Street, looking south

2.2 Local context

The site is located within the heart of the Chatswood CBD less than 50 metres from the Chatswood Interchange. The Interchange separates the two components of the Chatswood CBD being the commercial core to the west of the station and mixed use and retail precinct to the east where the site is located. The surrounding area on the eastern side of the station is characterised by predominantly retail uses with a number of residential flat buildings and only one significant office development at 67 Albert Street, located on the edge of the precinct. Chatswood is the largest retail area outside of the Sydney CBD and provides a large variety of retail, service and dining options.

In addition to the major retail and services facilities in the surrounding area including Chatswood Westfield and Chatswood Chase, the site is within close proximity of community facilities and recreational spaces such as The Concourse, Chatswood Library, Dougherty Community Centre, Chatswood Park, and Chatswood Oval.

The site is located at the eastern entrance to the Chatswood Interchange, and as such a multitude of transport options exist to service the site, including access to the North West Metro which connects to major centres at Macquarie Park, Castle Hill and Norwest as well as the North Shore train line which provides access to North Sydney and the Sydney CBD and beyond. By 2024 the Metro rail services will be extended to the Sydney CBD and beyond to Bankstown.

We understand that a Planning Proposal is being progressed for the Mandarin Centre to the south of the subject site which seeks to facilitate a mixed use proposal comprising a non-residential component of 7.68:1. That Planning Proposal was supported by the Sydney North Planning Panel for a Gateway determination and has since been exhibited. We understand it is now in a post exhibition phase.



Figure 5: Local Context (Source: Mirvac Design)

3 Summary of Planning Proposal

The final Planning Proposal #3 seeks to facilitate renewal of a degraded and underutilised amalgamated site for a commercial, retail and residential development. On completion, the commercial office space component would be the first significant development of commercial office space in Chatswood since 1995. It would also be the third largest commercial office development in Chatswood and the largest on the eastern side of the station.

The final Planning Proposal #3 materially increases the quantum of non-residential floor space over that proposed in the original Planning Proposal #1. This provides a significant, assured and demonstrable employment outcome which is capable of being implemented due to a mixed-use approach. The early delivery of the otherwise unviable commercial office component is made possible by the addition of readily viable residential floorspace. This approach has demonstrated success not only in Chatswood but in areas like St Leonard's and the Sydney CBD.

At the proposed non-residential FSR of 8:1, the revised proposal contains the largest portion of non-residential uses for a mixed use building that we are aware of, this is consistent with the requirement for a significant, assured and demonstrable employment outcome consistent with DPIE's endorsement of the Chatswood CBD Strategy.

Table 2 below provides a summary of the final Planning Proposal #3 (December 2020), compared with the original Planning Proposal #1 (December 2016). Further discussion of the key aspects of the final Planning Proposal #3 are also provided within this section.

Table 2: Consideration of Draft Chatswood Planning and Urban Design Strategy

Item	Original Planning Proposal #1 December 2016	Current Planning Proposal #3 December 2020
Height	RL262 (solar access plane)	RL262 (solar access plane)
FSR non-residential	5:1 (approx. 11,000sqm GFA)	8:1 (approx. 18,376sqm GFA)
FSR residential	No maximum	12:1 (approx. 27,563sqm GFA)
Dwellings	320 (approx.)	310 (approx.)
Employment (new FTE jobs)	920	Over 1,500
Employment (during construction)	Direct – 550 Indirect – 85	Direct – 550 Indirect – 85
Parking rates – non-residential	Suggested deferred to DA	1 Bed – 0.5 2 Bed – 1 3 Bed – 1.25 Non-residential – 1 per 330sqm Visitors – 0 Car Share – 5 spaces total Total Spaces – 319
Planning Agreement Offer	n/a	<ul style="list-style-type: none"> Establishing a minimum 8:1 FSR for non-residential GFA Upgrade and rejuvenation of Post Office Lane

Item	Original Planning Proposal #1 December 2016	Current Planning Proposal #3 December 2020
		<ul style="list-style-type: none"> Delivery of 4% of the total residential floor space as affordable housing
Shared Basement Provisions	n/a	<ul style="list-style-type: none"> Provision for shared loading dock and goods lift for use by retail properties with loading via Post Office Lane to the west of the site Provision for “break through” walls to allow consolidated basement access for neighbouring sites
Links & Landscaping	<ul style="list-style-type: none"> Undesirable link (based on Council feedback) n/a 	<ul style="list-style-type: none"> Through-site links in accordance with Council feedback Green roofs to all roofs up to 30 metres from ground floor Provision for 20% soft landscaping in accordance with Council’s Chatswood CBD Strategy
Design Excellence	n/a	Design excellence process proposed in accordance with City of Sydney’s competitive design alternatives process.
Site specific DCP	Not provided in previous documentation	Site specific DCP provisions proposed.

The comprehensive final Planning Proposal #3 is found at Appendix D. In addition to earlier submissions, this final Planning Proposal #3 includes extensive supporting material that builds off earlier reports, studies and analysis. In its assessment of the Rezoning Review, we respectfully request that DPIE consider all past material (included at Appendices A, B and D). The following sections present a high level summary of the pertinent items.

3.1 Site amalgamation

The concept design scheme has been developed for an amalgamated site comprising the two landholdings as well as the bisecting section of Post Office Lane. Individually the two sites would be unable to deliver a viable commercial outcome when side setbacks, building separation and solar access are taken into consideration, and would also fail to meet the 1,800sqm minimum site area for redevelopment outlined in the Chatswood CBD Strategy. The amalgamated site meets the minimum 1,800sqm site area and enables a typical commercial floor plate of approximately 1,100sqm of net lettable area which is at the lower end of the minimum required to achieve workspace efficiencies for office space required by corporate and government tenants, but acceptable in this circumstance.

As such the consolidated site unlocks the ability to put forward a major office building component, whilst providing opportunities to enhance the public domain through the upgrade and activation of Post Office Lane improving pedestrian access to Chatswood Interchange.

3.2 Land use

The proposal is for a mixed use scheme comprising ground floor retail uses to active the surrounding streets, 13 levels of commercial office space and residential uses above. The non-residential uses comprise

an FSR of 8:1 delivering 18,376sqm of floor space and making up 40% of the overall development. This is the highest non-residential FSR that we are aware of for a mixed-use building. The development would deliver 1,578 jobs representing up to 25% of the employment target for the Chatswood CBD as identified in the District Plan. This is consistent with DPIE's position that mixed use developments can be permitted on the eastern side of the railway line where it results in significant, assured and demonstrable jobs growth to meet the objectives of the North District Plan. The delivery of new commercial floor space is discussed in further detail in Section 3.4.

The residential floor space would deliver around 310 residential apartments within the Chatswood CBD. The site's accessibility to public transport is considered to make it an excellent location for mixed uses, particularly where a significant non-residential component will also be ensured. Providing residential uses within the Chatswood CBD will provide activation benefits, contributing to the night-time and weekend economy and vibrancy of the centre.

The proposed mixed-use scheme removes the need for a substantial commercial pre-commitment (which is unlikely to ever be achieved), with the residential floor space effectively subsidising the early delivery of the commercial floor space. As noted by both JLL and CBRE in advice which formed part of Planning Proposals #1, #2, and #3, a higher non-residential floor space component would significantly reduce the already challenged viability of the proposal to the point that development would not be able to proceed on this key site.

Accordingly, it is considered that the proposed mix of uses is appropriate having regard to the site and its context and also aligns with the strategic direction for Chatswood CBD outlined within the North District Plan and the Chatswood CBD Strategy. The proposed mix of uses is also consistent with DPIE's endorsement of the Chatswood CBD Strategy allowing mixed uses east of the Railway line on the basis of significant, assured and demonstrable jobs growth.

3.3 Concept design summary

The revised concept design submitted to Council in December 2020 as part of the final Planning Proposal #3 (Appendix D) comprises a single slender tower and podium which delivers a high density urban outcome with A-grade commercial, retail and residential floor space and a considered built form response to the location and context.

The key features of the proposed layout and built form include:

- A single 168m (RL262m excluding a roof feature) tower comprising ground floor retail, 13 levels of "A" grade commercial office space and residential uses above
- A roof feature zone above RL262 and below the solar access plane to allow for a roof feature to be identified during detailed design process
- A stepped building form to achieve the solar access requirements under the Chatswood CDB Strategy, noting that the solar plane to Chatswood Oval defines the building envelope which steps down towards the south
- Commercial tower floor plate of 1,250sqm GFA and maximum residential tower floor plate of 870sqm GFA
- Basement car parking (approximately 319 spaces) and loading accessed from the southern extent of the site on Victor Street
- Retained alignment of Post Office Lane ensuring the direct connection to Chatswood Interchange.

The proposed built form has been designed to respond to the surrounding context along Victoria Avenue and Victor Street and generally complies with the recommended controls under the Chatswood CBD

Strategy. Minor departures are required to the building setbacks, street wall height and tower floor plate size as a result of delivering a viable development outcome which seeks to maximise the amount of non-residential floorspace. Any departures are discussed and fully justified within Section 4.2 of this report with further detail included the final Planning Proposal #3 provided to Council in December 2020 (Appendix D).

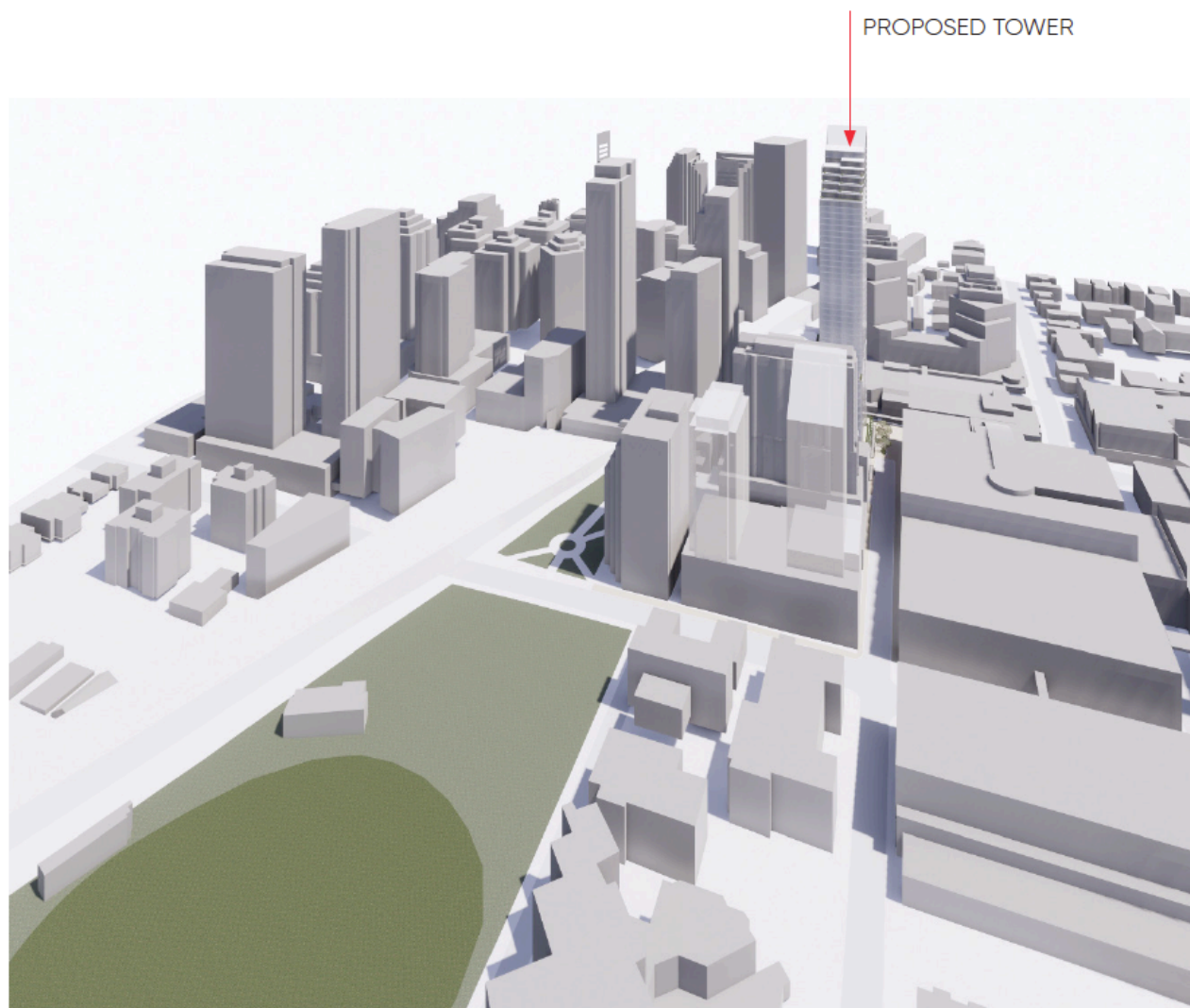


Figure 6: Proposed tower form (Source: Mirvac Design)



Figure 7: Proposed podium height and relationship to adjoining development (Source: Mirvac Design)

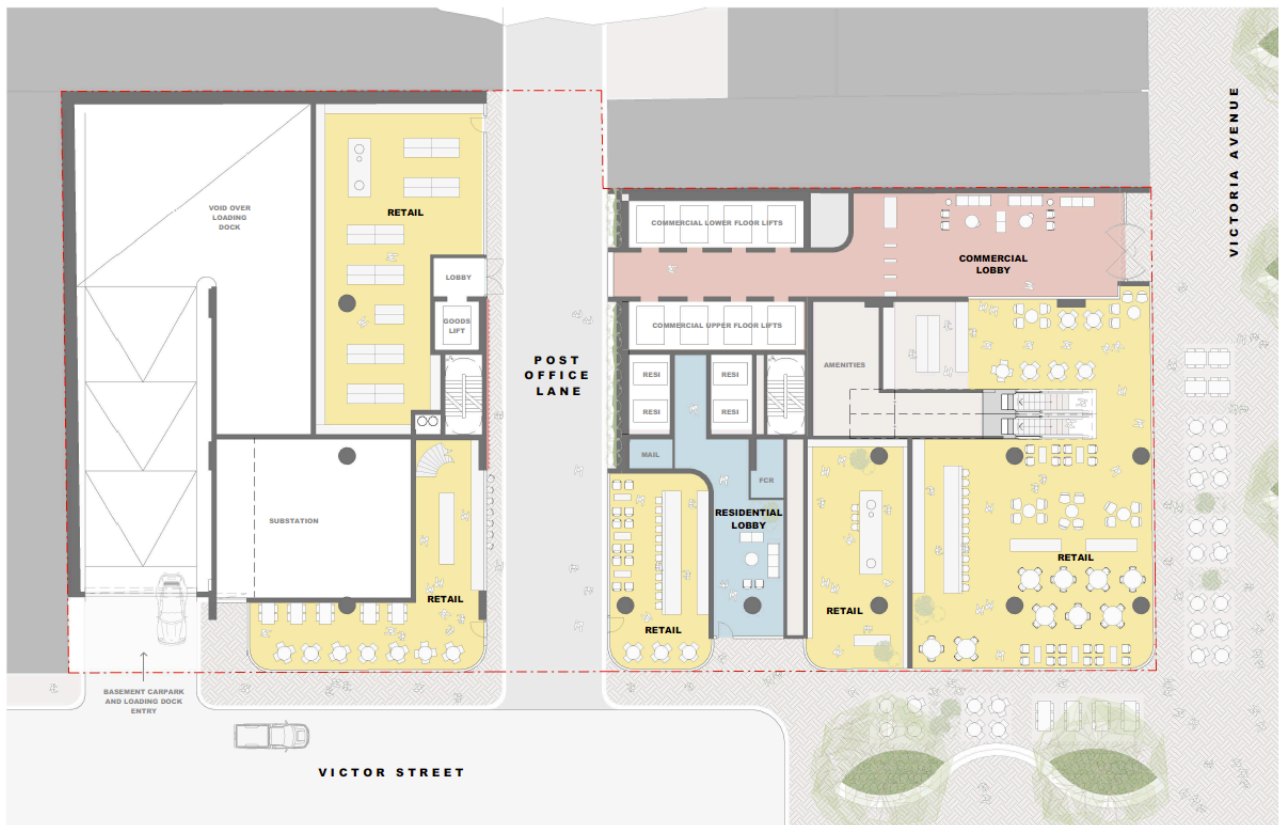


Figure 8: Indicative ground floor level (Source: Mirvac Design) – update

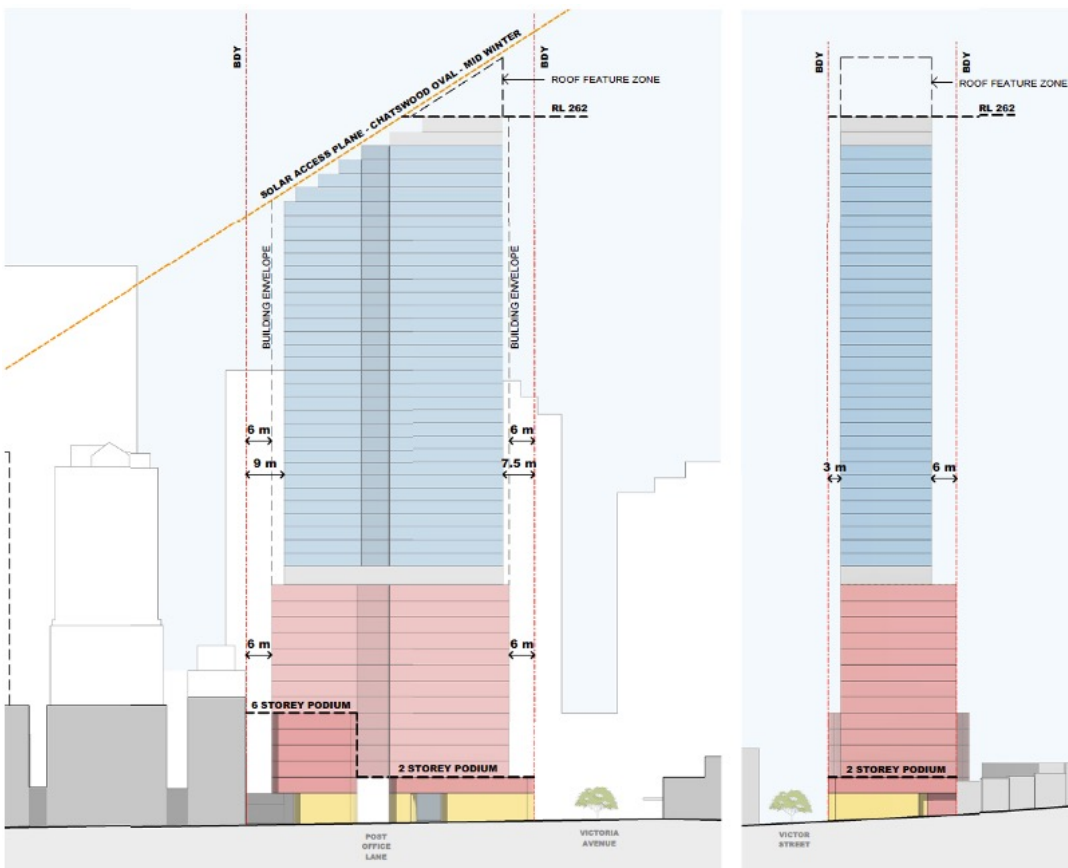


Figure 9: Indicative sections and solar access plane (Source: Mirvac Design)

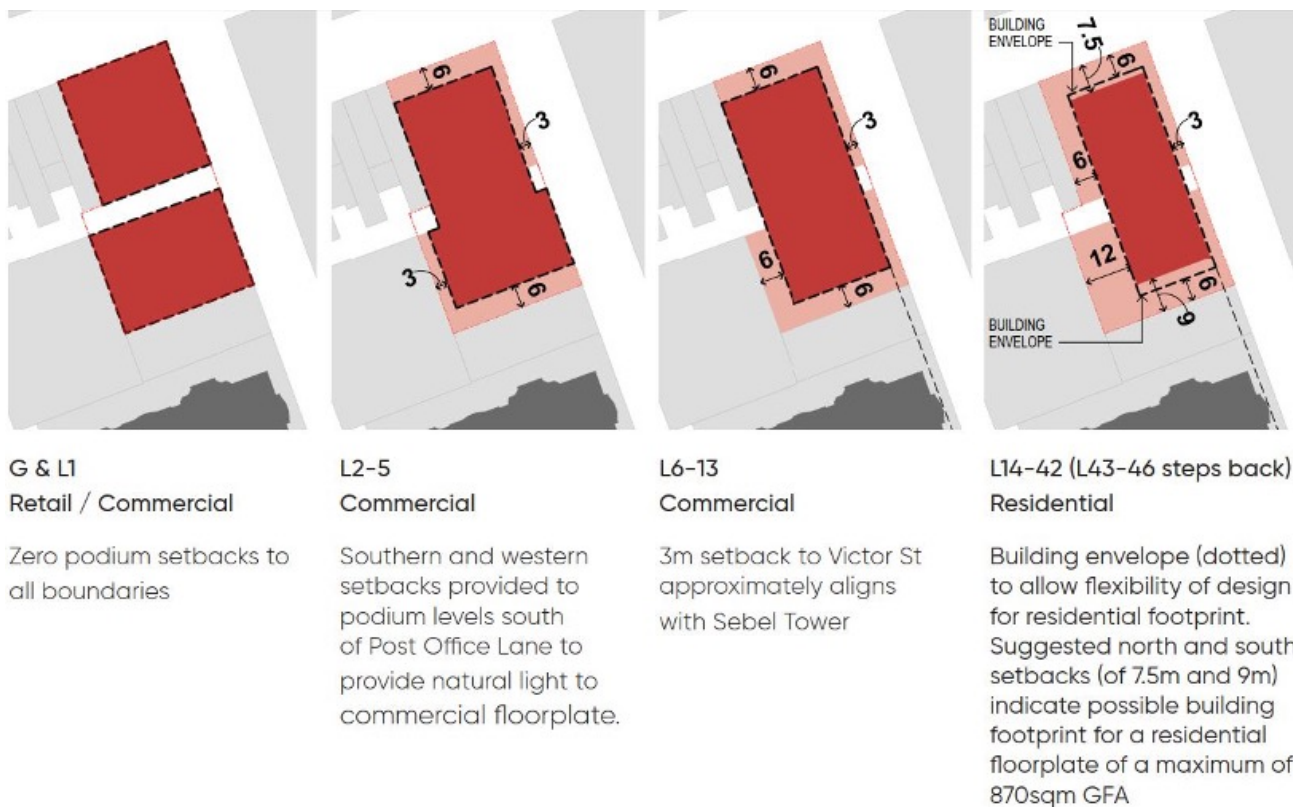


Figure 10: Proposed building setbacks (Source: Mirvac Design)



Figure 11: Visualisation from corner of Victoria Avenue and Post Office Lane (Source: Mirvac Design)

3.4 Delivery of new commercial floor space

A key objective of Council, which is highlighted in its Chatswood CBD Strategy is to protect the potential for commercial floor space within the B3 Commercial Core zone and to restrict residential uses within this area.

DPIE has provided their support for the Chatswood CBD Strategy, noting that the protection of a commercial core should focus on the established area to the west of Chatswood Station and that mixed use development can be permitted within appropriate parts of the remaining CBD core (i.e. east of the rail line) but only where this results in demonstratable, significant and assured job growth to align with key objectives of the District Plan.

Feasibility and market analysis has been prepared by JLL and CBRE (which is included in Planning Proposals #1, #2, and #3). Both indicate that a stand-alone commercial building is not a viable proposition. JLL has also explored the benefits of delivering the proposed mixed use scheme on the site. The approach removes the need for a substantial commercial pre-commitment and will rely on residential sales to forward fund the provision of a substantial component of commercial GFA. On this basis, the residential floor space would effectively subsidise the delivery of the commercial floor space.

JLL has provided a comparison of the proposed lettable commercial space with existing commercial buildings greater than 10,000sqm within the Chatswood CBD. This analysis demonstrates the proposal would be the third largest commercial office building in Chatswood and, is generally comparable to most commercial buildings in Chatswood which are greater than 10,000sqm. It is also noted that the proposal would be the largest commercial building on the eastern side of the station, with the only other existing commercial building greater than 10,000sqm in this area being Sage Tower at 67 Albert Avenue. This further supports the argument that the established commercial core is focused to the west of the station.

Table 3: Comparison to Chatswood commercial buildings

Building name / address	Net Lettable area (sqm)
The Zenith, 821-841 Pacific Highway	44,034
Citadel Towers (A&B), 799 Pacific Highway	34,333
45 Victor Street and 410-416 Victoria Avenue (proposed)	16,059
465 Victoria Avenue	15,637
12 Help Street	15,236
Sage Tower, 67 Albert Avenue	14,836
Chatswood Central Towers, 1-5 Railway Street	14,538
Tower 1, 475 Victoria Avenue	14,092
Tower 3, 495 Victoria Avenue	11,000

JLL has highlighted that demand for commercial office floor space in Chatswood has been low and that the Chatswood office market competes with other suburban markets which have experienced higher demand. This is further supported by the commercial demand analysis prepared by CBRE which notes the recent high demand for campus style development in centres such as Macquarie Park, Rhodes and Sydney Olympic Park as well as for commercial office space in Parramatta which has benefited from the current decentralisation policies. JLL also notes that going forward, there will be a greater focus away from the

Chatswood market and into Western Sydney in both the short term (e.g. Parramatta) and long term (e.g. Western Sydney Aerotropolis).

JLL highlights the extremely low (if any) growth of commercial development in Chatswood CBD over the past decade with an average of 346sqm added per annum and the most recent major commercial office development being in 1995 as shown in Figure 12.

When fully occupied, the former Australia Post site and the retail tenancies of 414 – 416 Victoria Avenue may have employed up to 200 people at most. This has significantly reduced since Australia Post has vacated the property and recent closure of a number of retail tenancies. Currently there are around 20-30 people employed across the two buildings. The Planning Proposal will significantly increase the employment generated from 20-30 to over 1,500 people.

JLL has estimated that the proposal would provide for 1,578 jobs based on the commercial and retail floor space. This would deliver a significant portion of the employment target for the Chatswood CBD as identified in the District Plan (up to 25%). Further, when combined with other commercial proposals within the Chatswood CBD, being the RSL site (2,518 jobs) and the Mandarin Centre (1,664 jobs) up to 91% of the jobs target could be achieved should other proposals proceed (see Figure 13).

The proposed mixed use scheme presents a feasible development option to deliver a significant, assured and demonstrable component of otherwise unviable commercial uses which meets the objectives of the District Plan, along with retail use to complement the wider precinct and enhance street activation, and new housing in a highly accessible location with access to services, facilities and public transport.

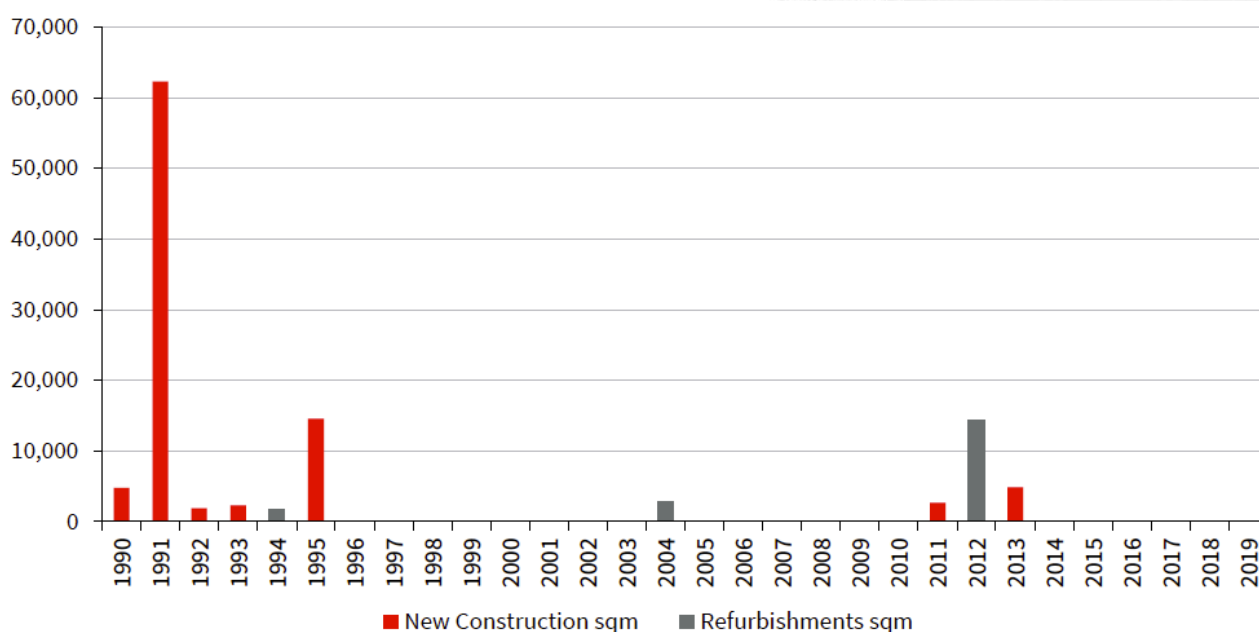


Figure 12: Historic commercial floor space supply (Source: JLL)

Figure: Proportions of Chatswood Strategic Centre Job Targets (Baseline)

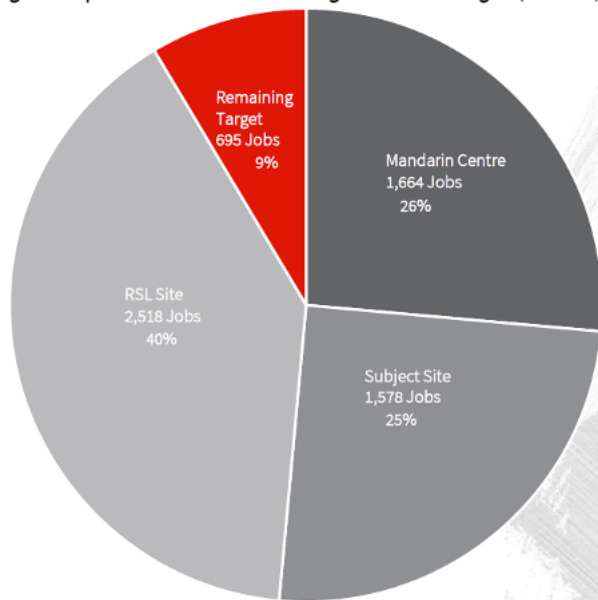


Figure: Proportions of Chatswood Strategic Centre Job Targets (Higher)

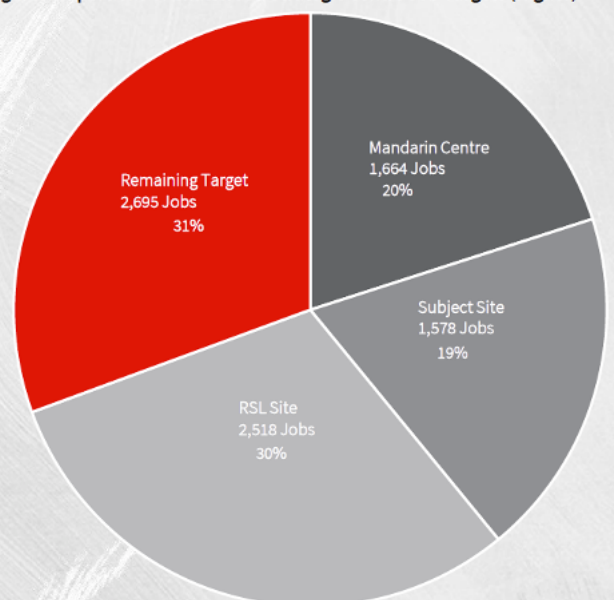


Figure 13: Consideration of Chatswood jobs target (Source: JLL)

3.5 Mandarin Centre consideration

Council has indicated that it would support a proposal that comprises in the order of 70% commercial / non-residential.

Presumably this suggestion has come from the Sydney North Planning Panel decision over the Mandarin Centre rezoning review. It is noted that the Mandarin Centre Gateway decision was not intended to set a precedent for the area but reflects a proposal that was considered by the Panel based on an existing shopping centre that was looking to introduce other additional uses. Further analysis comparing the subject Planning Proposal to the Panel endorsed Mandarin Centre scheme was provided as part of the final Planning Proposal #3 (Appendix D). The key take-outs of the analysis include:

- The Mandarin Centre is an existing shopping centre with an established use
- At 8:1 FSR, the proposed non-residential component on the subject site is higher than the Mandarin Centre non-residential FSR of 7.68:1, and represents a far greater increase on the existing non-residential floorspace than that of the Mandarin Centre proposal. It is also a much greater proportion of new commercial floor space given the Mandarin is largely replacing existing retail
- The subject site is much smaller than the Mandarin Centre site, the building is more a CBD type vertically integrated mixed use building rather than big box retail with residential towers above and as mentioned above, it proposes to provide significantly higher new employment-generating floor space and overall jobs
- The proposal provides a materially high increase in the employment generation on the existing sites.
- The proposal provides almost 18,000 sqm or 8:1 of new employment floorspace while the Mandarin Proposal only provides 11,085 or 7.68:1 with the majority merely replacing existing retail. The proposal exceeds the employment outcome on almost every metric including in absolute terms, despite it being more constrained in terms of site area.

3.6 Public domain improvements

The proposal will enhance the public domain through improved street activation and built form interfaces as well as through the upgrade of Post Office Lane to provide a high quality pedestrian friendly street, providing safe and direct access to Chatswood Interchange.

In its final proposed form, Post Office Lane will retain 24-hour public access and will be significantly rejuvenated and enhanced through street frontage activation, a spacious 8-9.5m ceiling height, improved pedestrian amenity and safety, new landscaping, public art, and upgraded paving and lighting which will provide improved passive surveillance.

During construction of the project, temporary arrangements will need to be implemented to ensure that public access to and from Post Office Lane and the Chatswood Interchange remains open to the public.

Further negotiation regarding Post Office Lane will be required with Council to determine the titling and management arrangements however, it is envisaged that the most appropriate scenario would be closure of the part of Post Office Lane adjoining both development lots which would be:

- Limited in height to the top of the proposed carpark slab and membrane and unlimited in depth
- Limited in depth to the height of the void above Post Office Lane and unlimited in height (see Figure 16).

This would leave part of Post Office Lane as public road between the top of the proposed car park membrane and the height of the void space over the laneway. Council would maintain ownership of the laneway at ground level with the appropriate license or permit in place to enable the construction of the proposed development.

In response to items raised by Council in its 28 October 2020 letter, the applicant has also made provision for a shared loading dock to provide servicing access for six existing retail properties to the west of the site along Post Office Lane to be accessed via a service lobby from Post Office Lane. This would further enhance post office lane by removing vehicle movements and prioritising pedestrian access.

The relevant aspects of the laneway design and access arrangements have been reflected in the draft DCP submitted to Council in December 2020 (Appendix D).



Figure 14: Post Office Lane – Visualisation (Source: Mirvac Design)



Figure 15: Examples of Activated Laneways (Source: Mirvac Design)

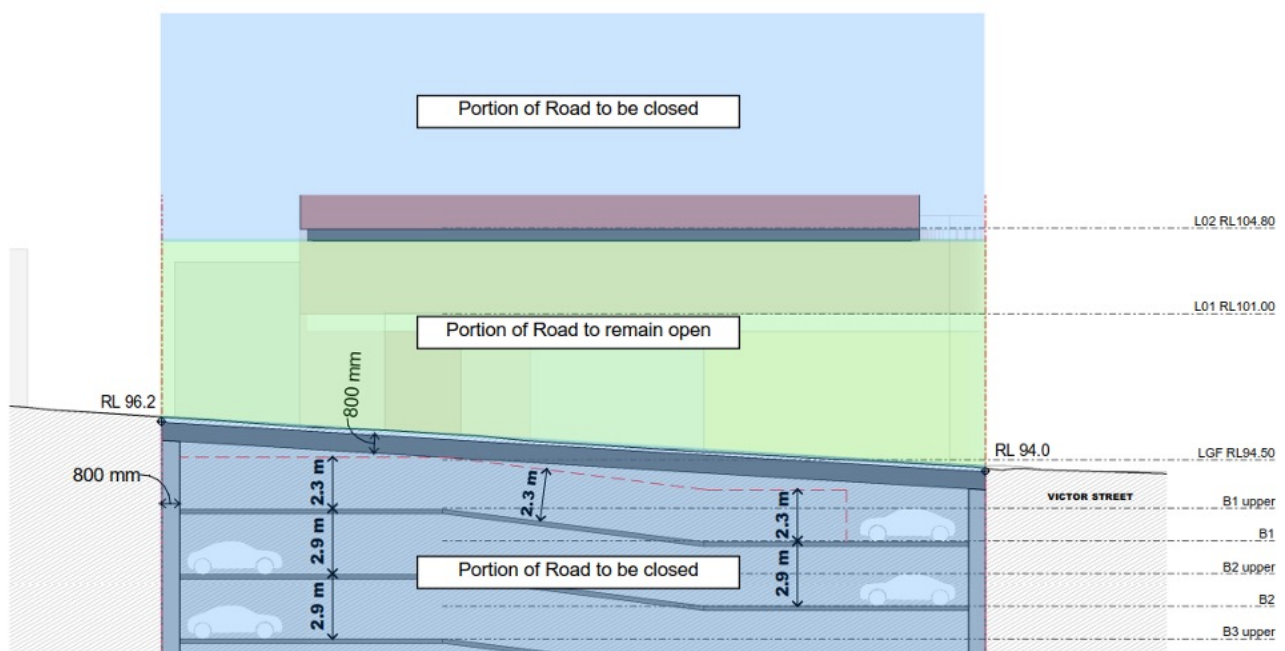


Figure 16: Indicative section of Laneway to remain open in perpetuity (Source: Mirvac Design)

3.7 Design process

The Concept Design Scheme that has been prepared to inform this Planning Proposal is the result of extensive design provenance having been informed by detailed design analysis including the following:

- FJMT streetscape analysis 2016
- Architectus Chatswood CBD Strategy 2016
- FJMT Concept Design 2016
- Architectus review and advice on the FJMT Concept Design 2017
- Mirvac Design review and updated Concept Design August 2020
- Updated and final Concept Design December 2020.

The applicant is committed to delivering high quality design on the site noting its scale and prominent location within the Chatswood CBD. In recognition of the highly resolved nature of the proposal and the extensive design work already undertaken, a competitive design process is proposed which as a benchmark, is generally consistent with the City of Sydney competitive design alternatives process.

Under this process the developer is proposing to invite a minimum of three architectural firms with demonstrated experience in the design of high quality buildings to participate in the process. The selected firms are supplied with a design process brief to respond to.

It is envisaged that the consent authority would nominate an independent representative as observer of the competitive design process to verify that the process has been followed appropriately and fairly. The developer's selection panel determines the outcome of the selection process.

A competitive design report is required to be submitted to the consent authority as part of the submission of the relevant development application which:

- Includes a copy of the brief issued to the competitors
- Includes each of the design alternatives considered
- Includes an assessment of the design merits of each alternative

- Sets out the rationale for the choice of the preferred design, including how it best exhibits high quality design.

The designer of the winning scheme would then be appointed as the Design Architect to:

- Be the concept lead architect for preparation of the Development Application
- Either prepare the drawings or have a lead architect role in the preparation of construction certificate and contract documentation
- Maintain continuity during the construction phases to the completion of the project
- Provide a statement at the end of the project.

This process will ensure the delivery of high quality design for the development, and accordingly has been reflected in the draft site specific development controls proposed for inclusion in the Willoughby DCP included with the final Planning Proposal #3 (Appendix D).

Mirvac, in projects it has delivered and is currently delivering, has achieved design excellence outcomes through competitive design processes similar to that described above on numerous sites including at 505 George Street Sydney, Harold Park Glebe, Channel 9 Site Willoughby, Marrick & Co Marrickville, Pavilions Sydney Olympic Park, Green Square Town Centre, and Newington Village Newington.

The competitive design alternatives process is a recognised design excellence pathway implemented by City of Sydney, which is considered a leader in facilitating design excellence. The process has been applied to numerous projects within the Sydney LGA achieving design excellence outcomes.

3.8 Affordable housing

The applicant is committed to delivering a mix of dwellings on the site including affordable housing. Affordable housing is proposed to be delivered at a rate of 4% of total residential floor space and would not exceed the maximum FSR control.

The proposed rate of 4% is consistent with the existing rate in the Willoughby LEP as well as comparing favourably with existing contribution rates in other areas of Sydney, including existing and proposed rates elsewhere in the metro area which are comparatively lower.

The proposal has sought to maintain a balance between meeting the primary strategic objective of generating commercial floorspace and the need for affordable housing. The distribution and mix of affordable housing dwellings would be determined at the DA stage, however it could be distributed throughout the development rather than in a cluster, or as a monetary contribution in lieu.

3.9 Sustainability

As outlined in the Planning Proposal documentation including supporting advice from Cundall in the final Planning Proposal #3 (Appendix D), principles of sustainable design are considered at a broad strategic level and are incorporated into all aspects of the project from design conception and the construction process, through to post-completion. The proposal is capable of achieving sustainability measures which will be outlined during the detailed design phases.

3.10 Proposed Willoughby LEP Amendments

The Planning Proposal seeks to make the following amendments to the Willoughby LEP:

- Allow shop top housing as an additional permitted use across the entire site

- Increase the maximum height to RL262m (excluding roof feature) across the entire site and remove the 7m height limit fronting Victoria Avenue noting that a street wall height control has been included in the draft site specific development controls
- Apply a maximum FSR of 20:1 and include a site specific control requiring a minimum FSR of 8:1 for non-residential uses.

A more detailed outline of the LEP changes and proposed mapping is included in Section 7 of the revised Planning Proposal #2 at Appendix B.

3.11 Proposed Willoughby DCP Amendments

Draft site specific development controls are also proposed for inclusion in the Willoughby DCP (Appendix D) including to establish the following detailed controls to guide future development:

- Built form and setbacks
- Building height
- Building exterior
- Amenity
- Street activation
- Linkages, public domain and landscaping
- Traffic and transport
- Waste management and loading
- Design quality
- Public art.

3.12 Voluntary planning agreement

The applicant has made an offer to enter into a Voluntary Planning Agreement (VPA) to support the proposal. The VPA offer was for:

- Establishing a minimum 8:1 FSR for non-residential GFA
- The acquisition or other arrangements with council and upgrade and embellishment of Post Office Lane
- Delivery of 4% of the total residential floor space as affordable housing.

It is noted that, Council has indicated it will not support the Planning Proposal in its current form. However, should this application be successful via a Rezoning Review, the applicant intends to maintain its offer to enter into a VPA for the above public benefits.

4 Strategic merit test

The strategic merit test sets out the proposal must be consistent with one of three criteria for assessing the strategic merit of a planning proposal, requiring consideration of whether the proposal is:

- *Consistent with 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*
- *Consistent with a relevant local strategy that has been endorsed by the Department, or*
- *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 Planning Proposal is consistent with both the North District Plan as well as the Chatswood CBD Strategy which has been endorsed by DPIE as discussed in further detail below.

4.1 North District Plan

The North District Plan has been developed to support the Greater Sydney Region Plan. The 20-year District Plan seeks to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision for Greater Sydney. It contains planning priorities and actions for implementing the Greater Sydney Region Plan at the district level and is a bridge between regional and local planning.

A key aspect of the vision outlined in the Greater Sydney Region Plan and North District Plan is to support the vision of a '30 minute city' where residents live within 30 minutes travel time of jobs, education and health facilities and services. The proposal directly supports this objective by locating jobs and housing within a Strategic Centre with excellent public transport access via Chatswood Interchange which provides a wide range of transport options.

The North District Plan also seeks to align growth with infrastructure. The proposal will support the significant government infrastructure investment in the Sydney Metro rail network which can be accessed from the Chatswood Interchange.

The North District Plan reinforces the role of the Eastern Economic Corridor and the benefits of major transport infrastructure within the corridor, as well as Chatswood's role as a Strategic Centre. Chatswood is highlighted as comprising a mix of uses including retail, office, residential, community and health with the centre having a highly successful retail focus, with a vibrant night-time economy. It also highlights the role Chatswood has played in delivery a large portion of the housing supply for the District through development of multi-unit housing.

The Plan identifies that Chatswood is the seventh largest office precinct in Sydney providing 278,919sqm of office floor space (2017), and highlights the need to maintain and grow a high quality commercial core to facilitate the continued growth of the centre as a major employment hub. The Plan sets a target for jobs growth in the centre of between 6,300 to 8,300 from 2016 to 2036.

To support this proposal, feasibility and market analysis has been prepared by JLL and CBRE. JLL highlights that the proposal has potential to deliver 1,578 jobs (on completion) which represents a significant component of the jobs target for Chatswood (up to 25%). Further, when combined with other commercial proposals within the Chatswood CBD, being the RSL site (2,518 jobs) and the Mandarin Centre (1,664 jobs) up to 91% of the jobs target could be achieved should other proposals proceed, within the short term.

Accordingly, the mixed use proposal represents the most certain way of achieving the objectives of the North District Plan, including the continued growth of Chatswood as a major commercial hub through the delivery of a significant component of commercial floor space. The proposal will deliver the first major commercial development in Chatswood in 25 years also being the third largest commercial development in the CBD. It will deliver demonstrable employment outcomes and assured jobs growth with the ability to meet DPIE acceleration program timeframes.

A detailed assessment of the Planning Proposal against the relevant priorities and actions of the District Plan is provided in Section 4.2 of the revised Planning Proposal #2 report at Appendix B.

4.2 Chatswood CBD Strategy

The Chatswood CBD Strategy has been prepared by Council to establish a framework to guide development in Chatswood Centre over the next 20 years to achieve exceptional design and a distinctive, resilient and vibrant centre.

The Chatswood CBD Strategy was adopted by Council in June 2017 and referred to DPIE for endorsement.

DPIE wrote to Willoughby Council on 9 August 2019 advising that it endorses the Strategy as it applies to the CBD core area subject to conditions including the following:

- That no residential development is to be permitted in those areas of the CBD Core area where the land is located west of the North Shore railway line. The reason for this is that this part of the CBD is currently characterised as commercial core and still has opportunity for office space growth
- That mixed use development can be permitted within appropriate parts of the remaining CBD core (i.e. east of the rail line) but only where this results in demonstrable, significant and assured job growth, there by aligning with the key objective of the District Plan to support growth
- That any planning proposals for the CBD Core area do not result in significant traffic or transport impacts, as sites in the CBD are highly accessible to Chatswood rail and bus interchange
- Council is only able to utilise appropriate mechanisms within the parameters of the Environmental Planning and Assessment Act 1979 for the provision of local infrastructure to support new development such as revisions to its Section 7.12 or Section 7.11 Plans or inserting a new clause in the Willoughby LEP for the delivery of on-site essential infrastructure. No value capture mechanisms or the like will be supported by the Department.

Following some amendments, Council subsequently sought full endorsement of an amended Chatswood CBD Strategy. DPIE wrote to Council on 9 July 2020 advising that it is able to provide its full endorsement subject to a number of recommendations including:

- Finalisation of the traffic and transport study and inclusion of any recommendations in the final Chatswood CBD Strategy
- Implementation of the built form recommendations of GMU's Chatswood Precinct Urban Design Study
- Continued progression of Council's public realm strategy and integration within the Chatswood CBD Strategy where practical with focus on improving tree canopy and opportunities for increasing pedestrian and cycle movement.

The proposal is consistent with Council's vision for the Chatswood CBD as well as the key recommendations for the site as outlined in the Chatswood CBD Strategy. Any departures from Council's desired controls have been to maximise the quantum of non-residential floor space and achieve a feasible development outcome including to provide for a commercial floor plate which can achieve workspace efficiencies for office space required by corporate and government tenants. The key recommendations of the Chatswood CBD strategy are illustrated in the figures below and are considered in Table 4.

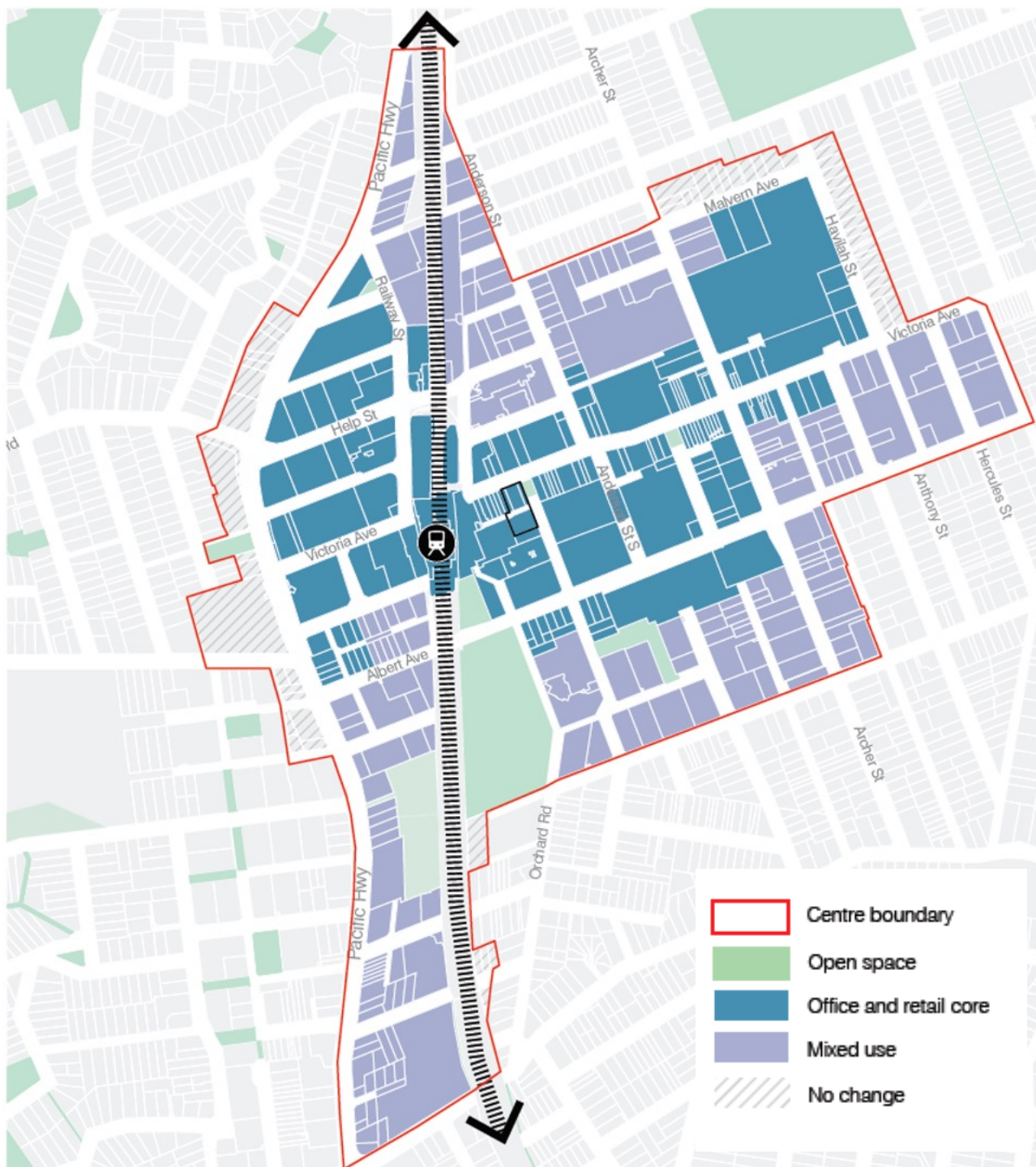


Figure 17: Chatswood CBD Strategy – Land Use (Source: Willoughby Council)

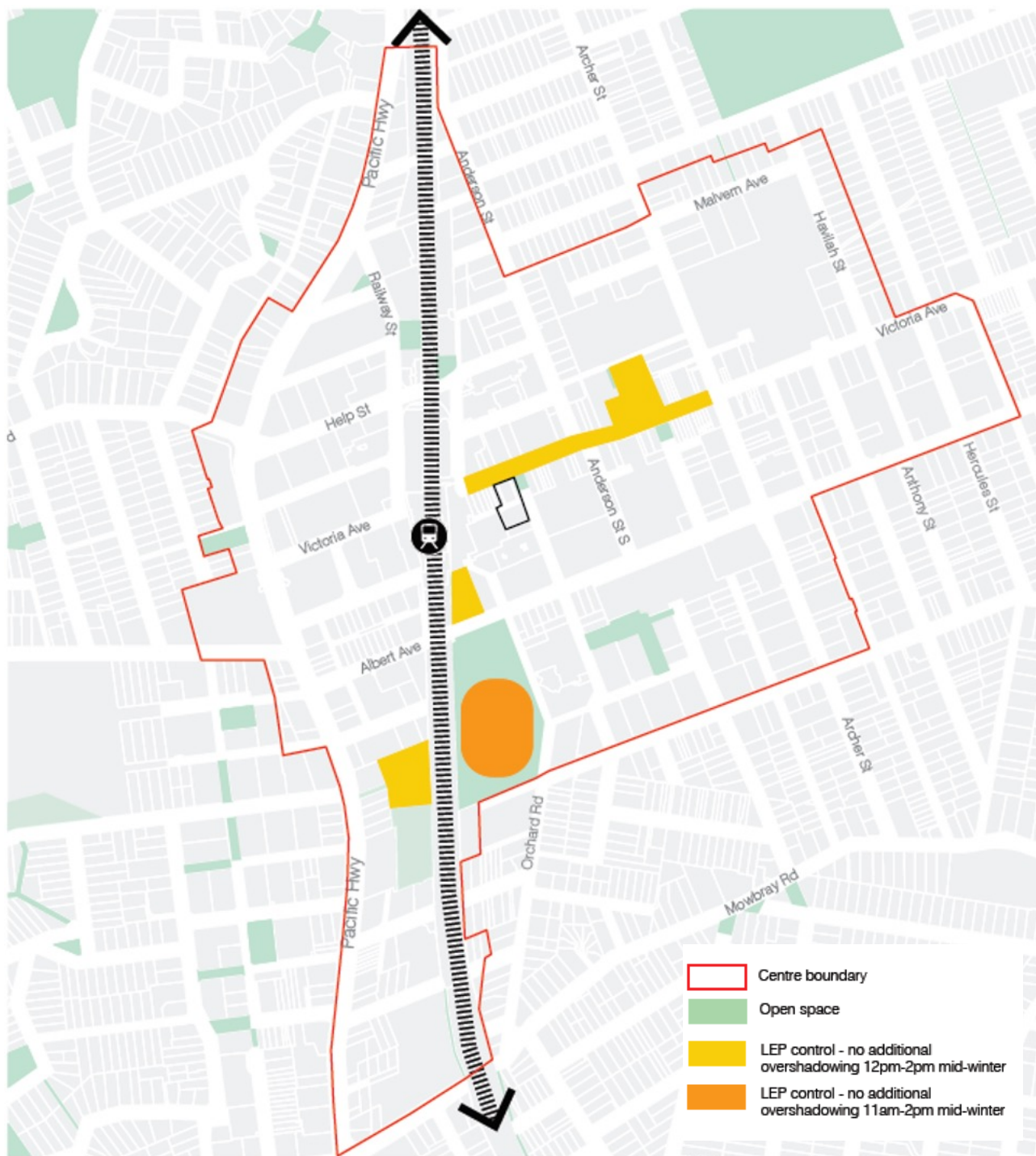


Figure 18: Chatswood CBD Strategy – Sun Access Protection (Source: Willoughby Council)

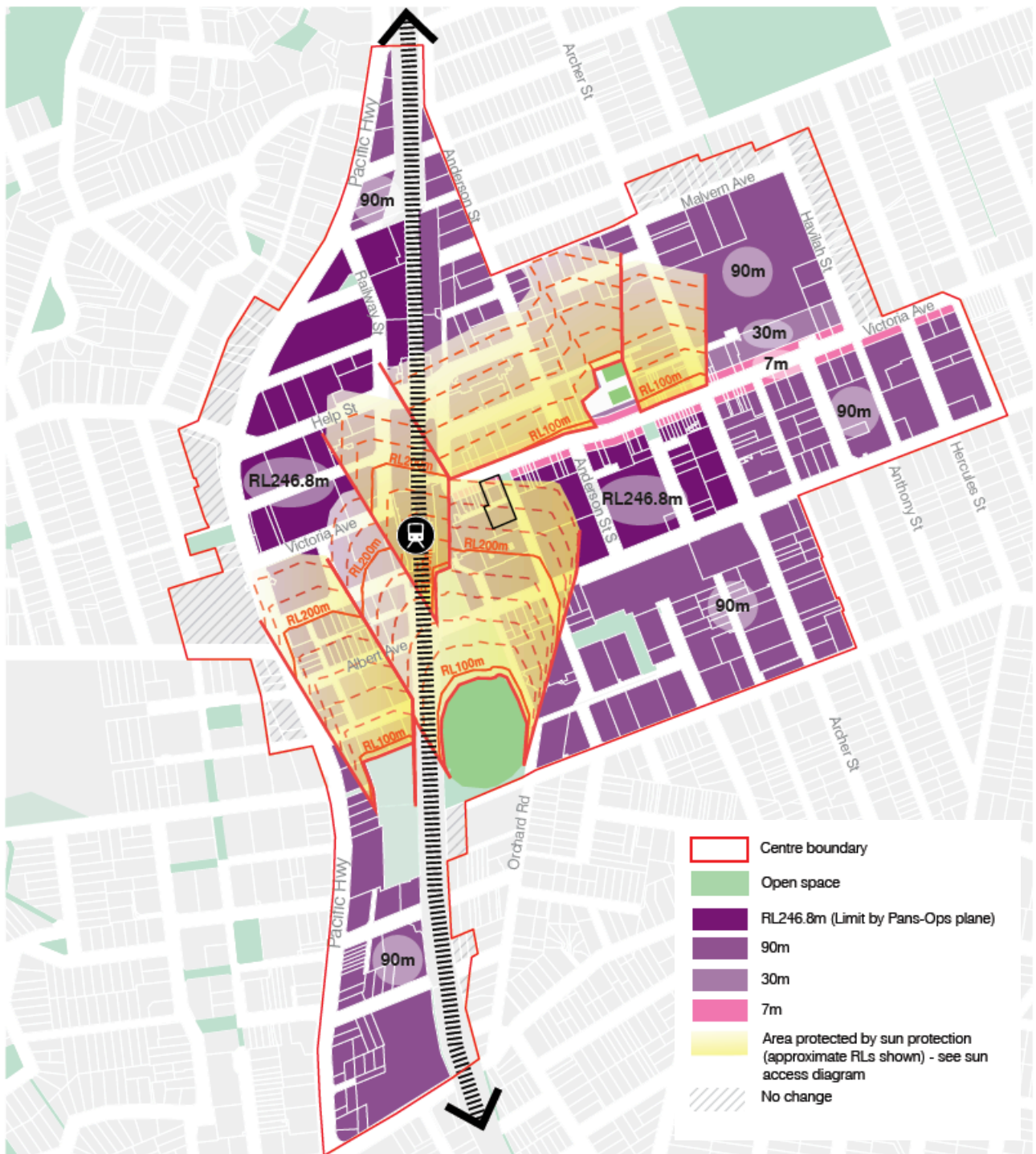




Figure 20: Chatswood CBD Strategy – Street Frontage Heights (Source: Willoughby Council)

Table 4: Consideration of Draft Chatswood Planning and Urban Design Strategy

Recommendation	Consideration
CBD boundary	
The Chatswood CBD boundary should expand to the north and south as per Figure 3.1.1 of the Strategy	Not relevant. The site is within the original CBD boundary.
Land use	
<p>The land uses in the LEP should be amended based on the recommended land use figure to:</p> <ul style="list-style-type: none"> • Protect office core west of railway as commercial-only and permit office towers within existing retail core east of railway • Enable other areas to be mixed use. <p>The existing DCP limits on office and retail use in parts of the commercial core should be removed.</p>	<p>The proposal seeks to develop a mixed use building within the existing retail core east of the railway station. The proposal aligns with the DPIE advice regarding mixed uses east of the railway where significant, assured and demonstrable jobs growth can be provided to align with the District Plan.</p>
Serviced apartments should be removed as a permissible use from the B3 commercial core.	Noted. The proposal does not seek to amend the permissibility of uses within the B3 Commercial Core zoning.
Value uplift sharing to support public domain	
Planning Agreements will be negotiated to fund public domain improvements.	A VPA offer has been made as outlined in Section 3.12 of this report.
<p>A new Planning Agreements Policy will apply and be linked to a contributions scheme that will provide the public and social infrastructure in the Chatswood CBD necessary to support an increased working and residential population.</p> <p>The scheme would:</p> <ul style="list-style-type: none"> • Apply to residential uses above base FSR • Apply to commercial uses above 10:1 FSR • Operate in addition to the existing Section 94A contributions and Affordable housing contributions. • Contribute to public domain improvements in the centre (including streets and parks) that would increase amenity and support residential and commercial uses. 	<p>We understand Council's draft VPA Policy has not yet been finalised and that there are significant objections to the policy which still have a process to go through.</p> <p>Further, DPIE has advised that No value capture mechanisms or the like will be supported by the Department. This is consistent with DPIE's Planning Agreements Practice Note finalised in February 2021 which highlights the following:</p> <p><i>Planning agreements should not be used explicitly for value capture in connection with the making of planning decisions. For example, they should not be used to capture land value uplift resulting from rezoning or variations to planning controls. Such agreements often express value capture as a monetary contribution per square metre of increased floor area or as a percentage of the increased value of the land. Usually the planning agreement would only commence operation as a result of the rezoning proposal or increased development potential being applied.</i></p> <p>Notwithstanding the above, and considering the challenging financial viability of providing any new commercial floor space in the Chatswood CBD,</p>

Recommendation	Consideration
	reference is made to the public benefit offer at Section 3.12 of this report.
All redevelopments in Chatswood CBD should contribute to Public Art in accordance with Council's public art policy.	This is included as a requirement of the draft site specific DCP.
Design excellence and building sustainability	
Design excellence is to be required for all developments with Competitive designs for developments over 35m high.	A competitive design process is proposed which will ensure a high quality design outcome for the site as discussed in Section 3.7 of this report.
To achieve design excellence, developments must achieve higher building sustainability standards.	The proposal is capable of achieving sustainability measures which will be outlined during the detailed design phase.
The Architects for design excellence schemes should be maintained through the DA process and can only be substituted with agreement of Council.	Noted. This is consistent with the competitive design process discussed in Section 3.7 of this report.
Floor space ratio	
A base FSR of 2.5:1 is proposed for the site, with no maximum FSR recommended for commercial uses.	The proposal comprises a mixed use development with an FSR of 20:1, and a minimum non-residential FSR of 8:1. The increased residential FSR is required to deliver a feasible development outcome and to secure the significant portion of non-residential floor space. Further it is consistent with DPIE's direction that mixed use development can be considered east of the rail line.
A minimum site area of 1,800sqm is recommended for commercial development in the B3 Commercial Core zone to achieve the maximum FSR.	The site achieves the minimum site area of 1,800sqm.
Affordable housing is to be provided within the maximum floor space ratio and throughout a development rather than in a cluster.	This is consistent with the proposed approach to affordable housing under the Planning Proposal.
Built form	
Maximum tower size of 2000sqm GFA for office and 700sqm GFA for residential above the podium in mixed use zones.	<p>The typical commercial floorplate delivers approximately 1,250sqm of GFA or 1,100sqm of NLA.</p> <p>The typical residential floorplate delivers a maximum of 870sqm of GFA which is greater than desired by Council being 700sqm. However the recommended 700sqm guide anticipates a residential tower in the mixed use zone with a maximum height of 90 metres. At 168 metres high the proposal delivers a proportionally more slender outcome than a 90 metre high tower than a 700sqm GFA floorplate would. The height and slenderness of the proposed</p>

Recommendation	Consideration
	<p>tower is also consistent with the size and scale of the nearby OSD towers to the west.</p> <p>The residential floorplate delivers a slender, compact, highly efficient tower form that is generally consistent in size and scale with surrounding residential towers and satisfies the aims and objectives of the ADG. The increased floor plate size is also required to subsidise the delivery of otherwise unviable commercial uses.</p> <p>This is further justified within the response provided to Council in December 2020 (Appendix D).</p>
Sun access to key public spaces	
<p>The sun access protection should be incorporated into LEP controls, to ensure no additional overshadowing and protection mid-winter of:</p> <ul style="list-style-type: none"> • Victoria Avenue (between interchange and Archer St) 12pm-2pm. • Concourse Open Space 12pm-2pm. • Garden of Remembrance 12pm-2pm. • Tennis and croquet club 12pm-2pm. • Chatswood Oval 11am-2pm (which in turn also protects Chatswood Park). 	<p>Solar analysis has been prepared that demonstrates that the proposed building envelope will not impact on nominated areas during designated timeframes.</p>
Height	
<p>Height limits in the centre should be based on airspace limits and sun access protection requirements.</p>	<p>The proposed maximum building height maintains the recommended sun access protection under the Chatswood CBD Strategy specifically to Chatswood Oval and Garden of Remembrance. It is also within the airspace limits as outlined in Section 5 of this report.</p>
<p>All structures located at roof top level, including lift over runs and other architectural roof features are to be within the height maximums and integrated into the overall building design.</p>	<p>All lift overruns will be within the maximum building height.</p> <p>Under the Chatswood LEP architectural roof features are able to exceed the maximum height limit. This is consistent with the approach taken in numerous other LGAs. Given that the proposed architectural roof feature zone is within the aeronautical height limit and can maintain solar access requirements, this item is considered appropriate.</p>
Links and open space	
<p>The links and open space shown in the draft strategy should be included in the DCP. All new proposals should have regard to the potential on adjacent sites.</p>	<p>No new links or open space apply to the site. However, the proposal will deliver a substantial upgrade of pedestrian amenity of Post Office Lane connecting the Chatswood Interchange to the wider CBD including an adjacent proposed through site link.</p>

Recommendation	Consideration
	It will also deliver a highly activated ground floor plane which represents a significant improvement over the existing conditions.
Public realm or areas accessible by the public on private land	
<p>Public realm or areas accessible by public on private land:</p> <ul style="list-style-type: none"> • Is expected on all redeveloped sites in the B4 zone • Be designed to respond to the context and nearby public domain • Should be visible from the street and easily accessible • Depending on context, is to be accompanied by public rights of way or similar to achieve permanent public benefit. 	The proposal will deliver a substantial upgrade of Post Office Lane supported by rooftop open space areas. It will also deliver a highly activated ground plane.
Landscaping	
All roofs up to 30m from ground to be green roofs.	All roofs up to 30 metres from ground can be green roofs with a balance of passive and active green spaces that maximise solar access. The opportunity exists for podium greening to be visible from the street primarily on the Level 2 roof terrace. This is included as a requirement of the draft Site Specific DCP.
A minimum of 20% of the site is to be provided as soft landscaping, which may be located on the ground podium and roof top levels or as green walls.	The equivalent of 20% of the site area is available for soft landscaping including green walls and landscaped roof terraces as outlined in the Landscape Plans which formed part of the final Planning Proposal #3 (Appendix D). This is included as a requirement of the draft Site Specific DCP.
Setbacks and street frontage heights	
<p>Setbacks are to be provided as identified in the Strategy. This includes:</p> <ul style="list-style-type: none"> • Victoria Avenue – 6m setback above the street wall height • Victor Street – 6m setback above the street wall tower • All buildings should also be set back at minimum in a 1:20 ratio of setback to building height from all boundaries (e.g. 3m setback for a 60m building, and 6m setback for a 120m building). 	<p>Street frontage heights are proposed as follows:</p> <ul style="list-style-type: none"> • Zero podium setbacks on all street frontages • Commercial tower setbacks: <ul style="list-style-type: none"> – Victoria Avenue – 6m above the street wall – Victor Street – 3m above the street wall – To the south of the site – 6m above the podium – To the west of the site – zero to 6m above the podium • Indicative residential tower setbacks of 7.5m from the northern boundary and 9m from the southern boundary, noting the preference for flexibility of design within the maximum residential floor plate <p>This includes a number of minor departures from the suggestions of the CBD Strategy. The setbacks have been determined to achieve consistency with the</p>

Recommendation	Consideration
	<p>CBD Strategy where possible, whilst also delivering an economically viable commercial floor plate. The setbacks are also consistent with the local character of the area and existing built form.</p> <p>Additionally, whilst not used as a precedent, we note that the Planning Proposal for the Mandarin Centre development includes setbacks which are inconsistent with the requirements of the Chatswood CBD Strategy for its commercial tower which exceeds 60m in height, including for the front and side setbacks. The commercial component has the following setbacks above the five storey podium:</p> <ul style="list-style-type: none"> • 6m rear setback • 0m and 3m side setback to west • 0m front setback to Albert Avenue. <p>With setbacks above the podium ranging from 3-6m, the proposal provides for a more generous setback provision when compared to the Mandarin Centre proposal.</p> <p>Further justification is provided in the response to Council of December 2020 (Appendix D).</p>
<p>Street frontage heights should be provided as identified in the Strategy. This is set at 7m for Victoria Avenue and 24m for Victor Street.</p>	<p>The street frontage height to Victor Street ranges from two storeys to six storeys which is consistent with the recommendations.</p> <p>It is acknowledged that the CBD Strategy proposes a maximum height of 7m along Victoria Avenue, however a 7m height limit for a two-storey podium, which results in average floor to floor heights of 3.5m, does not provide generous, high quality, useable ground floor retail space in a larger scale commercial/mixed use development. Council's 7m suggestion would provide a poor outcome in this location. The Mirvac proposal provides a much higher quality including greater amenity and potential for activation still within the two storey intent.</p> <p>Further justification is provided in the response to Council of December 2020 (Appendix D).</p>
<p>Building separation as per Apartment Design Guide for residential uses and a minimum 6m from all boundaries for commercial uses above street wall height.</p>	<p>Apartment Design Guide building separation distances are able to be achieved. Commercial setbacks are generally in accordance with the recommendations whilst seeking to achieve a viable commercial floor plate.</p>

Recommendation	Consideration
Active Frontages	
<p>At ground level, to achieve the vibrant CBD Council desires, buildings are to maximise active frontages. Particular emphasis is placed on the B3 Commercial Core zone. Blank walls are to be minimised and located away from key street locations.</p>	<p>The proposal provides for significantly increased street activation with retail uses fronting Victor Street, Victoria Avenue and Post Office Lane.</p>
Further built form controls	
<p>Site isolation to be discouraged and where unavoidable joined basements and zero-setback podiums should be provided.</p>	<p>Early investigations were made by the landowners to amalgamate further properties, these opportunities did not eventuate.</p> <p>Significant difficulties arise in expanding the development footprint further as:</p> <ul style="list-style-type: none"> • The fragmented ownership of the lots facing Victoria Avenue to the West makes amalgamation unlikely • The complex titling structure and ownership of the commercial building to the West makes amalgamation with this property unlikely • Expanding the development footprint of the subject site further West would impact ADG separation and solar guidelines • Expanding the development footprint of the subject site further West would impact solar access to the Sebel building to the south. <p>Consideration was also given to the impact of the proposal on the future development potential of landholdings to the west and south of the site. This analysis concluded that the subject site represents the only realistic opportunity for site amalgamation within the block bounded by Victoria Avenue, Victor Street, the Metro towers and the Sebel building. This is discussed further in Section 5.2.1 of this report.</p> <p>The proposal includes a zero setback podium and identifies opportunity for joined basements in the future should the opportunity present itself.</p>
<p>Fine grain controls to be provided including retention of the traditional lot pattern along Victoria Ave (~6-12m).</p>	<p>The traditional lot pattern along Victoria Avenue can be carried through in the ground level retail tenancies and lobbies of the proposal fronting Victoria Avenue.</p>
<p>Floor space at Ground level is to be maximised, with supporting functions such as car parking, loading, garbage rooms, plant and other services located in Basement levels.</p>	<p>The proposal can achieve this as shown in the ground floor plan at Figure 8. This is also reflected as a requirement of the draft Site Specific DCP included at Appendix D.</p>

Recommendation	Consideration
Substations to be provided within buildings, not within the streets, open spaces or setbacks.	Subject to the requirements of the relevant authority, the substation can be concealed at ground level behind active uses which form the street frontage.

Traffic and transport	
Vehicle entry points to a site are to be rationalised to minimise streetscape impact, with one entry area into and exiting a site. To achieve this objective loading docks, including garbage and residential removal trucks are to be located within Basement areas. Where possible, cars and service vehicle access should be separated.	<ul style="list-style-type: none"> The proposal is consistent with this requirement providing a single basement access with all car parking and servicing located within the basement.
In order to facilitate rationalisation of vehicle entry points on neighbouring sites, all development sites are to provide an opportunity within Basement levels to provide vehicle access to adjoining sites when they are developed.	<ul style="list-style-type: none"> The proposal provides potential for future basement sharing. This is illustrated in the final Planning Proposal #3 (Appendix D).
All vehicles are to enter and exit a site in a forward direction. Physical solutions, rather than mechanical solutions are sought.	<ul style="list-style-type: none"> The proposal can accommodate this requirement. This is illustrated in the final Planning Proposal #3 (Appendix D).
All commercial and residential loading and unloading is required to occur on-site and not in public streets.	<ul style="list-style-type: none"> All commercial and residential loading and unloading is to be provided on site within a basement car park.
Car parking should be reduced consistent with the objectives of Council's Integrated Transport Strategy and in accordance with any future revised car parking rates in Council's DCP.	<ul style="list-style-type: none"> Car parking rates are proposed to be generally consistent with Council's Integrated Transport Strategy. This is discussed in detail in the revised Planning Proposal #2 (Appendix B) and final Planning Proposal #3 (Appendix D).
Other strategies for car parking reduction include reciprocal arrangements for sharing parking and car share.	<ul style="list-style-type: none"> 5 car share spaces are proposed to be accommodated within the development.

On the basis of the above we are clearly of the view that the proposal meets the Strategic Merit Test through consistency with the North District Plan and Chatswood CBD Strategy.

5 Site specific merit test

A Guide for Preparing Local Environmental Plans 2016 states that having met the strategic merit test that proposal must demonstrate that it has site-specific merit. In order to establish site-specific merit, the guideline requires a proposal to have site-specific merit, having regard to the following criteria:

- *The natural environment (including known significant environmental values, resources or hazards), and*
- *The existing uses, approved uses and likely future uses of land in the vicinity of the land subject to the proposal*
- *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.*

The proposal has been considered against these criteria within the relevant sections below.

5.1 The natural environment

The proposal is contained within a site which is entirely cleared of vegetation and subject of a long term use as an urban laneway and retail / commercial buildings and will not have any adverse impact on the natural environment. Further, the proposal seeks to enhance the natural environmental attributes of the site through provision of rooftop landscaping and green walls. In this regard the proposal satisfies the Chatswood CBD Strategy and can accommodate the following which has been reflected in the draft Site Specific DCP:

- All roofs up to 30 metres from ground can be green roofs with a balance of passive and active green spaces that maximise solar access. The opportunity exists for podium greening to be visible from the street primarily on the Level 2 roof terrace.
- The equivalent of 20% of the site area is available for soft landscaping including green walls and landscaped roof terraces

The proposal will also have positive benefits in terms of resource use and sustainability through encouraging active and public transport patronage through the location of housing and jobs in close proximity to a major transport interchange.

Contamination hazards have also been considered and addressed through preparation of a preliminary site investigation by Douglas Partners. This is included in the Planning Proposal #2 lodged in September 2020 (Appendix B). The investigation concluded that there was a low to moderate risk of contamination of soil and groundwater due to the indicators of the possible presence of underground storage tanks on the premises and made recommendations for further investigations, including for soil (and possibly groundwater) sampling across the site following demolition. The report concluded the findings are typical of a site in this location and as such, that the site can be made suitable for the proposed mixed-use redevelopment in accordance with the requirements of SEPP 55.

5.2 Existing and likely future surrounding uses

An extensive urban design process has been progressed to inform the Planning Proposal which has considered the surrounding context including the public domain and adjoining landholdings. This has included consideration of existing surrounding uses and potential future uses under the Chatswood CBD Strategy. The proposal will deliver significant public domain enhancements whilst ensuring that existing uses are not unreasonably impacted, and that future development potential of surrounding land is not compromised. The key aspects of this analysis are outlined below.

5.2.1 Surrounding landholdings

Consideration has been given to the existing and future potential uses on the surrounding landholdings. In particular, overshadowing and visual impacts on existing uses are considered under the relevant headings below.

Consideration was also given to the impact of the proposal on the future development potential of landholdings to the west and south of the site. This analysis concluded that the subject site represents the only realistic opportunity for site amalgamation within the block bounded by Victoria Avenue, Victor Street, the Metro towers and the Sebel building. The neighbouring sites, even if amalgamated are not developable as commercial or mixed-use towers due to the site area and requirement to satisfy ADG building separation distances from the Metro towers and Sebel building as summarised below:

- Only a thin sliver of developable area is available for habitable facades on the neighbouring sites if amalgamated (Figure 21)
- A slightly larger allowable developable footprint would require east and west facing façades on the neighbouring sites to be non-habitable. Together with requirements relating to overshadowing of neighbouring properties this results in an unviable portion of developable area (Figure 22).

In addition to the above, the adjacent land to the south and west is unable to be redeveloped into a substantial scheme for the following reasons:

- Even if amalgamated, the sites do not meet the minimum 1,800sqm minimum site area under the Chatswood CBD Strategy
- The fragmented ownership of the land makes amalgamation of the individual lots to Victoria Avenue challenging and highly unlikely
- The complex titling structure and ownership of the commercial building to the south of the Victoria Avenue retail properties makes amalgamation with this property challenging and highly unlikely
- Redevelopment of the Victoria Avenue retail properties and/or commercial building would result in unacceptable solar access impacts to the Sebel building to the south and the OSD buildings to the west and south-west.

Accordingly, the subject site is considered to be the most suitable location for major re-development within the land holdings located between the Chatswood Interchange, Victoria Avenue, Victor Street and the Sebel Hotel.

A building of a similar height and scale is shown in GMU's Chatswood CBD Strategy Density Study that was completed by Council (Figure 23).

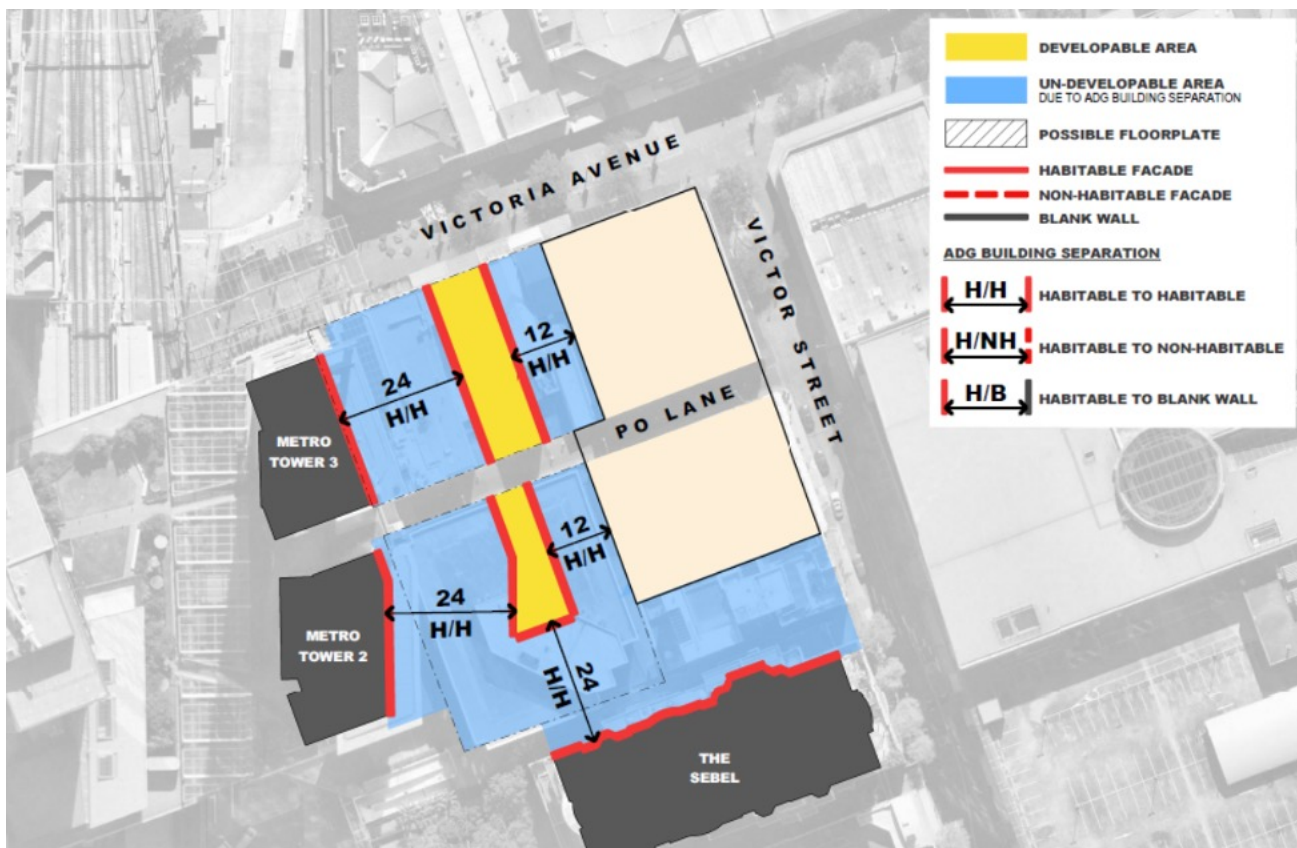


Figure 21: Apartment Design Guide Building Separation Controls (Habitable to Habitable)

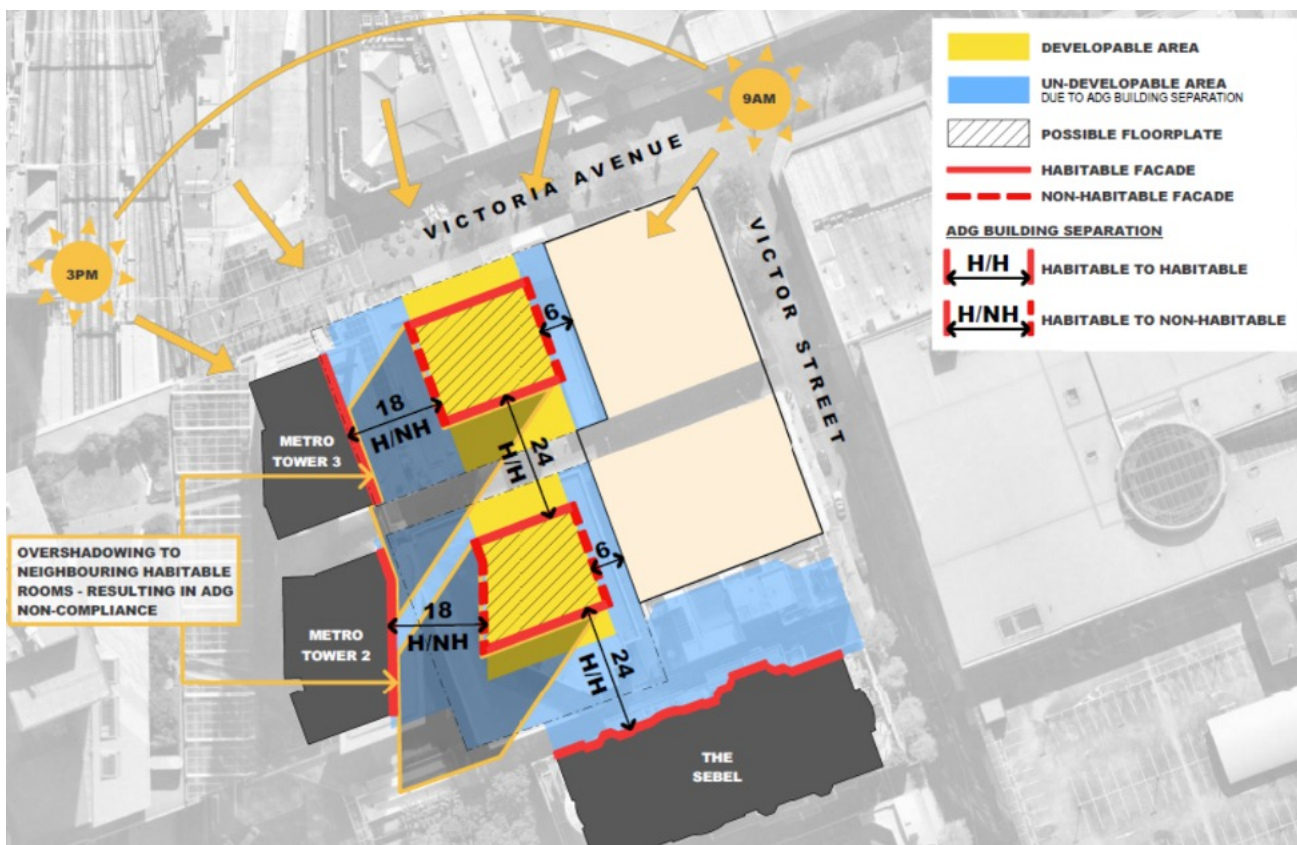


Figure 22: Apartment Design Guide Building Separation Controls (Habitable to Non-Habitable)

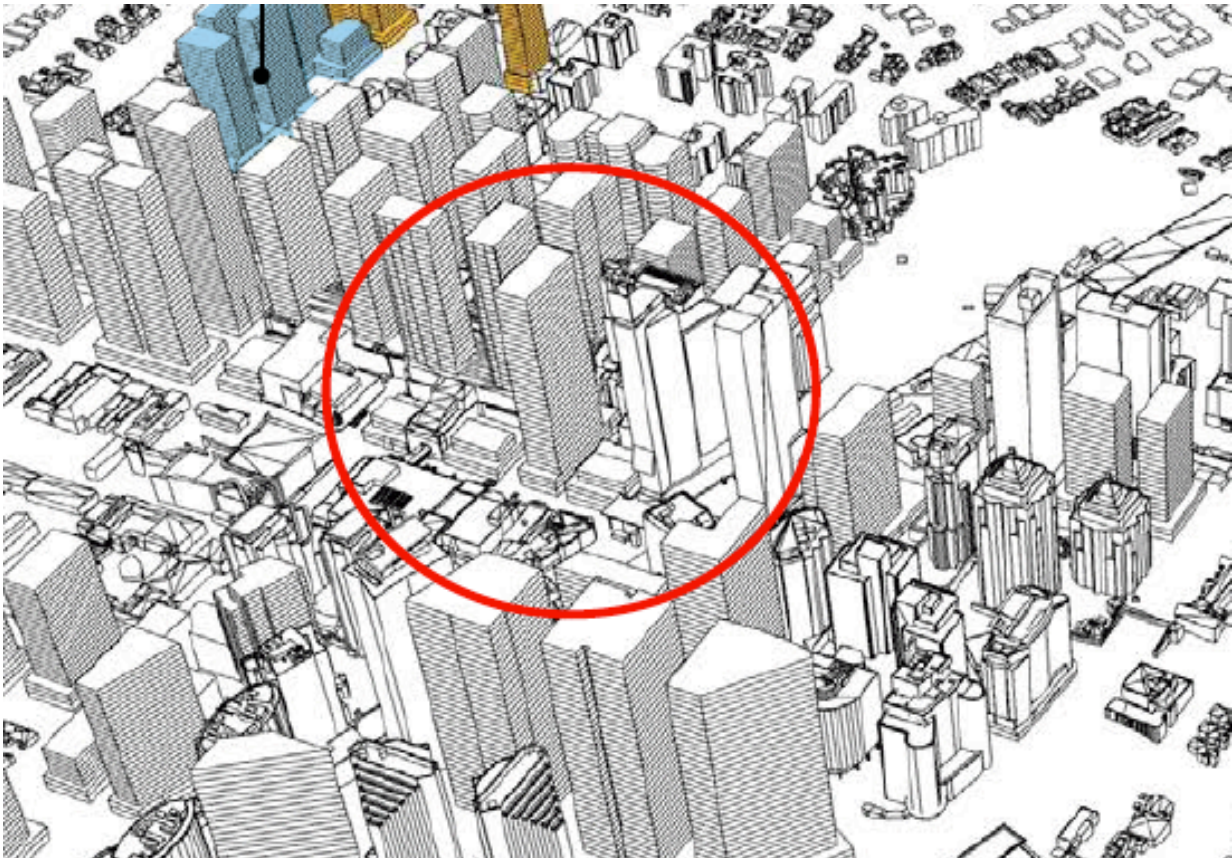


Figure 23: Chatswood CBD Strategy Density Study (Source: GMU 2020)

5.2.2 Overshadowing

The Planning Proposal has considered overshadowing on the public domain and existing and proposed residential uses.

The proposal is able to meet recommendations of the Chatswood CBD Strategy for maintaining solar access in midwinter to key spaces within the public domain including:

- Victoria Avenue (between interchange and Archer St) 12pm-2pm
- Garden of Remembrance 12pm-2pm
- Chatswood Oval 11am-2pm.

The solar access plane for overshadowing to Chatswood Oval is determined by the sun angle between 11.15 and 11.45 as shown at Figure 24.



Figure 24: Chatswood Oval shadow diagrams (Source: Mirvac Design)

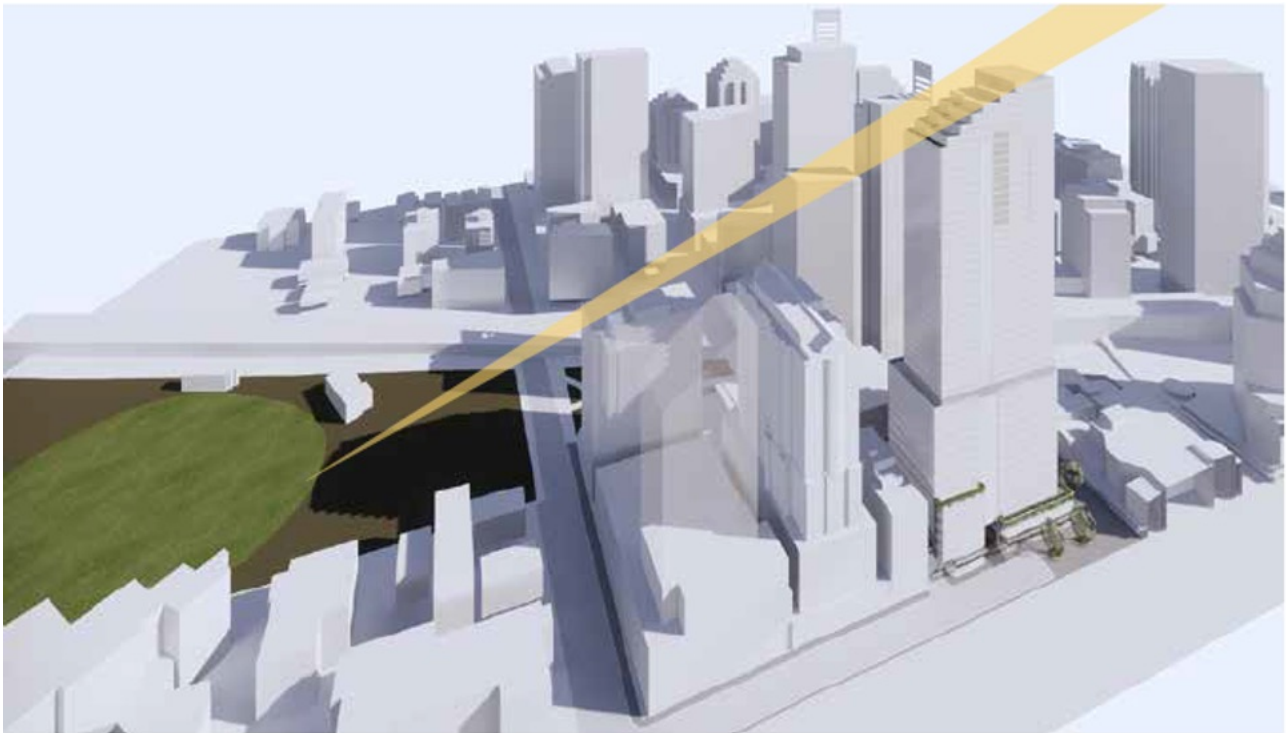


Figure 25: Solar access plane to Chatswood Oval (Source: Mirvac Design)

The north-south orientation of the proposed tower ensures all apartments enjoy excellent solar access and generous building separation to nearby towers while apartment depth is kept to a minimum so as to generate a slender tower form and to allow sunlight to penetrate into habitable spaces.

Solar access analysis has also been undertaken to demonstrate that the proposal will ensure an appropriate level of solar access to surrounding residential uses. At least two hours of solar access would be maintained to the façade of the north-facing apartments of the Sebel Tower and to the façade of north and east-facing apartments in the Metro Towers.

Any minor overshadowing impacts are seen as acceptable given the overwhelming strategic objective to deliver a major employment outcome in the Chatswood CBD. It is noted that given the more slender nature of the residential component the level of offsite impact is much less than a full commercial outcome.

5.2.3 Visual impact and views

The high quality design and sensitive street interface and setbacks of the proposal will ensure that the streetscape is materially enhanced. Further the single slender tower will minimise visual impacts and allow for view sharing with buildings in the surrounding area including the over-station towers and the Sebel tower.

The assessment of views is seen as acceptable given:

- The subject site is within the centre of the Chatswood CBD, is key to meeting Councils strategic objective for the centre and as such it is reasonable to expect high density development
- The proposal is consistent with the built form parameters of the Chatswood CBD Strategy developed by Council
- The views obtained from nearby residential flat buildings are private views and not public views and therefore the benefit of providing a major employment outcome and new housing within close proximity of public transport and other facilities within the centre is considered to outweigh the impact of the partial view loss that occurs as a result of the proposal.

5.2.4 Aeronautical height limit

As part of the final Planning Proposal #3 (Appendix D) a specialist airspace consultant, Strategic Airspace, reviewed the proposed maximum building height.

The advice summarises that “the maximum height of the proposed development is ~43m below the limiting RTCC surface height and 73m below the PANS-OPS MSA surface...as such there will be no need to gain prior height approval under the Airports (Protection of Airspace) Regulations (APAR)”.

On this basis the proposal is considered to be suitable with regard to airspace height limitations.

5.3 Services and infrastructure

5.3.1 Traffic and transport infrastructure

A traffic assessment prepared by GTA Consultants has been submitted with each of the Planning Proposals, with updated advice provided with the final Planning Proposal #3 (Appendix D).

The assessment highlights the significant benefits of the site’s accessibility to sustainable transport options noting its location within the Chatswood CBD and adjacent to Chatswood Interchange. The Chatswood Interchange is a major public transport hub providing access to the Northern, North Shore and Western Lines as well as the Sydney Metro rail network. It is also the major bus interchange for the northern suburbs of Sydney providing access between key destinations including Sydney CBD, Manly, Lane Cove, Bondi Junction and Macquarie Park. The assessment highlights the benefits of the site in terms of increasing sustainable transport mode share and reducing demand for private vehicle trips.

Traffic Studies have formed part of the Planning Proposal with updated advice provided in December 2020 as outlined in the final Planning Proposal #3 (Appendix D). This included SIDRA modelling to consider the impact of the proposal on key intersections in the vicinity of the site.

Traffic modelling demonstrates there is adequate capacity in the surrounding road network to cater for the traffic generated by the final Planning Proposal #3. The nearby local intersections currently operate well with a Level of Service A or B, and this condition would remain unchanged.

The intersection of Pacific Highway and Albert Street is identified as already operating at or near capacity during peak periods. The updated traffic modelling carried out by GTA in December 2020 (Appendix D) demonstrates that the development traffic would have a minimum impact on operation of this intersection with the level of service remaining unchanged (Level of Service C and D). It is also important to note that this existing congestion on the wider traffic network is likely to further encourage increased mode share of sustainable transport options, particularly given the location’s access to services, facilities and public transport.

The final Planning Proposal #3 submitted to Council in December 2020 included reduced car parking rates which would see car parking spaces reduced from 380 sought in Planning Proposal #2 to 319 based on the indicative mix, supporting a reduction in the overall traffic generating characteristics of the proposal. Albeit mixed differently, the current proposed total car parking is lower than the rates suggested by Council.

5.3.2 Social infrastructure

The site is located within an area with excellent access to social infrastructure including high frequency public transport including bus and rail, open space including Chatswood Park and Chatswood Oval and community facilities including Dougherty Community Centre and Chatswood Library. The site also has excellent access to retail and services being located within the retail precinct of Chatswood CBD and is adjacent to Chatswood Westfield and Chatswood Interchange and accessible to Chatswood Chase.

The proposal will deliver public domain enhancements through the delivery of upgrades to Post Office Lane and new affordable housing at a rate of 4% of the residential floor space. The project will also provide significant local infrastructure contributions towards social infrastructure.

5.3.3 Employment and economic benefits

The proposal will deliver significant, assured, and demonstrable jobs growth providing for 1,578 jobs (on completion).

A part of the final Planning Proposal #3, EY were engaged to undertake a State and Local Economic Appraisal for the Proposal (Appendix D) which highlights the significance of the Proposal and suggests that the Proposal will make the following contributions to the State and local economy:

- \$200m in value add to the Willoughby LGA over the construction period
- \$110m in labour income over the construction period
- 1,850 job-years generated during the construction period in the Willoughby LGA
- \$330m each year in value add from additional economic activity enabled at the site within the Willoughby LGA
- \$210m each year in labour income from incremental activity
- 2,880 additional jobs being enabled in the Willoughby LGA when considering the flow on effects of the Proposal
- \$117m of net additional public value created over the life of the project.

We are of the view that the proposal clearly meets the site specific merit test.

6 Conclusion

The proposal presents a rare opportunity to secure the renewal of an important site within the Chatswood CBD to deliver a significant component of commercial floor space adjacent to Chatswood Station. It presents a compelling significant, assured and demonstrable employment outcome that cannot be ignored.

The proposal would be the first significant commercial office development in Chatswood since 1995. If completed it would also be the third largest commercial office development in Chatswood and largest on the eastern side of the station. The proposal has potential to accommodate 1,578 jobs making a significant contribution to the North District Plan jobs targets (up to 25%) for Chatswood Strategic Centre.

The proposal will also support other key aspects of the North District Plan including the objectives to deliver a '30 minute city' and align growth with infrastructure by locating jobs and housing within a Strategic Centre with excellent public transport access including to Metro rail.

For a significant period, Council has unsuccessfully sought employment uses in the CBD. This has been due to the underlying market fundamentals resulting in new large-scale office developments being unviable in Chatswood. This proposal provides a significant component of otherwise unviable employment floor space which is enabled through a mixed use approach. This outcome is consistent with DPIE's endorsement of the Chatswood CBD Strategy and is capable of being supported and progressed.

The State and Local Economic Appraisal undertaken by EY highlights the significance of the proposal and suggests that the Proposal will make the following contributions to the State and local economies:

- \$200m in value add to the Willoughby LGA over the construction period
- \$110m in labour income over the construction period
- 1,850 job-years generated during the construction period in the Willoughby LGA
- \$330m each year in value add from additional economic activity enabled at the site within the Willoughby LGA
- \$210m each year in labour income from incremental activity
- 2,880 additional jobs being enabled in the Willoughby LGA when considering the flow on effects of the Proposal
- \$117m of net additional public value created over the life of the project.

The proposal is suitable to be fast-tracked under the DPIE acceleration program and meets the relevant acceleration criteria as follows:

- **Jobs and economy:** The proposal has potential to provide for 1,578 jobs (on completion) based on the commercial and retail floor space delivering up to 25% of the 2036 employment target for the Chatswood Strategic Centre. It will also provide substantial employment during the construction phase. The Proposal will also deliver significant benefits to the State and local economies as outlined above.
- **Timing:** Mirvac is prepared to lodge the DA as soon as possible following rezoning and commence the project immediately thereafter.
- **Public benefit:** The proposal provides significant public benefits, including public domain enhancements through the delivery of upgrades to Post Office Lane, minimum 8:1 non- residential FSR, 4% affordable housing, and local infrastructure contributions towards infrastructure upgrades.

We look forward to discussions with DPIE in this regard.

The proposal will deliver a number of additional public benefits including:

- A supply of more employment generating floorspace than that achieved in the last 25 years in Chatswood
- The third largest commercial office building in Chatswood overall
- A significant opportunity for housing in close proximity to excellent public transport and amenity
- Upgrade of Post Office Lane to deliver improved pedestrian amenity and connectivity to Chatswood Interchange
- Enhanced activation and built form interface to the surrounding streets
- Public art, green walls and rooftop landscaping including accessible open space at the podium level
- Affordable housing at a rate of 4% of the total residential floor space
- Regeneration of two poor quality sites and a service laneway, which without this proposal are likely to remain as is indefinitely.

The opportunity to revitalise the subject site to introduce a material non-residential component is extremely positive and provides the best chance for renewal. Failure to support the proposal will likely result in the existing sites remaining as they are indefinitely, and the opportunity to deliver a material amount of new employment floor space to the Chatswood CBD would be missed. In our view it would be a lost opportunity to forgo such a high quality and strategically consistent CBD proposal should it not be supported at rezoning review.

Our assessment demonstrates the proposal is consistent with Council's Chatswood CBD Strategy as endorsed by DPIE and has strategic and site specific merit. It is capable of being supported without further delay.

We respectfully request DPIE's assessment of the final Planning Proposal #3 (Appendix D) in conjunction with the other previously submitted materials, and look forward to progressing this high quality proposal that meets and exceeds expectations to create a high quality legacy for the Chatswood CBD.

Appendix A Original Planning Proposal #1 – December 2016

Appendix B Revised Planning Proposal #2 – September 2020

Appendix C Council letter dated 28 October 2020

Appendix D Response to Council and final Planning Proposal #3 – December 2020

Appendix E Council letter dated 11 February 2021