

₩ December 2020

Mr Ian Arnott Planning Manager Willoughby City Council 31 Victor Street Chatswood NSW 2067

Dear lan,

RE: PLANNING PROPOSAL 2016/7/A 45 VICTOR STRET AND 410-416 VICTORIA AVENUE, CHATWSOOD

Thank you for your letter dated 28 October 2020 regarding Planning Proposal 2016/7/A submitted on 25 September 2020 for 45 Victor Street and 410-416 Victoria Avenue, Chatswood.

We have reviewed your letter and feedback in detail and are pleased to provide a comprehensive response to the items raised.

Our response is available in the Response Report and relevant attachments which accompany this letter.

We confirm that the Proposal has been further revised to address a number of the items raised in your letter, and represents an opportunity which will provide a significant, assured and demonstrable employment contribution to the Chatswood CBD, and is consistent with the aims of the Chatswood CBD Strategy to achieve:

- A reinvigorated commercial core area and economically buoyant CBD, to provide for future employment:
- A sustainable balance between commercial, retail, residential, education, cultural and other uses to ensure ongoing vibrancy;
- A compact, walkable CBD;
- · A city form and scale to accommodate future growth and change; and
- A CBD of exceptional high-quality design, easy pedestrian linkages and good public domain, where local character and heritage are embraced, and the greening of the centre is achieved.

At over 18,000sqm GFA, the non-residential component of the Proposal represents the largest delivery of employment floor space in Chatswood in more than 25 years, and the third-largest delivery of such floor space overall. In addition, at the proposed minimum FSR of 8:1, the Proposal is equivalent to the base controls of the Sydney CBD and represents the highest example of employment floor space in a mixed-use building that Mirvac is aware of.

While a mixed-use component is proposed on the Site, this is considered consistent with DPIE's conditional endorsement of the Chatswood CBD strategy for sites east of the existing railway line and is required in order to subsidise the delivery of the otherwise unviable non-residential floor space. We note that the development of large new non-residential projects in Chatswood is severely challenged, with market fundamentals dictating low rents, high incentives, and a very weak market for large precommitment tenants. These factors result in the development of large standalone non-residential assets being an unviable proposition in the Chatswood CBD, with mixed use outcomes being required in order to achieve Council and DPIE's vision of increased employment in this important metropolitan centre.

Analysis prepared by EY suggests that the Proposal as proposed will make the following contributions to the local and state 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; and
- \$117m of net additional public value created over the life of the project.

As discussed above, the viability of the delivery of new non-residential floor space in Chatswood is severely challenged. If the Proposal is not able to proceed in its current form, it is likely that the subject opportunity will be lost, with the subject sites' to remain undeveloped and in their current forms for the long term.

We thank you again for your letter of 28 October 2020 and the opportunity to provide a detailed response regarding the Planning Proposal 2016/7/A for 45 Victor Street and 410-416 Victoria Avenue, Chatswood.

The Proposal as now amended represents a rare opportunity for Council to secure the redevelopment of this key site within the Chatswood CBD, along with a significant component of new employment floor space and a high-quality mixed-use outcome within immediate proximity to the Chatswood Transport Interchange.

We look forward to further progressing this exciting opportunity with Council.

Should you have any further questions in relation to this letter or the accompanying report and annexures, please do not hesitate to contact the undersigned at adrian.checchin@mirvac.com or on 0412 877 052.

Yours sincerely

Adrian Checchin
Development Director

Response to Council letter dated 28 October 2020 and amended Planning Proposal



45 Victor Street and 410-416 Victoria Avenue, Chatswood

Prepared on behalf of Mirvac

December 18, 2020

Document control

Authors

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Project summary

Applicant	Mirvac	
Applicant's address Level 28, 200 George Street, Sydney		
Land 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 (Lot 4 DP82303).		
Project description Amendment of Willoughby LEP to expand the additional permitted use of housing and allow increased height and FSR		

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1 Introduction

This Response Report represents an amendment to the pending Planning Proposal with Willoughby City Council and a comprehensive response to the items raised in recent correspondence dated 28 October 2020.

A Planning Proposal for the site at 45 Victor Street and 410-416 Victoria Avenue, Chatswood was lodged in December 2016.

Following ongoing planning studies and work by Willoughby City Council ("Council") and the Department of Planning Industry and Environment ("DPIE") in relation to the Chatswood CBD strategy, Mirvac received correspondence from Council dated 2 October 2019 requesting a revised proposal be lodged that aligned with the guidance provided in Council's draft strategic documents as well as DPIE's letter and recent discussions.

Mirvac actioned Council's request and commissioned a significant, detailed body of work that included:

- 1) Engagement with commercial real estate agencies in relation to the current environment for construction, sales and leasing of commercial property;
- 2) Engagement with Mirvac Property Trust commercial division;
- 3) Detailed architectural testing of floor plate configurations, sizes, options, parking ratios etc;
- 4) Engagement of expert consultants to provide independent commercial viability research and testing;
- 5) Detailed feasibility modelling and analysis of project viability;
- 6) Negotiation with the landowners of the subject sites to ensure an outcome for Council which is assured and provides a significant and demonstrable employment outcome;
- Engagement with potential pre-commitment companies to determine tenant appeal or otherwise regarding commercial office accommodation in the Chatswood CBD;
- 8) Detailed urban design analysis to ensure the proposal is capable of achieving architectural excellence;
- 9) Review of the final Chatswood CBD Strategy to ensure that the intent of the 35 Key Elements was achieved and the proposal put forward was appropriate and achieved the strategic imperatives of the Chatswood CBD; and
- 10) Inclusion of significant public benefit items into the proposal including the provision of 4% affordable housing, delivery of a significant quantum of employment generating floor space and the upgrade and embellishment of the existing Post Office Lane.

On 25 September 2020, an updated Planning Proposal was lodged which is aligned with the guidance provided in Council's strategic documents, as well as DPIE's endorsement letters and recent discussions. The revised Planning Proposal materially increased the quantum of non-residential floor space over that originally proposed. This provided a demonstrable employment outcome which is capable of being implemented due to a mixed-use approach. In the proposal the early delivery of the otherwise unviable commercial office component is made possible by the addition of readily saleable 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 and demonstrable employment outcome consistent with DPIE's endorsement of the Chatswood CBD Strategy. While it should be noted that the Mandarin Centre proposal is not a precedent in relation to composition of uses, the revised proposal provides a higher non-residential FSR and a significantly higher proportion of new employment floorspace.

We take this opportunity to respond to Council's letter of 28 October 2020 (**Appendix A**) where Council has indicated it is unlikely to support the revised Planning Proposal lodged 25 September 2020.

As stated above this Response Report, which addresses the items raised by Council, is an amendment to the revised Planning Proposal and outlines each item including supporting information where relevant. Our revised submission of 25 September 2020 should also be referred to when reviewing the responses contained herein.

We look forward to Council's review of this Response Report and working with Council in the delivery and revitalisation of this important component of the Chatswood CBD.

For the avoidance of doubt and ease of reference, we have summarised the key particulars of the original and current proposal below.

Item	Original Planning Proposal December 2016	Current Planning Proposal 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	 Establishing a minimum 8:1 FSR for non-residential GFA Upgrade and rejuvenation of Post Office Lane Delivery of 4% of the total residential floor space as affordable housing

Item	Original Planning Proposal December 2016	Current Planning Proposal December 2020	
Shared Basement Provisions	n/a	 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	 Undesirable link (based on Council feedback) n/a 	 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.	

It is noted that, for the reasons contained in the revised Planning Proposal of 25 September 2020 and this Response Report, we are of the view that the Current Planning Proposal is highly consistent with Councils, DPIE and the Greater Sydney Commissions strategic direction for the Chatswood CBD.

2 Land use

Council comments

"The quantum of residential land use in this Planning Proposal is not supported based on strategic planning reasons. Council continues to emphasise that the subject site being located within the Commercial Core, very close to the Chatswood Interchange and other services, is not an appropriate location for this scale of additional residential floor space and associated residential related vehicle movement. The conditions of the DPIE endorsement of the Strategy are acknowledged, however it is not considered that the extent of residential proposed aligns with the intent of the DPIE direction. It is also considered that the extent of residential related vehicle movement in Victor Street that would result, on a site with such immediate access to the Chatswood Interchange, is also at odds with the intent of the DPIE direction.

It is requested that the proponent review the floor space allocation and increase the commercial / non-residential floor space percentage for the site, to satisfactorily reflect its location in the B3 Commercial Core zone and Key Element 2, which should be in the order of 70% of the developable floor space."

Response

DPIE has endorsed the Chatswood CBD Strategy, noting that mixed use development can be permitted east of the rail line where it results in "demonstrable, significant and assured jobs growth" to align with the objectives of the North District Plan.

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, whist maximising the otherwise unviable non-residential component (at the request of Council) and ensuring that the development is able to commence immediately following approvals.

The proposal also makes a significant contribution to the Chatswood Strategic Centre jobs target in the District Plan. It has the 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. Further, when combined with other proposals within the Chatswood CBD, up to 91% of the jobs target could be achieved within a relatively short timeframe. This demonstrates the proposal's capacity to deliver on the DPIE objective of demonstrable, significant and assured jobs growth to meet the objectives of the North District Plan.

On completion, the commercial office 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 overall and the largest on the eastern side of the station.

A copy of the presentation provided to Council on 2 October 2020 following the meeting with Council of 30 September 2020 is provided at **Appendix B**. The presentation provides material context and information to be considered during an assessment of the revised Planning Proposal.

Following Council's letter of 28 October 2020, EY were engaged to undertake a State and Local Economic Appraisal for the Proposal. The report is provided at **Appendix C** and highlights the significance of the Proposal with regard to the Local and State economies. The economic analysis prepared by EY suggests that the Proposal will make the following contributions to the local and state 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; and
- \$117m of net additional public value created over the life of the project.

Additionally, Jones Lang Lasalle and CBRE, who completed reports for the revised Planning Proposal lodged 25 September 2020, have provided addendum letters in response to Council's 28 October 2020 letter. Their responses can be found at **Appendix D** and **Appendix E** respectively. The key comments from their addendum letters include:

Jones Lang Lasalle (Appendix D):

- Despite the relatively strong performance of the office market over the past 25 years, the Chatswood
 CBD has been unable to attract any significant office development;
- The current economic environment and commercial property trends are likely to place further downward pressure on commercial demand in the Chatswood CBD;
- Chatswood competes with several other strong suburban office markets including Parramatta,
 Macquarie Park and the Western Sydney Aerotropolis, which adds further challenge to commercial development in the Chatswood CBD;
- JLL's original feasibility testing with optimistic assumptions found a clear lack of viability for the commercial component of the Proposal, and an increase in the commercial component to Council's suggested 70% of total GFA would further impact project viability;
- Negative net absorption of 37,000sqm (20% of total stock) is forecast for 2020, which represents the
 highest reduction in occupied stock in 50 years and highlights the significant challenges associated with
 commercial development in Chatswood; and
- The required size of pre-commitment for a 70% commercial component would be more than 3 times larger than the largest tenant move in Chatswood in the past 10 years (5,567sqm), which is the only tenant move greater than 5,000sqm during that period. Additionally, over the same period more than 63% of the tenant moves have been for users up to 2,000sqm.

CBRE (Appendix E):

- The Chatswood CBD faces significant competition from other suburban office markets including St Leonard's, Crows Nest, Macquarie Park and North Sydney:
- The letting up and incentive allowances required to secure an appropriate pre-commitment for a 70% commercial component would have a material impact on the viability of the project;
- Given the location and attributes of the site, it is considered that predominantly residential use, with ancillary retail or commercial on the ground or lower levels only, is the most appropriate use for the site:
- Despite the desire of Council to drive commercial uses in the Chatswood CBD for in excess of 20 years, the commercial reality is this use has not been viable; and
- CBRE considers there to be no market justification for Council's proposed 70% commercial component, and notes that it is certainly not demand driven.

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, 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.

Whilst securing the delivery of one of Chatswood's largest commercial office developments since 1995, the proposal would also result in significant public benefits including renewal of an unoccupied and run down building, upgrade of the run-down Post Office Lane, and provision of enhanced streetscape, street activation and pedestrian safety and amenity. These benefits will not be realised without the proposal proceeding.

As the first new significant commercial development east of the railway station in over 25 years, the Proposal will be a real catalyst for the future development of this aged precinct, setting a benchmark in terms of high-quality commercial space and street activation

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 also provide activation benefits, contributing to the night-time and weekend economy and vibrancy of the centre.

A transport assessment was prepared to support the revised planning proposal which confirmed that the level of service of the surrounding road network is acceptable at the previously proposed parking rates.

Following Council's 28 October 2020 letter, GTA Transport Engineers reviewed their analysis and provided an addendum letter, provided at **Appendix F**. The addendum letter confirms that, at the reduced parking rates now proposed (discussed further under the heading 'car parking'), there would be an improvement to the local traffic network when compared to the Revised Planning Proposal lodged 25 September 2020, and importantly no deterioration to the Level of Service (LOS) of the surrounding intersections. Accordingly, the proposal would have a negligible effect on the local traffic network.

It is also noted that commercial uses (i.e. destination parking) generate a higher volume of trips during peak periods than residential uses. Accordingly, it is considered that the proposed residential floor space has a lower impact on traffic generation than commercial uplift of the same scale. The analysis and advice provided indicates that traffic considerations should not preclude Council's support of the revised Planning Proposal.

As previously mentioned, we are not aware of any other mixed-use developments with a larger component of non-residential floor space (being 8:1 FSR), and note that the base FSR within most of the Sydney CBD is 8:1.

Presumably Council's suggestion of 70% non-residential uses has come from the 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 provide other additional uses. As discussed at the meeting with Council of 30 September 2020, and followed through with analysis provided to Council on 2 October 2020, the Mandarin Centre is not a suitable comparison benchmark to use in relation to the subject site. The analysis provided to Council is included at **Appendix G**. 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 <u>new</u> employment-generating floor space
 and overall jobs;
- The subject proposal provides a more than tenfold increase in the employment generation on the existing sites; and
- 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.

In summary, the Current Planning Proposal provides more a desirable outcome as it is capable of immediately commencing and, for reasons outlined in the revised Planning Proposal of 25 September 2020 and further detailed in this Response Report, demonstrates significant strategic and site specific merit together with design excellence and material public benefit.

3 Planning agreements to fund public domain

Council comments

To address Key Elements 5, 6 and 7, which are standard considerations for Planning Proposals seeking to apply the Strategy and would relate to the subject site, a Letter of Offer is requested with reference to Council's draft VPA Policy recently on exhibition.

Particular reference is to be made to the expectation outlined in Key Elements 6 and 7.

Response

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.

We attach at **Appendix H** the Mirvac submission dated 19 October 2020. Importantly, attached to that submission is DPIE's draft Planning Agreements Practice Note which highlights the following:

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.

Notwithstanding the above, and considering the challenging financial viability of providing any new commercial floor space in the Chatswood CBD, we note that the following public benefit offer is outlined in Section 5.10 of the Revised Planning Proposal report lodged on 25 September 2020:

- Establishment of a minimum 8:1 FSR for non-residential employment generating GFA;
- Arrangements with council for the upgrade and embellishment of Post Office Lane; and
- delivery of 4% of the total residential floor space as affordable housing.

We look forward to progressing discussions regarding public benefits for the subject site.

4 Design excellence and building sustainability

Council comments

Council seeks an approach to design excellence and building sustainability that is consistent with Key Elements 8, 9 and 10, which are standard requirements for Planning Proposals seeking to apply the Strategy and which would relate to the subject site, and Council's Design Excellence Policy.

Acknowledgement of consistency with the required approach is requested. Any other suggested approach is not supported.

Response

Section 5.5 of the Planning Report that was lodged on 25 September 2020 outlines the extensive design work already undertaken on the subject site. It also outlines an approach whereby a competitive design process is proposed to be undertaken that is consistent with the City of Sydney competitive design alternatives process which has been used with success to deliver truly excellent design outcomes.

Under this process it is proposed that Mirvac 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 an 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; and
- 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 / oversight role in the preparation of construction certificate and contract documentation;
- Maintain continuity during the construction phases to the completion of the project; and
- Provide a statement at the end of the project.

This process will ensure the delivery of design excellence for the development, and accordingly has been reflected in the site specific development control plan (DCP) proposed for inclusion in the Willoughby DCP.

An updated Site Specific DCP in light of Councils 28 October 2020 letter and this Response Report is provided at **Appendix I.**

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 such as 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.

Building Sustainability – As confirmed by the advice letter provided by Cundall at **Appendix J**, and outlined in the Executive Summary, and sections 4.2, 4.3, 4.4, 5.7, 8.2 and 11 of the Planning Report included as part of the revised Planning Proposal lodged 25 September 2020, the revised Planning Proposal concept is capable of meeting Council's requirements and a list of sustainability measures will be outlined during the detailed design phase. Given the proposal is still in concept stage and there is no detailed design, with a design excellence process to be completed, it would be premature to provide any further detail at this high-level Planning Proposal / rezoning stage.

In summary, the above approach and responses to Design Excellence and Sustainability are consistent with Key Elements 8, 9 and 10 and we look forward to progressing these items at the more detailed stages of the planning process. Importantly, both items are capable of being achieved and should not preclude Council's support of the Revised Current Planning Proposal.

5 Floor space ratio

Council comments

The site is satisfactory with regard to Key Element 12 and the 1,800sqm minimum site area.

It is unclear how the Planning Proposal intends to address Key Elements 13 and 14, which state:

- 13 The FSRs in Figure 3.1.4 (page 34) should be considered as maximums achievable in the centre subject to minimum site area and appropriate contributions.
- 14 Affordable housing is to be provided within the maximum floor space ratio, and throughout a development rather than in a cluster.

The abovementioned Key Elements are standard requirements for Planning Proposals seeking to utilise the Strategy and would apply to the subject site. The existing 4% affordable housing requirement under Willoughby Local Environmental Plan 2012 is in addition to any planning agreement offer.

Please confirm that affordable housing is to be provided within any proposed residential floor space component (not in addition to) and separate to any VPA (as per Key Element 6).

Council would be interested to hear from the proponent in regard to any increased affordable housing provision within the residential component, with 4% being the minimum requirement.

Response

We note Council's recognition that the site area of approximately 2,297sqm meets the 1,800sqm minimum site area requirement.

We confirm that the following FSRs are sought:

- Non-residential 8:1 (minimum)
- Residential 12:1 (maximum)

It is envisaged that the updated LEP and associated maps would reflect the above.

Despite being contrary to DPIE guidelines which state that Affordable Housing should only apply to uplift GFA, we confirm that the 4% affordable housing provision applies to the total residential floor space and that the proposed residential floor space component includes the provision of the 4% in the total FSR.

The Affordable Housing component can be distributed throughout the development rather than in a cluster, or as a monetary contribution in lieu.

With respect to Council seeking a higher component than 4% for Affordable Housing, please refer to the response to Item 3 above for context in relation to contributions.

It is not proposed that any change be made to the 4% Affordable Housing total, as 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.

Section 5.6 of the Planning report included as part of the revised Planning Proposal lodged 25 September 2020 provided commentary on this item.

6 Built form

Council comments

Key Elements 16, 17 and 18 are standard requirements for Planning Proposals seeking to apply the Strategy and would relate to the subject site.

If residential land use is proposed in a mixed-use approach to a site within the B3 Commercial Core zone, then requirements for mixed use development in the B4 Mixed Use zone would apply. Therefore, residential tower floor plates should not be greater than GFA 700sqm, with this being a maximum floor plate figure, reflective of the slender tower form envisioned under the Strategy. Residential tower floor plates of 870sqm are not supported. The proposed height of the building is not an acceptable argument for increasing the floor plate size.

Response

Key Elements 16, 17 and 18 outline measures aimed at achieving slender tower forms and provide maximum desired tower floor plate sizes.

The B3 Commercial core zone seeks towers (commercial) with floor plates of up to 2000sqm GFA, to a height defined by airspace limits (Pans Ops plane) and sun access protection planes.

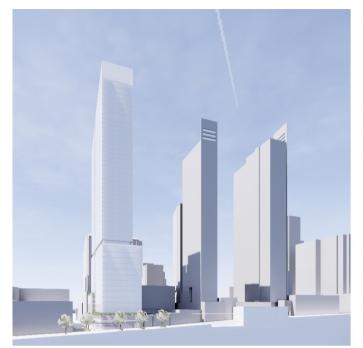
The B4 Mixed Use zone seeks mixed use towers with residential floor plates of up to 700sqm GFA and commercial floor plates of up to 2000sqm GFA.

Noting that Council's CBD strategy makes no reference to a mixed use approach on a site within the B3 Commercial Core zone, it is logical that the built form controls specified for commercial buildings under Council's CBD Strategy within the B3 zone should apply to all buildings within this zone, and that the use of the building should not be a consideration in determining its slenderness. If Council's built form objectives for the B3 zone are satisfied by taller towers and footprints of up to 2000sqm GFA, it is unclear as to why Council would seek to apply B4 built form controls in the B3 zone on no other basis than the use of the building.

As illustrated in the figure overleaf, the current proposal provides a more slender outcome than that which would be achieved if it was a wholly commercial building, and from the ground plane it will present as a high quality CBD type commercial premises. It is also noted that the proposal is generally consistent in form and scale with the neighbouring Metro Towers to the west.

Consequently, if Council's objectives under the built form controls outlined in Key Elements 16, 17 & 18 are to achieve tower slenderness, and a commercial tower with a 2000sqm GFA floor within the B3 zone is accepted by Council as achieving this outcome, a residential tower with a floor plate greater than 700sqm GFA (870sqm GFA in the subject case), should also be permitted as it will deliver a significantly more slender outcome.

It is also noted in Council's CBD Strategy that height and FSR controls vary within the B3 Commercial Core zone. Greater height and FSR is permitted in the centre of the zone, while maximum allowable height and FSR is generally lower toward the edges. South of Albert Avenue for example, the controls within the B3 zone theoretically allow a commercial tower with a 2000sqm GFA floor plate to be built up to a maximum height of 90 metres. This would result in a far less slender outcome than the Proposal which is a 168-metre-high tower with an 870sqm GFA residential floor plate located in the heart of the B3 commercial core.





The Proposal – mixed use

Compliant full commercial tower

Regarding Key Element 17, at this rezoning stage the proposal provides a concept building envelope which allows design flexibility during the design excellence process. This is outlined in Section 6 of the Urban Design Study included with the revised Planning Proposal lodged 25 September 2020 – refer **Appendix K**. There is sufficient opportunity within the envelope to deliver a design response that meets the objectives of Key Element 17, further detail of which would be developed during the design excellence process.

Key element 18 - refers to sites with more than one residential tower so does not apply to this proposal.

In its 2 October 2019 letter, Council asked Mirvac to increase its non-residential component. That request was given significant consideration and the quantum of non-residential floor space was maximised to a point where there are genuine concerns regarding market demand for such a quantum. In addition to the detailed information provided in the revised Planning Proposal lodged 25 September 2020, additional advice from Jones Lang Lasalle and CBRE (**Appendices D & E**) further re-iterate the material challenges of providing non-residential accommodation in the Chatswood CBD. The fact remains that mixed uses at the quantum proposed are required to subsidise the delivery of the non-residential uses proposed. If the floor space as proposed, including floor plate sizes, is not able to be achieved for the residential component, the proposal will not be viable and will not be able to proceed.

Further to the above, Council has previously indicated that a full commercial outcome on the subject site would be supported. In accordance with Key Element 16 of the CBD Strategy and as mentioned above, this would permit much larger floor plates of up to 2,000sqm GFA across a commercial only development. The proposed residential floor plate at 870sqm of GFA is materially smaller than this 2,000sqm floor plate size.

We are unaware of any urban design justification for a smaller residential floor plate in the CBD core other than the fact that it is what Council is seeking to apply in the B4 Mixed Use zone. The Urban Design Study completed by Mirvac Design and included as part of the Revised Planning proposal lodged 25 September 2020 (attached at **Appendix K**) provides detail regarding the suitability of the proposed envelope, including the proposed residential floor plate sizes within the context of the site. Importantly, the proposed envelope has demonstrated that a suitable level of amenity can be achieved, with key apartment design guidance set out in the Apartment Design Guide able to be met, including solar access and cross ventilation.

7 Building heights

Council comments

The Planning Proposal seeks a height control over the entire site of RL262m (excluding roof features).

The Planning Proposal states that "the proposal satisfies all suggested building height requirements".

This statement is incorrect. Maximum height under the Strategy is 7m along the Victoria Avenue frontage (for a depth of 6m) and then RL246.8m (limited by Pans-Ops plane). In accordance with Key Element 21, all structures located at roof level are to be within the height maximum (including roof features). Roof features are encouraged however the height uplift under the Strategy has made allowance for such provision. In addition, these maximum heights are only achievable provided the other aspects of the Strategy, with particular regard to land use, are addressed.

The height in the Strategy is the height envisioned by Council and a redefinition of height by the proponent is not supported – this is a different vision. It is requested that the height be revised to be consistent with the Strategy and the vision outlined by Council.

Conceptual elevation plans are requested in addition to the north-south and east-west sections. It is requested that elevation and section plans refer to RL heights, metres and storeys.

Response

Victoria Avenue frontage

The Proposal comprises a two-storey frontage to Victoria Avenue in accordance with Figure 2.2.3 in Council's CBD Strategy (see below), which envisages generous publicly accessible tenancies and activated rooftop terraces spaces.

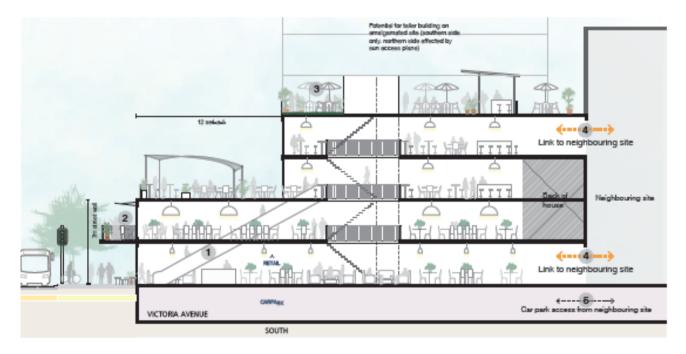


Figure 2.2.3 of Council's CBD strategy

In stating that "the proposal satisfies all suggested building height requirements" the Proponent is suggesting that, with regard to the Victoria Avenue street wall height, the Proposal satisfies the intent of the control rather than the specific height prescribed. The intent is understood to be a desire for a two-

storey street frontage as outlined in the urban design advice provided by Architectus to Council in its letter dated 3 March 2017 which was a response to the original Planning Proposal. Please note that Section 1.1 on page 10 of the revised Planning Proposal submitted on 25 October 2020 addresses all items raised by Architectus.

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.

As such, the Proposal seeks a nominal increase in height be allowed where appropriate in order to achieve a two-storey podium that delivers an appropriate, yet contextual, design outcome for a development of the scale and nature of the Proposal, and a high quality retail and commercial space in line with Council's objectives for the CBD

As per Council's recommendation, the Proposal seeks to amalgamate sites on a key street corner within the heart of the commercial core in order to deliver high quality commercial floor space. Street falls along the Victoria Avenue frontage result in a level difference of approximately 1.3 metres from the eastern end of the site to the west. As a result, the street wall of the Proposal varies in height from approximately 8.7 metres at the west, where the podium abuts neighbouring properties, to approximately 10 metres at the corner of Victoria Avenue and Victor St, adjacent to Westfield which itself has a Victoria Avenue frontage well in excess of 7m.

It is also noted that existing properties along Victoria Avenue comprise a range of parapet heights and profiles, a number of which exceed 7 metres in height including the existing retail building on the subject site itself which is up to 11.3m in height on the boundary at the corner of Victor Street and Victoria Avenue. As such, the street wall response is considered to be a reasonable and high-quality outcome when considered in terms of the existing context and particularly given that it is, in fact, lower than the existing building on the site



The existing 2 to 3-storey Victoria Avenue Street frontage

Whilst a 7-metre height limit might be appropriate for small scale single lot retail tenancies without activated roof terraces, it is insufficient and restrictive for the scale of high-quality commercial development envisaged by the strategy.

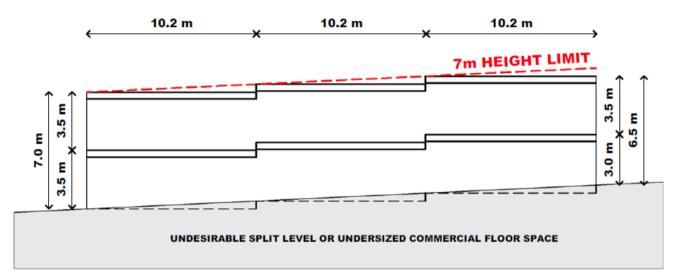
Considering street falls and the range of existing parapet heights and profiles, the Proposal seeks to mark this key street corner with a high quality commercial and retail podium with appropriate ceiling heights, generally consistent with the height and scale of the existing and potential future context as illustrated overleaf.



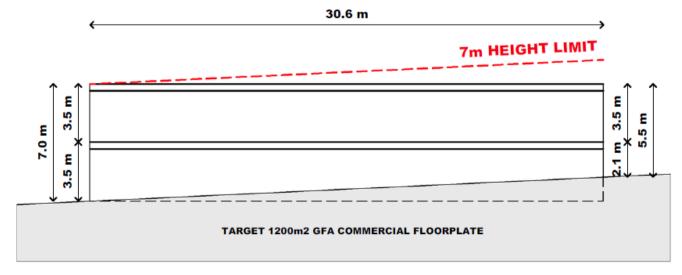


Indicative relationship between the Proposal and neighbouring properties

It is also noted that the significant fall of Victoria Avenue from west to east means that the application of a blanket 7m street wall height compromises either the ground floor or the upper level of the podium. The result is either an unviable stepped floorplate at the upper level or an undesirable submerged floorplate at ground level as indicated in the diagrams below.



Option 1 – Upper podium level unable to deliver a viable commercial floorplate.



Option 2 – Lower level submerged to achieve viable 1200sqm GFA commercial floorplate

Whilst it is acknowledged that Key Element 32 seeks to ensure the traditional lot pattern of Victoria Avenue east is retained with building widths of 6-12m, this needs to be balanced with Council's objective to encourage the introduction of high quality commercial development though site amalgamation. Through the consideration of building articulation and façade expression during the detailed design process, both of these objectives can be met.

The Proposal is not seeking a significant increase in scale to Victoria Avenue, but simply sufficient height to deliver acceptable ceiling heights and a quality of retail and commercial space that would be consistent with the objectives of Council's CBD Strategy and expected of a high-quality commercial development of this nature.

Tower height and PANS-OPS

Following receipt of Council's 28 October 2020 letter, a specialist strategic airspace consultant was engaged to review the proposed maximum building height. Please refer to **Appendix L** for a letter by Strategic Airspace dated 9 November 2020.

The letter 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)."

The Planning Proposal has also demonstrated that the proposed building height complies with Council's solar access requirements to surrounding open space.

The CBD Strategy references the Pans-Ops plane and relevant overshadowing controls as the determinants of height in the precinct, and it is therefore considered that the Proposal is consistent with the vision and requirements set by the strategy.

Roof Feature

Council's feedback in its letter of 28 October 2020 contradicts the Willoughby LEP, which states that roof features can exceed the maximum height of buildings. This is consistent with other LGAs. Given this, the above aeronautical advice and compliance with overshadowing requirements, this item is satisfactorily addressed and is therefore not proposed to be amended.

Conceptual Elevations

In response to Council's 28 October 2020 letter, a full revised set of conceptual plans has been provided as part of this Response Report. The complete list of updated and new drawings is provided below.

Conceptual elevations indicating heights in RLs, metres and storeys are included in the revised set of plans.

In accordance with NSW Government guidelines on preparing planning proposals which requires that a proposal "provides enough information to determine whether there is merit in the proposed amendment proceeding to the next stage of the plan-making process", we believe sufficient information has been provided in totality for Council to assess and determine the revised Planning Proposal (as now amended).

Drawing number	Title	Revision	Date
SK010	Survey	U	Dec 2020
SK098	Typical Basement Plan	U	Dec 2020
SK099	Basement 1 Plan	U	Dec 2020
SK100	Ground Plan	U	Dec 2020
SK103	Typical Commercial Plan – Lower Levels	U	Dec 2020
SK112	Typical Commercial Plan – Upper Levels	U	Dec 2020
SK126	Typical Residential Plan - Lower	U	Dec 2020
SK142	Typical Residential Plan - Upper	U	Dec 2020
SK200	Sections	U	Dec 2020
SK300	Elevations – East and North	U	Dec 2020
SK301	Elevations – West and South	U	Dec 2020
SK500	Shadow Study – 11.00am 21 June	U	Dec 2020
SK501	Shadow Study – 11.15am 21 June	U	Dec 2020
SK503	Shadow Study – 11.30am 21 June	U	Dec 2020
SK504	Shadow Study – 11.45am 21 June	U	Dec 2020
SK505	Shadow Study – 12.00pm 21 June	U	Dec 2020
SK506	Shadow Study – 12.15pm 21 June	U	Dec 2020
SK601	Solar Study – Sebel Apartments 21 June	U	Dec 2020
SK602	Solar Study – Metro Towers 21 June	U	Dec 2020
SK700	Indicative Landscape Plans	U	Dec 2020

8 Links and open space

Council comments

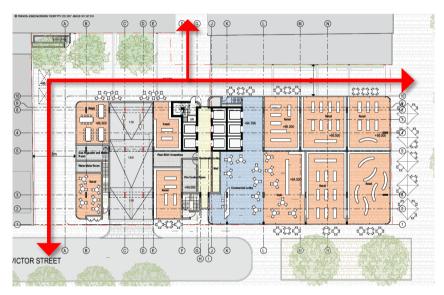
It is unclear how the Planning Proposal intends to address Key Element 22, which states:

The links and open space plan in Figure 3.1.7 (page 36) will form part of the DCP. All proposals should have regard to the potential on adjacent sites. Pedestrian and cycling linkages will be sought in order to improve existing access within and through the CBD. New linkages may also be sought where these are considered to be of public benefit. All such links should be provided with public rights of access and designed with adequate width, sympathetic landscaping and passive surveillance.

Analysis is required to clearly identify how the requirements in Figure 3.1.7 have been addressed, with particular regard to the loss of an existing 24 hour through site link and the replacement with a covered link. How is this space to be managed and public access guaranteed?

Response

The original Planning Proposal of December 2016 proposed diverting Post Office Lane to the north and south, into Victoria Avenue and Victor Street respectively.



2016 Planning Proposal

Following feedback from Council, this was revised to maintain the direct east / west connection as shown in the Revised Planning Proposal.



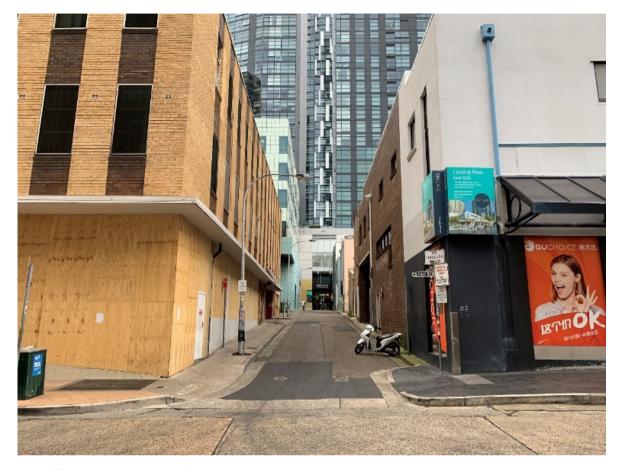
Revised Planning Proposal

The Proposal is consistent with the CBD Strategy and facilitates and enhances the existing connectivity between the Chatswood Interchange, Victor Street and Victoria Avenue by reinforcing and activating the street block edges with active uses. Alignment with Council's recommended future through-site links outlined in Figure 3.1.7 of Councils CBD Strategy are established, setting up the framework for broader pedestrian permeability throughout the CBD.



Extract from Figure 3.1.7 indicating Councils recommended future through-site links and the proposed response

Currently Post Office Lane is a nondescript, non-activated rear service lane predominantly utilised by Pedestrians to access the railway station.



Post Office Lane Looking West from Victor Street

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, improved pedestrian amenity and safety, new landscaping, public art, and upgraded paving and lighting which will provide improved passive surveillance.

Refer to drawing SK800 in **Appendix M** which outlines the Design Principles underpinning the reimagination of Post Office Lane.



Post Office Lane rejuvenated

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. Please refer to the below indicative diagrams which outline a potential temporary access arrangement during the construction phase of the project.



Indicative Post Office Lane temporary access arrangement during construction

It is envisaged that ongoing future 24/7 public access will be maintained through appropriate encumbrances on title. In addition, the management of the future covered area of Post Office Lane is proposed to be the responsibility of the future ownership in order to maintain its high-quality attributes.

The updated site specific DCP includes requirements for the upgrade and design of Post Office Lane (see **Appendix I**) consistent with the above.



Examples of Activated Laneways

9 Public realm or areas accessible by public on private land

Council comments

Council officers are unaware of any formal application to Council in respect to the use of air space above Post Office Lane. Council approval is required for any advancement of the Planning Proposal reliant on this space. Application for approval should indicate the terms proposed in any such agreement in order to allow Council to make an informed decision.

Urban design analysis is requested on how the proposed changes to Post Office Lane have been designed to maximise public benefit and encourage public use. Council also requests detail on how the permanent public benefit is to be achieved (KE 24d).

There are a number of clear outcomes sought in regard to the laneway:

- A height of minimum laneway to ceiling height of 10 metres at any one point.
- The laneway functions as an active lane (during and post construction).
- Formal legal agreement with Council regarding the retained ownership, continued public access, management and maintenance of the existing laneway easement.
- Public liability and security of the laneway easement and other 'publicly accessible' spaces within and adjacent to the development.
- The treatment of the laneway clearly establishes a desired character that has regard to its previous history as a 'service laneway' within the Chatswood CBD on the eastern side of the North Shore Railway Line.

In regard to further consideration of Post Office Lane, Council requests that the proponent also explore possibilities in relation to:

- The other properties in Post Office Lane, which currently rely on that lane for parking access, loading / unloading and servicing such as garbage, having ongoing access for these purposes, using the proposed basement goods lift located within the subject site.
- The intent of this solution would be that there would be no further vehicle related parking movements, loading / unloading or servicing in Post Office Lane. It is acknowledged that loading / unloading and servicing would still be required by non-vehicle means.
- The improved public amenity such an arrangement would bring to Post Office Lane.

Response

Urban design analysis has been carried out to inform a series of design principles underpinning the Proposal's reimagination of Post Office Lane. As outlined in Item 8, the Proposal is consistent with the CBD Strategy and aligns with Council's recommended through-site links outlined in Figure 3.1.7.

Whilst being well-utilised due to its direct access to the Chatswood Interchange, Post Office Lane does not currently provide any significant level of pedestrian amenity or CBD activation. The pavement treatment along the laneway is in disrepair and provides limited pedestrian priority or safety. The existing buildings provide no activation or passive surveillance to the laneway with the vacant former Post Office building presenting a largely blank boarded façade and the building fronting Victoria Avenue utilising the laneway for vehicle and pedestrian service access.

The proposal will significantly enhance and rejuvenate this important public link through its redevelopment including high quality upgraded paving treatment, landscaping, public art, and lighting. The proposal also

maximises street activation responding to emerging retail frontages to the laneway to the west of the site. The key design principles are indicated as follows.



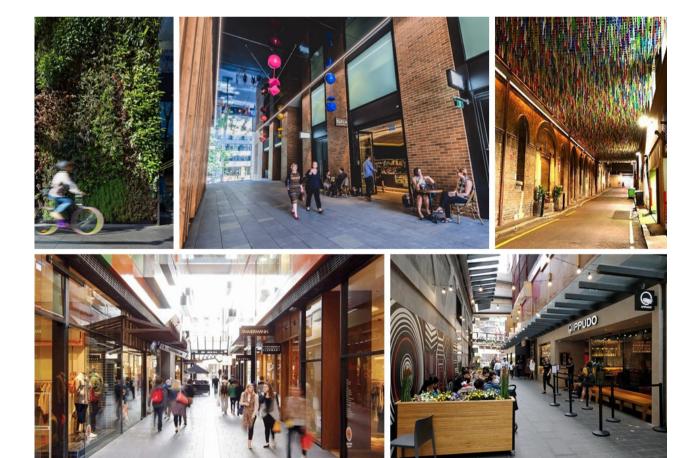
ACTIVE FRONTAGE / PASSIVE SURVEILLANCE

Retail tenancies and lobby glazing provide activated street frontages and passive surveillance

SOFT LANDSCAPING / PUBLIC ART

Solid core walls provide opportunity for green walls and public art to enhance the laneway interface

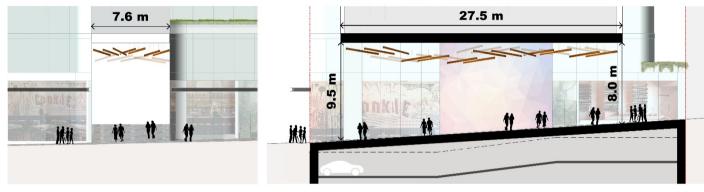
POTENTIAL SHARED ACCESS TO LOADING



Rejuvenated Post Office Lane activated by retail & cafes with opportunities for soft landscaping and public art (Example images)

Laneway Clearance Height

Due to the slope of Post Office Lane, the proposed ceiling height within the laneway ranges from 8 to 9.5m. Noting that the length of the covered portion of the laneway is relatively short and fully open at both ends, it is suggested that these heights provide an excellent urban design outcome and are more than ample to accommodate vehicular access.



POS - Victor Street Elevation

POS - Long Section

Indicative heights within Post Office Lane

The ceiling height within the laneway is consistent with the height of the podium along Victoria Avenue and the northern end of Victor Street, enabling the scale of the two-storey podium street wall to carry through and define the scale of the laneway.



Two-storey street wall carries through Post Office Lane

The alignment of these elements is considered appropriate in terms of urban scale but also in terms of creating viable commercial space. The current design proposal comprises two floors of retail and commercial space either side of the laneway, which is a desirable outcome as these two-storey spaces could be occupied by tenants seeking two levels of accommodation accessed from a ground floor retail entry.

Council's suggestion of increasing the laneway ceiling height to 10m at its lowest point (meaning approximately 11.5m at its highest) would result in the division of a further commercial floorplate into two spaces. Not only does this reduce the quantum of commercial space, but it also creates an undesirable third level of non-residential space that is unattractive to future tenants, particularly south of Post Office Lane which isn't serviced by the commercial lift core.

Based on the significant market research completed to date, as well as the independent advice provided by JLL and CBRE, an individual three level tenancy is undesirable and likely to be unlettable, which would materially impact on the viability of the project. Given the overwhelming strategic imperative to facilitate high quality commercial, the exiting configuration has been maintained.



Floor plans showing split tenancy on upper level(s)

Regarding the ceiling height within Post Office Lane, it is unclear what the 10m requirement is based on, and it is assumed that this height is a subjective judgement as to what is considered an appropriate urban scale.

In terms of the scale and quality of the proposed covered laneway, reference is made to the through-site link at 200 George Street, Sydney designed by fjmt which is a pedestrianised connection within a high quality award-winning commercial development owned and built by Mirvac and considered an appropriate benchmark for the scale envisaged for Post Office Lane.

Like the Proposal, the 200 George Street link connects a rear laneway with a city street and is activated by a commercial lobby on one side and a café on the other. The space is just under 8 metres high, 4.5 metres wide, approximately 32 metres long and has a generous and spacious feel. Despite being fully pedestrianised, it is considered that the usage of the space has similarities to the way Post Office Lane will be utilised, particularly if service vehicle access is removed in the future as a result of potential shared basement access.

Another comparable example, similar to 200 George St, is the award-winning Barrack Place at 151 Clarence St, Sydney designed by Architectus which has a similar through site link under a commercial building. The space is approximately 6.8 metres high, 6.4 metres wide and 37 metres long and is activated by a commercial lobby and a café with public art suspended from the ceiling. While the ceiling is 7m in height, the space feels very generous in due to the highly reflective ceiling finish. While the proposed laneway

height on the subject site is generous and considered to be a strong design outcome, the Barrack Place ceiling treatment establishes that considered design options are available to further increase perceived ceiling height.

The covered portion of Post Office Lane in the Proposal is 8 to 9.5 metres high, 7 metres wide and approximately 28 metres long and will deliver a similar generous spatial quality with greater height than that of both 200 George St and Barrack Place, with an increased level of activation.

The site specific DCP has been updated to require a minimum 8m clearance above the laneway pavement, with a minimum of 9.5m clearance at the Victor Street frontage (see **Appendix I**).



Covered laneway connection link 200 George Street, Sydney designed by fjmt





Covered through-site link - Barrack Place, 151 Clarence Street, Sydney designed by Architectus

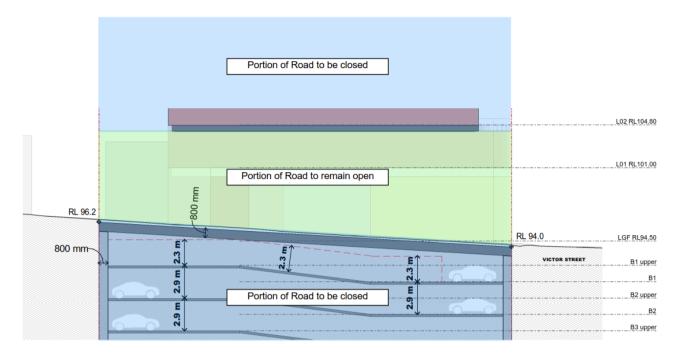
As outlined in Item 8:

- Temporary diverted access arrangements will need to be implemented during construction to ensure that the laneway continues to function as an active lane during construction.
- It is envisaged that ongoing future 24/7 public access will be maintained through appropriate encumbrances on title. In addition, the management of the future covered area of Post Office Lane is proposed to be the responsibility of the future building ownership in order to maintain its high quality attributes.
- As part of finalising an arrangement with Council it is envisaged public liability and security details will be agreed between the parties.
- Post Office Lane currently provides service access to retail tenancies, whilst also functioning as a
 pedestrian connection to Chatswood Interchange despite its poor pedestrian amenity and degraded
 pavement treatment. The proposal will significantly enhance the laneway's role as a pedestrian access
 route through provision of high quality upgraded paving treatment, landscaping, public art, and lighting
 along with street frontage activation. The future character will also acknowledge the previous service
 laneway function through appropriate selection of materials and pavement treatments.

In relation to the titling structure of Post Office Lane, Mirvac engaged Veris land title surveyors to provide advice regarding potential options both during construction and following completion of the project. It was advised that the following scenario would be most appropriate in the instance of the Proposal:

- 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;
 and
 - Limited in depth to the height of the void above Post Office Lane and unlimited in height.

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.



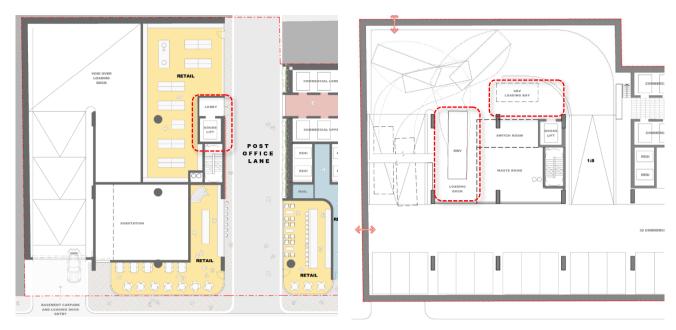
Indicative section of Council-owned laneway to remain open in perpetuity

It is noted that the above potential structure is indicative and subject to relevant negotiations with Council.

Shared Basement / Loading Opportunities

As requested by Council, further consideration has been given to the possibility of providing shared servicing facilities within the proposed development for neighbouring retail properties fronting Victoria Avenue that currently use Post Office Lane. Whilst there would be a number of issues to work through which would be led by Council, this would be an excellent initiative to help prioritise pedestrian movements instead of vehicular access in Post Office Lane.

The Proponent supports the idea of Post Office Lane becoming a predominantly pedestrianised environment and has provided updated plans at **Appendix M** illustrating how Council's request can be accommodated. A small service lobby has been added off Post Office Lane providing direct access to the basement loading dock, below which selected neighbouring properties would also have servicing access as illustrated below.



Ground Floor and Basement plans indicating addition of shared goods lift and loading dock (Refer Appendix M)

Whilst we support the above arrangement, it cannot be guaranteed that the adjoining retailers will be willing to implement it, and Council's engagement with the adjoining owners would be sought to determine if this opportunity could be realised. In any event we have updated the plans to show this opportunity and look forward to discussing this item further with Council.

10 Landscaping

Council comments

It is unclear how the Planning Proposal intends to address Key Elements 25 and 26, which state:

- 25 All roofs up to 30 metres from ground are to be green roofs. These are to provide a green contribution to the street and a balance of passive and active green spaces that maximise solar access.
- A minimum of 20% of the site is to be provided as soft landscaping, which may be located on Ground, Podium and roof top levels or green walls of buildings.

An important objective of the Strategy is redevelopment being accompanied by a greening of the Chatswood CBD – which is applicable to the B3 Commercial Core. Soft landscaping is to be provided within a site, and where possible, visible from the street. The location of the site within the Urban Core precinct is acknowledged. Podium levels should contain greening that is visible from Victor Street and Victoria Avenue.

Although it is appreciated that the design is still in 'concept' stage, Council nonetheless requests landscape plans that address soft landscaping on-site and how the above two Key Elements are addressed.

Response

Council's desire for an attractive development that minimises heat island effects and provides good amenity is understood and supported. To show that this can be readily achieved in the proposal, indicative landscape plans have been included at **Appendix M** illustrating that the requirements of Key Elements 25 and 26 can be met.

In accordance with Council's CBD strategy, the plans satisfy Key Elements 25 and 26 as follows:

- 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

Indicative Landscape Plans are provided at **Appendix M** showing proposed locations for the above. Detailed landscaping concepts would be further developed as part of the design excellence DA process.





Level 2 roof terrace

The site specific DCP at **Appendix I** has been updated to reflect the above requirements.

11 Setbacks and frontage heights

Council comments

As noted above amended plans are required clearly showing that the setback and street wall requirements applicable to the Victoria Avenue retail frontage and Urban Core precinct have been satisfied.

Key Element 28 states:

28 All towers above podiums in the B3 Commercial Core and B4 Mixed Use zones are to be setback from all boundaries a minimum of 1:20 ratio of the setback to building height.

This means if a building is:

- a) A total height of 30m, a minimum setback from the side boundary of 1.5m is required for the entire tower on any side.
- b) A total height of 60m, a minimum setback from the side boundary of 3m is required for the entire tower on any side.
- c) A total height of 90m, a minimum setback from the side boundary of 4.5m is required for the entire tower on any side.
- d) A total height of 120m, a minimum setback from the side boundary of 6m is required for the entire tower on any side.

The required setback will vary depending on height and is not to be based on setback averages but the full setback

Key element 29 states:

- 29 Building separation to neighbouring buildings is to be:
- a) In accordance with the Apartment Design Guide for residential uses.
- b) A minimum of 6m from all boundaries for commercial uses above street wall height.

All buildings as part of this Planning Proposal and regardless of being commercial or residential, are to be in accordance with the abovementioned minimum setbacks – which are related to the tower height above podium.

In regard to Key Element 28, a staggered setback as you go up in height is not what is sought – unless it is in addition to the minimum required. What is sought is a minimum setback at the beginning of the tower (for the whole tower) based on height.

In regard to Key Element 29, if a residential component is proposed in the subject Planning Proposal, then it should be designed assuming that the neighbouring property may seek a residential component. On this basis clear analysis is to be shown on plans regarding how the Planning Proposal is able to satisfactorily address SEPP65 and the Apartment Design Guide for residential uses. In this regard a review is requested of the setbacks facing neighbouring properties to the west and south.

Setback requirements and consistency with the Strategy is to be clearly shown in the concept plans.

Response

As outlined throughout this Response Report, extensive consideration has been given to Council's request to increase the non-residential component of the proposed development. This has involved an extensive body of work to determine market-suitable floor plate configurations and minimum sizes. It is additionally noted that the proposed extent of mixed use is required to subsidise the increased quantum of non-residential floor space in order for it to be a viable proposition that is capable of commencement providing a demonstrable job creation opportunity.

We are aware of the setback desires under Key Elements 28 & 29 and the proposal complies with them wherever possible, however some departures are proposed to the specific dimensions based on viability and analysis of the site's relationship to its surrounding context. While the specific numerical requirements of the Key Elements aren't strictly adopted in every instance, the intent of the setback controls (i.e. providing adequate separation to existing or future neighbouring properties) is satisfied as outlined below.

A key action in the Chatswood CBD Strategy is providing for larger floorplates as a key issue in addressing the historic shortfall in office accommodation.

"A general **lack of investment** over the past 10-15 years has led to a degradation in the overall standard of office accommodation and a lack of building stock which meets modern standards. In particular floorplates of 1000-2000sqm are now preferred (1000sqm or greater is required for new 'A grade' buildings) where in Chatswood the current stock is typically 600-1300sqm"

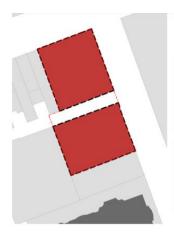
One of the Strategy's key actions includes providing for larger floorplate commercial buildings. Given the few available sites for mixed use proposals and the significant challenges associated with the development of full commercial outcomes, the Proposal represents a unique opportunity to achieve the delivery of a significant commercial asset (the first since 1995) in an uncertain market, in arguably one of the best locations in the city centre.

The setbacks have been determined to achieve consistency with the CBD Strategy where possible, whilst also delivering an economically viable commercial floor plate. The proposal provides the potential for a typical floor plate of 1,100sqm net lettable commercial area, which whilst acceptable, is at the lower end of the minimum range required to achieve workspace efficiencies for office space required by corporate and government tenants. In this regard it is noted that CBRE have advised that floor plates of a minimum of 1,200 to 1,800sqm are typically required for A Grade office space. Expanding the setbacks along the eastern and western frontages would further erode the commercial floor plate to the point that it would no longer be a viable proposition.

It is important to note that in the CBD area the strategy sets a minimum 1,800sqm minimum site area under it is anticipated that even with the move to mixed use given the above market preferences and the need to meet the criteria of significant and demonstrable employment this standard will be maintained.

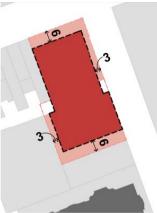
Podium and street frontage setbacks

The proposed setbacks to Victoria Avenue and Victor Street are unchanged, and as outlined in the 25 September 2020 Planning Proposal are indicated in the diagrams below. It is acknowledged that the setbacks don't strictly meet all desired setbacks outlined in Councils CBD Strategy, however it is suggested that the general intent is satisfied and that the key desired setback to Victoria Avenue is observed.



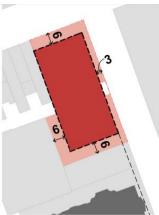
G & L1 Retail / Commercial

Zero podium setbacks to all boundaries



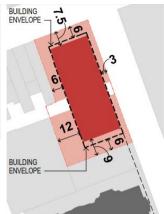
L2-5 Commercial

Southern and western setbacks provided to podium levels south of Post Office Lane to provide natural light to commercial floorplate.



L6-13 Commercial

3m setback to Victor St approximately aligns with Sebel Tower



L14-42 (L43-46 steps back) Residential

Building envelope (dotted) to allow flexibility of design for residential footprint. Suggested north and south setbacks (of 7.5m and 9m) indicate possible building footprint for a residential floorplate of a maximum of 870sqm GFA

As indicated above, key setbacks to the street frontages are unchanged as follows:

Victoria Avenue

The 6m setback above the street wall meets Council's desired setback.

Victor Street

3m setback above the street wall is proposed in lieu of 6m in order to allow the minimum viable commercial and residential floor plate to be accommodated. It is noted that a 3m setback results in an approximate alignment with the Sebel Tower, and further redevelopment of properties along Victor St is unlikely. As such, the Proposal is considered to be appropriate to its context in this regard and the suggestion that a consistent 6m tower setback along Victor St should be established is largely unjustified.

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:

- 6m rear setback
- Om and 3m side setback to west
- 0m front setback to Albert Avenue.

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.

Tower setbacks to neighbouring properties

Key Element 29 outlines setback criteria to be applied to sites in order to preserve amenity and development potential for neighbouring sites.

The Apartment Design Guide guides minimum separation for buildings up to four stories, five to eight storeys and nine storeys and above. Assuming any residential development on neighbouring properties would have to be part of a mixed use development with a significant commercial component, separation guidelines from nine storeys and above are considered in the analysis below. These are:

- 24m between habitable rooms/balconies
- 18m between habitable and non-habitable rooms
- 12m between non-habitable rooms

The diagrams overleaf indicate that once ADG building separation guidelines are applied to neighbouring sites, they become unable to accommodate residential tower development. This is due to the following:

- ADG building separation requirements to the existing Metro Towers to the West,
- ADG building separation requirements to the Sebel Tower to the south
- ADG building separation requirements to be shared with the subject site.
- ADG solar access requirements to neighbouring properties.

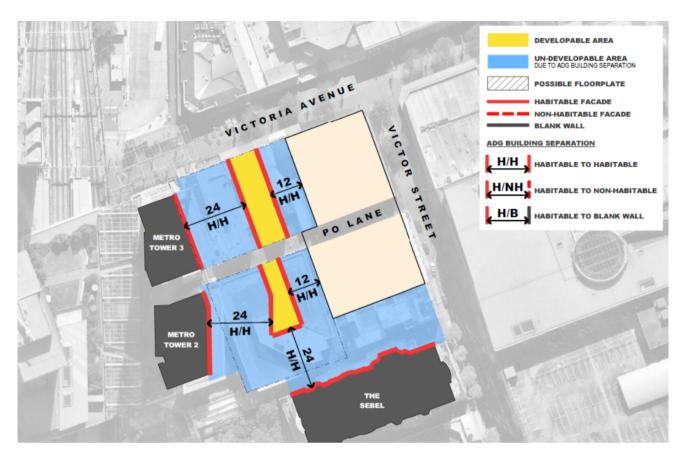
A summary of above analysis is as follows:

- Diagram 1 indicates that only a thin sliver of developable area is available for habitable facades on the neighbouring sites if amalgamated.
- Diagram 2 indicates that 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.

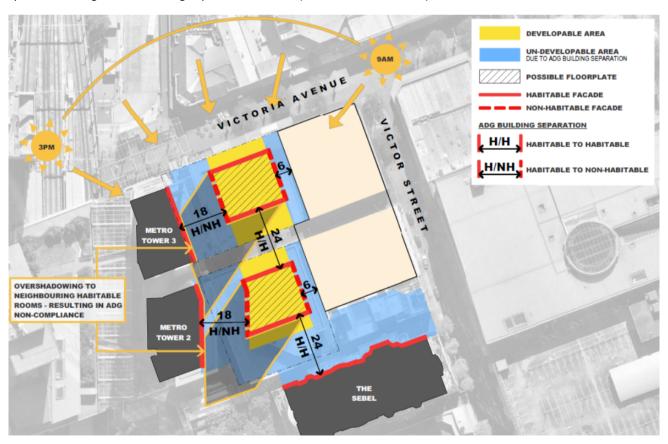
It is also noted that adherence to the setback controls in Key Element 28 has been considered in the context of potential redevelopment of neighbouring properties and, as such, some variations to the specific controls are proposed.

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.



Apartment Design Guide Building Separation Controls (Habitable to Habitable)



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

As a result of the above, it is considered 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, which is unlikely given the constraints listed above, 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 such, rather than applying typical ADG setback guidelines that allow for neighbouring residential redevelopment, the western and southern setbacks within the subject proposal consider the relationship to the existing nearby residential towers, as the neighbouring properties are unable to accommodate residential or commercial tower redevelopment. The Proposal therefore considers building separation to the Metro Towers and the Sebel Tower and satisfies the intent of the ADG in that regard.

Summary

In summary, proposed building setbacks have been established with consideration given to the following design items:

- Setback controls within Councils CBD Strategy;
- The Apartment Design Guide;
- Existing context and the development potential of neighbouring properties; and
- Council's key objective of delivering high quality, viable commercial floor space.

Whilst it is acknowledged that not all numerical setbacks have been strictly adhered to it is suggested that this should be balanced against:

- Market requirements for a viable commercial floor plate and a viable overall development project;
- The limited opportunities available in the Chatswood CBD for site amalgamation;
- The general intent of setback and building separation controls; and
- An assessment of site-specific characteristics (such as the undevelopable nature of neighbouring properties or relative importance of specific controls) that unlock opportunities for sites to deliver on Council's objectives for the CBD.

12 Active street frontages

Council comments

Key Element 30 states:

30 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.

In regard to the subject site, active street frontages are required on Victor Street, Victoria Avenue and Post Office Lane.

It is requested that meaningful active street frontages be provided and maximised on Victor Street and Post Office Lane, by relocating switch room and meter room to a basement level.

Response

We agree that where possible, active street frontages should be maximised to Victor Street, Victoria Avenue, and Post Office Lane.

Practical requirements such as access, servicing, fire egress, plant and equipment, Services Authority requirements and the like may inevitably reduce the extent of potential available active frontages.

Whilst the design is conceptual only at this Planning Proposal rezoning stage, following Council's letter of 28 October 2020, the switch room and meter room have been relocated to the basement level resulting in additional retail space at ground level south of Post Office Lane

Images demonstrating the design before and after are shown below, with updated plans reflected in **Appendix M.**





Ground Floor Plan - 25 September 2020

Ground Floor Plan - Revised December 2020

It is noted that a design excellence and detailed design process is yet to occur, and the entire ground floor layout is subject to detailed design and may change.

The site specific DCP at Appendix I has been updated to seek to maximise active frontages and floor space at ground level as part of the detailed design subject to access, servicing, fire egress, plant and equipment, Services Authorities and other requirements.					

13 Site isolation

Council comments

Evidence is requested in regard to the attempts to consolidate neighbouring properties into the subject Planning Proposal, with particular reference to 418 to 430 Victoria Avenue, 432 Victoria Avenue and 39 Victor Street.

If the inclusion of immediate neighbouring sites at 418 to 430 Victoria Avenue, 432 Victoria Avenue and 39 Victor Street is not possible within the Planning Proposal site, then a shared basement wall should be provided between the abovementioned three neighbouring sites enabling potential future sharing of basements.

Response

The initial redevelopment opportunity first envisaged involved the Australia Post site at 45 Victor Street only. Council's desire for amalgamation opportunities was noted, and Northern Star Investment's site at 410-416 Victoria Avenue was negotiated to also be included. The amalgamation of the two sites exceeds the minimum 1,800sqm site area under Councils CBD Strategy.

Whilst early attempts were made by the landowners to amalgamate further properties, these discussions did not eventuate further.

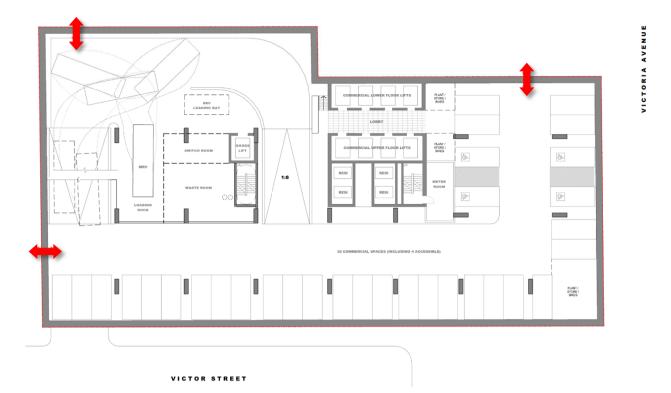
Irrespective, the subject Planning Proposal incorporates an agreed landowner arrangement that results in a site greater than 1,800sqm. The existing arrangement is the result of extensive negotiations between the relevant parties, and the discontinuation of this agreement would likely result in no redevelopment of the subject properties in the short, medium or long term. Significant difficulties arise in expanding the development footprint further as:

- 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; and
- Expanding the development footprint of the subject site further West would impact solar access to the Sebel building to the south.

Accordingly, it is requested the subject Planning Proposal be assessed as currently contemplated.

With respect to a shared basement for adjoining buildings, whilst further detail is required to be resolved regarding access arrangements, legalities, insurances, security, etc, the plans have been updated to indicate where break through provisions could be accommodated for adjoining owners to connect to in the future.

Please see below images which indicate these possible location points.



Possible break through provisions December 2020

The plans at **Appendix M** have been updated to indicate these possible locations. Consideration of allowing for break through points is included as part of the updated site specific DCP at **Appendix I.**

We look forward to discussing this item further during the assessment process.

14 Floor Space at Ground Level

Council comments

Key Element 33 states:

33 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.

Explore the possibility of moving services on the Ground Floor, to the south of Post Office Lane, to a basement level in order to more satisfactorily address Key Element 33 (see comments on Key Element 30 above).

Response

Please refer to item 12 above.

15 Traffic and transport

Council comments

Concern is raised with the proposed vehicle turntable located within the vehicle manoeuvring lane to lower basement levels. This has the unacceptable impact of blocking vehicle movement into the basement car parking levels.

In accordance with Key Element 35(c), physical solutions are sought in regard to loading and servicing. Turntables / mechanical solutions should only be used as a last resort and on constrained sites. The subject site is large at over 2,297sqm, and therefore a comprehensive physical solution, with MRV truck manoeuvring areas, is considered both reasonable and appropriate. Council seeks the optimum outcome envisaged in the Strategy on this important site within the Chatswood CBD.

Concern is raised with the addition of 381 car spaces in this location (being 321 residential, 55 non-residential and 5 car share). Council is in the process of reviewing car parking rates in the Chatswood CBD and requests the following rates are considered (being lower that the current WDCP rates):

Office: 1 space per 400sqm GFA

Retail (<1,000sqm): nil

Retail (>1,000sqm): 1 space per 300sqm GFA

Residential (studio): 0.5 spaces per dwelling

Residential (1 Bed): 0.5 spaces per dwelling

Residential (2+ Bed): 1 space per dwelling

Residential (visitor): 1 space per 10 dwellings

The following traffic and transport related amendments are requested to the Concept Plans:

- A physical solution enabling loading vehicles and garbage / servicing vehicles to enter and leave the site in a forward direction.
- Car parking provision based on the abovementioned car parking rates.

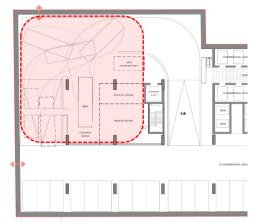
Council would be interested to hear from the proponent if it would be possible to include a substantive end of trip cycle facility, serving the Chatswood CBD, as part of the proposal.

Response

Following Council's letter of 28 October 2020, loading arrangements were revisited and it is possible to remove the turntable on the conceptual building envelope design and implement a physical solution to allow trucks to leave the building in a forward direction without using a turntable. GTA Transport Engineers have reviewed the revised arrangement (**Appendix F**), including undertaking swept path analyses, and has advised that the revised design is capable of supporting a physical solution for loading / unloading and other service vehicles.

Please see below images demonstrating the design before and after the loading dock area redesign. With some minor adjustments to kerb lines a physical solution can be accommodated. This new design is also reflected in the updated Design Drawings located at **Appendix M**.





Basement 1 - 25 September 2020

Basement 1 - Revised December 2020

Parking – A Transport Assessment was completed by GTA Transport Engineers dated August 2020 which supported the revised Planning Proposal lodged 25 September 2020. The expert advice concluded that the Planning Proposal was acceptable with respect to transport items including the parking rates as were proposed.

Non-Residential – As demonstrated in the Revised Planning Proposal lodged 25 September 2020, providing new commercial floorspace in the Chatswood CBD is materially economically and commercially challenged. Attracting any commercial users will be difficult, and sufficient carparking must be provided to increase the offer to commercial tenants. Accordingly, a reduction as proposed by Council for the non-residential component is not supported. The proposed rate is already low, and reducing it further as suggested by Council is simply not feasible.

Residential – Purchasers and future owners expectations are such that adequate levels of car parking spaces are required to be provided with apartments. Residential uses that do not provide adequate levels of parking spaces are not desired by purchasers and owners, or they are heavily discounted to a point where they are unviable to be developed. Significant exposure to purchasers and owners suggests that people who pay a premium to live near stations in central location require car spaces but are unlikely to commute in the AM peak by private vehicle.

Notwithstanding the above, the proposed parking rates for 1-bedroom apartments have now been reduced from 1 space per apartment to 0.5 spaces per apartment.

This will result in a significant reduction in the number of car spaces based on the current indicative mix. It is noted that the total number of car spaces to be provided in the project (based on the current indicative mix) is now lower than the total which would otherwise be permitted under Council's proposed rates (319 currently proposed based on the current indicative apartment mix vs 326 under Council's proposed rates).

As such, no other changes to residential parking rates are proposed from the Proposal of 25 September 2020.

Further to this, analysis completed by GTA Transport Engineers and available at **Appendix F** demonstrates that the reduction to the 1 bed parking rate results in an improvement to the local traffic network when compared to the Revised Planning Proposal lodged 25 September 2020. Importantly it also results in no decrease in the Level of Service (LOS) of the surrounding intersections when compared to the existing scenario.

Visitor parking – Section 8.3.3 of the Planning Report lodged on 25 September 2020 and various sections including section 5.2.5 of the Transport Assessment completed by GTA Transport Engineers (which also forms part of the revised Planning Proposal lodged 25 September 2020), outlines the rationale behind no

visitor parking being proposed. It is not proposed that this position be changed, and the provision of visitor parking at a rate of 1 space per 10 dwellings is not supported for all of the reasons previously outlined.

In summary, GTA Transport Engineers has provided updated commentary in relation to parking and re-run the transport analysis. Please refer to **Appendix F**. GTA Transport Engineers conclude that the revised proposed car parking provision is generally aligned with Council's preferred rates and the TfNSW Guide, is acceptable in terms of traffic generation and the local road network, and is suitable to be supported from a traffic and parking perspective.

Updated car parking ratios that reflect our position above are outlined as follows:

Use/type	Revised Planning Proposal 25 September 2020	Council feedback letter 28 October 2020	Revised Planning Proposal December 2020
Non- residential	1 space per 330sqm GFA	1 space per 400sqm GFA	1 space per 330sqm GFA
1 bed	1 space	0.5 spaces	0.5 spaces
2 bed	1 space	1 space	1 space
3 bed	1.25 spaces	1 space	1.25 spaces
Visitors	Nil	1 space per 10 dwellings	Nil

The site specific DCP at **Appendix I** has been updated to reflect the final revised planning proposal car parking ratios.

Updated car parking numbers that reflect the above are outlined as follows:

Use/type	Revised Planning Proposal 25 September 2020	Revised Planning Proposal December 2020
Non-Residential total	55	55
Residential total	320	259
Visitor parking	0	0
Car Share	5	5
Total	380	319

The parking reduction to 1-bedroom apartments has led to 61 spaces being deleted. This means that a whole floor of basement parking can also be deleted. Please refer drawing SK200 **Appendix M**, which shows the basement now being 7.5 levels instead of 8.5 levels.

End of Trip Cycle Facility – We note Council's suggestion and recognise the intent for an end of trip facility serving the Chatswood CBD. This suggestion is not supported for the following reasons:

An end of trip facility serving the wider CBD is not considered appropriate in this location. Private end of trip facilities would typically be provided within individual commercial developments and would form part of the future development of an individual site. Larger scale public bike parking and end of trip facilities would typically be provided at local commuter stations rather than destination train stations to allow for

storage of bikes prior to boarding train services. Chatswood Interchange is considered to be a destination station and accordingly such a facility would be better located with other local stations within the area.

In addition, the site is already constrained and amalgamating a number of differing uses that form part of a mixed-use building, presents significant spatial and logistical challenges which limit any opportunity to incorporate additional area for alternate uses. There would also be access and security concerns for future owners and users of the building should it be made accessible to serve the wider CBD, along with concerns about the cost of maintaining such a facility for the future owners.

16 Requested documentation

This Response Report, including supporting information and documentation, addresses the items raised by Council in their letter of 28 October 2020. A number of the items raised by Council have been able to be accommodated, whilst others are unfortunately not able to be supported.

It is noted that, at this stage of the Planning Process, a conceptual design only applies, and relevant design excellence, detailed design and DA processes will occur in the future, should the proposal progress.

The assessment of the Planning Proposal for 45 Victor Street and 410-426 Victoria Avenue should be now based on:

- 1. Covering letter, revised Planning Proposal and supporting Appendices lodged 25 September 2020
- 2. Covering letter and this Response Report and supporting Appendices submitted December 2020.

It is again noted that the subject Planning Proposal offers a range of material benefits which will not be realised if the proposal is not supported and the redevelopment of the site is not able to occur, including:

- Activation of a key portion of the Chatswood CBD with significant jobs and residents further adding to the viability of existing CBD businesses.
- Regeneration of two poor quality sites and a service laneway, which without this proposal are likely to remain as is indefinitely.
- Highest known non-residential FSR for a mixed-use building (greater than Mandarin Centre gateway approval)
- A supply of more employment generating floorspace than that achieved in Chatswood the last 25 years
- The first new major commercial development in Chatswood CBD since 1995
- The third largest commercial development in Chatswood, and the largest on the eastern side of the station
- A significant opportunity for housing in close proximity to excellent public transport and amenity.
- 25% of baseline District Plan jobs targets achieved.
- 19% of stretch District Plan jobs targets achieved.
- \$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.
- 4% affordable housing calculated on total residential floor space area.
- Upgrade, revitalisation and activation of Post Office Lane.
- Enhanced activation and built form interface to surrounding streets.
- Green walls and rooftop landscaping including accessible open space at the podium level.
- Identification of opportunities for public art along the laneway serving as a marker to this important pedestrian connection.

For clarity, we confirm the Planning Proposal seeks to amend the Willoughby LEP to:

- Allow shop top housing as an additional permitted use across the entire site;
- Increase the maximum height to RL262 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 site specific DCP; and
- Apply a maximum FSR of 20:1 and include a site specific control requiring a minimum FSR of 8:1 for non-residential uses.

Site specific development controls are also proposed for inclusion in the Willoughby DCP to guide future design process and development applications (**Appendix I**), and an updated table reflecting consistency with the objectives of the 35 Key Elements of the Chatswood CBD Strategy has been provided at **Appendix N**.

We look forward to Council's assessment and determination of the final revised Planning Proposal and can be contacted at any time to discuss any matter further.



Appendix A Council letter 28 October 2020



PLANNING AND INFRASTRUCTURE

Planning Unit

28 October 2020

Mirvac C/- FPD Pty Ltd PO Box H219 Australia Square NSW 1215 SYDNEY NSW 2000

ATT: Michael File

Dear Mr File,

RE: Planning Proposal 2016/7/A 45 Victor Street, and 410-416 Victoria Avenue, Chatswood

I am writing to you regarding the Planning Proposal 2016/7/A submitted on 25 September 2020 for 45 Victor Street, and 410-416 Victoria Avenue, Chatswood.

The Planning Proposal seeks to amend Willoughby Local Environmental 2012 (WLEP 2012) as follows:

- Allow shop top housing as an additional permitted use across the site.
- Increase the maximum height to RL 262m across the entire site and remove the 7m height limit fronting Victoria Avenue.
- Apply a maximum FSR of 20:1 and include a site specific control requiring a minimum FSR of 8:1 for non-residential uses.

The documentation submitted with the Planning Proposal has been the subject of preliminary review.

At this stage, the Planning Proposal is unlikely to be supported as:

- The proposed residential component is not consistent with the existing B3
 Commercial Core zoning under WLEP 2012 or the envisioned future B3
 Commercial Core zoning under the Chatswood CBD Planning and Urban Design Strategy 2036 (the 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 Strategy,
 which is only to be considered if the other aspects of the Strategy, in particular
 land use, are satisfactorily addressed.
- In the same way, the proposed floor space ratio of no maximum under the *Strategy* is only to be considered if the other aspects of the *Strategy* are satisfactorily addressed.

Willoughby City Council

The fundamental issues identified above, as well as the other issues identified with this Planning Proposal, having regard to the 35 Key Elements contained in the *Strategy* and Council's internal referral process, are discussed in Attachment 1 – Response to Planning Proposal. It is emphasized that the assessment of a Planning Proposal on this site will be based on the *Strategy* and the vision expressed therein.

An amended Planning Proposal, consistent with the *Strategy*, would be welcomed on such a key site within the Chatswood CBD B3 Commercial Core zone.

You are invited to review your Planning Proposal and respond to Attachment 1 with amendments and accompanying documentation, which demonstrates how the proposal will help deliver the vision for Chatswood CBD. Council Officers look forward to working with you to facilitate the progress of this amended Planning Proposal to the point it may be supported for a Gateway Determination.

We sincerely hope you will respond positively to the advice in this letter and provide a proposal that will deliver on the Council's vision for Chatswood CBD.

Should you have any questions regarding the contents of this letter, please contact Craig O'Brien on (02) 9777 7647.

Yours sincerely,

Ian Arnott

PLANNING MANAGER

Attachment 1 - Response to Planning Proposal

45 Victor Street, and 410-416 Victoria Avenue, Chatswood

Discussion

Council is supportive of the amalgamation of sites to create consolidated sites within the Chatswood CBD, in order to achieve the optimum redevelopment outcomes envisioned under the *Chatswood CBD Planning and Urban Design Strategy 2036* (September 2020) as endorsed by DPIE.

The site represents a large site in an important location within the Chatswood CBD, and consolidation is encouraged under the *Strategy* and supported.

The subject Planning Proposal was initially lodged with Council on 22 December 2016 with a land use split of 23% non-residential land uses and 77% residential. The Planning Proposal was not consistent with the existing controls for the site under *Willoughby Local Environmental Plan 2012 (WLEP)* and the *Strategy* in terms of the fundamental issue of land use, and on this basis a report to Council was prepared in June 2017 with a recommendation to not support further progress. A full Council assessment was not carried out at this time due to the fundamental land use issue. At the request of the proponent, the matter was not reported to Council while options were explored to address the fundamental land use concern of Council. It was the expectation of Council that any resubmitted proposal would be consistent with the *Strategy* and the 35 Key Elements.

The Amended Planning Proposal 2016/7/A, submitted 25 September 2020, has now been the subject of a full assessment. The issues and concerns with the Planning Proposal are based on an inadequate response to the vision within the *Strategy*, and the 35 Key Elements.

The Planning Report (August 2020), prepared by FPD Pty Ltd, submitted with the Planning Proposal states as an objective and intended outcome:

"To implement the draft Chatswood CBD Strategy as it relates to the site ..."

The Urban Design Study (August 2020), prepared by Mirvac Design and submitted with the Planning Proposal, states

"The new Proposal is underpinned by a series of planning principles informed by Council's Draft Planning and Urban Design Strategy which aims to deliver 'a distinctive, resilient and vibrant CBD."

The *Strategy* was endorsed by Council on 26 June 2017, part endorsed by the Department of Planning, Industry and Environment (DPIE) on 9 August 2019 and fully endorsed on 9 July 2020. The *Strategy* was further noted by Council on 14 September 2020. The point is emphasized that the *Strategy* ceased being a draft on 26 June 2017.

Council seeks Planning Proposals within the Chatswood CBD that are consistent with the *Strategy*, and the vision contained within as outlined in the 35 Key Elements. Planning principles underpin the Strategy, and the vision and 35 Key Elements are clearly established for proponents to use as a guideline for planning proposals that are welcomed in the Chatswood CBD. Whilst the Strategy has been subject to amendments from both Council and DPIE, it has been in place and largely unchanged since the 26 June 2017 Council endorsement.

A letter submitted with Planning Proposal by Mirvac dated 25 September 2020 is accompanied by a summary table titled 'Achieving the Vision and Objectives', which address the 35 Key Elements of the *Strategy*.

With regard to the abovementioned table and concept plans, Council does not recognize an appropriate level of consistency with the vision set out in the *Strategy* – which is the basis for amending current planning controls within the Chatswood CBD. A different vision is proposed.

In line with the above, Council has assessed the Planning Proposal having regard to the 35 Key Elements in the *Strategy*.

1) Land Use

Key Element 2 'Land Use' of the *Strategy* states:

- "2 Land uses in the LEP will be amended as shown in Figure 3.1.2, to:
 - a) Protect the CBD core around the Interchange as commercial, permitting retail throughout to promote employment opportunities.
 - b) Enable other areas to be mixed use permitting commercial and residential."

A fundamental requirement within the *Strategy* is the prohibition of residential land use within the commercial core.

The subject site is located within the commercial core.

The Department of Planning, Industry and the Environment (DPIE) stated in its letter of 9 August 2019:

- "That mixed used development can be permitted within appropriate parts of the remaining CBD Core area (i.e. east of the North Shore rail line), but only where this results in demonstratable, significant and assured job growth, thereby aligning with the key objective of the District Plan to support job growth.
- That any planning proposals for the CBD Core area do not result in significant traffic or transport impacts, as sites in this part of the CBD are highly accessible to Chatswood rail and bus interchange."

As noted above, the entire Strategy was endorsed by DPIE on 9 July 2020.

The Planning Proposal involves a land use split of 40% non-residential land uses and 60% residential.

The following 'case for change' has been provided by the proponent:

- "To amend the planning controls to facilitate a viable mixed use development scheme which achieves a high portion of employment generating uses to align with State and local objectives for the Chatswood Strategic Centre.
- To implement the draft Chatswood CBD Strategy as it relates to the site, noting DPIE's comments on the potential for residential uses to the east of the train line.

- To facilitate development of a consolidated site with the potential to deliver a commercial floor plate which meets requirements for A grade office space.
- To ensure solar access is retained to key areas of open space by establishing appropriate maximum building heights.
- To deliver a contextually appropriate building which delivers high quality design outcomes.
- To support public transport patronage and reduce private vehicle travel demand by locating a mix of retail, commercial and residential uses in a highly accessible location within the Chatswood CBD with direct access to Chatswood Interchange.
- To enhance street activation through the location of ground floor retail uses along Victor Street, Victoria Avenue and Post Office Lane.
- To enhance vibrancy within the Chatswood CBD and in particular the Victoria Avenue Mall through the increase of the worker and residential populations and an improved public domain.
- To improve connectivity through the upgrade of Post Office Lane enhancing pedestrian access to Chatswood Interchange whilst maintain access for landholdings to the west of the site.
- To deliver affordable housing at a rate of 4% of the total residential floor space.
- To facilitate the delivery of a high quality proposal which will result in the renewal of the subject sites and laneway."

The quantum of residential land use in this Planning Proposal is not supported based on strategic planning reasons. Council continues to emphasize that the subject site being located within the Commercial Core, very close to the Chatswood Interchange and other services, is not an appropriate location for this scale of additional residential floor space and associated residential related vehicle movement. The conditions of the DPIE endorsement of the *Strategy* are acknowledged, however it is not considered that the extent of residential proposed aligns with the intent of the DPIE direction. It is also considered that the extent of residential related vehicle movement in Victor Street that would result, on a site with such immediate access to the Chatswood Interchange, is also at odds with the intent of the DPIE direction (car parking is discussed below in Key Element 35).

It is requested that the proponent review the floor space allocation and increase the commercial / non-residential floor space percentage for the site, to satisfactorily reflect its location in the B3 Commercial Core zone and Key Element 2, which should be in the order of 70% of the developable floor space.

The Planning Proposal report discusses previous consultation with Key Stakeholders including Council. It is anticipated that the abovementioned Council concern regarding the commercial / non-residential floor space percentage for the site, related in previous discussions with the proponent, will be taken on board and result in amendments to the proposal.

2) Planning Agreements to Fund Public Domain

To address Key Elements 5, 6 and 7, which are standard considerations for Planning Proposals seeking to apply the *Strategy* and would relate to the subject site, a Letter of Offer is requested with reference to Council's draft VPA Policy recently on exhibition.

Particular reference is made to the expectation outlined in Key Elements 6 and 7.

3) Design Excellence and Building Sustainability

Council seeks an approach to design excellence and building sustainability that is consistent with Key Elements 8, 9 and 10, which are standard requirements for Planning Proposals seeking to apply the *Strategy* and which would relate to the subject site, and Council's Design Excellence Policy.

Acknowledgement of consistency with the required approach is requested. Any other suggested approach is not supported.

4) Floor Space Ratio

The site is satisfactory with regard to Key Element 12 and the 1800m² minimum site area.

It is unclear how the Planning Proposal intends to address Key Elements 13 and 14, which state:

- "13 The FSRs in Figure 3.1.4 (page 34), should be considered as maximums achievable in the centre subject to minimum site area and appropriate contributions
- Affordable housing is to be provided within the maximum floor space ratio, and throughout a development rather than in a cluster."

The abovementioned Key Elements are standard requirements for Planning Proposals seeking to utilise the *Strategy* and would apply to the subject site. This existing 4% affordable housing requirement under *Willoughby Local Environmental Plan 2012* is in addition to any planning agreement offer.

Please confirm that affordable housing is to be provided within any proposed residential floor space component (not in addition to) and separate to any VPA (as per Key Element 6).

Council would be interested to hear from the proponent in regards any increased affordable housing provision with the residential component, with 4% being the minimum requirement.

5) Built Form

Key Elements 16, 17 and 18, are standard requirements for Planning Proposals seeking to apply the *Strategy* and would relate to the subject site.

If residential land use is proposed in a mixed use approach to a site within the B3 Commercial Core zone, then requirements for mixed use development in the B4 Mixed Use zone would apply. Therefore residential tower floor plates should not be greater than GFA 700m², with this being a maximum floor plate figure, reflective of the slender tower form envisioned under the *Strategy*. Residential tower floor plates of 870m² are not supported. The proposed height of the building is not an acceptable argument for increasing the floor plate size.

6) Building Heights

The Planning Proposal seeks a height control over the entire site of RL 262 m (excluding roof features).

The Planning proposal states that "the proposal satisfies all suggested building height requirements."

This statement is incorrect. Maximum height under the *Strategy* is 7m along the Victoria Avenue frontage (for a depth of 6m) and then RL 246.8 m (limit by Pans-Ops plane). In accordance with Key Element 21, all structures located at roof level are to be within the height maximum (including roof features). Roof features are encouraged however the height uplift under the *Strategy* has made allowance for such provision. In addition, these maximum heights are only achievable provided the other aspects of the *Strategy*, with particular regard to land use, are addressed.

The height in the *Strategy* is the height envisioned by Council and a redefinition of height by the proponent is not supported – this is a different vision. It is requested that height be revised to be consistent with the *Strategy* and the vision outlined by Council.

Conceptual elevation plans are requested in addition to the north-south and east-west sections. It is requested that elevation and section plans refer to RL heights, metres and storeys.

7) Links and Open Space

It is unclear how the Planning Proposal intends to address Key Element 22, which states:

The links and open space plan in Figure 3.1.7 (page 36) will form part of the DCP. All proposals should have regard to the potential on adjacent sites. Pedestrian and cycling linkages will be sought in order to improve existing access within and through the CBD. New linkages may also be sought where these are considered to be of public benefit. All such links should be provided with public rights of access and designed with adequate width, sympathetic landscaping and passive surveillance."

Analysis is required to clearly identify how the requirements in Figure 3.1.7 have been addressed, with particular regard to the loss of an existing open air 24 hour through site link and the replacement with a covered link. How is this space to be managed and public access guaranteed?

8) Public realm or areas accessible by public on private land

Council officers are unaware of any formal application to Council in respect to use of air space above Post Office Lane. Council approval is required for any advancement of the Planning Proposal reliant on this space. Application for approval should indicate the terms proposed in any such agreement in order to allow Council to make an informed decision.

Urban design analysis is requested on how the proposed changes to Post Office Lane have been designed to maximise public benefit and encourage public use. Council also requests detail on how the permanent public benefit is to be achieved (KE 24d)).

There are a number of clear outcomes sought in regards the laneway:

- A height of minimum laneway to ceiling height of 10 metres at any one point.
- The laneway functions as an active lane (during and post construction).
- Formal legal agreement with Council regarding the retained ownership, continued public access, management and maintenance of the existing laneway easement.
- Public liability and security of the laneway easement and other 'publicly accessible' spaces within and adjacent to the development.

 The treatment of the laneway clearly establishes a desired character that has regard to its previous history as a 'service laneway' within the Chatswood CBD on the eastern side of the North Shore Railway Line.

In regards further consideration of Post Office Lane, Council requests that the proponent also explore possibilities in relation to:

- The other properties in Post Office Lane, which currently rely on that lane for parking access, loading / unloading and servicing such as garbage, having ongoing access for these purposes, using the proposed basement goods lift located within the subject site.
- The intent of this solution would be that there would be no further vehicle related parking movements, loading/unloading or servicing in Post Office Lane. It is acknowledged that loading/unloading and servicing would still be required by non-vehicle means.
- The improved public amenity such an arrangement would bring to Post Office Lane.

9) Landscaping

It is unclear how the Planning Proposal intends to address Key Elements 25 and 26, which state:

- "25 All roofs up to 30 metres from ground are to be green roofs. These are to provide a green contribution to the street and a balance of passive and active green spaces that maximise solar access.
- A minimum of 20% of the site is to be provided as soft landscaping, which may be located on Ground, Podium and roof top levels or green walls of buildings."

An important objective of the *Strategy* is redevelopment being accompanied by a greening of the Chatswood CBD – which is applicable to the B3 Commercial Core. Soft landscaping is to be provided within a site, and where possible, visible from the street. The location of the site within the Urban Core precinct is acknowledged. Podium levels should contain greening that is visible from Victor Street and Victoria Avenue.

Although it is appreciated that the design is still in 'concept' stage, Council nonetheless requests landscape plans that address soft landscaping on-site and how the above two Key Elements are addressed.

10) Setbacks and Street Frontage Heights

As noted above amended plans are required clearly showing that the setback and street wall requirements applicable to the Victoria Avenue retail frontage and Urban Core precinct have been satisfied.

Key Element 28 states:

"28 All towers above podiums in the B3 Commercial Core and B4 Mixed Use zones are to be setback from all boundaries a minimum of 1:20 ratio of the setback to building height.

This means if a building is:

- e) A total height of 30m, a minimum setback from the side boundary of 1.5m is required for the entire tower on any side.
- b) A total height of 60m, a minimum setback from the side boundary of 3m is required for the entire tower on any side.
- c) A total height of 90m, a minimum setback from the side boundary of 4.5m is required for the entire tower on any side.
- d) A total height of 120m, a minimum setback from the side boundary of 6m is required for the entire tower on any side ...

The required setback will vary depending on height and is not to be based on setback averages but the full setback."

Key Element 29 states:

- "29 Building separation to neighbouring buildings is to be:
 - a) In accordance with the Apartment Design Guide for residential uses.
 - b) A minimum of 6 metres from all boundaries for commercial uses above street wall height."

All buildings part of this Planning Proposal and regardless of being commercial or residential, are to be in accordance with the abovementioned minimum setbacks – which are related to tower height above Podium.

In regards Key Element 28, a staggered setback as you go up in height is not what is sought – unless it is in addition to the minimum required. What is sought is a minimum setback at the beginning of the tower (for the whole tower) based on height.

In regards Key Element 29, if a residential component is proposed in the subject Planning Proposal, then it should be designed assuming that the neighbouring property may seek a residential component. On this basis clear analysis is to be shown on plans regarding how the Planning Proposal is able to satisfactorily address *SEPP 65* and the *Apartment Design Guide* for residential uses. In this regard a review is requested of the setbacks facing neighbouring properties to the west and south.

Setback requirements and consistency with the *Strategy* is to be clearly shown in the concept plans.

11) Active Street Frontages

Key Element 30 states:

"30 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."

In regards the subject site, active street frontages are required on Victor Street, Victoria Avenue and Post Office Lane.

It is requested that meaningful active street frontages be provided and maximised on Victor Street and Post Office Lane, by relocating switch room and meter room to a Basement level.

12) Site Isolation

Evidence is requested in regards the attempts to consolidate neighbouring properties into the subject Planning Proposal, with particular reference to 418 (to 430) Victoria Avenue, 432 Victoria Avenue and 39 Victor Street.

If the inclusion of immediate neighbouring sites at 418 Victoria Avenue, 432 Victoria Avenue and 39 Victor Street, are not possible within the Planning Proposal site, then a shared basement wall should be provided between the abovementioned three neighbouring sites enabling potential future sharing of basements.

13) Floor space at Ground Level

Key Element 33 states:

"33 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."

Explore the possibility of moving services on the Ground Floor, to the south of Post Office Lane, to a Basement Level in order to more satisfactorily address Key Element 33 (see comments on Key Element 30 above).

14) Traffic and Transport

The Planning Proposal concept plans show the following:

- One entry/exit point for basement parking, loading and servicing.
- One turntable for loading in basement 1, located within the vehicle manoeuvring lane to lower basement levels.
- A one basement solution across the site (including under Post Office Lane).

Key Element 35 a) states:

"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."

In regards Key Element 35, the vision for the development in the Chatswood CBD is for:

- Floor space at ground level to be maximised and services minimised.
- Active street frontages to be maximised.

Concern is raised with the proposed vehicle turn table located within the vehicle manoeuvring lane to lower basement levels. This has the unacceptable potential impact of blocking vehicle movement into the basement car parking levels.

In accordance with Key Element 35c), physical solutions are sought in regards loading and servicing. Turntables / mechanical solutions should only be used as a last resort and on constrained sites. The subject site is large at over 2,297m², and therefore a comprehensive physical solution, with MRV truck manoeuvring areas, is considered both reasonable and appropriate. Council seeks the optimum outcome envisaged in the *Strategy* on this important site within the Chatswood CBD.

Concern is raised with the addition of 381 car spaces in this location (being 321 residential, 55 non-residential and 5 car share). Council is in the process of reviewing car parking rates in the Chatswood CBD and requests the following rates are considered (being lower than the current WDCP rates):

Land use		Parking rate
Office		1 space per 400 sqm GFA
Retail (<1000 sqm)		
Retail (>1000 sqm)		1 space per 300 sqm GFA
Residential	Studio 1-bed 2+ bed Visitor	0.5 spaces per dwelling0.5 spaces per dwelling1 space per dwelling1 space per 10 dwellings

The following traffic and transport related amendments are requested to the Concept Plans:

- A physical solution enabling loading vehicles and garbage / servicing vehicles to enter and leave the site in a forward direction.
- Car parking provision based on the abovementioned car parking rates.

Council would be interested to hear from the proponent if it would be possible to include a substantive end of trip cycle facility, serving the Chatswood CBD, as part of the proposal.

Requested documentation

Regarding documentation to respond to this Attachment, the following is requested:

- 1) Amendments and further information in line with the issues identified in this Attachment.
- 2) Conceptual elevation plans in addition to the north-south and east-west sections. It is requested that elevation and section plans refer to RL heights, metres and storeys.
- 3) Landscape plans that address soft landscaping on-site.
- 4) All concept plans accompanying a Planning Proposal should show on plan how the numerical requirements contained in the *Strategy* (specifically the 35 Key Elements) are addressed and satisfied. Particular reference is made to height, floor plates, setbacks (ground, podium and upper levels) and street wall heights. Height should be shown in RLs, metres and storeys.
- 5) All documentation accompanying a Planning Proposal should include draft Development Control Plan provisions that are site specific, address the *Strategy* 35 Key Elements and at the same time be consistent with the template approach taken with other Planning Proposals as Council is seeking consistency in its approach to Planning Proposals. In order to assist, an acceptable template is able to be provided on request.

Once the above information is submitted to Council, further assessment will be undertaken, with a view to reporting the proposal to the first available Council Meeting and ensuring the matter is dealt with promptly.



Appendix B Presentation to Council 2 October 2020

45 VICTOR STREET AND 410-416 VICTORIA AVENUE, CHATSWOOD

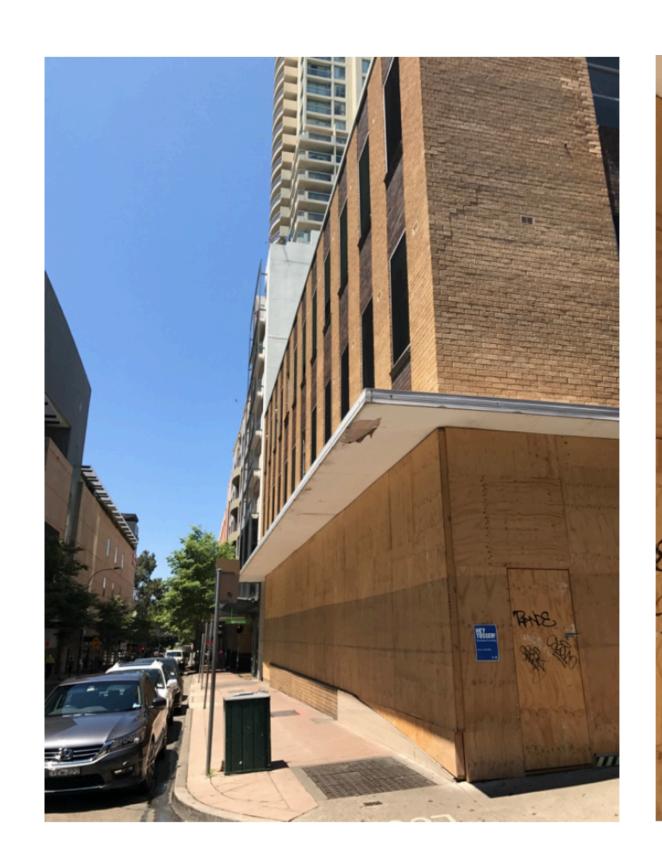




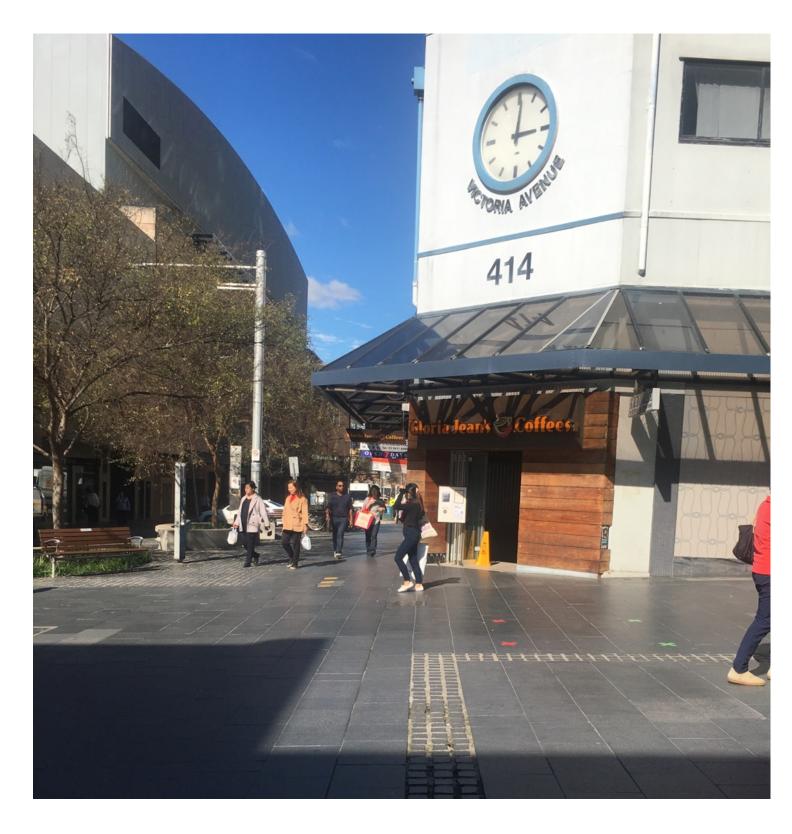




EXISTING SITE CONDITIONS









BACKGROUND





PROPOSAL OVERVIEW

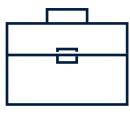
Planning Proposal (Dec 2016)



Height: RL262 (solar access plane)



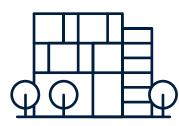
FSR: 5:1 non-residential (approx. 11,000sqm GFA)



Employment: 920 new jobs (FTE)



Retail: approx. 800sqm GFA



Dwellings: approx. 320

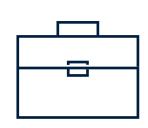
Revised Proposal



Height: RL262 (solar access plane)



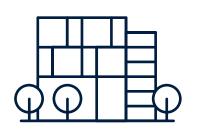
FSR: 8:1 non-residential (approx. 18,376sqm GFA)



Employment: over 1,500 new jobs (FTE)



Retail: approx. 750sqm GFA



Dwellings: approx. 310

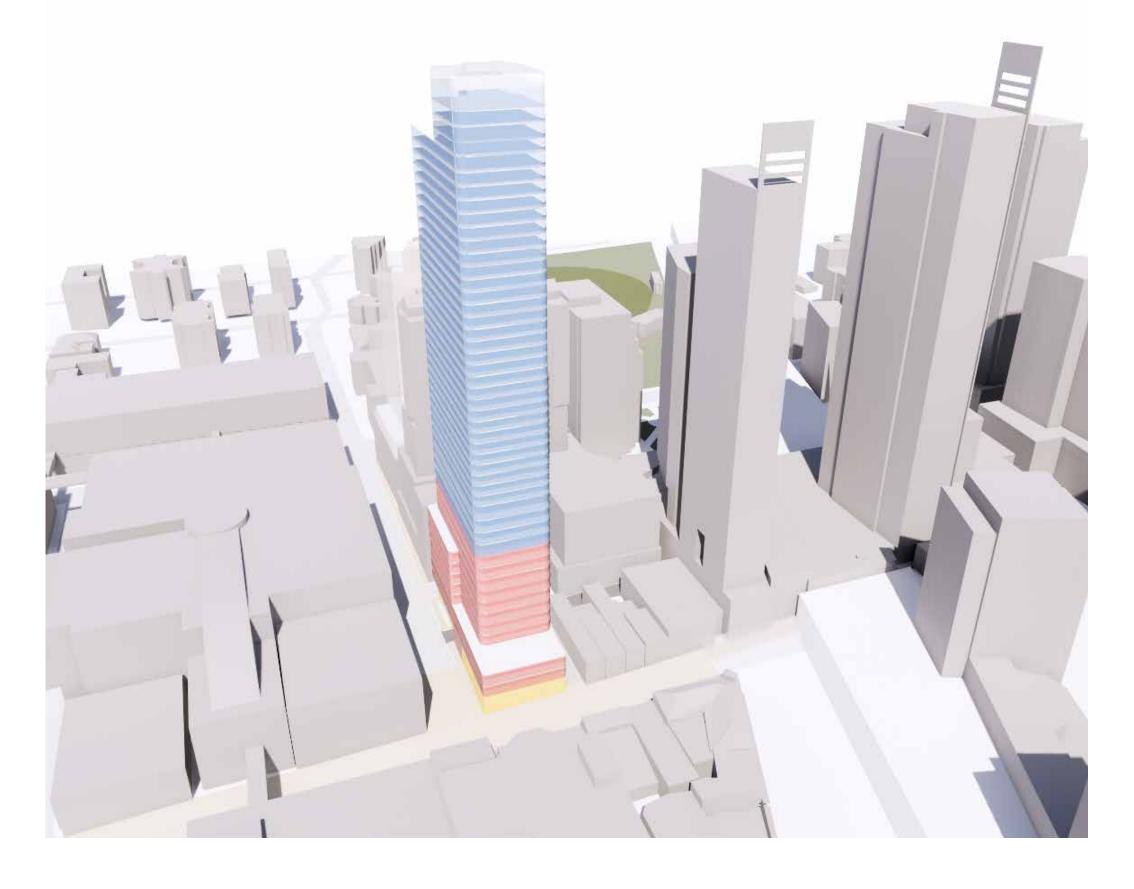


BUILDING ENVELOPE

Planning Proposal (Dec 2016)

Total FSR (approx.): 22:1

Minimum non-residential FSR: 5:1



Revised Proposal

Total FSR (approx.): 20:1

Minimum non-residential FSR: 8:1

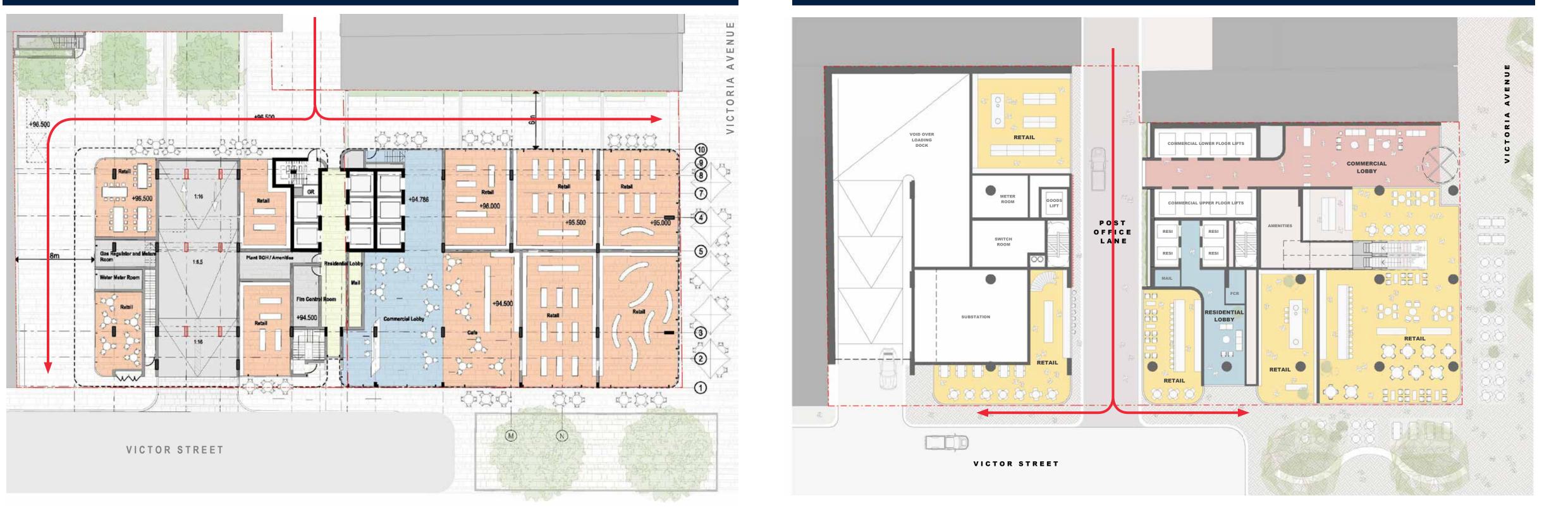




GROUND PLANE

Planning Proposal (Dec 2016) VICTOR STREET

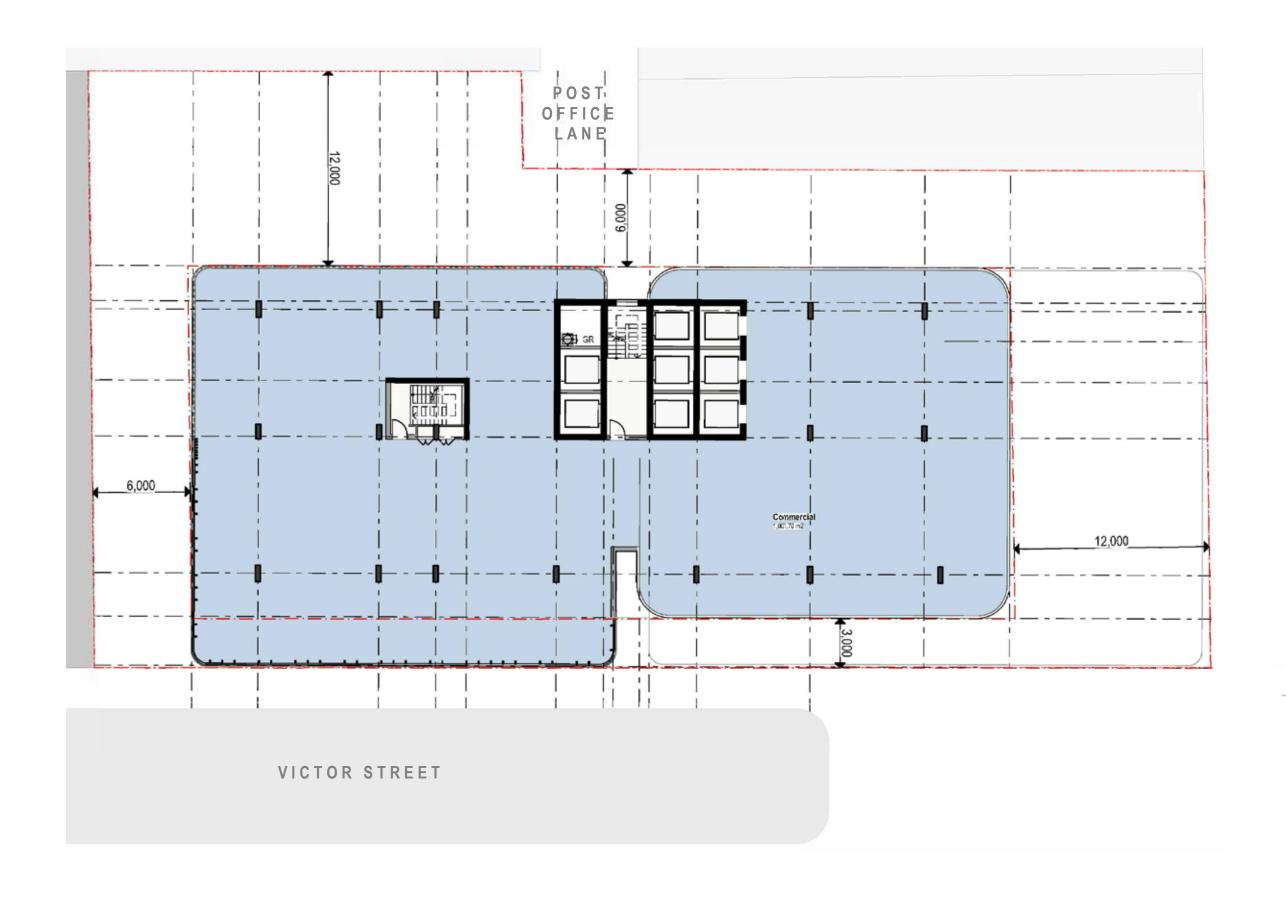
Revised Proposal



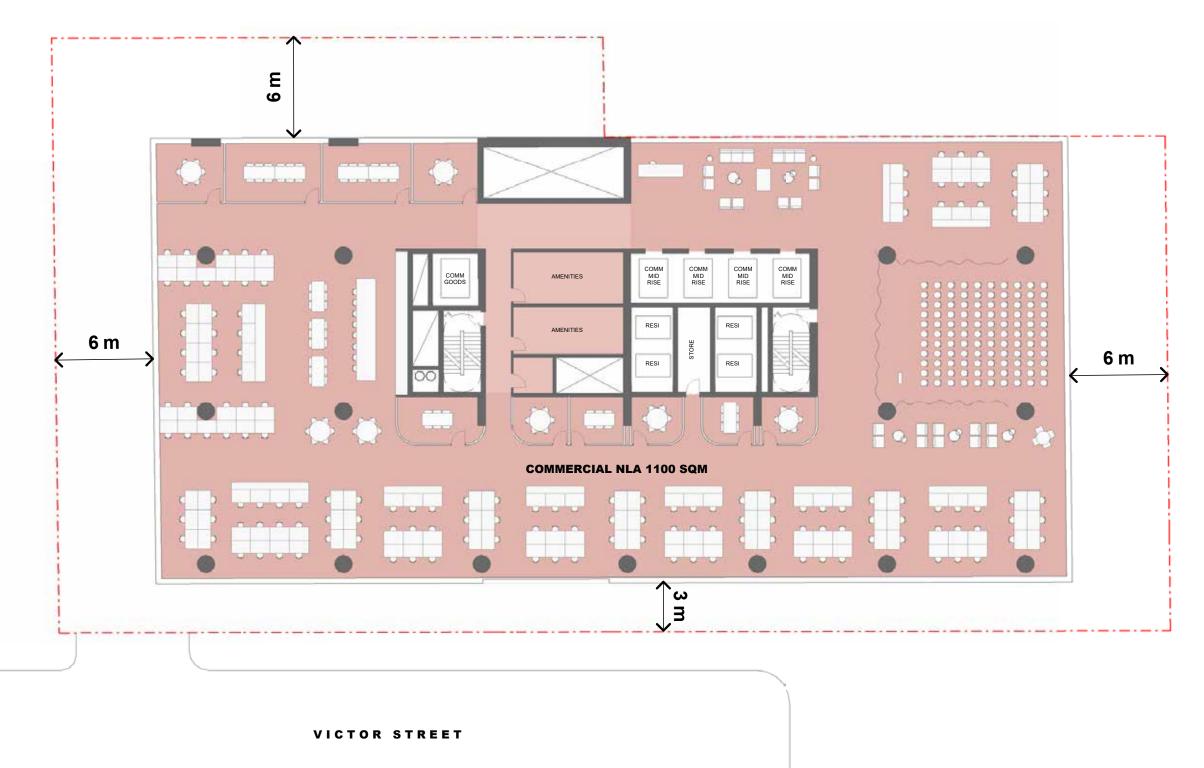


TYPICAL COMMERCIAL

Planning Proposal (Dec 2016)



Revised Proposal



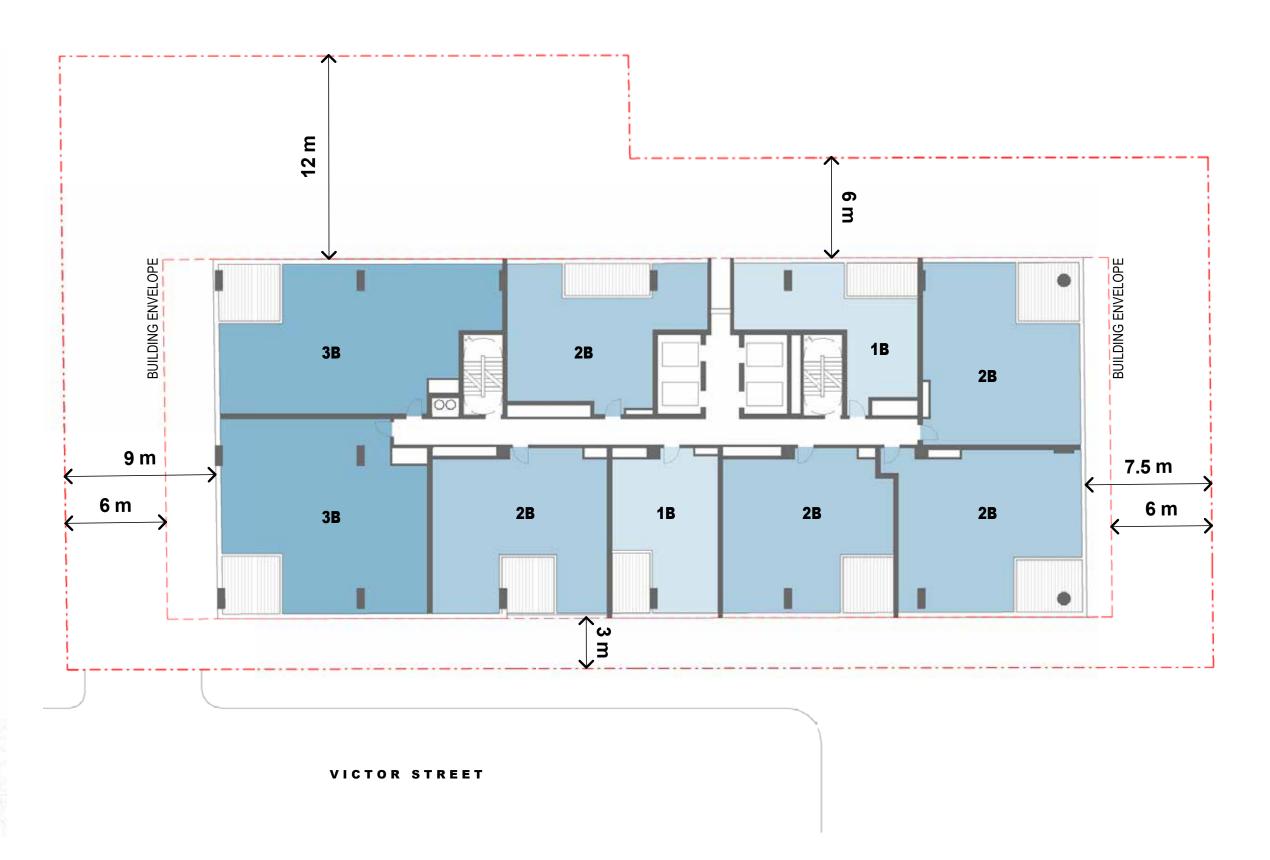


TYPICAL RESIDENTIAL

Planning Proposal (Dec 2016)

203 Balcony ace m2 VICTOR STREET

Revised Proposal



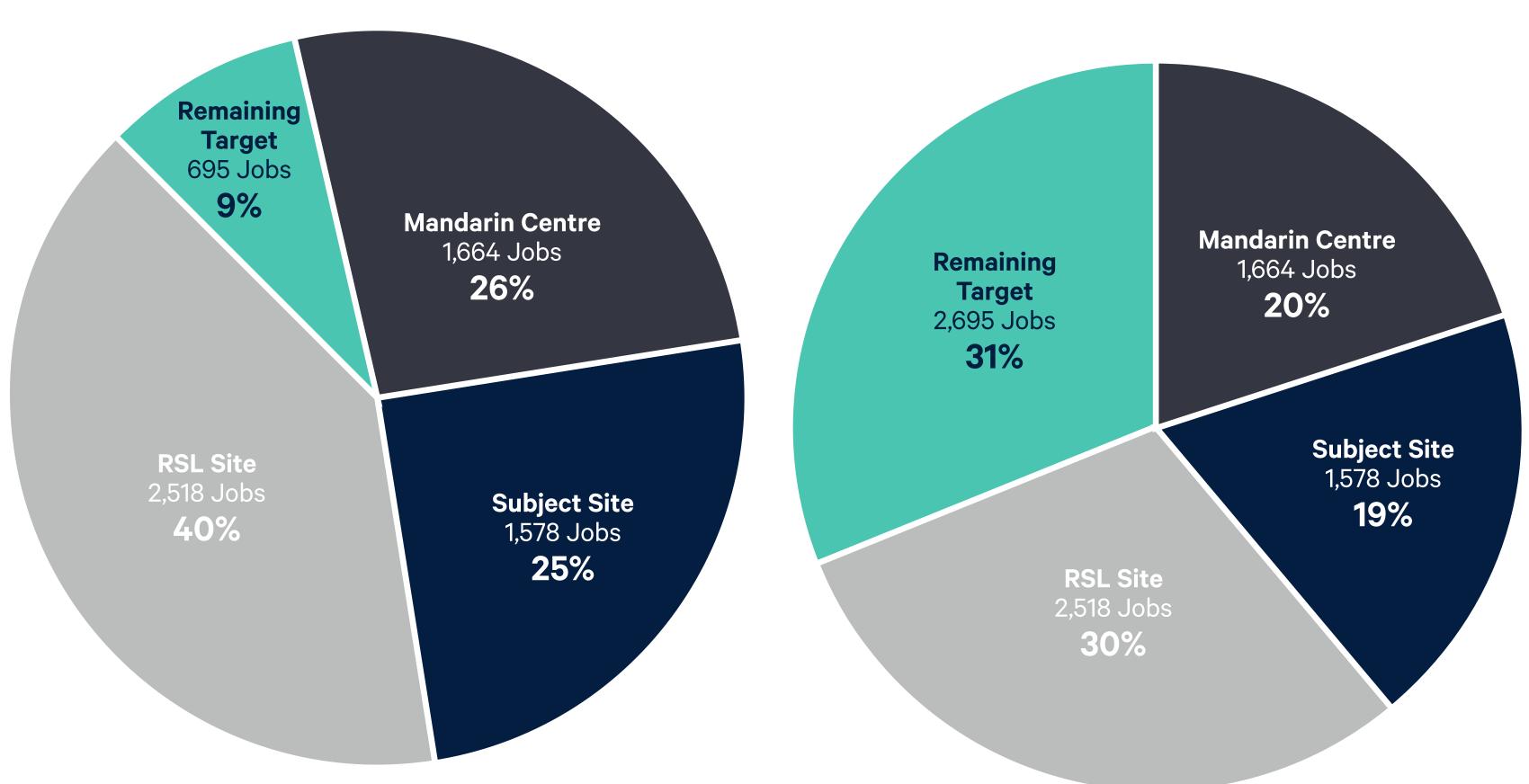






2036 CHATSWOOD EMPLOYMENT TARGETS





Research conducted by BIS
Oxford Economics indicates
a conservative supply
pipeline estimate of 12,350
additional jobs (approx.
148,200sqm) on the western
side of the railway to 2036



MAJOR EXISTING COMMERCIAL PROPERTIES - CHATSWOOD CBD

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

Source: Jones Lang Lasalle



SYDNEY CBD - COMPARABLE COMMERCIAL EXAMPLES



333 George Street, Sydney (14,508sqm NLA)

- Clyde & Co.
- WeWork



77 King Street, Sydney (14,785sqm NLA)

- Apple
- Facebook

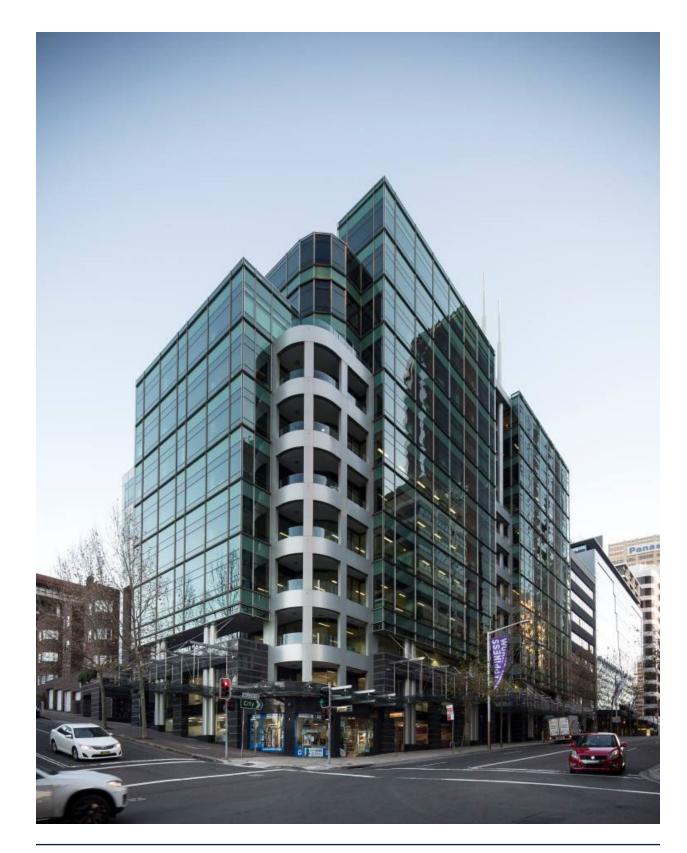


20 Martin Place, Sydney (16,036sqm NLA)

- Apple
- REGUS



NORTH SYDNEY CBD - COMPARABLE COMMERCIAL EXAMPLES



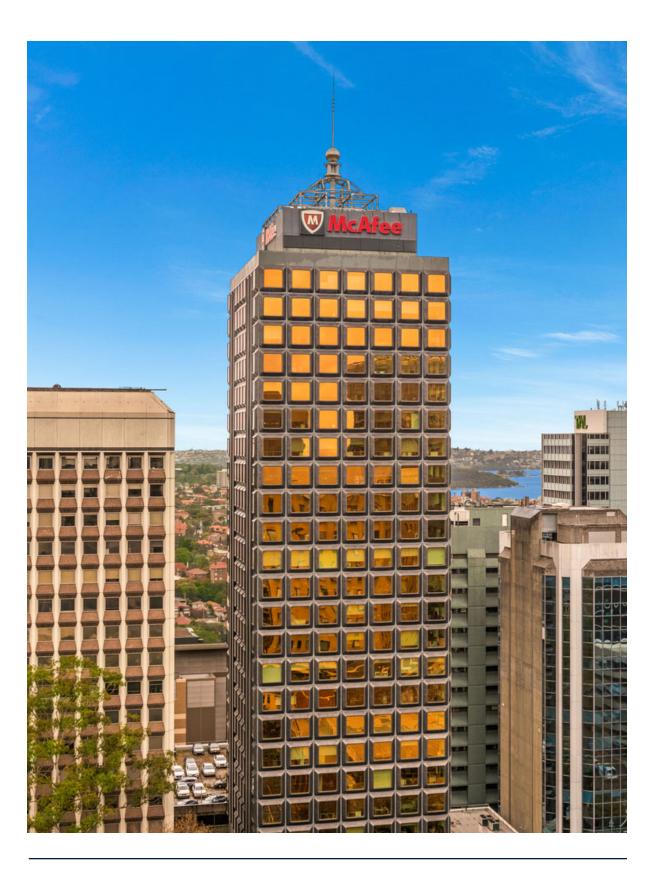
40 Miller Street, North Sydney (12,611sqm NLA)

- UGL
- InvoCare



111 Pacific Highway, North Sydney (17,357sqm NLA)

- NBN Co.
- Nokia



201 Miller Street, North Sydney (14,970sqm NLA)

- Nespresso Australia
- ERM Power



KEY HIGHLIGHTS

- Renewal of significant, yet currently underutilised site less than 50m from the Chatswood Transport Interchange
- Over 18,000sqm of new commercial and retail GFA, representing in excess of 1,500 new permanent jobs
- Over 600 jobs during construction
- New, highly activated ground plane including active frontages to Victoria Avenue, Victor Street and Post Office Lane
- Upgrade and embellishment of Post Office Lane to improve activation, safety, pedestrian amenity and accessibility
- 4% affordable housing contribution in accordance with Council's current requirements
- Delivery of new residential accommodation within a highly connected and active area of the Chatswood CBD



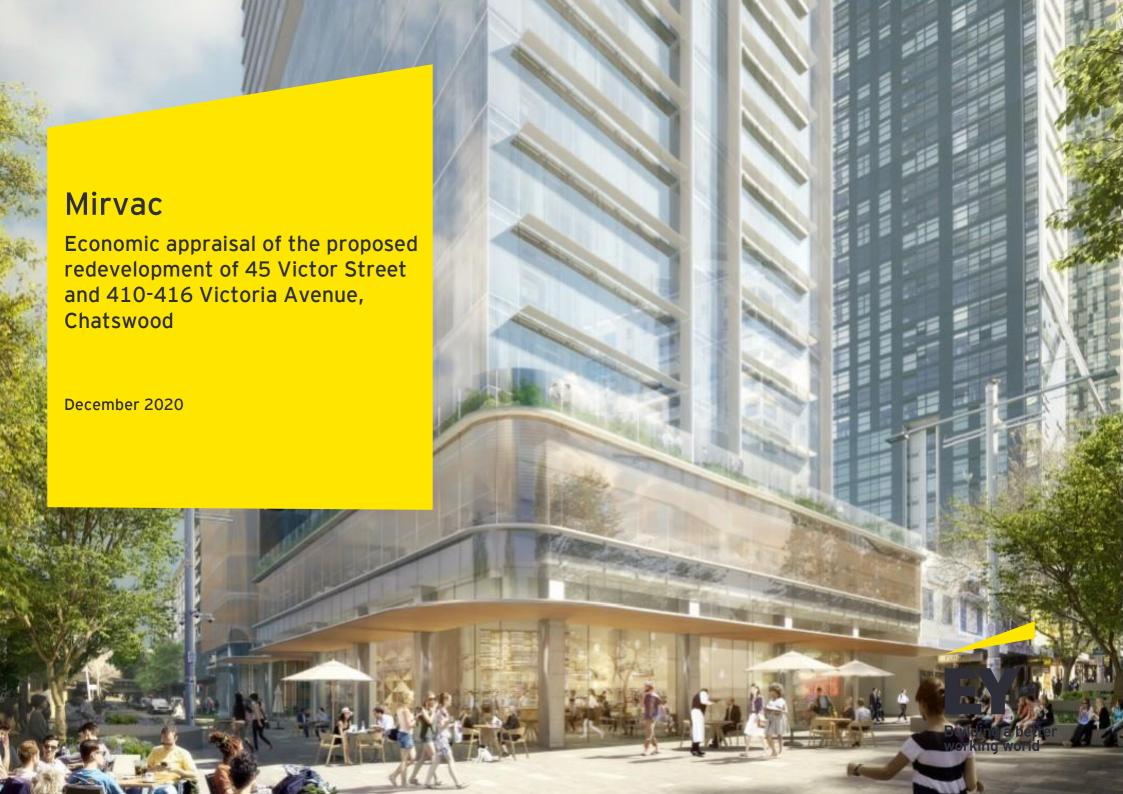
NEXT STEPS

THANK YOU.





Appendix C EY Economic Appraisal Advice



Release Notice applicable to parties other than Mirvac ("Third Parties")

Ernst & Young was engaged on the instructions of Mirvac to provide an economic appraisal of the proposed redevelopment of 45 Victor Street and 410-416 Victoria Avenue, Chatswood ("the Site"). In doing this EY undertook an economic contribution analysis and a public value assessment, intended to support Mirvac in the planning and assessment process, which will include discussion with government at a state and local level. This analysis has been conducted in accordance with the engagement agreement dated 23 November 2020.

The results of Ernst & Young's work, including the assumptions and qualifications made in preparing the report, are set out in this report dated 17 December 2020 ("the Report"). The Report should be read in its entirety, including the transmittal letter, the applicable scope of the work and any limitations. A reference to the Report includes any part of the Report. No further work has been undertaken by Ernst & Young following completion of the final issue of the report on 17 December 2020.

Ernst & Young has prepared the Report for Mirvac and has considered the interests of the Project as they relate to the Proposal for its assessment purposes. Ernst & Young has not been engaged to act, and has not acted, as advisor to any other party. Accordingly, Ernst & Young makes no representations as to the appropriateness, accuracy or completeness of the Report for any other party's purposes other than its use in planning assessment purposes.

No reliance may be placed upon the Report or any of its contents by any recipient of the Report other than Mirvac or any other party who we agree to provide reliance on the Report only for the purpose for which it has been prepared. Any other party receiving a copy of the Report must make and rely on their own enquiries in relation to the issues to which the Report relates, the contents of the Report and all matters arising from or relating to or in any way connected with the Report or its contents.

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17 December 2020

Mr Charles Maxwell Assistant Development Manager Apartments and Residential Development Mirvac Level 28, 200 George St 2000, Sydney, NSW

Economic appraisal of the proposed redevelopment of 45 Victor Street and 410-416 Victoria Avenue, Chatswood

Dear Charles,

We are pleased to present Mirvac with a high-level economic appraisal of the proposed redevelopment of 45 Victor Street and 410-416 Victoria Avenue, Chatswood. This economic appraisal is intended to assist you in discussions with government at both a state and local level.

We refer to the engagement between Mirvac and EY dated 23 November 2020 ("the Engagement Agreement"), through which EY has been engaged to conduct this analysis.

The Report may only be relied on by Mirvac or any other party who we have agreed to provide reliance on the Report pursuant to the terms of the Engagement Agreement. We understand the Report will form part of a suit of documents proposed to state and local authorities in order to seek rezoning of the subject site.

Any commercial decisions taken are not within the scope of our duty of care and in making such decisions you should take into account the limitations of the scope of our work and other factors, commercial and otherwise, which you should be aware of from sources other than our work.

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ev.com/au

EY disclaims all liability to any party other than Mirvac for all costs, loss, damage and liability that a third party may suffer or incur arising from or relating to or in any way connected with the provision of deliverables to a third party. If others choose to respond in any way to the Report they do so entirely at their own risk.

Our work commenced on 23 November 2020 and was completed on 17 December 2020. Therefore, our Report does not take account of events or circumstances arising after issue of the final report.

If you would like to clarify any aspect of this Report or discuss other related matters, then please do not hesitate to contact me.

Yours sincerely,

Lars Rognlien

Associate Partner

EY | ii

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Economic Contribution Analysis - Local Government Lens

\$200 million

1,850 jobyears \$330 million p.a.

2,880 jobs

Construction is expected to contribute \$200 million in value add to the Willoughby LGA Over the construction period the project will facilitate 1,850 job-years in the Willoughby LGA

Each year, \$330 million in value add will be contributed to the local economy as a result of the redevelopment

When considering flow-on effects, the project will enable 2,880 jobs to the Willoughby LGA

Public Value Assessment - State Government Lens

\$117 million

\$48 million

\$69 million

At least \$117 million of net additional public value created over the life of the project \$48 million of which are direct benefits accruing to users of the site, including new affordable housing residents and Post Office Lane users

A further \$69 million of which are in indirect benefits, including transport network impacts, health benefits and WEBs

FY21\$, present value discounted at 7% over 30 years

1. Executive Summary

The proposed redevelopment at 45 Victor Street and 410-416 Victoria Avenue, Chatswood is expected to deliver significant social and economic value to the local area as well as to NSW more broadly.

EY has undertaken an economic appraisal of the proposed redevelopment, undertaking an economic contribution analysis and a public value assessment. Combined these analyses are useful tools in communicating the economic merits of an investment to a range of stakeholders. In the case of this report:

- The economic contribution analysis quantifies the macroeconomic impacts that accrue to the local council (i.e. Willoughby LGA). This is a gross analysis and does not consider any impacts outside the bounds of the Willoughby LGA, however it is useful in communicating the economic importance of an investment to local council.
- benefits that accrue to NSW residents, firms and government as a result of the investment. Some measured benefits accrue directly to users of the site, whereas others are externalities that may accrue to non-users. The methodology used in quantifying these benefits follows a Cost Benefit Analysis framework, making it a useful tool to support discussions with state government.

1.1 Key site outcomes

In replacing the current use of the site, which currently only hosts 23 jobs, the redevelopment is expected to:

- deliver over 18,000 sqm of additional commercial and retail GFA, supporting over 1,550 net additional permanent jobs on site.
- deliver at least 310 well-located infill dwellings, including a 4% affordable housing dedication.

make significant amenity improvements in terms of street frontage and retail activation, as well as significant improvements to the highly utilised Post Office Lane.

Figure 1 shows a high-level vision for the future of the site. The proposed new tower will replace the presently boarded-up Australia Post building as well as the NSI building.

Figure 1: Visualisation from the corner of Victoria Avenue and Post Office Lane





Source: Mirvac Planning Proposal Report 45 Victor Street and 410-416 Victoria Avenue, Chatswood (Mirvac Design)

1.2 Local council impacts

The net additional 1,530 commercial and retail jobs enabled onsite will contribute to the local economy. Workers will earn wages; firms will earn profits and a portion of these wages and profits will be spent within the Willoughby LGA. EY's economic contribution analysis estimates that the following local macro-economic impacts could be achieved as a result of the project.

Table 1: Key local impacts - annual

1	Contribution of \$330 million (gross value add) to the Willoughby economy each year.	
2	\$215 million in labour income to local workers	
3	2,880 supported jobs in the Willoughby LGA, comprising those generated on site and jobs generated through the production and consumption effects. ¹	

Source: EY analysis of Mirvac inputs

Furthermore, construction of the development, assumed to take place between mid-2024 and 2028, will provide an additional boost to the local economy. Supporting local industry and creating local construction, construction services and professional services jobs.

Over the 4.5-year construction period, construction activity could deliver the following macro-economic impacts to Willoughby council.

Table 2: Key local impacts - construction

1	\$200 million in gross value add to the Willoughby economy.
2	\$105 million in labour income.
3	1,850 supported job years resulting from the direct construction jobs as well as those generated through the production and consumption effect.

Source: EY analysis of Mirvac inputs

These economic impacts are best described as the economic 'footprint' of the project, with the above economic contributions representing a gross analysis of the benefits of the project.

1.3 State-wide benefits

In addition to being valuable at a local level, the redevelopment will also deliver net additional social, environmental and economic value to the residents of NSW more broadly. In particular, these benefits relate to the increase in supply of well-located, infill commercial office space and residential dwellings, as well as the improved urban amenity that results from the development.

Table 3 summarises the results of the public value assessment, which looks to quantify the benefits through a state-wide lens.

Table 3: Public value assessment results (\$2021 million, discounted at 7%)

Benefit		\$ million
Direct Benefits		
Land use benefits		\$35
Urban Amenity		\$13
	Total Direct Benefits	\$48
Indirect Benefits		
Public infrastructure provision		\$19
Transport network efficiency		\$22
Public transport fare revenue		\$9
Health benefits		\$0.4
Wider economic benefits		\$17
Environmental		\$2
	Total Indirect Benefits	\$69

Source: EY analysis

Overall, over a 30-year appraisal horizon the project delivers \$117 million (present value, discounted at 7%) in economic benefits to NSW.

See section 3 for more details and methodology Mirvac

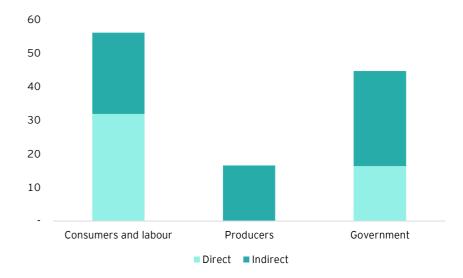
\$48 million (PV) of the \$117 million (PV) are direct benefits which accrue directly to the users of the site, including land use benefits to the residents of the new affordable dwellings and benefits from improved urban amenity, including the renewal of Post Office Lane.

Indirect benefits, externalities and benefits accruing to non-users of the site, account for a further \$69 million (PV). Benefits include:

- \$17 million (PV) in productivity improvements to the state from firms and workers closer together;
- > \$19 million (PV) in infrastructure cost savings to Government;
- \$22 million (PV) in transport network efficiency from increased use of Sydney's public transport network and a further \$9 million (PV) in additional public transport fare revenue as a result of increasing density of residents and jobs close to the Chatswood Metro station;

Figure 2 presents the results in terms of key beneficiaries. Consumers and labour (i.e. workers) are the largest beneficiaries, realising just over 45% of the total benefits, with Government realising around 40% of the benefits. Firms (i.e. producers) benefit from productivity improvements, accounting for the remaining 15% of project benefits.

Figure 2 Public value assessment - Summary results (\$ million, present value, 2021)



Source: EY analysis of Mirvac inputs

2. Background and Introduction

2.1 Document purpose

EY was engaged by Mirvac to prepare an economic appraisal of the proposed redevelopment of 45 Victor Street and 410-416 Victoria Avenue ("the Site"), located in Chatswood for the purpose of communicating the merits of the project to a range of stakeholders, including state and local governments.

EY has undertaken an economic contribution analysis and a public value assessment. Combined these analyses are useful tools in communicating the economic merits of an investment to a range of stakeholders. In the case of this report:

- Local government analysis The economic contribution analysis quantifies the macroeconomic impacts that accrue to the Willoughby LGA. This is a gross analysis and does not consider any impacts outside the bounds of the Willoughby LGA, however it is useful in communicating the economic importance of an investment to local council, the community and other local stakeholders.
- State government analysis The public value assessment quantifies the net additional societal benefits that accrue to NSW residents, firms and government as a result of the investment. Some measured benefits accrue directly to users of the site, whereas others are externalities that may accrue to non-users. The methodology used in quantifying these benefits follows a Cost Benefit Analysis (CBA) framework, making it a useful tool to support discussions with state government.

Combined, these economic tools are intended to be used to support Mirvac in articulating the economic merits of the proposed redevelopment mix in ongoing conversations with a range of stakeholders.

The results of the economic contribution analysis (local government analysis) are presented in section 3 of this report. The results of the public value assessment (state government analysis) are presented in section 4.

2.2 Project Overview

The site is located on two parcels of land on the corner of Victor Street and Victoria Avenue, Chatswood within the Willoughby local government area and is separated by Post Office Lane. The current site comprises a vacant building, being the former Australia Post building at 45 Victor Street, and small-scale retail and commercial uses at 410-416 Victoria Avenue. The proposed redevelopment of the site will deliver a Gross Floor Area (GFA) of approximately 46,000sqm, with a split of 40% non-residential and 60% residential.

The location of the Site, and an aerial view of the current use is shown in Figure 3.

Figure 3: Aerial image of the Site in current use



Source: Mirvac Planning Proposal Report 45 Victor Street and 410-416 Victoria Avenue, Chatswood (Mirvac Design)

The site is at the centre of the Chatswood CBD, less than 50 metres to the east of the Chatswood Interchange, and is surrounded by a mixed use and retail precinct. Chatswood is well connected to the Sydney CBD. Residents and workers in the area have access to bus, rail, and metro, and future residents will also have access to Sydney Metro - City and South West when it is completed in 2024. The site is also in close proximity of community facilities and recreational spaces such as Chatswood Library, Dougherty Community Centre, Chatswood Park, and Chatswood Oval

As proposed, the development will comprise the third largest commercial office development in Chatswood, and the largest delivery of new office space in over 25 years. Details on the existing and proposed planning controls, and the proposed development outcomes, are set out in more detail in the Planning Proposal, 45 Victor Street and 410-416 Victoria Avenue, Chatswood (Mirvac Planning Proposal, 2020). Key development outcomes for the purpose of this assessment include: ²

- The Project provides certainty for the redevelopment of two deteriorating sites and reinvigoration of Post Office Lane;
- Delivery of high-quality design outcomes;
- Enhanced activation including ground floor retail;
- Improved accessibility to public domain;
- Delivery of additional commercial and residential floorspace in the Chatswood CBD.

Indicative images for the potential future tower are shown in Figure 4.

Figure 4: Visualisation from the corner of Victoria Avenue and Post Office Lane (Source: Mirvac Design)





Source: Mirvac Planning Proposal Report 45 Victor Street and 410-416 Victoria Avenue, Chatswood (Mirvac Design)

2.3 Limitations

The Economic contribution analysis and Public Value Assessment are high-level analyses completed to provide an economic appraisal of the proposed redevelopment. Please note the following:

- The results are based on inputs provided to EY by Mirvac, with supplementary historical data and economic statistics sourced as needed from the ABS.
- In contrast to the public value assessment, the outputs of economic contribution analysis (gross impacts) should not be taken to reflect the net incremental economic impacts on the economy of the development. A share of the additional economic activity on the site is likely to be displaced from elsewhere in Sydney or Australia.
- Analysis performed as part of our scope inherently requires assumptions about future behaviours and market interactions, which may result in forecasts that deviate from future conditions. There will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

These results are based on inputs that are correct as at 17 December 2020.

 $^{^{\}rm 2}$ Sourced from 45 Victor Street and 410-416 Victoria Avenue, Chatswood, Mirvac Planning Proposal, August 2020

Economic Contribution Analysis - Local Government Lens

\$200 million

1,850 job years \$330 million p.a.

2,880 jobs

Construction is expected to contribute \$200 million in value add to the Willoughby LGA Over the construction period will facilitate 1,850 in the Willoughby LGA

Each year, \$330 million in value add will be contributed to the local economy as a result of the redevelopment When considering flow on effects, the project will enable 2,880 additional jobs are the Willoughby LGA

3. Economic Contribution analysis

The project will deliver increased economic activity to Willoughby LGA through incremental activity on the site, as well as flow-on benefits to the rest of the local economy.

3.1 Methodology

Economic contribution (or gross contribution) is a measure comprising all market-related output, value add and employment supported by a specified industry's activities. These metrics represent the local contribution of the Project and are described below:

- Value add market value of goods and services produced, after deducting the cost of goods and services used. This represents the sum of all wages, income and profits generated as a result of an economic activity;
- Income total value of income earned through gross wages and salaries as a result of an economic activity;
- Employment the number of individuals employed as a result of an economic activity. In an economic contribution analysis, jobs may be presented as numbers of jobs jobs sustained in a given year, or as "job-years" which is the equivalent number of jobs sustained over a number of years. For instance, 100 jobs sustained over 5 years is 500 job-years.

The contribution analysis comprises both direct and indirect effects as outlined below.

- Direct effect the direct economic contribution of the proposed redevelopment (i.e. direct output, value add and employment created by the Project during the construction and operation period).
- Production effect (indirect) the indirect contribution or employment generated by an industry as it purchases input goods and services generating revenue for other businesses;

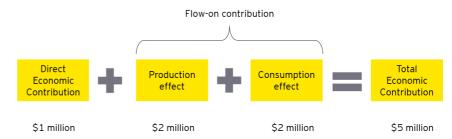
Consumption effect (indirect) - the induced contribution/employment generated by an industry as its employees spend their wages and salaries on household consumption, providing revenue for other businesses.

Note that these direct, production and consumption effects do not represent net economic gains to local economy - rather, the effects are best described as the economic 'footprint' of the project.

Economic multipliers are used to capture the flow-on effects of the industry's operations within the local economy. The economic multipliers are a series of figures which measure the total economic contribution in a region resulting from an increase in the 'direct' economic activity of (or expenditure on) an industry.

Figure 5 shows the relationship between these effects and the total economic contribution.

Figure 5: Economic contribution and the effect of the multiplier



Source: EY analysis

As an example, a \$1 million direct contribution may result in an industrial effect (production effect) of \$2 million and a further consumption effect of \$2 million. So, an extra \$1 million in direct economic contribution would in this case result in an extra \$4 million of flow-on (indirect) economic contribution and a total economic contribution of \$5 million. In this example, the total multiplier is 5.

We use an input-output table (IO) to measure the direct, production and consumption effects resulting from the construction and operation of the Project, and thus the size of the contribution to the local area economy. An IO table accounts for all of the transactions in the area's economy, making up total demand for and supply of goods, labour and capital.

3.2 Inputs and Assumptions

Inputs

The economic contribution analysis has been undertaken using Input Output (IO) tables. IO tables record the economic flows between industries within an economy - they show how individual industries employ labour, capital, use resources, and purchases inputs from other industries.

IO tables can be used to compute value add and employment multipliers. These multipliers can be used to quantify the contribution of economic change and allow the analysis of 'what if' scenarios.

The economic contribution analysis quantifies the Project impacts for the Willoughby LGA. This area is shown in Figure 6.

Figure 6: Willoughby LGA



Source: REMPLAN map builder

3.2.1 Assumptions

There are multiple components to the analysis - the activity taking place during construction and the activity taking place at the site once operational (i.e. employment through commercial and retail use). The key underlying assumptions are outlined below.

Construction

The economic activity generated by construction is captured using the estimated construction expenditure. Construction costs have been aligned by EY into the ANZSIC³ industries shown in Table 4.

Table 4: Costs aligned to ANZSIC Industry Groups

Input	ANZSIC Category	
Construction	Non-residential building construction	
Construction	Residential building construction	
Professional Fees	Professional services	
Selling expenses; statutory costs; rental incentives; overheads; and leasing expenses	Not included in analysis	

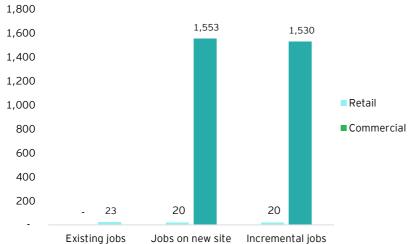
Source: EY analysis of Mirvac inputs

Ongoing Activity

The economic value of the ongoing activity is estimated through the employment generated by the incremental productive space on the site (i.e. commercial and retail GFA). Figure 7 shows the jobs enabled by the development when completed.

³ Australian and New Zealand Standard Industrial Classification, 2006





Source: EY analysis of Mirvac inputs

3.3 Results

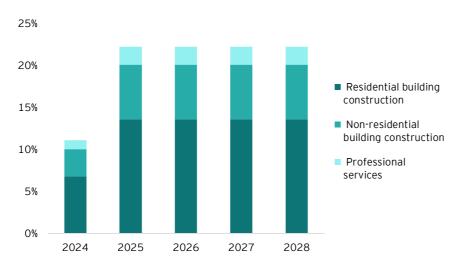
The results for both the construction and operations phases are presented in the following sections. All figures presented are undiscounted in 2021 real dollars.

3.3.1 Construction impacts

3.3.1.1 Construction expenditure

Construction is assumed to start mid-2024 and continue over a 4.5-year period (between mid-2024 and late 2028). For the purpose of this analysis construction costs are assumed to occur evenly over the period. The assumed high-level breakdown of construction expenditure between industry groups is shown in Figure 8 below.

Figure 8: Construction expenditure by ANZSIC industry group (percent of total, 2021)



Source: EY analysis of Mirvac inputs

3.3.1.2 Value add

Value add can be defined as the total value of an activity net of expenditure on intermediate inputs. Value add, when combined across all

sectors, form Gross Value Add, which is closely related to Gross Domestic Product.

Over the construction period the Project is expected to deliver nearly \$200 million in value add to the Chatswood CBD economy. \$73 million is the direct effect, \$82 million results from the indirect production effect and \$43 million results from the induced consumption effect.

Figure 9 summarises the total value add during the construction period.

Figure 9: Value add during construction phase (\$ million, 2021)



Source: EY analysis

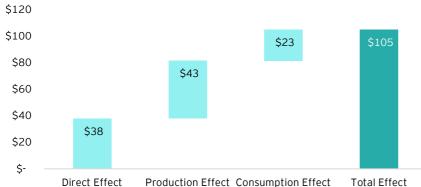
3.3.1.3 Income

The income effect can be defined as the share of value add that falls to workers, with the remainder falling to business owners.

Construction activities generate a direct income effect of approximately \$38 million, the indirect effect (both production and consumption) is a further \$66 million.

Figure 10 summarises the share of value add allocated to income through wages during the construction phase.

Figure 10: Income generated during construction phase (\$ million)



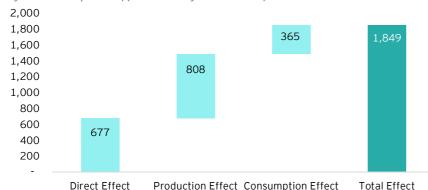
Source: EY analysis

3.3.1.4 Employment

In total, construction of the development is expected to support just under 680 direct job-years, with 150 jobs enabled in each full year of the development. In total, a further 1,170 job-years result from the indirect and induced effects, totalling around 1,850 job-years.

Figure 11 shows the total job-years supported by the full 4.5-year construction period.

 $\label{figure 11:Job-years supported during construction phase } \\$



Source: EY analysis

3.3.2 Operations Impact

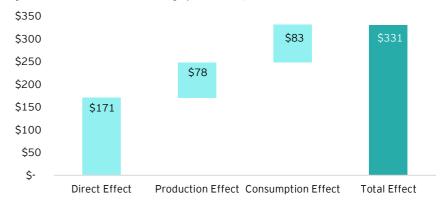
During the operation phase of the Project, it is expected to enable a total of approximately 1,550 additional jobs on the site. This section outlines the economic contribution to Chatswood CBD generated by this ongoing employment.

3.3.2.1 Value Add

The incremental activity is estimated to deliver more than \$170 million in direct value add each year. This increases to nearly \$160 million per year when including the indirect and induced effects.

Figure 12 shows the break-down of value add delivered to the local economy each year as a result of the development.

Figure 12: Annual value add during operations (\$ million)



Source: EY analysis

3.3.2.2 Income

Of the above value add, from 2029 onwards, nearly \$215 million in wages per year is generated as a result of the direct, and indirect and induced income effects.

Figure 13 shows the share of output returned to employees through the income effect.

Figure 13: Annual income during operations (\$ million, 2021)

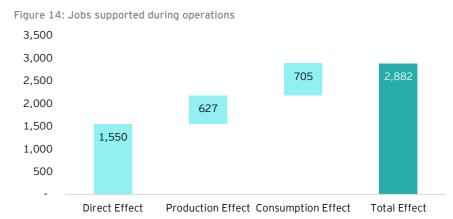


Source: EY analysis

3.3.2.3 Employment

When capturing all effects, the development supports 2,880 jobs in Chatswood CBD, enabled through the incremental employment-generating floorspace on the site. This includes both the commercial and retail GFA over the appraisal period.

Figure 14 shows the number of additional jobs supported by the project, with the direct jobs being those located on the site.



Source: EY analysis

Public Value Assessment - State Government Lens

\$117 million

\$48 million

\$69 million

At least \$117 million of net additional public value created over the life of the project

\$48 million of which are direct benefits accruing to users of the site, including new affordable housing residents and Post Office Lane users

A further \$69 million of which are in indirect benefits, including transport network impacts, health benefits and WEBs

4. Public Value Assessment

This analysis captures the net-economic, social and environmental benefits that accrue to NSW as a result of the development.

4.1 Market Failure

Economic principles suggest that Government intervention is required to correct for a market failure (i.e. a problem that cannot be solved by market forces). The market failure that this project seeks to address is that current planning controls prevents the sites from being converted to highest and best use.

An intervention, i.e. rezoning approval, would allow Mirvac to redevelop the Site, delivering improvements outlined in the Planning Proposal. This would unlock significant public value and improve outcomes for businesses and the local economy.

In this chapter we are assessing the merits of this intervention through a public value assessment.

4.2 Methodology

A public value assessment is a net additional analysis that aims to capture the economic value of a project and assess it relative to a base case. The intent is to verify that the project produces a net economic return over and above the base case, in Present Value (PV) terms.

EY's public value assessment methodology follows a principled economic approach that draws upon the NSW Government's Economic Framework for Urban Renewal (the Framework). It is consistent with established principles for cost benefit analysis.

This economic assessment explores both direct and indirect benefits of the 45 Victor Street and 410-416 Victoria Avenue redevelopment.

4.3 Key Assumptions

A number of key assumptions underpin this analysis

Critically, this analysis assumes no net new jobs to the economy as a result of the development. This is because the public value assessment assumes that the existing labour market is broadly in equilibrium over the 30-year appraisal horizon; with labour demand equal to labour supply at a market-clearing equilibrium wage. This does not imply no unemployment, rather that the project will not have a material impact on unemployment rates on a state-wide basis. The implication is that the increase in jobs in Chatswood generated by the project will be displaced from other sectors and/or other locations of NSW.

4.3.1 Base case

In the base case, no redevelopment occurs, and the Site continues to operate in its current capacity, which comprises the following:

- Former Australia Post site at 45 Victor Street (3-storey commercial building) currently vacant and boarded up. Any alternative use would require significant investment.
- ▶ 410-416 Victoria Ave (two-storey building) comprising small retail and commercial tenancies hosting 23 base case jobs.
- Post Office Lane bisects the site and is owned by Council.
- The total site area is around 2,297sqm with an FSR of 2.5:1 across site, accumulating a permissible GFA of around 5,743sqm

It is expected the site will continue to enable 23 jobs in the Chatswood CBD for the full 30-year appraisal period.

4.3.2 Project case

In the project case, the Site is redeveloped into an 'A-grade' office space of 17,619sqm, with 745sqm of retail and approximately 310 residential apartments. The proposed mixed-use scheme will enhance street amenity, offer retail uses that complements the wider precinct and allow

for new housing in a highly accessible location with access to services, facilities and public transport. In addition, the development will improve the street level façade, and reinvigorate Post office lane, Victoria Avenue and Victor Street - improving the experience for pedestrians using the area.

Project benefits are assumed to start accruing from 2029 onwards.

4.4 Direct Project Benefits

The following sections explore the direct benefits attributable to the proposed redevelopment.

4.4.1 Urban land use benefits

A change in land use will generate a net economic benefit if the value of the new use is higher than the lost value of current use plus the cost of achieving the change. We quantify the public value of enabling this higher density through contributions paid to government as part of the transaction (this includes allowances for the upgrade of Post Office Lane and other external works⁴), and increased tax revenue (in the form of GST).

This benefit category also includes the use value associated with delivery of the proposed 4% affordable housing component.

4.4.2 Urban amenity

Urban transformations often result in improved public amenity. Not only is the new development expected to enhance and reinvigorate Post Office Lane, the pedestrianisation of Victor Street and Victoria Avenue will also provide a high-quality walkway that is connected to nearby Chatswood Interchange.

It is noted that the current site presents poor urban outcomes, including low pedestrian amenity and safety due to blank facades, poor quality and aging pavements with lack of lighting.

The urban amenity benefits component captures the benefits accruing to all users of the site (i.e. employees, public transport users, etc.) from having access to high-quality public domain.

The value of the upgrades to the Post Office Lane walkway and Victoria Street has been captured using the Pedestrian Environmental Review System (PERS)⁵ methodology. This approach reflects the benefits from spending time in the improved public domain (but not improvements in/reductions to travel time).⁶

4.4.3 Improved urban fabric

Redeveloping the site not only achieves a better urban outcome on the project site, but it will also lead to positive spillover effects on the surrounding area, and on the merits of local complementary developments.

Specifically, the redevelopment at Chatswood brings more employees into the immediate area. These workers are likely to use open space and improved streetscapes delivered by local projects, to use local transport improvements, and to use retail and other population servicing facilities in the local area such as hotels, restaurants and bars. This supports the Willoughby's Council vision⁷ to support the growth of the centre as a major mixed-use and commercial hub.

We proxy the value of these spillover effects, by capturing an uplift in land values in the local area. The impact is likely to be larger in the immediate area, declining as you move further from the development

 $^{^4}$ \$2 million allowance for Post Office Lane upgrades, \$1.5 million as an external work allowance, and a 4% Affordable housing levy

⁵ UK Transport Research Laboratory methodology

⁶ Transport for NSW Land Use Planner - Employment in TZ 32, 41,42 and 49 in 2021

⁷ Planning Proposal 45 Victor Street & 410-416 Victoria Avenue, Mirvac 2020

site. We assume a 2% uplift in land values in the area shown in Figure 15, which is essentially one block in each direction surrounding the project site.

Figure 15: Uplift area



Source: EY analysis

4.5 Indirect project benefits

Indirect, or external, benefits are benefits not directly related to the proposed redeveloped outside the Site. They are discussed in the following sections.

4.5.1 Public infrastructure provision

The development of additional built form requires the provision of additional public infrastructure, such as utilities, local road upgrades, stormwater drainage, etc. There is potential for public infrastructure cost savings from urban infill driven by a more efficient urban form when compared to investments in less dense areas. On average, the cost per dwelling to provide public infrastructure in low density developments is

much higher when compared to already well-serviced and higher density infill locations.

4.5.2 Transport network efficiency benefits

Enabling more people and jobs to locate in the Chatswood CBD will affect travel patterns around the area. People living and working outside the Chatswood CBD are more likely to travel by car, as opposed to public transport, walk and cycle. Car use has impacts on other users of the transport network, as car use causes external impacts through congestion. The development is expected to reduce congestion and impact of car usage across Sydney through the location of mix uses and proximity to alternate transport modes from the Chatswood Interchange.

These externality impacts are an established feature of transport economic appraisals and can be reliably quantified using standard guidelines. The benefit results from a reduction in the number of car kilometres travelled in the transport network in the project case relative to the base case.

4.5.3 Increased Public Transport Fare Revenue

The redevelopment is located in close proximity to Chatswood Station, which provides an opportunity for more people to access public transport, including the Metro West line. The benefit is the result of an increase in public transport patronage in the project case, relative to the base case. The increase in transport fare revenue is a benefit for the NSW Government.

4.5.4 Health benefits

The development places significant employment and housing in close proximity to Chatswood Station. Increased levels of patronage will provide opportunities for active transport and a higher modal split to public transport. This benefit captures the health impacts that results

 $^{^8}$ Evidence suggests that development of improved public domain can generate a 10-20% increase in land values in the local area, we conservatively assume 2% in the immediate area

from increasing the amount of active travel taking place under the project case relative to the base case.

4.5.5 Wider economic benefits

There is a well-documented relationship between the density of cities and the productivity of the economic activity taking place there, which is identified in several NSW Government economic appraisal guidelines, including the Transport Economic Appraisal Guidelines⁹.

Wider Economic Benefits occur when an initiative brings businesses and workers closer together. This may be physical proximity or better general connectivity (e.g. better transport). With the 'clustering' of economic activity, individual firms enjoy productivity benefits that they otherwise would not have. There are two types of wider economic benefits that are captured as part of this analysis:

- Agglomeration benefits where businesses are located closer together, there is value that results from input sharing, output sharing, and knowledge and technological spillovers.
- Labour productivity benefits where a land use development enables people to access jobs in a higher productive area (i.e. by accessing jobs at the site vs an alternative lower-productive area). The tax-take on any resulting productivity is net additional economic value.

Wider economic benefits capture the fact that other local firms will be more productive as a result of this development.

4.5.6 Environmental benefits

The Project, by providing additional infill dwellings and increasing the brownfield housing supply in Sydney means that fewer greenfield developments are needed. This preserves undeveloped land at the urban

fringe. This has a value in terms of increased biodiversity and improved air quality. This is captured as an economic benefit. ¹⁰ Urban development in infill areas means that greenfield development can be reduced. Environmental values such biodiversity and air quality in greenfield areas can therefore be preserved.

In addition, the project will meet energy and water efficiency standards as outlined in the North District Plan (details of which will be outlined during the detailed design phase). ¹¹ This benefit is not captured in this economic appraisal.

4.6 Results

The proposed Chatswood redevelopment is estimated to deliver net additional public value of at around \$117 million in present value terms. Of this, \$48 million (PV) are direct benefits. Indirect benefits account for a further \$69 million (PV).

Table 5 presents the results in undiscounted FY2021 values, and in present value terms discounted to FY2021 at 7% and 3.5%. In line with NSW Government guidelines, the core results should be considered with a 7% discount rate. A scenario with a 3.5% discount rate, shows both the sensitivity of the results to economic discounting as well as the impact of a discount rate that better reflects the ongoing structural changes to the opportunity cost of capital and one that is more aligned to discount rates used in other jurisdictions (i.e. the UK).

⁹ Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives, March 2016

¹⁰ UK WEB TAG Guidelines, 2019

 $^{^{11}}$ Planning Proposal 45 Victor Street & 410-416 Victoria Avenue, Mirvac 2020

Table 5: Public value assessment results (\$2021 million, discounted as shown)

Benefit	Real (\$ m)	PV benefits (7%, \$ m)	PV benefits (3.5%, \$ m)
Direct Benefits			
Land use benefits	\$57	\$35	\$45
Urban Amenity	\$37	\$13	\$21
Total Direct Benefits	\$94	\$48	\$66
Indirect Benefits			
Public infrastructure provision	\$30	\$19	\$24
Transport network efficiency	\$81	\$22	\$40
Public transport fare revenue	\$36	\$9	\$17
Health benefits	\$2	\$0.4	\$0.8
Wider economic benefits	\$62	\$17	\$30
Environmental benefits	\$3	\$2	\$2
Total Indirect Benefits	\$213	\$69	\$115
Total Benefits	\$308	\$117	\$180

Source: EY analysis

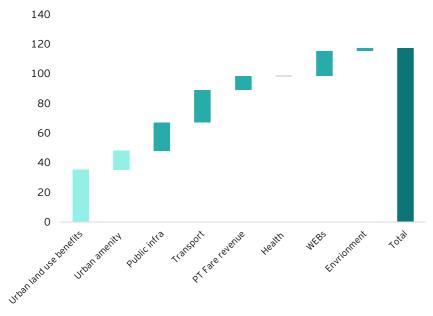
The economic value of the project is composed as follows (in present value terms):

Urban land use benefits provides a direct benefit to NSW comprising of 30% of total benefits. This reflects the value to NSW that results from increasing density on the site, enabling more dwellings and more affordable housing.

- Public domain benefits make up 11% of total value. This is the value of improving the quality of the built form and street level amenity as well as the significant improvements made to Post Office Lane.
- Public infrastructure provision savings comprises 16% of benefits, reflecting the economies of scale associated with infill infrastructure relative to new infrastructure at the urban fringe.
- ➤ Transport network efficiency benefits makes up 19% and WEBs make up 14% of the total value. This reflects the efficiency and productivity gains that results from higher density infill dwellings and employment generating space.
- Increased public transport fare revenue, accounts for 8% of benefits, reflecting an increase in public transport use in Sydney as a result of the project.
- ► Health and environmental benefits combined make up 2% of the project public value.

Figure 16 shows the contribution of individual benefit items to the total public value delivered by the project.

Figure 16: Public value assessment benefit contribution (\$ million, PV, discounted @7%)



Source: EY analysis

4.6.1 Distributional analysis

This public value assessment quantifies a number of net additional benefits accruing to NSW. These benefits accrue to a number of different groups. Welfare economics typically defines these key groups as:

- Consumers Residents of NSW;
- Producers (owners of land and capital) Firms located in NSW
- Labour workers in NSW;
- Government Local, State or Federal Government.

Table 6 maps the benefits quantified in the public value assessment to each of these groups.

Table 6 Distributional analysis beneficiaries

Benefit	Recipient	Rationale
Direct benefits		
Urban land use benefits	Government and consumers	Land value uplift accrues to government as a result of increased tax take, and contributions to local council. The benefits from affordable housing accrue to the ultimate residents.
Urban Amenity Benefits	Consumers and labour	Benefits accruing to users of the site, post office lane and the local area
Indirect benefits		
Transport network efficiency	Consumers and labour	Benefits accruing to residents of NSW as a result of reduced congestion
Direct Transport Benefits	Public transport fare revenue	Government
Health benefits	Consumers	Benefits accruing to residents and workers who choose to increase active travel
Wider economic benefits	Producers and Government	Agglomeration benefits accrue to local firms. Tax Labour supply benefits accrue to government

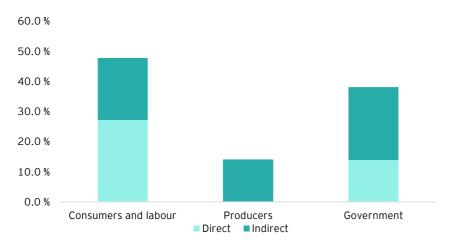
Source: EY analysis

Consumers and labour (i.e. users of the site and surrounding area), are the biggest beneficiaries, enjoying 45% of the total benefits attributable to the project. This is largely the result of an improved user experience for all workers and other visitors to the local area, as well as more productive firms. The producers (i.e. firms operating at the site and in the surrounding area) benefits form productivity improvements, accounting for 15% of total benefits realised.

The remaining 40% of benefits accrue to Government in the form of direct revenue (to council and other contributions) and higher tax revenue (from improved labour supply).

Figure 17: Distributional analysis- results shows the results of the distributional analysis, with the benefits split between direct and indirect impacts.

Figure 17: Distributional analysis- results



Source: EY analysis

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December 2020

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Appendix D JLL addendum letter



3 December 2020

Mirvac Level 28, 200 George Street Sydney, NSW 2000

Re: Addendum – Chatswood Office Market Analysis

1. Requirement

JLL were appointed by Mirvac to provide a study of the Chatswood office market. In our report (Chatswood Office Market Analysis – August 2020) we considered the broader economic and office market context impacting Chatswood. Additionally, we provided observations on the challenges with office development within the market. In conclusion we identified from a pragmatic and viability point of view, embracing a mixed-use scheme for the subject site at 45 Victor Street and 410-416 Victoria Avenue, Chatswood will provide significantly more employment based commercial (risk adjusted) compared to a commercial only outcome which will likely see continuation of the status quo i.e. no redevelopment of the site.

The requirement for this addendum has arisen as following Mirvac lodging their Planning Proposal, Willoughby Council (Council) has responded identifying that the proposal as it currently stands is unlikely to be supported. Specifically, the floor space allocation has been identified as a key issue with commentary indicating the commercial / non-residential floor space percentage should be in the order of 70% of the developable floor space (the current proposed split being approx. 40% non-residential and 60% residential). We understand this floorspace allocation would equate to a commercial component of ~30,000 sqm in NLA.

This letter considers this proposed floor space allocation, largely leveraging the analysis and research conducted as part of our prior report, as such, we note this document is not stand-alone and forms an addendum to our original report and should therefore be read in conjunction.

2. Amended Floor Space Allocation Observations

As identified above, in providing the observations on Council's proposed mix we have largely leveraged off the analysis and research conducted as part of our prior commercial market report. Specifically, we have focussed on observations which are relevant to Council's proposed floor space allocation and the associated challenges:

- Our report outlined that we are heading into a period that will support significantly less office based development, compared to the proceeding 25 years, due to a range of factors that include; softer population growth, higher workspace densities, offshoring and lower growth in white collar employment. More broadly we note that over this strong period Chatswood has failed to attract office development. Further, we note the likely economic impacts of COVID-19 and more importantly, its potential to reshape how office based uses are viewed which adds further downward pressure on demand
- Despite the above, continued growth of suburban office markets is expected with a larger share than the Sydney CBD. While this may suggest growth in Chatswood, Chatswood competes with other suburban markets for tenants. 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). Additionally, Chatwood benefits from significant levels of amenity relative to many of its suburban office market counterparts, however, lack of major tenant demand and feasibility challenges (discussed further below) has resulted in no new office development in ~25 years.
- As part of our report, we undertook feasibility analysis of a potential commercial only scheme for the subject site. The findings of our analysis was that despite assuming a pre-commitment of 50% of the space (which as identified within the report is a very optimistic assumption), as well as, other broadly optimistic inputs, we found a clear lack of viability for the site with the economic rent (rent required to support the development) much higher than the market rent. While we have not undertaken a feasibility analysis of a mixed-use scheme with Council's suggestion of 70% non-residential uses, based



on our expertise and detailed knowledge and understanding of the market a floor space allocation for residential of only 30% is unlikely to be sufficient to bridge the gap in viability.

- Our report identified that major tenants are less likely to consider the Chatswood market as they previously had and in fact we are seeing significant relocations out of the market. The report identified that JLL was expecting a negative net absorption in 2020 of 25,000 sqm, being the 2nd highest reduction in occupied stock in Chatswood since JLL began tracking the market. The latest Q3 2020 forecast has adjusted this expectation. JLL Research now expect a negative net absorption of 37,000 sqm in 2020 with a vacancy rate peaking at just under 20% of total stock. This is the highest reduction in occupied stock in Chatswood in the 50 years JLL has been tracking the market. This highlights the significant challenges with the commercial market within Chatswood.
- As part of our report we completed a benchmarking of all commercial development in the JLL tracked Sydney markets over the past decade to understand the pre-commitment rates achieved prior to the start of construction. This is an important consideration as it has a direct impact for financing of development projects. In summary, we found more established commercial markets (Sydney CBD, North Sydney) have a greater likelihood of lower levels of pre-commitment, whereas less established markets typically have higher levels of pre-commitment. In the closest competing markets of Macquarie Park and St Leonards the average pre-commitment rate was 80% and 75% respectively.
- We have considered the above in light of the suggested 70% non-residential floor space allocation. Assuming a precommitment rate lower than those above (at 60%) would suggest a pre-commitment of ~18,000 sqm. Putting this in context, this area is more than 3 times larger than the largest tenant move in the Chatswood market in the past 10 years (at 5,567 sqm) which is also the only tenant move greater than 5,000 sqm during that period. Additionally, over the same period more than 63% of the tenant moves have actually been for smaller users (0 to 2,000 sqm).

On balance, we see significant challenges with Council's proposed floor space allocation for the reasons identified above, including viability challenges, tenant size and demand, as well as, pre-commitment risk. From a pragmatic and viability point of view, we consider embracing the mixed-use scheme proposed by Mirvac will provide significantly more employment based commercial space (risk adjusted) compared to the higher proportion of commercial recommended which due to the challenged outlined will likely result in no redevelopment of the site.

Tim Brown Head of Strategic Consulting – NSW 0404 012 747

Jones Lang LaSalle (NSW) Pty Limited ABN 37 002 851 925 PO Box 2500 QVB NSW 1230 Level 25 420 George Street Sydney NSW 2000



Appendix E CBRE addendum letter

45 Victor Street and 410-416 Victoria Avenue, Chatswood, Sydney, NSW 2067

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20 November 2020

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Mr Adrian Checchin
Development Director – New Business & Apartments
Residential Development
Mirvac
Level 28, 200 George Street
Sydney NSW 2000

Via email: adrian.checchin@mirvac.com

Dear Sir

Market Consultancy Report – Updated Advice 45 Victor Street and 410-416 Victoria Avenue, Chatswood, NSW 2067

We have reviewed Willoughby City Council's (Council) letter of 28 October 2020 and take this opportunity to provide further advice following our report of 26 July 2020 as to the merits and viability of increasing the office component of the proposed development at 45 Victor Street and 410-416 Victoria Avenue, Chatswood to 70% of the proposed gross floor area.

The resulting office net lettable area (NLA) at Chatswood Council's requested 70% mix would be approximately 30,000 sqm, making the proposed scheme the second largest office building in Chatswood, with only Zenith Centre being larger at circa 44,270 sqm across two buildings. The typical commercial floorplates would be:

- Levels 1 to 5: ~1,200 sqm NLA
- Levels 6+: ~1,100 sqm NLA

Based on the most recent Property Council of Australia (PCA) Office Market Report as at July 2020, the Chatswood office Market currently extends to 274,024 sqm. The addition of a further 30,000 sqm would increase the market by some 11% to 304,024 sqm. With total current vacancy of 24,015 sqm (9%), the addition of 30,000 sqm in the absence of substantial lease pre-commitment would see vacancy increase to circa 18%.

Looking at the broader North Shore office market, a concept proposal for the Crows Nest Over Station Development has a gross floor area of 56,400 sqm, of which 43,400 sqm is designated for commercial uses (Site A -40,300 sqm and Site C -3,100 sqm). This would increase the Chatswood / St Leonards / Crow Nest office market to 608,071 sqm, when combined with the proposed lettable area for the subject site. This represents a further 12% increase on existing stock levels. In the absence of lease pre-commitments, the addition of 73,400 sqm would result in total vacancy of some 21%. Vacancy has not been at these levels since the recession of early 1990s.



Further to the supply additions to the Chatswood market, St Leonards has 22,000 sqm mooted for development at 88 Christie Street and a further 200,000 sqm is to be potentially developed in Macquarie Park. Stockland have recently secured development approval for Stage 1 of their site at Khartoum Road for a 16,785 sqm building and are actively seeking pre-commitments.

Winten and Frasers lodged a development application for 396 Lane Cove Road, Macquarie Park in January 2019. It was subsequently referred to the Sydney North Planning Panel (2019SNH006). The application was approved by JRPP in December 2019 and is actively seeking lease pre-commitments. Overall, the site can accommodate in excess of 83,000 sqm of office GFA, however Building D in isolation will extend to some 17,753 sqm of office, with a further 1,631 sqm of retail. The building will be known as MQX4 at 1 Giffnock Avenue. In September 2020 it was acquired by Ascendas Real Estate Investment Trust for \$167.2 million on a fund through arrangement with rental guarantees in place. The building will be completed by mid-2022.

A list of proposed developments for Macquarie Park is below.

APPROVED/M	OOTED PRO	DJECTS			
Supply Date	Supply Grade	Building Name	Address	Owner/Developer	Supply (sqm)
Dec-22	Prime	M Park	33-37 Talavera Rd/11-17 Khartoum Rd	Stockland	16,785
Dec-22	Prime	Macquarie Exchange – Building A	396 Lane Cove Rd	Frasers & Winten	17,753
Dec-22	Prime		31-35 Epping Rd	Harvey Norman	14,477
Dec-23	Prime	Macquarie University Station Site	8-12 University Ave	Macquarie University	50,000
Dec-23	Prime		11 Talavera Rd	Goodman	24,000
Dec-24	Prime	Epicentre	6-8 Julius Ave	ISPT	34,194
Jun-24	Prime	City Views Business Park	75 Epping Rd	Goodman	32,299
Total Supply					176,508

It should be noted that Macquarie Park is an office market with existing vacancy of 61,032 sqm, which is 6.8% of this market overall.

With respect to North Sydney, the office vacancy as at July 2020 is 66,121 sqm which is 8.0% of the market overall. The market is entering a new supply cycle with a large supply pipeline of circa 155,400 sqm coming online between 2020 and 2024. These projects include 1 Denison Street, which is circa 60,825 sqm and 118 Mount Street, which will add a further 20,515 sqm in late 2020. Both of these projects are partially leased. Furthermore, 73 Miller Street, North Sydney will complete its refurbishment and expansion to 19,062 sqm and will be partly leased by oOh!Media.

Accordingly, the planned office supply across the North office market is substantial and difficult to absorb in a period of potentially declining demand. Due to the impact of the COVID-19 global pandemic, occupier demand and the lack there of, will potentially cause greater uncertainty and demand unknowns in the future. We consider this not to be the primary reason, but a further reason which supports the lack of viability for an office development in its proposed configuration in this location.

Business sentiment across the country, remains sluggish at best. Growing uncertainty, coupled with remote and flexible work practices which continue to be in place, with occupier's keen to avoid capital outlay when assessing their long-term real estate strategy. As a result, sublease space is expected to continue to rise in the future, exerting further upward pressure on vacancy, face rents and incentives.

Cost cutting by businesses and persistent economic headwinds will result in occupiers seeking greater lease flexibility to accommodate the rapid 'flex up' or 'flex down' workforce, as well as catering to employee expectations for a 'more than a workspace' environment.



However, the mixed sublease tenure and majority of it being fitted space provides greater opportunities for occupiers looking to expand or relocate. This is not necessarily something an office development in Chatswood could replicate.

Moreover, the increased letting up and incentives required to secure tenants across 30,000 sqm will have a material impact upon the viability of the project overall. This is in addition to limited appetite from financier/lenders to take such risk for a development of the size and scale in this location suggested by Council.

NSW currently has 164,949 sqm of sublease office vacancy, this is up 56%. Financial and insurance services, professional services and IMT remain the top three contributors to the sublease stock, with 64% driven by contraction, compared to 42% in Q2 2020. These are the types of users that would be sought out to pre-commit to Chatswood.

In terms of size ranges, the bulk of available sublease space are larger tenancies of 2,000 sqm+, which account for just under 70% of availability. Accordingly, this would appear to make office development prohibitive, particularly in secondary office markets such as Chatswood.

Generally, when the suburban office market is soft, tenants have taken the opportunity to relocate to perceived superior markets. This 'flight to quality' has enabled them to upgrade their accommodation and secure elevated incentives. This certainly occurred between 2010 and 2011 in Chatswood, where a number of larger tenants relocated to North Sydney, with incentives of 35% to 40% being offered at 40 Mount Street, Victoria Cross at 60 Miller Street and 141 Walker Street. These were (and remain) superior buildings to what was available at Chatswood at the time, and the relocation of tenants proved to be the catalyst for owners to upgrade their buildings.

At the time it was difficult for Chatswood to compete for tenants, with building owners retaining tenants at lease renewal with elevated incentive packages and refurbishment programs. Significantly, they tended to secure larger tenants from within Chatswood itself. There was no major net absorption during this period and no tenant demand to relocate to Chatswood.

The value of the asset reflects office leasing and investment fundamentals at a particular point in time. Values however may change as a result of market fluctuations and the pricing of risk by the market. This is particularly relevant to the subject property, given current uncertainty in property and economic markets as a result of COVID-19. Therefore, substantial office development at this time in a secondary markets may not be viable.

It is also noted that the marketability (and hence value) of assets can vary significantly depending on broader market conditions. In buoyant conditions, the variance between prime and secondary assets may potentially be minimal. During market downturns however, the value variance may increase due to a reduction in the number of potential purchasers in the market, investors applying higher risk premiums and reduced funding availability. This is particularly relevant to the subject property, given current uncertainty in property and economic markets as a result of COVID-19 and the secondary nature of the Chatswood office market. This detrimentally impacts the viability of what is proposed, noting Chatswood has always been a secondary office market and less desirable to tenants and investors relative to other CBD office locations.

It is also important to note that apart from changes to market dynamics, the fundamentals of the site have not altered. The western alignment of Victor Street, at its intersection with Chatswood Mall (Victoria Avenue) remains the heart of the Chatswood retail precinct and is a non-core office location within Chatswood. Established office buildings within Chatswood are to the west of the subject property and are physically separated by the main North Shore Rail Line.

The key strengths of this location include:

- Proximity to public transport.
- Proximity and concentration of retail amenity which needs to be serviced by an immediate mixed use/residential population.
- A concentration of existing residential apartment towers and mixed-use buildings within the immediate vicinity.
- Access to schooling with Our Lady of Dolours, Mercy Catholic College and St Pius College a short distance to the north east.



These strengths, together with the existing characteristics of the area continue to support longer term residential use, with ancillary retail or commercial uses only on the ground or lower levels, which can be subsidised by the residential above.

Given the lack of tenant and investment demand for Chatswood, and noting Council's letter of 28 October 2020, our view remains any office component included in the development should be capped at 10,000 sqm. Moreover, given the impact of COVID-19 this may be considered generous, particularly as commercial values come under pressure over the next 12 to 18 months.

Despite the desire of Council to drive commercial uses in the Chatswood CBD for in excess of 20 years, the commercial reality is this use has not been viable, nor it is deemed to be the highest and best use.

Increasing the commercial mix to 70% is in our opinion, too large and unviable for the Chatswood CBD. Moreover, the floorplate is compromised and not reflective of current market requirements. The revised scheme has a floorplate size of 1,100 sqm to 1,200 sqm and based upon our understanding and experience of current tenant requirements and workplace strategies, we would expect a minimum floorplate for a new suburban A Grade office building to be 1,200 sqm to 1,800 sqm in size in order to achieve work space efficiency.

Given the size of the asset and the likely purchaser profile, there would be an expectation from investors for the same. Anything less would be potentially detrimental to the leasing and therefore investment metrics of the asset.

We also consider the proposed stratum title to be a further factor which may be detrimental to the investment potential of the end asset, particularly should the shared ownership and services agreement result in greater complexity and risk to the owner of the office component. Post COVID-19, risk is being fully priced by the market and the appeal of the property would potentially be detrimentally affected by Council's desired outcome.

Having a mixed-use scheme underpinning a development enables the early delivery and inclusion of alternative uses such as office and retail. Within Chatswood, the disposal of the Quest Hotel and medical centre which form part of 63 Archer Street, Chatswood prior to practical completion de-risked the project for the developer. However, the development was only feasible as it formed part of a larger predominantly residential mixed-use scheme.

In St Leonards, the inclusion of residential had been key to commencing the development of 500 Pacific Highway, which comprised 495 apartments, together with a non-residential podium. Furthermore, St Leonards Square recently achieved practical completion in 2019 and comprised approximately 500 residential units with ancillary commercial and retail uses. Some 4,000 sqm of commercial strata was sold off the plan, comprising 32 suites ranging in size from 60 sqm to 200 sqm. The retail was underpinned Virgin Active with a lease of 10+5+5 years secured. It was subsequently sold prior to practical completion in July 2019 for circa \$11.6 million.

The inclusion of residential within these schemes was key to the funding and offsetting of risk associated with the retail and office uses, which would not have been viable in isolation.

Accordingly, we consider a mixed-use scheme to be the most appropriate for the subject property, with ground level retail and minimal office. We recommend no more than 10,000 sqm and note Mirvac in its original proposal included in excess of this, with a scheme of 15,351 sqm. We consider there to be no market justification for what Council is proposing, it is certainly not demand driven. Consideration should be given to the quantum of commercial included to ensure it does not detract from the residential component and more importantly, that its size is not difficult for the market to absorb.

Given the proximity of the site to Westfield Chatswood, which is directly opposite, a retailing outcome for the lower levels would not only appear to be in keeping with the surrounding area and uses, but a lower risk option. We would also expect retail to be highly sought after by tenants and investors alike.

Leasing activity in Chatswood fundamentally remains fragile, prone to sustained periods of stagnant face rental growth, elevated vacancy and incentives. This has only been exacerbated by the detrimental impact of COVID-19.



45 Victor Street and 410-416 Victoria Avenue, Chatswood, Sydney, NSW 2067

Chatswood fundamentally lacks a critical mass of quality office stock to underpin further large scale office development, and there is no evidence to suggest that sufficient tenant demand exists to justify development of 30,000 sqm. In fact, the opposite is the case.

Given the locational attributes of the site and the dynamics of the Chatswood CBD outlined in this letter, It is clear that a mixed-use outcome for the subject site is the most suitable option, with residential being the enabler to provide a material component of no residential uses.

Importantly, having residential underpin a development enables the early delivery and inclusion of alternative uses such as office and retail. The development of these alternative uses is only feasible when they form part of a larger, predominantly residential mixed-use scheme.

In summary, we do not support Council's suggestion of 28 October 2020 and consider the maximum non-residential component of the proposed development be capped at 10,000 sqm, noting Mirvac is proposing 15,351 sqm. Unfortunately, non-residential uses of scale are not viable in Chatswood. In order for them to be, they need to be supported by mixed uses. This is the commercial reality of the Chatswood CBD office market.

This document has been prepared strictly and only for internal review purposes for the Reliant Party, being Mirvac. We understand it may form part of a planning proposal for the site and may be included as an addendum. Furthermore, this is a confidential document and therefore any use, or reliance upon this document, by anyone other than the Reliant Party is not authorised by CBRE Valuations Pty Limited and CBRE Valuations Pty Limited is not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

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We trust the analysis herein is satisfactory for your purposes. Should you require any further assistance please do not hesitate to contact the undersigned on $+61\ 2\ 9333\ 3348$.

Yours sincerely

CBRE Valuations Pty Limited

Michael Pisano Senior Director

Valuation & Advisory Services

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Appendix F GTA addendum letter





Transport Engineering

REF: N109842

DATE: 9 December 2020

Mirvac Level 28, 200 George Street SYDNEY NSW 2000

Attention: Charles Maxwell

Dear Charles

RE: 45 VICTOR STREET AND 410-416 VICTORIA AVENUE, CHATSWOOD PLANNING PROPOSAL – TRANSPORT ASSESSMENT ADDENDUM

A revised Planning Proposal was lodged by Mirvac in September 2020 with Willoughby City Council for the land occupied by the former Chatswood Post Office and retail shops at 45 Victor Street and 410-416 Victoria Avenue, Chatswood.

Mirvac received feedback from Council's Planning Unit on 28 October 2020 and has requested GTA Consultants to address comments on the loading arrangements, Post Office Lane design, parking provisions and resultant reduction in trip generation.

This addendum should be read in conjunction with the *Transport Assessment*¹ that accompanied the Planning Proposal.

Loading Arrangements

Whilst considered appropriate, particularly for a site in a metropolitan CBD environment, it is understood that Council does not support the use of a vehicle turntable as it is located within the vehicle manoeuvring lane to lower basement levels. Council has requested that the turntable is removed, and the design accommodate swept paths for the relevant design vehicle.

The swept path analysis included in Attachment 1 illustrates that an 8.8m medium rigid vehicle is able to enter and exit the site in a forward direction without a turntable. The vehicle is required to complete a three-point turn within the basement level to exit the loading area, which is considered acceptable.

The design will be further developed as part of any future development application and will consider the implementation of a warning light system at the basement entry and also at the ramp to/ from the lower basement car park level to alert vehicles when service vehicles are entering and exiting the site. A height detection system will be necessary at these locations to identify vehicles higher than three metres, activating the warning light system accordingly. Convex mirrors are also recommended to improve visibility.

On this basis, the loading arrangements, being either a mechanical or physical solution, is considered appropriate for the intended use and anticipated demand generated by the development.

¹ GTA Consultants, 45 Victor Street and 410-416 Victoria Avenue, Chatswood - Transport Assessment Issue B dated 10 August 2020.

Post Office Lane

Council has also requested a potential shared loading arrangement within the basement to service retail properties currently serviced from Post Office Lane. This would allow Post Office Lane to be pedestrianised, with general vehicle access potentially removed. Mirvac could provide such a shared arrangement for the adjacent retail properties to the west of the subject site on Victoria Avenue, noting that a goods lift is proposed between the loading area and ground floor, which facilitates access to Post Office Lane. In order to manage and distribute loading demand across the day, and associated equitable use of the two loading spaces, a loading dock management plan and booking system will need to be detailed as part of any future development phases.

Feedback received from Council suggests a desired 10-metre height clearance along Post Office Lane to the underside of any overhead structure. The building structure proposed by Mirvac over the laneway will have 8.0-9.5 metre clearance, with the difference being as a result of the natural grade of the laneway. GTA is not aware of any relevant standards or guidelines that require a height clearance of 10 metres. Australian Standards (AS2890.2:2018) requires a minimum height clearance of 4.5 metres for medium and heavy rigid vehicles, while Austroads requirements for clearances to bridges and structure is 4.6 metres for local roads and 5.4m for major roads and freeways. Therefore, the proposal is more than acceptable from a traffic and transport perspective, particularly if vehicle access is removed from the laneway with a shared basement loading area for the adjoining retail properties to the west of the subject site on Victoria Avenue.

Car Parking Provisions

Support is also not provided for the 381 car spaces proposed for the development (321 resident, 55 non-residential and 5 car share spaces). It is understood that Council is currently reviewing car parking rates in the Chatswood CBD and considering the following rates:

- Office 1 per 400 sqm GFA
- Retail (<1,000sqm) no spaces
- Retail (>1,000sqm) 1 per 300 sqm GFA
- Residential
 - o Studio/ 1-bed 0.5 spaces per dwelling
 - o 2+ bed 1 space per dwelling
 - o Visitor 1 space per 10 dwellings.

These rates are lower than the current Willoughby Development Control Plan (WDCP).

Based on the assessment contained in the *Transport Assessment* (GTA, 2020), market requirements for residential and non-residential uses, project viability and Council's feedback, the following rates are now proposed as part of the Planning Proposal:

- Office/ Retail 1 per 330 sqm GFA
- Residential
 - o 1-bed 0.5 spaces per dwelling
 - o 2-bed 1 space per dwelling
 - o 3-bed 1.25 space per dwelling
 - Visitor no spaces.

A comparison of the requirements based on the various sources is provided in Table 1.



Table 1: Car Parking Requirements Comparison

Land Use	No. of Dwellings/ NLA (m²)	WDCP Parking Requirement	TfNSW Guide Parking Requirement	Willoughby Preferred Rates Requirement	Proposed Rates Requirement
Residential 1-bed	125	125	50	63	63
Residential 2-bed	157	157	110	157	157
Residential 3-bed	31	39	37	31	39
Visitor		78	45	31	-
Sub-Total		399	242	282	259
Office	17,619	88	DCP	44	53
Retail 745		4	DCP	-	2
Total		491	334	326	314+5 car share

Table 1 illustrates that the proposed rates result in an overall requirement (319 spaces) that is generally aligned with Council's preference (326 spaces) and the TfNSW Guide (334 spaces).

The key differences are the slightly higher provision for three-bedroom residential dwellings (resulting in eight additional spaces) and offices (resulting in 11 additional spaces), and no provisions for visitor parking (for reasons outlined in the *Transport Assessment* (GTA, 2020).

3-bedroom Dwellings

The higher provision for three-bedroom dwellings is consistent with WDCP. Given the likely demographics of the target market for these apartments in such a prime location in a lower north shore CBD, potential buyers are more than likely to own two vehicles. This is evident in the 2016 Census Survey on car ownership for Chatswood that shows the average vehicles for three-bedroom dwellings in apartment buildings with four or more storeys is 1.15 vehicles per dwelling, and the Willoughby local government area average being 1.19 spaces per dwelling, thus slightly lower than the 1.25 spaces per dwelling proposed). The additional vehicles are unlikely to be used for weekday commuter trips during the road network peak periods given the sites' prime location, however, are more likely to be used on weekends for leisure and sports activities. Hence, this is not anticipated to result in significant change in traffic generation during the weekday peak periods.

On this basis, the proposed rate for these larger units is considered more reflective of the anticipated demand and not expected to have any material impact on the surrounding road network.

Visitor Parking

As detailed in the *Traffic Assessment*, no residential visitor parking is proposed on-site, and visitors will be required to use alternate transport modes or park in surrounding on-street and off-street car parks near the site for short-term use. The omission of visitor parking provides clarity that such visitors should use alternate travel modes, park off-site or arrange with residents to use their space(s) if available, thus reducing vehicle trips on the surrounding road network and unnecessary circulation within the car park searching for vacant spaces (detailed further in the *Transport Assessment* (GTA, 2020).



Office Use

The proposal to provide slightly higher parking for the office uses compared to Councils reference is in order to maintain the viability of the commercial offering and is still almost 40 per cent lower the WDCP requirement. The viability of delivering non-residential space is addressed elsewhere in Mirvac's Planning Proposal. However, GTA understands the importance of the proposed non-residential parking rates for tenants of commercial floor space. The provision still promotes the use of alternate travel modes but considers that there would be commercial staff that use company cars for regular/ daily daytime trips where the use of a car share scheme vehicle may not be appropriate or financially viable. The provision of car share spaces does however reduce the reliance on private vehicle trips as these vehicles will be available to commercial staff and others for occasional use requirements which is the intended purpose.

Traffic Generation

The *Transport Assessment* acknowledges that the "average" traffic generation rates adopted for the residential component are conservative when accounting for the proximity of the site to Chatswood Railway Station (i.e. about 100 metres). The assessment notes that sites surveyed within 250 metres of a railway station in the TfNSW's *Guide to Traffic Generating Developments* – Technical Direction (TfNSW, August 2013) generated on average 0.13 and 0.08 vehicle movements per dwelling² during the weekday AM and PM peak hours, respectively. For these sites near a railway station, the traffic generation based on the number of parking spaces equates to on average 0.10 and 0.06 vehicle movements per residential space during the weekday AM and PM peak hours, respectively. This is up to 10 times less than the 0.64 vehicle movements per commercial parking space adopted in the *Transport Assessment*, illustrating that residential developments generate significantly less traffic than a similarly sized commercial development near a railway station.

Adoption of these lower trip generation rates for the residential component results in a 30 per cent reduction in vehicle trips during the weekday AM peak and an almost 50 per cent reduction in the weekday PM peak for this use. This results in an overall reduction of trips generated by the development from 85-97 vehicle trips per hour as determined in the *Transport Assessment* to 63-79 vehicle trips per hour based on the lower and more comparable rates during the weekday peaks (20-25 per cent reduction).

SIDRA modelling software was used to determine the anticipated future operation of the intersections following the development of the site under the proposed planning controls. A summary is presented in Table 2, with full results attached to this addendum.

² Includes St Leonards, Strathfield and Chatswood.



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Table 2: Future Operating Conditions

Intersection	Peak	Base Level of Service	Degree of Saturation	Average Delay (sec)	95th Percentile Queue (m)	Level of Service
	Weekday AM	А	0.33	14	32	А
Victor Street/ Albert Avenue	Weekday PM	В	0.49	11	32	А
	Saturday	В	0.83	16	90	В
Orchard Road/	Weekday PM	В	0.92	16	104	В
Albert Avenue	Saturday	В	0.96	16	131	В
Thomas Lane/	Weekday PM	А	0.48	6	55	А
Albert Avenue	Saturday	А	0.47	7	92	А
Pacific Highway/	Weekday PM	С	1.13	42	616	С
Albert Avenue	Saturday	D	1.45	55	245	D

Table 2 illustrates that based on the lower and more comparable residential traffic generation, the development is expected to have less impact on the Albert Street signalised intersections between Victor Street and Pacific Highway than determined in the *Transport Assessment*, with the Level of Service largely unchanged from the base scenario.

Whilst the parking rates adopted in the Transport Assessment were considered acceptable, the current proposed rates represent a significant reduction in overall parking provisions, thus traffic generating characteristics of the Planning Proposal. Table 2 illustrates that the development will not affect the base Level of Service of the study intersections between Victor Street and the Pacific Highway. As such, the Planning Proposal is expected to have minimal impact on the surrounding road network and is supportable from a traffic and transport perspective.

Conclusion

GTA provided a Transport Assessment in August 2020 for Mirvac's revised Planning Proposal. Council has since provided feedback in relation to the proposal and this addendum has been prepared to respond to the feedback, which should be read in conjunction with the *Transport Assessment* (GTA, 2020).

Overall, the revised proposed car parking provision is generally aligned with Council's preferred rates and the TfNSW Guide, promotes the use of alternate travel modes and reduces the reliance on private vehicle trips. Application of the more comparable traffic generation rates for the residential component based on other sites within 250 metres of a railway station suggests that the development could generate 20-25 per cent less vehicle trips than determined in the *Transport Assessment*. This reduces the impact the development has on the surrounding road network as illustrated in the updated SIDRA modelling.

In addition:

- Council's argument that residential traffic generation results in an inability for the proposal to be supported is not justified.
- The site is, in principle, capable of accommodating the largest vehicle that will service the loading area without a turntable, with all vehicles able to enter and exit the site in a forward direction.
- The proposed height clearance to overhead building structure within Post Office Lane is more than acceptable; being well above the relevant standards and guidelines.



• There is potential for a shared loading facility within the basement, accommodating properties that are currently serviced from Post Office Lane, to support the mutual Council/ Mirvac objective of a pedestrianised laneway.

On this basis, the Planning Proposal can be supported from a traffic and transport perspective.

I trust this provides the information required to address Council's feedback on parking provisions, loading arrangements and Post Office Lane design. Should you have any questions or require any further information, please do not hesitate to contact Ashish Modessa or me on (02) 8448 1800.

Yours sincerely

GTA CONSULTANTS

Brett Maynard Director

encl.

Attachment 1 – Swept Path Analysis

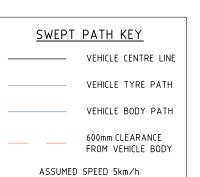
Attachment 2 – SIDRA Results (Post Development)

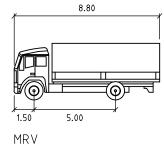


ATTACHMENT 1

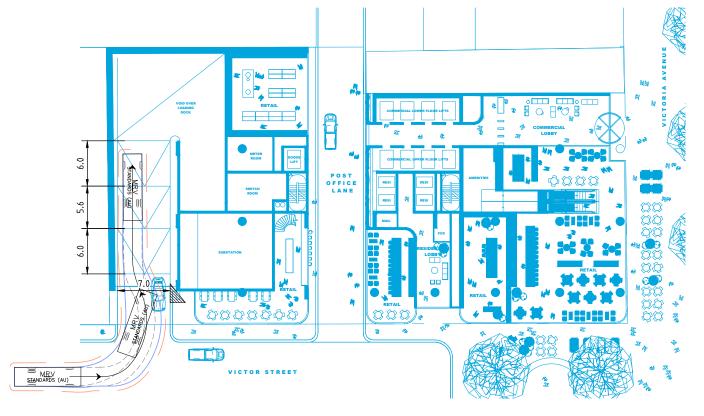
Swept Path Analysis

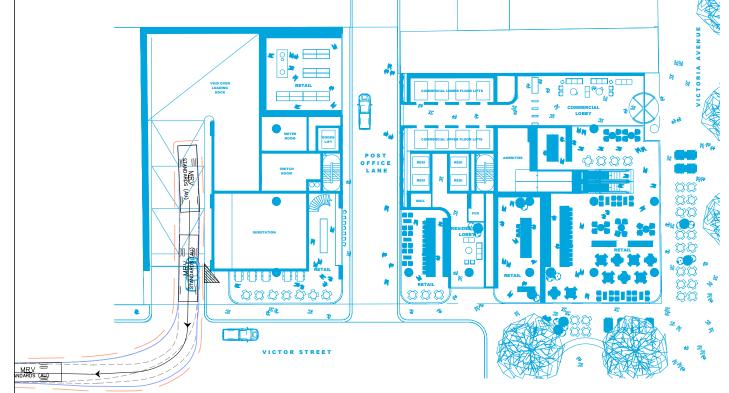






	merei
Width	: 2.50
Track	: 2.50
Lock to Lock Time	: 6.0
Steering Angle	: 34.





VEHICLE ENTRY

GTAconsultants

PRELIMINARY PLAN

WARNING

DESIGNED R.ZHANG

DATE ISSUED 3 DECEMBER 2020

DESIGN CHECK H.OBERMAIER

VEHICLE EXIT

45 VICTOR STREET, CHATSWOOD

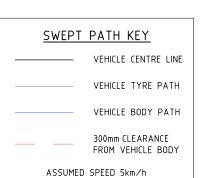
GROUND LEVEL VEHICLE SWEPT PATH ASSESSMENT

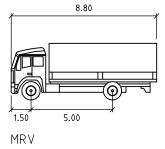
DRAWING NO. N109842-02-01 SHEET 01 OF 05

ARCHITECTURAL BASE IN BLUE DRAWING SK100

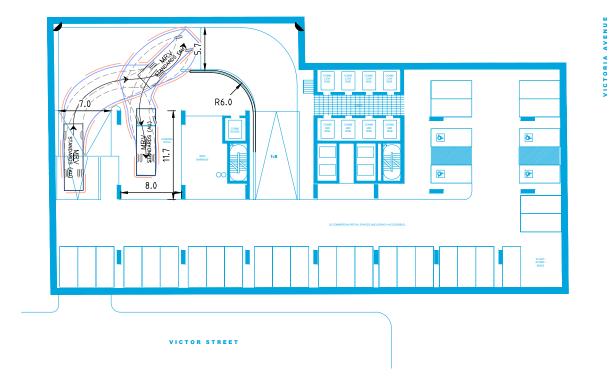
DATED NOVEMBER 2020

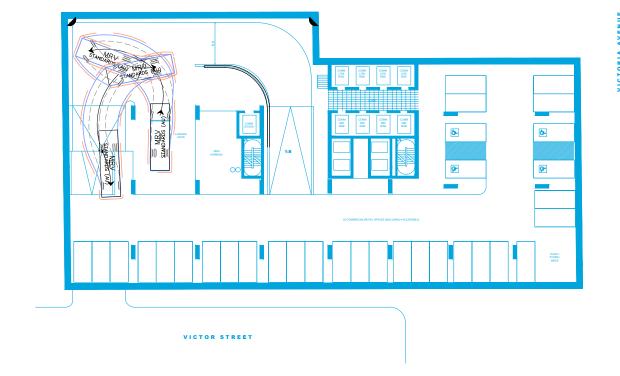
REVISION -BY MIRVAC DESIGN





	meters
Width	: 2.50
Track	: 2.50
Lock to Lock Time	: 6.0
Steering Angle	: 34.0





VEHICLE ENTRY

GTAconsultants

03 9851 9600 02 8448 1800 07 3113 5000 08 8334 3600 08 6169 1000

WARNING

DESIGNED R.ZHANG

APPROVED BY B.MAYNARD

DESIGN CHECK H.OBERMAIER

VEHICLE EXIT

45 VICTOR STREET, CHATSWOOD

LOADING DOCK VEHICLE SWEPT PATH ASSESSMENT DRAWING NO. N109842-02-02

SHEET 02 OF 05

REVISION -

ISSUE P1

ARCHITECTURAL BASE IN BLUE DRAWING SK099

BY MIRVAC DESIGN
DATED NOVEMBER 2020

PRELIMINARY PLAN

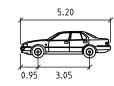
DATE ISSUED 3 DECEMBER 2020

CAD FILE NO. N109842-02-P1.DWG VEHICLE CENTRE LINE VEHICLE TYRE PATH

VEHICLE BODY PATH

300mm CLEARANCE FROM VEHICLE BODY

ASSUMED SPEED 5km/h

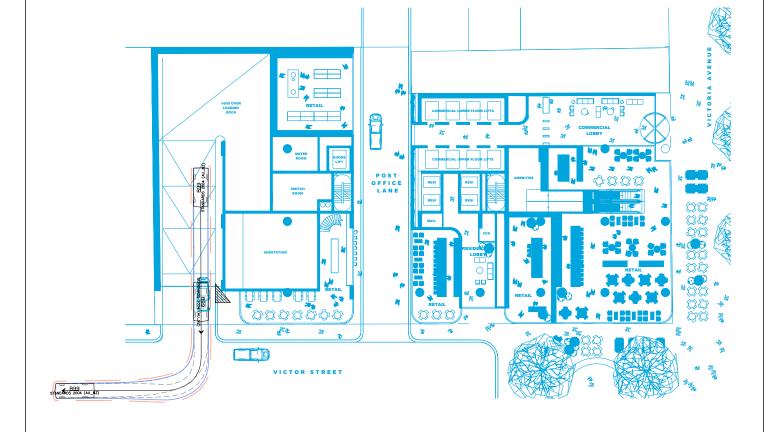


B99 6.3mR

meters

: 1.94 : 1.77 Width Track Lock to Lock Time 6.0 Steering Angle 34.0

nnn nñ 00000000 B99 STANDARDS 2004 (AU_NZ) VICTOR STREET



VEHICLE ENTRY



03 9851 9600 02 8448 1800 07 3113 5000 08 8334 3600 08 6169 1000

PRELIMINARY PLAN

WARNING

DESIGNED R.ZHANG

APPROVED BY

B MAYNARD

DATE ISSUED 3 DECEMBER 2020

DESIGN CHECK H.OBERMAIER

VEHICLE EXIT

CAD FILE NO.

45 VICTOR STREET, CHATSWOOD

ARCHITECTURAL BASE IN BLUE DRAWING SK100

ISSUE P1

DATED NOVEMBER 2020

REVISION -BY MIRVAC DESIGN

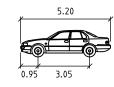
GROUND LEVEL VEHICLE SWEPT PATH ASSESSMENT

DRAWING NO. N109842-02-03 SHEET 03 OF 05 VEHICLE CENTRE LINE VEHICLE TYRE PATH

VEHICLE BODY PATH

300mm CLEARANCE FROM VEHICLE BODY

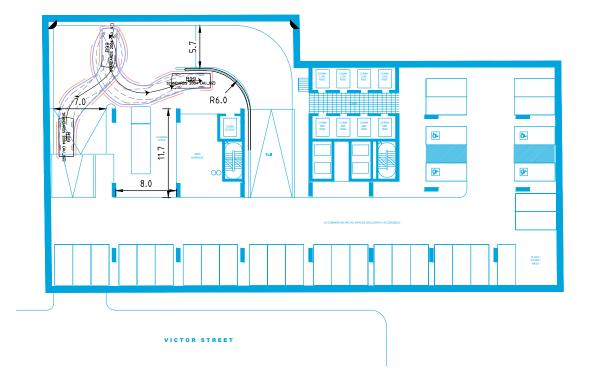
ASSUMED SPEED 5km/h

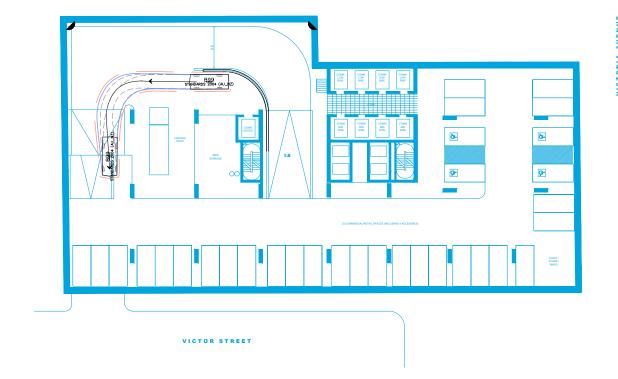


B99 6.3mR

meters

: 1.94 : 1.77 : 6.0 Width Track Lock to Lock Time Steering Angle : 34.0





VEHICLE ENTRY

GTAconsultants

03 9851 9600 02 8448 1800 07 3113 5000 08 8334 3600 08 6169 1000

PRELIMINARY PLAN

WARNING

DESIGNED R.ZHANG

DESIGN CHECK H.OBERMAIER

VEHICLE EXIT

DATE ISSUED 3 DECEMBER 2020

45 VICTOR STREET, CHATSWOOD

LOADING DOCK VEHICLE SWEPT PATH ASSESSMENT DRAWING NO. N109842-02-04

SHEET **04** OF **05**

ARCHITECTURAL BASE IN BLUE DRAWING SK099

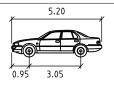
DATED NOVEMBER 2020

REVISION -BY MIRVAC DESIGN VEHICLE CENTRE LINE VEHICLE TYRE PATH

VEHICLE BODY PATH

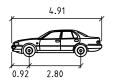
300mm CLEARANCE FROM VEHICLE BODY

ASSUMED SPEED 5km/h



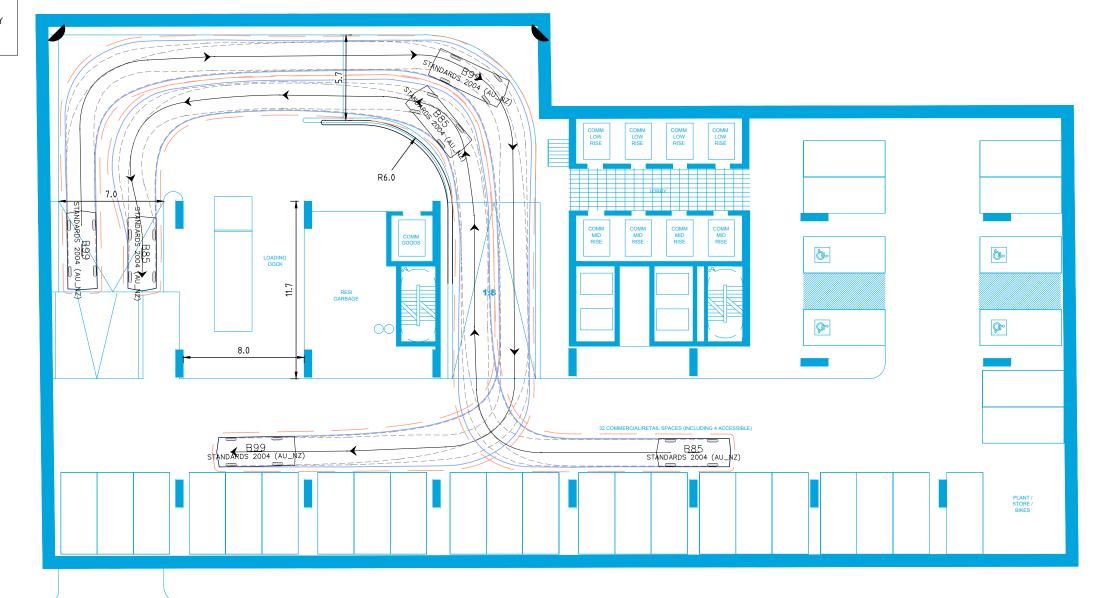
B99 6.3mR

meters : 1.94 : 1.77 Width Track Lock to Lock Time 6.0 Steering Angle : 34.0



B85

meters Width : 1.87 Track 1.77 Lock to Lock Time 6.0 Steering Angle : 34.1



VICTOR STREET

ARCHITECTURAL BASE IN BLUE DRAWING SK099 REVISION -BY MIRVAC DESIGN DATED NOVEMBER 2020

PRELIMINARY PLAN

WARNING

DESIGNED R.ZHANG APPROVED BY

B MAYNARD

DESIGN CHECK H.OBERMAIER

DATE ISSUED

CAD FILE NO. 3 DECEMBER 2020 N109842-02-P1.DWG

45 VICTOR STREET, CHATSWOOD

BASEMENT 1 VEHICLE SWEPT PATH ASSESSMENT DRAWING NO. N109842-02-05

ISSUE P1

ATTACHMENT 2

SIDRA Results (Post Development)



Site: 1 [Victor / Albert AM]

Victor Street - Albert Avenue Base Scenario AM Peak Hour

Signals - Fixed Time Isolated Cycle Time = 80 seconds (User-Given Phase Times)

Move	ement Pe	erformance	- Vehic	les							
Mov	OD	Demand		Deg.	Average	Level of	95% Back	of Queue	Prop.	Effective	Average
ID	Mov	Total	HV	Satn	Delay	Service	Vehicles	Distance	Queued	Stop Rate	Speed
South	: Victor St	veh/h	%	v/c	sec		veh	m		per veh	km/h
		` ,	F 0	0.400	24.0	LOS C	4.0	40.4	0.00	0.70	20.2
1	L2	59	5.0	0.138	31.9		1.8	13.4	0.82	0.73	30.3
2	T1	74	5.0	0.326	28.0	LOS B	4.0	28.9	0.87	0.73	40.2
3	R2	45	5.0	0.326	33.6	LOS C	4.0	28.9	0.87	0.73	32.6
Appro	ach	178	5.0	0.326	30.7	LOS C	4.0	28.9	0.85	0.73	35.6
East:	Albert Ave	enue (E)									
4	L2	105	5.0	0.206	12.9	LOS A	4.0	29.1	0.47	0.54	45.7
5	T1	365	5.0	0.206	7.3	LOS A	4.1	29.7	0.47	0.45	35.4
6	R2	76	5.0	0.151	14.7	LOS B	1.4	10.5	0.50	0.70	41.5
Appro	ach	546	5.0	0.206	9.4	LOSA	4.1	29.7	0.48	0.50	40.1
North	: Victor St	reet (N)									
7	L2	60	5.0	0.188	32.2	LOS C	2.6	18.8	0.84	0.72	32.1
8	T1	47	5.0	0.188	27.3	LOS B	2.6	18.8	0.84	0.72	39.8
9	R2	38	5.0	0.188	33.4	LOS C	2.1	15.2	0.85	0.71	21.4
Appro	ach	145	5.0	0.188	30.9	LOS C	2.6	18.8	0.84	0.72	31.6
West:	Albert Av	enue (W)									
10	L2	74	5.0	0.219	12.1	LOS A	4.3	31.5	0.48	0.50	45.9
11	T1	429	5.0	0.219	7.4	LOSA	4.4	32.0	0.48	0.44	35.8
12	R2	102	5.0	0.195	14.1	LOSA	2.0	14.5	0.52	0.70	41.1
Appro	ach	605	5.0	0.219	9.1	LOSA	4.4	32.0	0.48	0.49	39.4
All Ve	hicles	1475	5.0	0.326	14.0	LOSA	4.4	32.0	0.56	0.55	37.1

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Parameter Settings dialog (Site tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Mov		Demand	Average	Level of	Average Back	of Queue	Prop.	Effective
ID	Description	Flow	Delay	Service	Pedestrian	Distance	Queued	Stop Rate
		ped/h	sec		ped	m		per ped
P1	South Full Crossing	53	10.5	LOS B	0.1	0.1	0.51	0.51
P2	East Full Crossing	53	34.3	LOS D	0.1	0.1	0.93	0.93
P3	North Full Crossing	53	9.0	LOSA	0.1	0.1	0.48	0.48
P4	West Full Crossing	53	34.3	LOS D	0.1	0.1	0.93	0.93
All Pe	destrians	211	22.0	LOS C			0.71	0.71

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay)
Pedestrian movement LOS values are based on average delay per pedestrian movement.
Intersection LOS value for Pedestrians is based on average delay for all pedestrian movements.



Site: 1 [Victor / Albert PM]

+ Network: 1 [Weekday PM -**Fixed Phase Splits**]

Victor Street - Albert Avenue Base Scenario PM Peak Hour

Signals - Fixed Time Coordinated Cycle Time = 80 seconds (User-Given Phase Times)

Mov	ement l	Performar	nce - \	/ehicle	s								
Mov	OD	Demand				Deg.	Average	Level of		of Queue	Prop.	Effective A	9
ID	Mov	Total	HV	Total	HV	Satn	Delay	Service	Vehicles	Distance	Queued		Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		Rate per veh	km/h
Sout	h: Victor	Street (S)	,,	V 011/11	,,	• • • • • • • • • • • • • • • • • • • •			7011			por 1011	141711
1	L2	83	5.0	83	5.0	0.195	32.3	LOS C	2.6	19.3	0.84	0.75	29.4
2	T1	61	5.0	61	5.0	0.302	29.5	LOS C	3.4	25.0	0.88	0.73	39.5
3	R2	40	5.0	40	5.0	0.302	35.1	LOS C	3.4	25.0	0.88	0.73	31.9
Appr	oach	184	5.0	184	5.0	0.302	32.0	LOS C	3.4	25.0	0.86	0.74	34.1
East:	Albert A	venue (E)											
4	L2	218	5.0	218	5.0	0.290	13.4	LOS A	5.9	43.1	0.50	0.63	44.1
5	T1	441	5.0	441	5.0	0.290	7.8	LOS A	6.1	44.6	0.50	0.48	28.0
6	R2	76	5.0	76	5.0	0.132	14.1	LOS A	1.4	10.0	0.48	0.69	42.0
Appr	oach	735	5.0	735	5.0	0.290	10.1	LOS A	6.1	44.6	0.50	0.55	38.6
North	n: Victor	Street (N)											
7	L2	74	5.0	74	5.0	0.316	33.2	LOS C	4.5	33.0	0.87	0.74	32.2
8	T1	76	5.0	76	5.0	0.316	28.1	LOS B	4.5	33.0	0.87	0.74	39.6
9	R2	77	5.0	77	5.0	0.316	36.3	LOS C	3.1	22.5	0.90	0.76	28.0
Appr	oach	226	5.0	226	5.0	0.316	32.5	LOS C	4.5	33.0	0.88	0.75	34.0
West	: Albert A	Avenue (W)											
10	L2	107	5.0	107	5.0	0.173	11.3	LOS A	3.0	22.0	0.43	0.54	45.5
11	T1	287	5.0	287	5.0	0.173	6.6	LOS A	3.1	22.6	0.43	0.41	36.9
12	R2	201	5.0	201	5.0	0.485	16.9	LOS B	4.4	32.1	0.58	0.74	39.0
Appr	oach	596	5.0	596	5.0	0.485	10.9	LOS A	4.4	32.1	0.48	0.55	40.0
All Ve	ehicles	1741	5.0	1741	5.0	0.485	15.6	LOS B	6.1	44.6	0.58	0.59	37.1

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 1.2 %

Number of Iterations: 10 (maximum specified: 10)

Mov ID	Description	Demand Flow ped/h	Average Delay sec		verage Back Pedestrian ped	of Queue Distance m	Prop. Queued	Effective Stop Rate per ped
P1	South Full Crossing	53	10.5	LOS B	0.1	0.1	0.51	0.51
P2	East Full Crossing	53	34.3	LOS D	0.1	0.1	0.93	0.93
P3	North Full Crossing	53	9.0	LOSA	0.1	0.1	0.48	0.48
P4	West Full Crossing	53	34.3	LOS D	0.1	0.1	0.93	0.93
All Pe	destrians	211	22.0	LOS C			0.71	0.71

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay)



Site: 1 [Orchard / Albert PM]

+ Network: 1 [Weekday PM -**Fixed Phase Splits**]

Orchard Road - Albert Avenue Base Scenario PM Peak Hour

Signals - Fixed Time Coordinated Cycle Time = 80 seconds (User-Given Phase Times)

Mov	Movement Performance - Vehicles												
Mov		Demand				Deg.	Average	Level of		of Queue	Prop.	Effective /	9
ID	Mov	Total	HV	Total	HV	Satn	Delay	Service	Vehicles	Distance	Queued		Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		Rate per veh	km/h
Sout	h: Orcha	rd Rd - S Le		V 011/11	,,	1/0			7011			poi 1011	1(11)/11
1	L2	128	5.0	128	5.0	0.921	54.2	LOS D	14.3	104.1	1.00	1.04	21.8
2	T1	8	5.0	8	5.0	0.921	48.6	LOS D	14.3	104.1	1.00	1.04	31.8
3	R2	158	5.0	158	5.0	0.921	54.2	LOS D	14.3	104.1	1.00	1.04	21.8
Appı	oach	295	5.0	295	5.0	0.921	54.1	LOS D	14.3	104.1	1.00	1.04	22.2
East	: Albert A	ve - E Leg											
4	L2	126	5.0	126	5.0	0.266	11.6	LOS A	5.7	41.8	0.50	0.55	45.9
5	T1	528	5.0	528	5.0	0.289	6.1	LOS A	5.7	41.8	0.41	0.39	25.5
6	R2	3	5.0	3	5.0	0.289	10.3	LOS A	4.4	31.9	0.35	0.31	49.2
Appı	oach	658	5.0	658	5.0	0.289	7.1	LOS A	5.7	41.8	0.42	0.42	35.5
Nort	h: Orcha	rd Rd - N Le	eg										
7	L2	19	5.0	19	5.0	0.118	33.4	LOS C	1.5	10.8	0.84	0.67	30.4
8	T1	27	5.0	27	5.0	0.118	27.8	LOS B	1.5	10.8	0.84	0.67	40.2
9	R2	38	5.0	38	5.0	0.176	39.0	LOS C	1.4	9.9	0.91	0.73	26.5
Аррі	roach	84	5.0	84	5.0	0.176	34.1	LOS C	1.5	10.8	0.87	0.70	32.6
Wes	t: Albert A	Ave - W Leg)										
10	L2	7	5.0	7	5.0	0.097	7.8	LOS A	0.6	4.2	0.14	0.14	53.4
11	T1	431	5.0	431	5.0	0.486	3.0	LOS A	3.3	24.4	0.20	0.26	37.9
12	R2	94	5.0	94	5.0	0.486	8.7	LOS A	3.3	24.4	0.22	0.30	50.7
Аррі	oach	532	5.0	532	5.0	0.486	4.0	LOS A	3.3	24.4	0.20	0.27	44.2
All V	ehicles e	1568	5.0	1568	5.0	0.921	16.4	LOS B	14.3	104.1	0.48	0.50	30.3

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 1.2 %

Number of Iterations: 10 (maximum specified: 10)

Mov		Demand	Average	Level of A	Average Back	of Queue	Prop.	Effective
ID	Description	Flow ped/h	Delay sec	Service	Pedestrian ped	Distance m	Queued	Stop Rate per ped
P1	South Full Crossing	53	7.2	LOSA	0.1	0.1	0.43	0.43
P2	East Full Crossing	53	33.4	LOS D	0.1	0.1	0.91	0.91
P3	North Full Crossing	53	9.0	LOSA	0.1	0.1	0.48	0.48
P4	West Full Crossing	53	33.4	LOS D	0.1	0.1	0.91	0.91
All Pe	destrians	211	20.8	LOS C			0.68	0.68

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay)



Site: 1 [Thomas / Albert PM]

+ Network: 1 [Weekday PM -Fixed Phase Splits]

Thomas Lane - Albert Avenue Base Scenario PM Peak Hour

Signals - Fixed Time Coordinated Cycle Time = 80 seconds (User-Given Phase Times)

Move	ement l	Performar	nce - \	/ehicle	es								
Mov ID	OD Mov	Demand Total	Flows HV	Arrival Total	Flows HV	Deg. Satn	Average Delay	Level of Service		of Queue Distance	Prop. Queued	Effective A Stop Rate	Average Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		per veh	km/h
East:	Albert A	ve - E Leg											
5	T1	643	5.0	643	5.0	0.482	5.5	LOS A	5.9	43.1	0.38	0.33	32.7
Appro	ach	643	5.0	643	5.0	0.482	5.5	LOS A	5.9	43.1	0.38	0.33	32.7
North	Thoma	as Ln - N Le	g										
7	L2	11	5.0	11	5.0	0.069	34.1	LOS C	0.7	5.0	0.84	0.70	28.5
9	R2	11	5.0	11	5.0	0.069	34.1	LOS C	0.7	5.0	0.84	0.70	28.5
Appro	ach	21	5.0	21	5.0	0.069	34.1	LOS C	0.7	5.0	0.84	0.70	28.5
West:	Albert A	Ave - W Leg	3										
11	T1	541	5.0	541	5.0	0.349	6.5	LOS A	7.5	54.8	0.47	0.40	35.8
Appro	ach	541	5.0	541	5.0	0.349	6.5	LOS A	7.5	54.8	0.47	0.40	35.8
All Ve	hicles	1205	5.0	1205	5.0	0.482	6.4	LOSA	7.5	54.8	0.43	0.37	33.9

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 1.2 %

Number of Iterations: 10 (maximum specified: 10)

Move	ement Performance - Pedes	strians						
Mov ID	Description	Demand Flow ped/h	Average Delay sec		Average Back Pedestrian ped	of Queue Distance m	Prop. Queued	Effective Stop Rate per ped
P3	North Full Crossing	53	5.6	LOSA	0.0	0.0	0.38	0.38
P4	West Full Crossing	53	34.3	LOS D	0.1	0.1	0.93	0.93
All Pe	destrians	105	20.0	LOS B			0.65	0.65

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay) Pedestrian movement LOS values are based on average delay per pedestrian movement. Intersection LOS value for Pedestrians is based on average delay for all pedestrian movements.

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Project: X:\N10900- 10999\N109842 45 Victor Street, Chatswood - Revised scheme\Modelling\201124sid-N109840-Future Scenario Network_withSitetraffic.sip7



Site: 1 [Pacific / Albert PM]

+ Network: 1 [Weekday PM -Fixed Phase Splits]

Pacific Hwy - Albert Avenue Base Scenario PM Peak Hour

Mov	ement	Performa	nce - \	/ehicle	es								
Mov ID	OD Mov	Demand Total	Flows HV	Arriva Total	l Flows HV	Deg. Satn	Average Delay	Level of Service	95% Back Vehicles	of Queue Distance	Prop. Queued	Effective Stop	Average Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		per veh	km/h
South	n: Pacifio	c Hwy - S L	.eg										
1	L2	16	5.0	16	5.0	0.646	10.6	LOS A	13.6	99.0	0.25	0.24	53.8
2	T1	2463	5.0	2463	5.0	0.646	5.0	LOS A	13.6	99.1	0.25	0.24	55.4
3	R2	244	5.0	244	5.0	0.882	81.5	LOS F	19.0	138.8	1.00	0.93	16.6
Appro	oach	2723	5.0	2723	5.0	0.882	11.9	LOS A	19.0	138.8	0.32	0.30	49.8
East:	Albert A	ve - E Leg											
4	L2	171	5.0	171	5.0	0.332	49.2	LOS D	10.4	75.7	0.89	0.81	26.3
5	T1	47	5.0	47	5.0	1.128	198.5	LOS F	25.7	187.6	1.00	1.37	9.6
6	R2	340	5.0	340	5.0	1.128	204.2	LOS F	25.7	187.6	1.00	1.32	9.5
Appro	oach	558	5.0	558	5.0	1.128	156.3	LOS F	25.7	187.6	0.97	1.17	11.8
North	: Pacific	: Hwy - N L	eg										
7	L2	257	5.0	257	5.0	0.243	14.7	LOS B	4.8	35.0	0.28	0.66	40.7
8	T1	1921	5.0	1921	5.0	0.985	53.2	LOS D	84.4	616.0	0.76	0.91	32.0
9	R2	52	5.0	52	5.0	0.429	80.7	LOS F	3.7	27.1	0.99	0.75	25.4
Appro	oach	2229	5.0	2229	5.0	0.985	49.4	LOS D	84.4	616.0	0.71	0.87	32.3
All Ve	hicles	5511	5.0	5511	5.0	1.128	41.7	LOS C	84.4	616.0	0.54	0.62	34.2

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 1.2 %

Number of Iterations: 10 (maximum specified: 10)

Move	ement Performance - Pede	estrians						
Mov ID	Description	Demand Flow ped/h	Average Delay sec		Average Back Pedestrian ped	of Queue Distance m	Prop. Queued	Effective Stop Rate per ped
P1	South Full Crossing	53	67.8	LOS F	0.2	0.2	0.96	0.96
P2	East Full Crossing	53	17.0	LOS B	0.1	0.1	0.48	0.48
P4	West Full Crossing	53	8.4	LOSA	0.1	0.1	0.34	0.34
All Pe	destrians	158	31.1	LOS D			0.59	0.59

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay) Pedestrian movement LOS values are based on average delay per pedestrian movement. Intersection LOS value for Pedestrians is based on average delay for all pedestrian movements.

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Project: X:\N10900-10999\N109842 45 Victor Street, Chatswood - Revised scheme\Modelling\201124sid-N109840-Future Scenario



Site: 1 [Victor / Albert Sat]

♦♦ Network: 1 [Saturday -Fixed Phase Splits]

Victor Street - Albert Avenue Base Scenario Sat Peak Hour

Signals - Fixed Time Coordinated Cycle Time = 100 seconds (User-Given Phase Times)

Mov	ement	Performan	ice - \	/ehicle	es								
Mov ID	OD Mov	Demand I Total	Flows HV	Arrival Total	l Flows HV	Deg. Satn	Average Delay	Level of Service		of Queue Distance	Prop. Queued	Effective Stop	Average Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		per veh	km/h
Sout	h: Victor	Street (S)											
1	L2	89	5.0	89	5.0	0.263	43.5	LOS D	3.8	27.7	0.89	0.76	25.0
2	T1	60	5.0	60	5.0	0.575	46.2	LOS D	5.7	41.8	0.99	0.79	33.3
3	R2	59	5.0	59	5.0	0.575	51.8	LOS D	5.7	41.8	0.99	0.79	25.6
Appr	oach	208	5.0	208	5.0	0.575	46.6	LOS D	5.7	41.8	0.95	0.78	28.1
East	: Albert A	venue (E)											
4	L2	317	5.0	317	5.0	0.354	12.3	LOS A	8.8	63.9	0.44	0.62	44.9
5	T1	589	5.0	589	5.0	0.354	6.7	LOS A	9.1	66.3	0.44	0.44	30.0
6	R2	135	5.0	135	5.0	0.254	14.0	LOS A	2.9	20.8	0.46	0.70	42.1
Appr	oach	1041	5.0	1041	5.0	0.354	9.4	LOS A	9.1	66.3	0.44	0.53	40.1
North	n: Victor	Street (N)											
7	L2	81	5.0	81	5.0	0.478	45.3	LOS D	7.4	54.3	0.94	0.78	27.6
8	T1	86	5.0	86	5.0	0.478	39.7	LOS C	7.4	54.3	0.94	0.78	35.4
9	R2	95	5.0	95	5.0	0.590	54.4	LOS D	4.7	34.3	1.00	0.80	21.8
Appr	oach	262	5.0	262	5.0	0.590	46.8	LOS D	7.4	54.3	0.96	0.79	28.6
West	t: Albert /	Avenue (W)											
10	L2	127	5.0	127	5.0	0.213	6.6	LOS A	1.3	9.7	0.11	0.34	51.2
11	T1	421	5.0	421	5.0	0.213	4.4	LOS A	4.7	34.1	0.29	0.33	41.7
12	R2	249	5.0	249	5.0	0.831	40.0	LOS C	12.3	89.5	0.76	0.94	27.3
Appr	oach	798	5.0	798	5.0	0.831	15.9	LOS B	12.3	89.5	0.40	0.52	34.5
All Ve	ehicles	2309	5.0	2309	5.0	0.831	19.2	LOS B	12.3	89.5	0.53	0.58	33.8

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 3.0 %

Number of Iterations: 10 (maximum specified: 10)

Mov ID	Description	Demand Flow	Average Delay		Average Back Pedestrian	of Queue Distance	Prop. Queued	Effective Stop Rate
		ped/h	sec		ped	m		per ped
P1	South Full Crossing	53	8.4	LOSA	0.1	0.1	0.41	0.41
P2	East Full Crossing	53	44.3	LOS E	0.1	0.1	0.94	0.94
P3	North Full Crossing	53	7.2	LOSA	0.1	0.1	0.38	0.38
P4	West Full Crossing	53	44.3	LOS E	0.1	0.1	0.94	0.94
All Pe	destrians	211	26.1	LOS C			0.67	0.67

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay)

MOVEMENT SUMMARY



Site: 1 [Orchard / Albert Sat]

♦♦ Network: 1 [Saturday -Fixed Phase Splits]

Orchard Road - Albert Avenue Base Scenario Sat Peak Hour

Signals - Fixed Time Coordinated Cycle Time = 100 seconds (User-Given Phase Times)

Mov	ement	Performar	nce - \	/ehicle	s								
Mov		Demand				Deg.	Average	Level of		of Queue	Prop.	Effective .	5
ID	Mov	Total	HV	Total	HV	Satn	Delay	Service	Vehicles	Distance	Queued		Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		Rate per veh	km/h
Sout	h: Orcha	rd Rd - S Le				.,,						po. 10	
1	L2	116	5.0	116	5.0	0.960	81.4	LOS F	17.9	130.7	1.00	1.12	16.5
2	T1	5	5.0	5	5.0	0.960	75.8	LOS F	17.9	130.7	1.00	1.12	25.7
3	R2	139	5.0	139	5.0	0.960	81.4	LOS F	17.9	130.7	1.00	1.12	16.5
Appr	oach	260	5.0	260	5.0	0.960	81.3	LOS F	17.9	130.7	1.00	1.12	16.8
East	: Albert A	ve - E Leg											
4	L2	123	5.0	123	5.0	0.274	7.4	LOS A	2.3	16.9	0.15	0.31	50.8
5	T1	595	5.0	595	5.0	0.305	2.7	LOS A	2.7	19.6	0.16	0.20	36.1
6	R2	3	5.0	3	5.0	0.305	7.4	LOS A	2.7	19.6	0.16	0.14	52.9
Appr	roach	721	5.0	721	5.0	0.305	3.5	LOS A	2.7	19.6	0.15	0.22	43.7
Nort	h: Orcha	rd Rd - N Le	eg										
7	L2	6	5.0	6	5.0	0.035	39.4	LOS C	0.5	3.9	0.82	0.63	27.6
8	T1	7	5.0	7	5.0	0.035	33.8	LOS C	0.5	3.9	0.82	0.63	37.6
9	R2	7	5.0	7	5.0	0.037	46.5	LOS D	0.3	2.3	0.89	0.67	23.9
Appr	roach	21	5.0	21	5.0	0.037	39.9	LOS C	0.5	3.9	0.85	0.64	30.6
Wes	t: Albert A	Ave - W Leg]										
10	L2	4	5.0	4	5.0	0.351	8.4	LOS A	3.3	24.2	0.17	0.15	53.0
11	T1	614	5.0	614	5.0	0.351	2.8	LOS A	3.3	24.2	0.17	0.19	40.6
12	R2	58	5.0	58	5.0	0.351	8.4	LOS A	1.8	12.9	0.17	0.27	51.0
Appr	roach	676	5.0	676	5.0	0.351	3.3	LOS A	3.3	24.2	0.17	0.19	43.8
All V	ehicles	1678	5.0	1678	5.0	0.960	15.9	LOS B	17.9	130.7	0.30	0.35	27.5

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 3.0 %

Number of Iterations: 10 (maximum specified: 10)

Mov	Description	Demand	Average		Average Back	of Queue Distance	Prop.	Effective
ID	Beschphon	Flow ped/h	Delay sec	Service	Pedestrian ped	Distance	Queued	Stop Rate per ped
P1	South Full Crossing	53	7.2	LOS A	0.1	0.1	0.38	0.38
P2	East Full Crossing	53	39.7	LOS D	0.1	0.1	0.89	0.89
P3	North Full Crossing	53	8.8	LOSA	0.1	0.1	0.42	0.42
P4	West Full Crossing	53	39.7	LOS D	0.1	0.1	0.89	0.89
All Pe	destrians	211	23.9	LOS C			0.65	0.65

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay)

MOVEMENT SUMMARY



Site: 1 [Thomas / Albert Sat]

♦♦ Network: 1 [Saturday -Fixed Phase Splits]

Thomas Lane - Albert Avenue Base Scenario Sat Peak Hour

Move	Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Total	Flows HV	Arrival Total	Flows HV	Deg. Satn	Average Delay	Level of Service	95% Back Vehicles	of Queue Distance	Prop. Queued	Effective Stop Rate	Average Speed
		veh/h	%	veh/h	%	v/c	sec		veh	m		per veh	km/h
East:	Albert A	ve - E Leg											
5	T1	620	5.0	620	5.0	0.470	4.0	LOS A	4.4	32.4	0.27	0.24	37.2
Appro	ach	620	5.0	620	5.0	0.470	4.0	LOS A	4.4	32.4	0.27	0.24	37.2
North	: Thoma	as Ln - N Le	eg										
7	L2	27	5.0	27	5.0	0.286	47.3	LOS D	2.5	18.0	0.92	0.76	23.7
9	R2	27	5.0	27	5.0	0.286	47.2	LOS D	2.5	18.0	0.92	0.76	23.7
Appro	ach	55	5.0	55	5.0	0.286	47.2	LOS D	2.5	18.0	0.92	0.76	23.7
West:	Albert A	ve - W Leږ	g										
11	T1	793	5.0	793	5.0	0.462	5.9	LOS A	12.7	92.3	0.43	0.38	37.2
Appro	ach	793	5.0	793	5.0	0.462	5.9	LOS A	12.7	92.3	0.43	0.38	37.2
All Ve	hicles	1467	5.0	1467	5.0	0.470	6.6	LOS A	12.7	92.3	0.38	0.33	34.7

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 3.0 %

Number of Iterations: 10 (maximum specified: 10)

Move	Movement Performance - Pedestrians										
Mov ID	Description	Demand Flow ped/h	Average Delay sec		Average Back Pedestrian ped	of Queue Distance m	Prop. Queued	Effective Stop Rate per ped			
P3	North Full Crossing	53	4.5	LOSA	0.0	0.0	0.30	0.30			
P4	West Full Crossing	53	44.3	LOS E	0.1	0.1	0.94	0.94			
All Pe	destrians	105	24.4	LOS C			0.62	0.62			

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay) Pedestrian movement LOS values are based on average delay per pedestrian movement. Intersection LOS value for Pedestrians is based on average delay for all pedestrian movements.

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MOVEMENT SUMMARY



Site: 1 [Pacific / Albert Sat]

♦♦ Network: 1 [Saturday -Fixed Phase Splits]

Pacific Hwy - Albert Avenue Base Scenario Sat Peak Hour

Move	Movement Performance - Vehicles												
Mov ID	OD Mov	Demand Total	Flows HV	Arrival Total	Flows HV	Deg. Satn	Average Delay	Level of Service	95% Back Vehicles	of Queue Distance	Prop. Queued	Effective Stop Rate	Average Speed
		veh/h		veh/h	%	v/c	sec		veh	m		per veh	km/h
South	: Pacifio	Hwy - S L	eg										
1	L2	16	5.0	16	5.0	0.670	9.8	LOS A	13.0	94.9	0.23	0.22	54.4
2	T1	1728	5.0	1728	5.0	0.670	4.2	LOS A	13.0	95.0	0.23	0.22	56.1
3	R2	249	5.0	249	5.0	0.895	82.6	LOS F	19.6	143.0	1.00	0.94	16.5
Appro	ach	1994	5.0	1994	5.0	0.895	14.1	LOS A	19.6	143.0	0.33	0.31	48.2
East:	Albert A	ve - E Leg											
4	L2	211	5.0	211	5.0	0.497	53.1	LOS D	13.4	98.1	0.94	0.84	25.2
5	T1	54	5.0	54	5.0	1.449	467.0	LOS F	33.5	244.8	1.00	1.88	4.5
6	R2	376	5.0	376	5.0	1.449	472.7	LOS F	33.5	244.8	1.00	1.83	4.5
Appro	ach	640	5.0	640	5.0	1.449	334.2	LOS F	33.5	244.8	0.98	1.51	6.2
North	: Pacific	: Hwy - N L	eg										
7	L2	357	5.0	357	5.0	0.331	14.4	LOS A	6.8	49.6	0.29	0.66	41.0
8	T1	1934	5.0	1934	5.0	0.618	10.8	LOS A	19.5	142.2	0.40	0.36	50.9
9	R2	26	5.0	26	5.0	0.217	78.5	LOS F	1.8	13.4	0.96	0.72	25.7
Appro	ach	2317	5.0	2317	5.0	0.618	12.2	LOS A	19.5	142.2	0.39	0.41	49.3
All Ve	hicles	4951	5.0	4951	5.0	1.449	54.6	LOS D	33.5	244.8	0.44	0.51	29.4

Site Level of Service (LOS) Method: Delay (RTA NSW). Site LOS Method is specified in the Network Data dialog (Network tab). Vehicle movement LOS values are based on average delay per movement.

Intersection and Approach LOS values are based on average delay for all vehicle movements.

SIDRA Standard Delay Model is used. Control Delay includes Geometric Delay.

Gap-Acceptance Capacity: SIDRA Standard (Akçelik M3D).

HV (%) values are calculated for All Movement Classes of All Heavy Vehicle Model Designation.

Largest change in Average Back of Queue or Degree of Saturation for any lane during the last three iterations: 3.0 %

Number of Iterations: 10 (maximum specified: 10)

Move	Movement Performance - Pedestrians									
Mov ID	Description	Demand Flow ped/h	Average Delay sec		Average Back Pedestrian ped	of Queue Distance m	Prop. Queued	Effective Stop Rate per ped		
P1	South Full Crossing	53	65.4	LOS F	0.2	0.2	0.94	0.94		
P2	East Full Crossing	53	16.1	LOS B	0.1	0.1	0.47	0.47		
P4	West Full Crossing	53	7.8	LOSA	0.1	0.1	0.33	0.33		
All Pe	edestrians	158	29.8	LOS C			0.58	0.58		

Level of Service (LOS) Method: SIDRA Pedestrian LOS Method (Based on Average Delay) Pedestrian movement LOS values are based on average delay per pedestrian movement. Intersection LOS value for Pedestrians is based on average delay for all pedestrian movements.

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Appendix G Mandarin centre Comparative analysis

Chatswood Post Site v Mandarin Centre Observations

	Mandarin Centre	Subject Site	Comment
Site area sqm	3,519	2,297	The Mandarin Centre site is larger than the Subject Site.
Number of existing jobs	533	23	Minimal existing jobs on the Subject Site.
Proposed number of jobs	1,664	1,578	Even though the Subject Site is much smaller, similar number of jobs proposed as the Mandarin Centre.
Total Increase	1,131	1,555	Much larger increase in jobs on the Subject Site than the Mandarin Centre site.
% total increase	212%	6761%	Significantly increased % of jobs to be created on the Subject Site.
Existing non-residential FSR	4.6	2.5	Noted for reference.
Proposed non-residential FSR	7.68	8	Higher non-residential FSR being proposed on the Subject Site than that approved on the Mandarin Centre site.
Increase over existing non- residential FSR	3.08	5.5	Material increase over existing non-residential FSR proposed on the Subject Site, greater than the Mandarin Centre site.
% increase over existing non-	67%	220%	Material increase over existing non-residential FSR proposed on the Subject Site,
residential FSR			greater than the Mandarin Centre site.
Existing Retail GFA	16,291	1,958	Major difference between the Mandarin Centre site which is a shopping centre with ancillary uses above. Whereas the Subject Site is true commercial employment generating uses.
Proposed Retail GFA	15,948	745	Anything more than ground floor retail on the Subject Site would be excessive given its context. Commercial floor space generates far greater employment numbers and focus was
			to maximise commercial floor space instead of retail.
Increase / Decrease	-343	-1,213	Decrease in proposed ground floor retail provision on the Subject Site to also allow for commercial lobby, building services, etc.
% change	-2%	-62%	Refer comments above.
Existing Commercial GFA	0	2,335	Noted for reference.
Proposed Commercial GFA	11,085	17,619	Proposed commercial GFA on the Subject Site significantly higher than the Mandarin Centre site - apprximately 59% higher in floor area.
Increase / Decrease	11,085	15,284	Significant and material increase of commercial GFA on the Subject Site.
% change	-	654%	Significant and material increase of commercial GFA on the Subject Site vs existing condition.
Retail GFA	15,948	745	Ground floor retail proposed in Subject Site reference scheme to activate street frontages at Victor Street, Victoria Avenue and Post Office Lane.
Commercial GFA	11,085	17,619	Significant commercial component proposed on the Subject Site, ~6,500sqm higher than Mandarin Centre despite smaller site area.
Residential GFA	12,060	27,563	Proposed residential component of the Subject Site is required to subsidise the delivery of the otherwise unviable commercial use. Mandarin Centre has the benefit of an existing highly valuable Retail Centre underpinning redevelopment value.
TOTAL	39,093	45,927	
			_
Retail GFA %	41%	2%	The Mandarin Centre site is an existing shopping centre.
Commercial GFA %	28%	38%	The proposed commercial component of the Subject Site is 10 percentage points (or approxiamtely 59%) higher in floor space area than that of the Mandarin Centre.
Residential GFA %	31%	60%	Proposed residential component of the Subject Site is required to subsidise the delivery of the otherwise unviable commercial use.
TOTAL	100%	100%	·



Appendix H VPA Policy Submission 19 October 2020



19 October 2020

Ms Debra Just Chief Executive Officer Willoughby City Council PO Box 57 Chatswood NSW 2057

By email - email@willoughby.nsw.gov.au & Online Submission

Dear Ms Just,

RE: Revised Draft Planning Agreement Policy & Chatswood CBD Community Infrastructure Funding Study

Thank you for the opportunity to provide a submission in relation to the Draft Willoughby Planning Agreement Policy & Chatswood CBD Community Infrastructure Funding Study ("Draft Policy").

The Draft Policy proposes a Community Infrastructure Policy for the Chatswood CBD which will seek a contribution rate of \$900 per sqm of additional residential floor space, with a discounted rate initially proposed of \$765 per sqm to be reviewed in early 2022.

This submission raises concern about the cumulative impacts of Council's proposal, particularly when considered in totality with other contributions and development imposts, including:

- Section 7.11 or 7.12's (which we understand Council's position is whichever is the higher);
- Affordable housing 4%, proposed to increase to 7% and ultimately 10%;
- Public art;
- Sustainability targets;
- Design excellence processes and requirements and additional design review processes;
- Services authorities rates, charges, embellishments and works;
- Specific desired micro controls outlined in the adopted CBD strategy for example, setbacks;
- Apartment Design Guide being used as a compliance tool when its intention is to guide;
- · Lengthy rezoning and development application processes; and
- Any other required Satisfactory Arrangements that may be imposed.

Additionally, a number of deficiencies are highlighted in the feasibility testing which has been carried out to inform the proposed Draft Policy.

The total proposed contributions framework for the Chatswood CBD will make it difficult to attract investment and development, particularly where mixed uses are planned alongside desired commercial growth. This may make it unviable for landowners or developers to proceed with any new projects and ultimately, Council not achieving its intended objectives for the Chatswood CBD.

We also consider the Community Infrastructure Policy is inconsistent with the DPIE's draft Planning agreement practice note – Exhibition draft dated April 2020 (copy attached for ease of reference). This document states that Planning Agreements should not be used to capture land value uplift resulting from rezoning, including where this is expressed as a monetary contribution per sqm of increased floor area.

It is understood that a prime strategic imperative of the endorsed Chatswood CBD strategy is to stimulate the development of commercial floorspace. The proposed regime creates significant risk of this not being achieved. No significant commercial development has been achieved in the Chatswood centre in the past 25 years. If Council decides to proceed with the proposed scheme, consideration should be given to exempting the residential component of developments that contain a significant amount of otherwise unviable commercial floor space. This could be more than 25% commercial or 10,000 sqm. Such a mechanism would incentivise delivery of commercial and allow for mixed use outcomes to subsidise the early delivery of commercial floorspace.

Cumulative impact of levies and contributions

We are particularly concerned that the Community Infrastructure Policy being proposed by Council, when considered in totality with other contributions and development imposts, will make investment and new development propositions unviable.

Council already applies the higher of a Section 7.11 or 7.12 levy equal to 3% of development cost to projects in the Chatswood CBD, which exceeds similar levies in other parts of Sydney including the Sydney CBD where contributions have been and currently are at 1%.

The draft Willoughby Affordable Housing Strategy seeks to increase the affordable housing requirements in the LGA from the existing 4% rate to 7% by 2023 and 10% by 2026. In this regard it is noted that Willoughby Council's affordable housing policy currently at 4%, exceeds <u>all</u> statutory affordable housing requirements within other areas of Sydney including existing and proposed rates in the City of Sydney at 3%.

As noted above, the existing contributions framework and affordable housing levy significantly exceed those which apply in the Sydney CBD where arguably the capacity to pay is higher and the need for affordable housing residences is greater.

In addition, the Chatswood CBD Planning and Urban Design Strategy 2036 includes a number of further initiatives which will result in increased development delays and extended timeframes such as design excellence processes, public art requirements and additional sustainability requirements which will significantly impact on project viability.

It is noted that the above items are in addition to other imposts proposed to be imposed on development including:

- Services authorities rates, charges, embellishments and works;
- Specific desired micro controls outlined in the adopted CBD strategy for example, setbacks;
- Apartment Design Guide being used as a compliance tool when its intention is to guide;
- Lengthy rezoning and development application processes; and
- Any other required Satisfactory Arrangements that may be imposed.

It is also noted that the proposed Community Infrastructure Policy rate for the Chatswood CBD significant exceeds the majority of the other existing and proposed levies of a similar nature which are referenced in the Community Infrastructure Funding Study. These range from \$150 to \$475 per sqm, with the rate for Burwood Town Centre of \$1,750 being an outlier.

Accordingly, we are concerned that the cumulative costs of the Community Infrastructure Policy, Section 7.12 Levies, affordable housing contributions and other development imposts will impact on development viability making it difficult to attract investment and development for the Chatswood CBD where Council is seeking to achieve a significant component of commercial development alongside residential growth. This is likely to result in Council not achieving its intended objectives for the Chatswood CBD.

This is further impacted by the current COVID-19 crisis (which was preceded by several other wide scale events), which has created a high level of economic uncertainty and lack of confidence around investment in property and development into the future, particularly commercial office development.

It is likely this uncertainty and lack of confidence will exist for a considerable period.

Feasibility testing

In preparing the recent revised Planning Proposal for 45 Victor Street and 410-416 Victoria Avenue, Chatswood, feasibility and market analysis prepared by JLL and CBRE indicated that development of a stand-alone commercial building would not be a viable proposition for this site which is located to the east of the rail line within the existing B3 Commercial Core zone.

The revised Planning Proposal for the site seeks to deliver a mixed-use outcome where the delivery of residential floor space effectively subsidises the early delivery of a substantial commercial component. This approach is consistent with the DPIE's recommendation that mixed-use development can be permitted within the commercial core to the east of the rail line.

We note that feasibility testing has been carried out by Council to determine the contribution rate under the Community Infrastructure Policy. However, this feasibility testing is based on an assumed development within the B4 Mixed Use zone with an FSR of 6:1 including a non-residential FSR of 1:1. This is not directly applicable to a development within the commercial core where residential development is required to subsidise the delivery of commercial office space.

It is also noted that Council's feasibility testing applies an affordable housing contribution of 4%, however Council is seeking to increase the rate to 7% by 2023 and 10% by 2026 through its draft Affordable Housing Strategy. Further, the feasibility testing does not account for other development costs required under the Chatswood CBD Strategy such as design excellence processes, public art conditions, sustainability requirements and other additional imposts when considering the feasibility of a development proposal.

Any feasibility testing undertaken to support the proposed policy must consider a range of site conditions and potential development outcomes and take into consideration the full range of contributions and development costs (both existing and proposed).

We recommend that a more open and transparent testing process occur with industry and landowners to validate Councils assumptions.

Draft Planning Agreement Practice Note April 2020

DPIE released the draft Planning agreements practice note in April 2020. The practice note highlights the following:

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.

We consider the Community Infrastructure Policy is in direct conflict with the practice note and previous advice from DPIE, and should therefore not be progressed in its current proposed form.

Summary

On the basis of the information provided herein, this submission seeks to object to the proposed Revised Draft Planning Agreement Policy & Chatswood CBD Community Infrastructure Funding Study, on the basis that it would have an unreasonable impact on development feasibility and is inconsistent with the DPIE draft Planning Agreement Practice Note.

Where a Draft Policy may be sought to be progressed, it must be supported by demonstratable feasibility testing which considers a range of site conditions and potential development outcomes, and takes into consideration the full range of contributions and development imposts (both existing and proposed).

Failure to do so is likely to make it difficult to attract investment and development for the Chatswood CBD, resulting in Council not achieving its intended objectives for the Chatswood CBD under its endorsed CBD Strategy Policy.

We would like to again thank you for the opportunity to provide a submission relating to Council's Revised Draft Planning Agreement Policy & Chatswood CBD Community Infrastructure Funding Study and would be pleased to meet with your staff at any time to discuss this matter in further detail.

Adrian Checchin Development Director

sincerely

Attachments:

Attachment 1 - DPIE Draft Planning Agreements Practice Note

Attachment 1 – DPIE Draft Planning Agreements Practice Note

Planning agreements practice note

Exhibition draft

April 2020



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Preface

Planning agreements

This practice note provides guidance on matters relating to planning agreements, often referred to as voluntary planning agreements. It sets out the statutory framework for planning agreements and deals with issues such as the fundamental principles governing their use.

Legislative and regulatory framework

Part 7 Division 7.1 Subdivision 2 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) provides the legislative framework for planning agreements.

Part 4 Division 1A of the *Environmental Planning and Assessment Regulation 2000* (the EP&A Regulation) has further requirements relating to the making, amending and revocation of planning agreements, giving public notice and other procedural arrangements relating to planning agreements.

About this practice note

This practice note is made for the purposes of clause 25B (2) of the EP&A Regulation to assist parties in the preparation of planning agreements.

This practice note applies in accordance with the draft *Environmental Planning Assessment (Local Infrastructure Contributions) Direction 2020.*

Parties to proposed planning agreements which were publicly notified under section 7.5 (1) of the EP&A Act, but not finalised before the issue of this practice note, are not required to have regard to it. However, planning authorities may choose to consider parts of the practice note when finalising these planning agreements.

This practice note replaces the previous 'Practice Note – Planning Agreements' issued by the Director General of the then Department of Infrastructure, Planning, and Natural Resources in July 2005.

How to use this practice note

The practice note is structured as follows:

Part 1 provides the rationale for planning agreements.

Part 2 identifies and provides fundamental principles and policy considerations.

Part 3 sets out strategic considerations for when and how planning agreements can be used.

Part 4 provides guidance on the procedures and decision-making for application, negotiation and administration of planning agreements.

Part 5 provides examples of the use of planning agreements.

Affordable Housing Contributions

State Environmental Planning Policy No. 70 - Affordable Housing (Revised Schemes) (SEPP 70) is the enabling mechanism for securing affordable housing contributions. The preferred pathway for a council to secure contributions in relation to SEPP - Affordable Housing (Revised Schemes) is through preparing an affordable housing contribution scheme and amending the relevant local environmental plan. Environmental Planning Assessment (Planning Agreements) Direction 2019 sets out the matters to be considered by council if negotiating a planning agreement which includes provision for affordable housing.

Mining Projects

This practice note does not apply to planning agreements for mining projects. However, councils and proponents can refer to Parts 1, 4 and 5, for guidance on use, process and governance, which is appropriate for all planning agreements.

Terminology

The following terminology is used to convey key concepts in relation to planning agreements:

- development application has the same meaning as in the EP&A Act
- development consent has the same meaning as in the EP&A Act
- development contribution means the provision made by a developer under a planning
 agreement, being a monetary contribution, the dedication of land free of cost or the provision of
 a material public benefit to be used for or applied towards a public purpose
- planning authority has the same meaning as in Division 7.1 of Part 7 of the EP&A Act, and means:
 - o a council, or
 - o the Minister for Planning, or
 - o the Planning Ministerial Corporation, or
 - a development corporation (within the meaning of the Growth Centres (Development Corporations) Act 1974), or
 - o a public authority
- planning obligation means an obligation imposed by a planning agreement on a developer requiring the developer to make a development contribution
- planning proposal has the same meaning as in the EP&A Act
- public benefit is the benefit enjoyed by the public as a consequence of a development contribution
- public facilities means public infrastructure, amenities and services

Updates to this practice note

This practice note will be periodically updated. More detailed information or guidance on specific matters in this practice note may also be the subject of future separate practice notes.

Part 1 Introduction

1.1 Purpose of planning agreements

Planning agreements are used widely in the planning system as a tool for delivering innovative or complex infrastructure and public benefit outcomes in connection with planning proposals and development applications.

They provide a way for planning authorities and developers to negotiate flexible outcomes in respect of development contributions and enable the NSW planning system to deliver sustainable development while achieving key economic, social and environmental objectives.

Planning agreements authorise development contributions for a variety of public purposes, some of which extend beyond the scope of section 7.11 and 7.12 (local infrastructure contributions), or section 7.24 (special infrastructure contributions) of the EP&A Act. For example, these additional purposes could include the recurrent funding of public facilities provided by councils, the capital and recurrent funding of transport, the protection and enhancement of the natural environment, and the monitoring of the planning impacts of development.

Planning agreements are negotiated between planning authorities and developers in the context of applications for changes to environmental planning instruments (planning proposals) or for consent to carry out development (development applications).

In many cases, the planning authority negotiating a planning agreement is also responsible for the exercise of statutory functions relating to the agreement, such as the Minister or a council having functions relating to the making of an instrument or the determination of a development application.

1.2 Rationale for planning agreements

Since the commencement of the *Environmental Planning and Assessment Amendment* (*Development Contributions*) Act 2005, the use of planning agreements has steadily grown across NSW. There is a range of reasons why the use of planning agreements has become widespread.

- Developers recognise that their own developments benefit from the provision of public facilities and are seeking greater involvement in determining the type, standard and location of these facilities.
- Planning agreements provide a flexible means of achieving tailored development outcomes and focused public benefits, including agreement by communities to the redistribution of the costs and benefits of development.
- Planning agreements can provide enhanced and more flexible infrastructure funding opportunities and better planning implementation.
- Planning agreements allow for the flexible delivery of infrastructure for a development proposal which may have good planning merit but be out of sequence with broader strategic planning processes.

Planning agreements provide a flexible framework under which the planning authorities can share responsibility for the provision of infrastructure in new release areas or in major urban renewal projects. They permit tailored governance arrangements and the provision of infrastructure in an efficient, co-operative and coordinated way.

Part 2 Principles and policy for planning agreements

2.1 Fundamental principles

Planning agreements must be governed by a set of policy principles that ensure transparency, fairness and flexibility of planning decisions. A planning agreement cannot and should not purport to fetter a planning authority's exercise of statutory functions, in particular the function of a relevant planning authority in relation to a planning proposal or as the consent authority for a development application.

A planning agreement related to a development application is one of several matters for consideration identified by the EP&A Act when a consent authority is determining a development application. Public benefits offered by developers do not make unacceptable development acceptable.

Planning authorities and developers that are parties to planning agreements should adhere to the following fundamental principles.

- Planning authorities should always consider a proposal on its merits, not on the basis of a planning agreement.
- Planning agreements must be underpinned by proper strategic land use and infrastructure
 planning carried out on a regular basis and must address expected growth and the associated
 infrastructure demand.
- Strategic planning should ensure that development is supported by the infrastructure needed to meet the needs of the growing population.
- The progression of a planning proposal or the approval of a development application should never be contingent on entering into a planning agreement.
- Planning agreements should not be used as a means of general revenue raising or to overcome revenue shortfalls.
- Planning agreements must not include public benefits wholly unrelated to the particular development.
- Value capture should not be the primary purpose of a planning agreement.

2.2 Public interest and probity considerations

It is critical to consider whether a planning agreement is in the public interest. Generally speaking, the public interest is directed towards ensuring planning controls are imposed fairly for the benefit of the community. In some cases, the public interest may be directed towards the need to mitigate adverse impacts of development on the public domain or towards providing a benefit to the wider community.

Planning agreements are matters of public interest and this is a relevant consideration in negotiating outcomes. The negotiation of planning agreements involves the use of discretion on both sides, giving planning authorities and developers room to accommodate subjective values and varying concepts of the public and private interests.

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The ability for a planning agreement to wholly or partly exclude the application of other infrastructure contributions gives a planning authority scope for tradeoffs under an agreement. This means that the financial, social and environmental costs and benefits of development can be redistributed through a planning agreement.

However, there is no guarantee that these costs and benefits will be equitably distributed within the community and what may be a specific benefit to one group in the community may be a loss to another group or the remainder of the community. As such, best practice principles, policies and procedures should be implemented as safeguards to protect the public interest and the integrity of the planning process. These are discussed in *2.6 Policies and procedures for planning agreements*.

If probity and public interest are not considered, planning agreements may produce undesirable outcomes, including where:

- A planning authority seeks inappropriate benefits through a planning agreement because of opportunism or to overcome revenue-raising or spending limitations that exist elsewhere.
- A planning authority has not undertaken appropriate infrastructure planning as part of strategic land use planning, resulting in growth being poorly aligned with infrastructure planning and funding, infrastructure demand and costs relating to infrastructure operation.
- There is insufficient analysis of the likely planning impacts of a proposed development because a planning authority is determined to enter into, or to give effect, to a planning agreement.
- A planning authority allows the interests of individuals or small groups to demand benefits, which otherwise outweigh the public interest.
- A planning authority takes advantage of an imbalance of bargaining power between the
 planning authority and developer, for example by improperly relying on its statutory position in
 order to extract unreasonable public benefits under a planning agreement.
- A planning authority's bargaining power is compromised, or its decision-making freedom appears to be fettered by a planning agreement.

The potential for misuse also exists where a planning authority, acting as consent authority or in another regulatory capacity for development, is both party to a planning agreement and a development joint venture partner under the agreement, for example as a landowner. Special safeguards, such as the use of an independent third party in the development assessment process, would be appropriate in such circumstances.

Considerations for public participation

Public participation in the planning agreement process is important to ensure the community has an opportunity to provide input into decisions being made relating to public benefit and development. Planning agreements redistribute the costs and benefits of a development, and it is critical the public can comment on whether they think the balance between development and public benefit is achieved successfully. Public participation processes are discussed in 4.5 Public participation and notification.

2.3 Value capture

The term value capture is widely used and covers several different practices; this practice note does not attempt to define or discuss them all. In general, the use of planning agreements for the primary purpose of value capture is not supported as it leads to the perception that planning decisions can be bought and sold and that planning authorities may leverage their bargaining position based on their statutory powers.

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.

2.4 Relationship with development applications and planning proposals

Development applications

When determining a development application, the consent authority is required by the EP&A Act to take into consideration any relevant planning agreement or draft agreement that has been entered into. The consent authority is also required to take into consideration any public submissions made in respect of the development application, which may include submissions relating to a planning agreement.

Planning proposals

The EP&A Act requires a planning authority to state the objectives and outcomes of a planning proposal, and to describe and justify the process by which they will be achieved. The role of a planning agreement in facilitating these objectives or outcomes should be clearly set out in the planning proposal documentation.

Nexus

Development contributions provided for in a planning agreement are not required to bear the same nexus with development as required for section 7.11 local contributions. Because planning agreements are voluntary and facilitate public benefits, they can allow for a wider consideration of the costs and benefits of development, subject to the fundamental principles discussed in Part 2.1. However, planning agreements should provide for public benefits that are not wholly unrelated to development.

Varying development standards

Benefits provided under a planning agreement must not be exchanged for a variation from a development standard under any circumstances. Variations to development standards under Clause 4.6 of the Standard Instrument LEP or SEPP1 must be justified on planning grounds, and the benefit under the agreement should contribute to achieving the planning objective of the development standard.

Conditions of development consent

Planning authorities and developers must make a judgement in each case about whether negotiation of a planning agreement is beneficial and otherwise appropriate. However, planning agreements should not be used to require compliance with or restate obligations imposed by conditions of development consent.

2.5 Acceptability test

Planning agreements should be assessed against the test below which is a generally applicable test for determining the acceptability of a planning agreement.

The acceptability test requires that planning agreements:

- Are directed towards legitimate planning purposes, that can be identified in the statutory
 planning controls and other adopted planning strategies and policies applying to development.
- Provide for the delivery of infrastructure or public benefits not wholly unrelated to the development.
- Produce outcomes that meet the general values and expectations of the public and protect the overall public interest.
- Provide for a reasonable means of achieving the desired outcomes and securing the benefits.
- Protect the community against adverse planning decisions.

2.6 Policies and procedures for planning agreements

Councils are strongly encouraged to publish policies and procedures concerning their use of planning agreements. Best practice principles, policies and procedures should be implemented as safeguards to protect the public interest and the integrity of the planning process.

These safeguards are to protect against the misuse of planning discretions and processes, which may seriously undermine good planning outcomes and public confidence in the planning system. They should ensure that planning decisions are exercised openly, honestly and freely in any given case and fairly and consistently across the board.

Policies applying to the use of planning agreements should:

- Provide a generally applicable test for determining the acceptability of a planning agreement (see 2.5 Acceptability Test).
- Contain specific measures to protect the public interest and prevent misuse of planning agreements.
- Have published and accessible rules and procedures.
- Provide for effective formalised public participation.
- Extend fairness to all parties affected by a planning agreement.
- Guarantee regulatory independence of the planning authority.

Policies and procedures prepared by planning authorities should incorporate the contents of this practice note and the following considerations:

- How the use of planning agreements aligns with any relevant district and regional strategic plans and policies.
- How the use of planning agreements fits within the context of the planning authorities' broader organisational strategic planning and land use planning policies, goals, and strategies.
- The circumstances in which the planning authority would consider entering into a planning agreement.
- The land use planning and development objectives that are sought to be promoted or addressed by the use of planning agreements.
- The role served by planning agreements in the development contributions and infrastructure funding systems of the planning authority.
- The types of development to which planning agreements will ordinarily apply, and how their use may be differentiated between different types of development.
- Whether any thresholds apply to the use of planning agreements in relation to particular types of development or in particular circumstances.
- The matters ordinarily covered by a planning agreement.
- The form of development contributions ordinarily sought under a planning agreement.
- The kinds of public benefits sought.
- The method for determining the value of public benefits.
- Whether money paid under different planning agreements is to be pooled and progressively applied towards the provision of public benefits to which the different agreements relate.
- When, how and where public benefits will be provided.
- The procedures for negotiating and entering into planning agreements.
- The planning authority's policies on other matters relating to planning agreements, such as
 review and modification, discharging of the developer's obligations under agreements, dispute
 resolution and enforcement mechanisms, and payment of costs relating to the preparation,
 negotiation, execution, monitoring and other administration of agreements.

Part 3 Strategic considerations when using planning agreements

3.1 When to use planning agreements

This section provides guidance and strategic considerations on when to use planning agreements. Planning agreements should meet the considerations set out in 2.1 Fundamental principles and 2.5 Acceptability test and should comply with the specific requirements in this section to the fullest extent possible. Whether a planning agreement is acceptable and reasonable can only be judged in the circumstances of the case and considering State, regional or local planning policies.

Planning agreements have the potential to be used in a wide variety of circumstances. For example, they may be an appropriate contribution mechanism:

- In major development sites or precincts that are owned by a single land owner or a consortium of land owners.
- Where the developer has a direct incentive, such as bringing forward potential development, to be involved in the delivery of community infrastructure.
- Where the developer wants to provide community infrastructure in addition to, or at a higher standard than, what has been specified under the contributions plan.
- Where a council and the developer negotiate a different and better or more innovative outcome than can be achieved through imposing direct or indirect contributions.
- Where a proposed development has not been anticipated by local council and thus works and facilities to cater for this development have not been identified. A planning agreement can be prepared to specifically target the needs of the development.

Objectives of planning agreements

The objectives of planning agreements will be dictated by the circumstances of each case and the policies of planning authorities in relation to their use. However, as a general indication, planning agreements may be directed towards achieving the following broad objectives:

- Meeting the demands created by the development for new or augmented public infrastructure, amenities and services.
- Securing off-site benefits for the community so that development delivers a net community benefit.
- Compensating for the loss of or damage to a public amenity, service, resource or asset by development through replacement, substitution, repair or regeneration.

Relationship to other contributions mechanisms

Planning agreements should complement other contribution mechanisms. They can be used to deliver infrastructure outcomes for which these contributions are required, or additional public benefit. Planning agreements should not be used as de facto substitutes for contributions plans.

There is a clear legislative, regulatory and policy framework supporting contributions plans which does not apply to planning agreements. Where there is need for public infrastructure across a development area with a range of land owners, a contributions plan is likely to be more appropriate because it simplifies transactions and is underpinned by clear strategic planning.

Planning agreements may be used to overcome past deficiencies in infrastructure provision that would otherwise prevent development from occurring. This may involve the conferring of a public benefit under the agreement.

3.2 Land use and strategic infrastructure planning

This section provides advice on how planning agreements can support broader strategic infrastructure planning, particularly in areas where there is significant growth, and where a planning agreement may be associated with a planning proposal.

Land use planning should occur concurrently with strategic infrastructure planning to ensure that built form provisions and infrastructure contributions deliver both appropriate urban forms and contributions related to the development.

Strategic infrastructure planning should be undertaken regularly and address expected growth, infrastructure demand resulting from this growth, and the apportioned cost of these infrastructure provisions. Planning agreements should be used towards public benefits that are in accordance with the council's infrastructure planning and funding policies and strategies. Planning agreements should not be used as a substitute to proper strategic infrastructure planning.

Local Strategic Planning Statements

Local strategic planning statements set out the 20-year vision for land use in the local area, including how change will be managed into the future. These statements need to align with the regional and district plans, and council's own priorities in the community strategic plan it prepares under the *Local Government Act 1993*. The statements identify the planning priorities for an area and explain how these are to be delivered.

In this regard, local strategic planning statements will identify upfront the strategic planning priorities and infrastructure needs for an area, which should be reflected in planning agreements that demonstrate a comprehensive approach to infrastructure planning and funding.

Impact of planning proposals

There may be circumstances where a developer lodges a planning proposal that was not anticipated at the time the local strategic planning statement was prepared. It is common site-specific planning proposals in locations where development had not been anticipated to be accompanied by offers to enter into planning agreements. While it is appropriate that applications for more intensive development also consider opportunities for public benefit associated with development, this must be in a way that is mutually agreeable between the planning authority and the developer.

Planning authorities must ensure that adequate infrastructure is available to support the development, that the community can be confident in the integrity of the planning decision and that the planning authority is not improperly relying on its statutory role to extract unreasonable contributions.

Site specific planning proposals must not be prioritised on the basis they provide an opportunity for public benefits. Public benefits to be delivered by development should not be wholly unrelated to the development and the costs should be clearly set out and justified in the planning agreement. It is important that planning agreements in relation to planning proposals complement a comprehensive approach to infrastructure planning and funding.

Part 4 Procedures and decision making

4.1 Basic procedures for entering into a planning agreement

Planning agreements may be negotiated between planning authorities and developers in relation to development applications or changes sought by developers to environmental planning instruments. Where possible, planning agreements should be negotiated between planning authorities and developers before a related development application or planning proposal is made so that it may be accompanied by the draft agreement. The steps below are provided for general guidance and are indicative only. The actual steps taken in negotiating each specific planning agreement may differ.

Indicative steps for planning agreements

Step 1 Commencement. Before making a development application or submitting a planning proposal, the planning authority and developer decide whether to negotiate a planning agreement. In making this decision consideration should be given to this practice note, relevant legislation and any relevant policies. The parties consider whether other planning authorities and other persons associated with the development should be additional parties to the agreement, such as the landowner if the landowner is a different person to the developer.

Step 2 Negotiation. If an agreement is negotiated, it is documented as a draft planning agreement with an accompanying explanatory note. The draft planning agreement should be assessed against the acceptability test outlined in this practice note. The parties should consider how the planning agreement will be enforced and when the planning agreement will be executed, as this will inform the security provisions and conditions of the agreement. Legal advice should be sought in each case to ensure that the appropriate conditions are imposed on the planning agreement.

Step 3 Application. When the developer makes the application to the relevant authority, it should be accompanied by the draft planning agreement that has been signed by the developer and the explanatory note.

Step 4 Notification. Relevant public authorities are consulted and the application, draft planning agreement and explanatory note are publicly notified in accordance with the EP&A Act and EP&A Regulation. Any amendments required to the application and draft agreement as a result of submissions received are made. If necessary, the amended application, draft planning agreement and explanatory note are renotified.

Step 5 Assessment. The draft planning agreement and public submissions are considered in the determination of the related application. The weight given to the draft agreement and public submissions is a matter for the relevant authority acting reasonably.

Step 6 Execution. The development application or planning proposal is determined by the approval authority. The planning agreement is generally executed at this stage.

Figure 1 - Indicative planning agreement process and related application process

Indicative planning agreement process Related application Commencement: Relevant parties decide whether to negotiate a process planning agreement. Step 1 Negotiation: Terms of the planning agreement and the content of the relevant application are negotiated. Step 2 Application: Draft planning agreement and explanatory note Application accompany relevant application. Step 3 Notification: Draft planning agreement is notified, preferably in Consultation conjunction with the relevant application. Step 4 Assessment: Draft planning agreement is considered in the Assessment assessment of the relevant application. Step 5 **Execution**: If the application is approved the agreement is executed. Determination Step 6

4.2 Offer and negotiation

Offer to enter into a planning agreement

The EP&A Act does not define what constitutes an 'offer' for the purpose of section 7.7(3) of the EP&A Act. However, an offer should:

- Be in writing.
- Be addressed to the planning authority to whom it is made.
- Be signed by or on behalf of all parties to the proposed planning agreement other than the planning authority to whom the offer is made.
- Outline in sufficient detail the matters required to be included in a planning agreement as specified in s7.4 (3) of the EP&A Act to allow proper consideration of the offer by the planning authority.
- Address in sufficient detail any relevant matters required to be included in an offer as specified
 in any applicable planning agreements policy published by the planning authority to whom the
 offer is made to allow proper consideration by the planning authority.
- Outline in sufficient detail all other key terms and conditions proposed to be contained in the planning agreement to allow proper consideration by the planning authority.

A consent authority cannot refuse to grant development consent on the grounds that a planning agreement has not been entered into in relation to the proposed development or that the developer has not offered to enter into such an agreement.

However, if a developer has offered to enter into a planning agreement in connection with the development application or a change to an environmental planning instrument, then a consent

authority is authorised to require a planning agreement to be entered into in the terms of the offer as a condition of development consent.

Efficient negotiation systems

Planning authorities, particularly councils, should implement fast, predictable, transparent and accountable negotiation systems for planning agreements. Negotiation of planning agreements should not unnecessarily delay ordinary planning processes and should run in parallel with applications to change environmental planning instruments or development applications. This includes through pre-application negotiation in appropriate cases. Negotiation should be based on principles of co-operation, full disclosure, early warning, and agreed working practices and timetables.

Involvement of independent third parties

Independent third parties can be used in a variety of situations involving planning agreements. Planning authorities and developers are encouraged to make appropriate use of them during negotiation. Including where:

- An independent assessment of a proposed change to an environmental planning instrument or development application is necessary or desirable.
- Factual information requires validation.
- Sensitive financial or other confidential information must be verified or established in the course of negotiations.
- Facilitation of complex negotiations is required for large projects or where numerous parties or stakeholders are involved.
- Dispute resolution is required.

Dispute resolution

Different kinds of dispute resolution mechanisms may suit different disputes and this should be reflected in a planning agreement. For example, mediation may be suitable to deal with disputes arising from grievances, while expert determination may be suitable to resolve disputes of a technical nature and arbitration may be suitable for resolving commercial disputes.

4.3 Costs and charges

Costs

There is no comprehensive policy on the extent to which a planning authority may recover costs for negotiating, preparing, executing, registering, monitoring, enforcing and otherwise administering planning agreements. Wherever possible, planning authorities and developers should negotiate and agree costs at the earliest opportunity.

GST considerations

Both parties to a planning agreement have a potential GST liability and they should obtain advice in every case on whether a potential GST liability attaches to the agreement.

Recurrent costs and maintenance payments

Planning agreements may require developers to make contributions towards the recurrent costs of facilities that primarily serve the development to which the planning agreement applies or neighbouring development in perpetuity. However, where the facilities are intended to serve the

wider community, planning agreements should only require the developer to make contributions towards the recurrent costs of the facility until a public revenue stream is established to support the on-going costs of the facility.

Pooling of monetary contributions

Planning authorities should disclose to developers, and planning agreements should specifically provide, that monetary contributions paid under different planning agreements are to be pooled and progressively applied towards the provision of public benefits that relate to the various agreements. Pooling may be appropriate to allow public benefits, particularly essential infrastructure, to be provided in a fair and equitable way.

While planning agreements allow for pooling of funds, if significant pooling is required the planning authority should consider if a s7.11 infrastructure contributions plan would be appropriate.

Refunds

Planning agreements may provide that refunds of monetary development contributions made under the agreement are available if public benefits are not provided in accordance with the agreement.

4.4 Registration and administration

Standard form planning agreements

Planning authorities are encouraged to publish and use standard form planning agreements or standard clauses for inclusion in planning agreements in the interests of process efficiency. Planning authorities are encouraged to use the template planning agreement (Attachment A).

Documentation of planning agreements

The parties to a planning agreement should agree on which party is to draft the agreement to avoid duplication of resources and costs.

Councils are required to keep and make available a register of planning agreements. The register should be made available online or incorporated into the online planning register of the planning authority's website.

Monitoring and review of planning agreements

Planning authorities should use standardised systems to monitor the implementation of planning agreements in a systematic and transparent way. This may involve co-operation by different parts of planning authorities.

Monitoring systems should enable information about the implementation of planning agreements to be made readily available to public agencies, developers and the community. Planning agreements should contain a mechanism for their periodic review that should involve the participation of all parties.

Security for enforcement of developer's obligations

Parties should consider the means by which a planning agreement may be enforced. The most suitable means of enforcement may depend on:

- The circumstances of the planning agreement.
- The nature and extent of the developer's obligations under the planning agreement.

The planning authority's reasonable assessment of the risk and consequences of non-performance.

Tying the performance of the developer's obligations to the issuing of construction or subdivision certificates may provide a suitable means of enforcing planning agreement obligations in some cases. The EP&A Act and the EP&A Regulation restrict the issuing of a construction certificate or subdivision certificate by a certifier until any preconditions to the issuing of the certificate specified in a planning agreement have been complied with. Where adopting this approach, consider including provisions to allow a developer to provide a financial security, such as a bond or bank guarantee, if they subsequently seek release of a certificate before completing the required obligations. This will avoid the need to amend the planning agreement.

Some planning agreements require land to be dedicated to the planning authority. It may be suitable for the planning agreement to contain a pre-acquisition agreement for the purposes of the *Land Acquisition (Just Terms Compensation) Act 1991* enabling the planning authority to compulsorily acquire the land to be dedicated for nominal or an agreed value in the event of default by the developer.

Financial security, such as a bond or bank guarantee, can be a suitable means of enforcement where a planning agreement requires the carrying out of works by the developer. Financial security can be called on by the planning authority in the event of default, coupled with step-in rights by the planning authority. The value of the financial security should relate to the potential costs that may be incurred by the planning authority in carrying out the relevant works obligations of the developer in the event of default by the developer.

Financial security or additional financial security may also be appropriate where the developer seeks to postpone obligations under a planning agreement to a time later than the time originally specified for performance. An amendment to the planning agreement would ordinarily be required in such circumstances unless the planning agreement already makes provision for such an arrangement.

Registration on title

Registration is important to inform people of the existence of a planning agreement affecting the land and for the enforcement of a planning agreement. Registration on title may bind future owners of the land to the agreement. There is no requirement that a planning agreement must be registered over the whole of the land covered by the agreement.

To ensure that the intention of the parties to register the planning agreement is not defeated, the developer should get written agreement to the registration from each person with an estate or interest in the land to which the planning agreement applies. This should be provided to the planning authority as a precondition to the execution of the planning agreement.

Provision should be made in a registered planning agreement about when the notation of the planning agreement on the title to land can be removed. For example, when:

- The developer has complied with all obligations under the planning agreement relating to the land and is discharged from the planning agreement.
- The developer has complied with all relevant obligations under the planning agreement relating to a stage of development and the notation about that stage in the planning agreement on the title to the land is removed.

- Land the subject of the planning agreement is subdivided and titles for new lots are created and the developer has complied with all relevant planning agreement obligations relating to the subdivision.
- Additional valuable security for performance of the planning agreement acceptable to the
 planning authority is provided by the developer in exchange for removal of the registration of
 the planning agreement from the title to land.

Discharge of developer's obligations

Planning agreements should not impose obligations on developers indefinitely. Planning agreements should set out the circumstances in which the parties agree to discharge the developer's obligations under the agreement.

4.5 Public participation and notification

Planning agreements must be publicly notified and made available for public inspection before they can be entered into.

The EP&A Regulation requires that the notification of a proposed planning agreement occurs at the same time as the planning proposal or development application, or if this is not practicable, as soon as possible after.

The terms of the planning agreement and its proposed public benefits should be clearly shown as part of consultation material. This will help the community make a fully informed decision on the overall proposal.

Planning agreements must be accompanied by an explanatory note to assist the public in understanding the agreement. Other types of consultation material are encouraged in addition to the explanatory note. This might include additional written material, diagrams or plans.

Amendment to proposed planning agreement after public notification

Any material changes that are proposed to be made to a planning agreement after a public notice has been given should be subject to renotification if the changes would materially affect:

- How any of the matters specified in section 7.4 of the EP&A Act are dealt with by the planning agreement.
- Other key terms and conditions of the planning agreement.
- The planning authority's interests or the public interest under the planning agreement.
- Whether a non-involved member of the community would have made a submission objecting to the change if it had been publicly notified.

4.6 Explanatory notes

Planning agreements are legal documents and may not be easily understood by the public. An explanatory note can help the public understand a planning agreement and facilitate informed discussion. The EP&A Regulation requires that an explanatory note is provided with the public notice of a planning agreement and it is to be prepared having regard to this practice note.

The explanatory note is to be prepared jointly with the other parties proposing to enter into the planning agreement. However, if two or more planning authorities propose to enter into a planning agreement, an explanatory note may include separate assessments prepared by the planning

authorities in relation to matters affecting only one of the planning authorities or affecting those planning authorities in a different manner.

In practice, the explanatory note can be prepared by one of the parties but should be reviewed and agreed on by any other party to the agreement.

The explanatory note must help the broader community to simply and clearly understand what a planning agreement is proposing, how it delivers public benefit, and why it is acceptable and in the public interest. It should be easy to understand, written in plain English and address all considerations outlined in this practice note.

The explanatory note must:

- Identify how the agreement promotes the public interest.
- Identify whether the agreement conforms with the planning authority's capital works program, if any.
- State whether the agreement specifies that certain requirements of the agreement must be complied with before a construction certificate, occupation certificate or subdivision certificate is issued.

It should be possible for a person to be able to readily understand the nature of the development proposed and the public benefits to be provided. The explanatory note should indicate timing of delivery and should include maps, diagrams and other material to help explain what is proposed.

A template is also attached to guide councils in the preparation of explanatory notes (Attachment B). It includes model content to be adopted and adapted by councils in accordance with related guidance in this practice note.

Part 5 Examples of the use of planning agreements

Planning agreements have the potential to be used in a wide variety of planning circumstances and to achieve many different planning outcomes. Their use will be dictated by the circumstances of individual cases and the policies of planning authorities. Accordingly, it is not possible to set out all the circumstances in which a planning agreement may be appropriately entered into.

Below are some examples of the potential scope and application of planning agreements.

Compensation for loss or damage caused by development

Planning agreements can provide for development contributions that compensate for increased demand on the use of a public amenity, service, resource or asset that will or is likely to result from the carrying out the development.

For example, development may result in the loss of or increased impact on the provision of public open space, public car parking, public access, water and air quality, bushland, wildlife habitat or other natural areas.

The planning agreement could impose planning obligations directed towards replacing, substituting, or restoring the public amenity, service, resource or asset to an equivalent standard to that existing before the development is carried out.

In this way, planning agreements can offset development impacts that may otherwise be unacceptable.

Meeting demand created by development

Planning agreements can also provide for development contributions that meet the demand for new public infrastructure, amenities and services created by development. For example, development may create a demand for public transport, drainage services, public roads, public open space, streetscape and other public domain improvements, community and recreational facilities.

The public benefit provided under the agreement could be the provision, extension or improvement of public infrastructure, amenities and services to meet the additional demand created by the development. An agreement may be used to meet the requirements set out in a contributions plan in relation to certain land, or, potentially in the case of a large development area being delivered by one or a small number of developers, provide public amenities and services in lieu of preparing a contributions plan.

Prescribing inclusions in development

Planning agreements can be used to secure the implementation of particular planning policies by requiring development to incorporate particular elements that confer a public benefit.

Examples include agreements that require the provision of public facilities, open space or the retention of urban bushland. Agreements may also require development, in the public interest, to meet aesthetic standards, such as design excellence.

Providing benefits to the wider community

Planning agreements can also be used to secure the provision of broader benefits for the wider community. Broader benefits provided through planning agreements involve an agreement between a developer and a planning authority to allow the wider community to share in benefits resulting from the development. The benefit may be provided in conjunction with planning

obligations or other measures that address the impacts of the development on surrounding land or the wider community.

Alternatively, the benefit could wholly or partly replace such measures if the developer and the planning authority agree to a redistribution of the costs and benefits of development in order to allow the wider community, the planning authority and the developer to realise their specific preferences for the provision of public benefits.

Broader benefits may take the form of additional or better-quality public facilities than is required for a particular development. Alternatively, benefits may involve the provision of public facilities that, although not strictly required to make the development acceptable in planning terms, are not wholly unrelated to the development.

Recurrent funding

Planning agreements may provide for public benefits that take the form of development contributions towards the recurrent costs of infrastructure, facilities and services. Such benefits may relate to the recurrent costs of items that primarily serve the development to which the planning agreement applies or neighbouring development. In such cases, the planning agreement may establish an endowment fund managed by a trust, to pay for the recurrent costs of the relevant item.

For example, a planning agreement may fund the recurrent costs of water quality management in respect of development that will have a demonstrated impact on a natural watercourse that flows through or nearby to the development.

Broader benefits may also take the form of interim funding of the recurrent costs of infrastructure, facilities and services that will ultimately serve the wider community. The planning agreement would only require the developer to make such contributions until a public revenue stream is established to support the on-going costs of the facility.

Biodiversity offsetting

A planning agreement may fund the recurrent costs of habitat protection where development will trigger the Biodiversity Offsets Scheme under the *Biodiversity Conservation Act 2016*. Where planning agreements are used in this manner, they must adhere to the processes identified in Part 6 of the *Biodiversity Conservation Regulation 2017*.

This includes the implementation of a biodiversity stewardship agreement on the land that has been identified, which will include identifying the status on title and create a traceable alignment of obligations on all parties. A condition of the planning agreement must include fully funding the required total fund deposit value relevant for the biodiversity stewardship agreement and site, as a monetary contribution indexed accordingly.

The total fund deposit pays for the management actions identified in the biodiversity stewardship agreement to be undertaken in-perpetuity. The value of the total fund deposit is determined when the biodiversity stewardship agreement is entered into.

Attachment A – Template planning agreement

PLANNING AGREEMENT

Parties

of ##, New South Wales (Council)
and
of ##, New South Wales (Developer).

Background

(For Development Applications)

- A. On, ##, the Developer made a Development Application to the Council for Development Consent to carry out the Development on the Land.
- B. That Development Application was accompanied by an offer by the Developer to enter into this Agreement to make Development Contributions towards the Public Facilities if that Development consent was granted.

(For Changes to Environmental Planning Instruments)

- A. On, ##, the Developer made an application to the Council for the Instrument Change for the purpose of making a Development Application to the Council for Development Consent to carry out the Development on the Land.
- B. The Instrument Change application was accompanied by an offer by the Developer to enter into this Agreement to make Development Contributions towards the Public Facilities that Development Consent was granted.
- C. The Instrument Change was published in NSW Government Gazette No. ## on ## and took effect on ##.
- D. On, ##, the Developer made a Development Application to the Council for Development Consent to carry out the Development on the Land.

Operative Provisions

1 Planning agreement under the Act

The Parties agree that this Agreement is a planning agreement governed by Subdivision 2 of Division 7.1 of Part 4 of the Act.

Application of this Agreement

[Drafting Note 2: Specify the land to which the Agreement applies and the development to which it applies]

Operation of this Agreement

[Drafting Note 3: Specify when the Agreement takes effect and when the Parties must execute the Agreement]

Definitions and interpretation

In this Agreement the following definitions apply:

Act means the Environmental Planning and Assessment Act 1979 (NSW).

Dealing, in relation to the Land, means, without limitation, selling, transferring, assigning, mortgaging, charging, encumbering or otherwise dealing with the Land.

Development means ##

Development Application has the same meaning as in the Act.

Development Consent has the same meaning as in the Act.

Development Contribution means a monetary contribution, the dedication of land free of cost or the provision of a material public benefit.

GST has the same meaning as in the GST Law.

GST Law has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999 (Cth)* and any other Act or regulation relating to the imposition or administration of the GST.

Instrument Change means ## Local Environmental Plan ##.

Land means Lot ## DP ##, known as ##.

Party means a party to this agreement, including their successors and assigns.

Public Facilities means ##.

Regulation means the Environmental Planning and Assessment Regulation 2000.

In the interpretation of this Agreement, the following provisions apply unless the context otherwise requires:

Headings are inserted for convenience only and do not affect the interpretation of this Agreement.

- A reference in this Agreement to a business day means a day other than a Saturday or Sunday on which banks are open for business generally in Sydney.
- If the day on which any act, matter or thing is to be done under this Agreement is not a business day, the act, matter or thing must be done on the next business day.
- A reference in this Agreement to dollars or \$ means Australian dollars and all amounts payable under this Agreement are payable in Australian dollars.
- A reference in this Agreement to any law, legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision.
- A reference in this Agreement to any agreement, deed or document is to that agreement, deed or document as amended, novated, supplemented or replaced.
- A reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Agreement.
- An expression importing a natural person includes any company, trust, partnership, joint venture, association, body corporate or governmental agency.
- Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.
- A word which denotes the singular denotes the plural, a word which denotes the plural denotes the singular, and a reference to any gender denotes the other genders.
- References to the word 'include' or 'including are to be construed without limitation.
- A reference to this Agreement includes the agreement recorded in this Agreement.
- A reference to a party to this Agreement includes a reference to the servants, agents and contractors of the party, and the party's successors and assigns.
- Any schedules and attachments form part of this Agreement.

Development Contributions to be made under this Agreement

[Drafting Note 5: Specify the development contributions to be made under the agreement; when they are to be made; and the manner in which they are to be made]

Application of the Development Contributions

[Specify the times at which, the manner in which and the public purposes for which development contributions are to be applied]

Application of s7.11 and s7.12 of the Act to the Development

[Drafting Note 7: Specify whether and to what extent s7.11 and s7.12 apply to development the subject of this Agreement]

Registration of this Agreement

[Drafting Note 8: Specify whether the Agreement is to be registered as provided for in s7.6 of the Act]

Review of this Agreement

[Drafting Note 9: Specify whether, and in what circumstances, the Agreement can or will be reviewed and how the process and implementation of the review is to occur].

Dispute Resolution

[Drafting Note 10: Specify an appropriate dispute resolution process]

Enforcement

[Drafting Note 11:Specify the means of enforcing the Agreement]

Notices

Any notice, consent, information, application or request that must or may be given or made to a

Party under this Agreement is only given or made if it is in writing and sent in one of the following ways:

Delivered or posted to that Party at its address set out below.

Faxed to that Party at its fax number set out below.

Emailed to that Party at its email address set out below.

Council		
Attention:	##	<u>!</u>
Address:	##	<u>.</u>
Fax Number: ##		
Email:	##	!
Developer		
Developer Attention:	##	
•		
Attention:	##	

##

If a Party gives the other Party 3 business days notice of a change of its address or fax number, any notice, consent, information, application or request is only given or made by that other Party if it is delivered, posted or faxed to the latest address or fax number.

Any notice, consent, information, application or request is to be treated as given or made at the following time:

If it is delivered, when it is left at the relevant address.

If it is sent by post, 2 business days after it is posted.

If it is sent by fax, as soon as the sender receives from the sender's fax machine a report of an error free transmission to the correct fax number.

If any notice, consent, information, application or request is delivered, or an error free transmission report in relation to it is received, on a day that is not a business day, or if on a business day, after 5pm on that day in the place of the Party to whom it is sent, it is to be treated as having been given or made at the beginning of the next business day.

Approvals and consent

Except as otherwise set out in this Agreement, and subject to any statutory obligations, a Party may give or withhold an approval or consent to be given under this Agreement in that Party's absolute discretion and subject to any conditions determined by the Party. A Party is not obliged to give its reasons for giving or withholding consent or for giving consent subject to conditions.

Assignment and Dealings

[Drafting Note 14: Specify any restrictions on the Developer's dealings in the land to which the Agreement applies and the period during which those restrictions apply]

Costs

[Drafting Note 15: Specify how the costs of negotiating, preparing, executing, stamping and registering the Agreement are to be borne by the Parties]

Entire agreement

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with. No Party can rely on an earlier document, or anything said or done by another Party, or by a director, officer, agent or employee of that Party, before this Agreement was executed, except as permitted by law.

Further acts

Each Party must promptly execute all documents and do all things that another Party from time to time reasonably requests to affect, perfect or complete this Agreement and all transactions incidental to it.

Governing law and jurisdiction

This Agreement is governed by the law of New South Wales. The Parties submit to the non-exclusive jurisdiction of its courts and courts of appeal from them. The Parties will not object to the exercise of jurisdiction by those courts on any basis.

Joint and individual liability and benefits

Except as otherwise set out in this Agreement, any agreement, covenant, representation or warranty under this Agreement by 2 or more persons binds them jointly and each of them individually, and any benefit in favour of 2 or more persons is for the benefit of them jointly and each of them individually.

No fetter

Nothing in this Agreement shall be construed as requiring Council to do anything that would cause it to be in breach of any of its obligations at law, and without limitation, nothing shall be construed as limiting or fettering in any way the exercise of any statutory discretion or duty.

Representations and warranties

The Parties represent and warrant that they have power to enter into this Agreement and comply with their obligations under the Agreement and that entry into this Agreement will not result in the breach of any law.

Severability

If a clause or part of a clause of this Agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this Agreement, but the rest of this Agreement is not affected.

Modification

No modification of this Agreement will be of any force or effect unless it is in writing and signed by the Parties to this Agreement.

Waiver

The fact that a Party fails to do, or delays in doing, something the Party is entitled to do under this Agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another Party. A waiver by a Party is only effective if it is in writing. A written waiver by a Party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

GST

If any Party reasonably decides that it is liable to pay GST on a supply made to the other Party under this Agreement and the supply was not priced to include GST, then recipient of the supply must pay an additional amount equal to the GST on that supply.

Execution

Dated: ##

Executed as an Agreement: ##

Attachment B - Template explanatory note

Explanatory Note Template

Environmental Planning and Assessment Regulation 2000 (Clause 25E)

Explanatory note for planning agreements under section 7.4 of the Environmental Planning and Assessment Act 1979

1. Introduction

The purpose of this explanatory note is to provide a plain English summary to support the notification of the draft planning agreement (the **planning agreement**). This explanatory note explains what the planning agreement is proposing, how it delivers public benefit and whether it is an acceptable means of achieving the proposed planning outcomes.

2. The parties to this planning agreement are:

[Planning authority name] as the planning authority

[Developer name] as the developer

3. The land subject to the planning agreement is:

Lot and deposited plan

Address or description of location

A map of the subject land is attached to this explanatory note.

Will the planning agreement be registered on the subject land titles?

Yes / No

4. Description of the proposed [development application/application for complying development certificate / change to the environmental planning instrument] (delete as appropriate)

The developer is seeking approval for subdivision of the subject land into approximately [xx] residential lots / approval for development of approximately [xx] dwellings in accordance with Development Application [DA reference] and has made an offer to enter into the planning agreement in connection with the proposed development.

OR

The developer is seeking an amendment to the planning controls for the subject land in accordance with Planning Proposal [PP reference] and has made an offer to enter into a planning agreement in connection with the planning proposal. The amendments outlined in the related planning proposal are:

	Current	Proposed
Zone		
Floor space ratio		
Max height		
Dwelling yield		
Non-residential		
floor space		
(add others as		
appropriate)		

Note: Provide new tables for separate lot/DP where appropriate (e.g. if the existing zones, or proposed planning controls are different between each lot.)

5. Description of the planning agreement (delete as appropriate)

The objectives of the planning agreement are **[describe]**. The effect of the planning agreement will be **[describe]**.

Will the contributions be in the form of land, works or a monetary contribution?

The contributions required by the planning agreement will be provided in the form of a monetary contribution paid to [describe]. The contribution is for approximately [\$xxx per lot / \$xxxx for the subject land].

OR

The contributions required by the planning agreement will be provided in the form of works undertaken by the Developer. The scope of works is [describe works].

OR

The contributions required by the planning agreement will be provided in the form of dedication of land **[describe land]**. A map of the proposed land to be dedicated is attached to this explanatory note.

Will the contributions be provided in addition to or in lieu of other contributions?

The contributions required by the planning agreement will be provided in addition to contributions under [relevant contributions plan].

OR

The contributions required by the planning agreement will be provided in lieu of the contributions under [relevant contributions plan], which would have required the development to contribute \$[xxx].

OR

The contributions required by the planning agreement will be provided partially in lieu of the contributions under [relevant contributions plan], which would have required the development to contribute \$[xxx]. The planning agreement will reduce the payment under the local contributions plan to \$[xxx].

When will the contributions be provided?

The contributions required by the planning agreement will be provided before [describe timeframe for provision, whether the provision will be linked to the release of subdivision/construction certificates etc].

6. Assessment of the merits of the planning agreement

How is the planning agreement in the public interest?

What is the impact, positive or negative, of the planning agreement on the public or any section of the public?

How does the planning agreement conform with the planning authority's capital works program, if any?

Are there any other matters which a reasonable member of the public would wish to know in understanding this planning agreement?



Appendix I Amended site specific DCP

Draft Site Specific Development Controls	

45 Victor Street and 410-416 Victoria Avenue, Chatswood

December 16, 2020

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1 General

The objectives and controls in this Site Specific Development Control Plan (DCP) apply to 45 Victor Street and 410-416 Victoria Avenue, Chatswood as shown in Figure 1. The site comprises Lot 4 DP82303, Lot A and Lot B DP406105, Lot 1 DP569272 and part of Post Office Lane.

Relevant provisions of the Willoughby DCP shall also be applicable. The provisions of the Site Specific DCP will prevail in the event of any inconsistency.



Figure 1: Site plan

The objectives of this Plan are:

- 1. To facilitate a mixed use development of the site to deliver a combination of retail, commercial office and residential uses
- 2. To support public transport patronage by locating residential and commercial uses in a highly accessible location within the Chatswood CBD with immediate access to Chatswood Interchange
- 3. To protect solar access to key areas of the public domain within the surrounding area
- 4. To ensure that the built form responds to the surrounding character and provides a human scale at the street level
- 5. To enhance the public domain through street activation and improved pedestrian connectivity and amenity
- 6. To support high quality design and sustainable development outcomes.

2 Built form and setbacks

Performance criteria

The built form and setbacks shall:

- 1. Respond to the surrounding existing and planned built form and character
- 2. Provide for a human scale at street level with a slender tower form above
- 3. Provide a high level of amenity along Post Office Lane
- 4. Ensure an appropriate level of solar access and amenity to the proposed development and surrounding residential buildings
- 5. Ensure the positioning of new buildings contributes to the existing or proposed streetscape character.

Controls

- 1. The street wall height is to be a maximum of 2 storeys fronting Victoria Avenue and 6 storeys fronting Victor Street
- 2. Street and upper level setbacks are to be provided in accordance with Figure 2
- 3. The residential tower setbacks identified in Figure 2 are indicative only, with the residential tower to be located within the identified building envelope
- 4. The residential tower floor plate is to be a maximum 870sqm GFA
- 5. Built form above Post Office Lane is to allow for a minimum 8m clearance above the laneway pavement, with a minimum of 9.5m clearance at the Victor Street frontage.

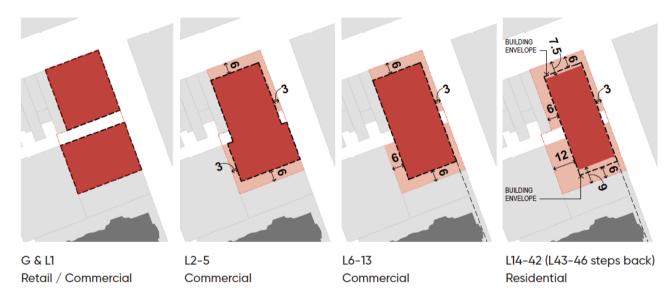


Figure 2: Street and upper level setbacks

3 Building height

Performance criteria

The height of new development shall:

- 1. Be consistent with the permitted Height of Buildings standard applicable to the site under the Willoughby LEP
- 2. Maintain an adequate level of solar access to surrounding open space.

Controls

- 1. The maximum building height is RL262m and is to include lift overruns.
- 2. Architectural roof features can exceed the maximum height of buildings (consistent with the Willoughby LEP).
- 3. All rooftop lift overruns and other rooftop structures are to be integrated into the design of the building.
- 4. The building including any architectural roof feature is to ensure that it complies with the Sydney Airport's Prescribed Airspace.
- 5. The building including any architectural roof features is to ensure no additional overshadowing of:
 - Garden of Remembrance 12pm-2pm
 - Chatswood Oval 11am-2pm.

4 Building exterior

Performance criteria

- 1. Buildings are to demonstrate a high visual quality of development when viewed from the public domain and the surrounding area
- 2. Building facades shall complement the character of the area and contribute to creating an attractive pedestrian environment and streetscape
- 3. Façade design is to encourage active frontages to streets and the surrounding public domain.

Controls

- 1. The building façade is to be modulated and articulated to assist in softening the building aesthetics, including through the use of recesses and projecting elements
- 2. High quality façade materials and finishes are to be used which contribute positively to the built environment.

5 Amenity

Performance criteria

1. To ensure a high level of amenity within the public domain and for residents within the development and on adjoining sites.

Controls

- 1. A Wind Assessment shall be submitted at Development Application Stage
- 2. An Acoustic Assessment shall be submitted at Development Application Stage.

6 Street activation

Performance criteria

1. To enhance activation and vibrancy of the surrounding streets through the location of active uses at ground level.

Controls

- 1. At ground level, where possible, building layout and design is to maximise activation of all street frontages through the location of retail and commercial premises facing the street
- 2. Floor to ceiling heights for ground floor uses are to be a minimum of 4m

- 3. Development applications are to demonstrate the relationship of the ground plane with the adjacent public domain, including identifying any opportunities (if available) for outdoor dining
- 4. Subject to authority approval requirements, substations are to be provided within buildings, not within the streets, open spaces or setbacks and not facing key active street frontages.

7 Linkages, Public domain and landscaping

Performance criteria

- 1. To enhance the public domain and improve connectivity and pedestrian access.
- 2. To ensure Post Office Lane is a safe, activated and high amenity linkage which seeks to prioritise pedestrian access from the Chatswood Interchange to the wider existing and planned pedestrian network.
- 3. To provide for increased vegetation cover in form of green walls and podium and rooftop landscaping.

Controls

- 1. Post Office lane in its entirety will be upgraded with the detailed design to be agreed with Council.
- 2. The part of Post Office Lane within the site is to be renewed with new paving, lighting, green walls and public art to deliver enhanced access and prioritise pedestrian movements.
- 3. Public access to Post Office Lane is to be maintained 24 hours a day, 7 days a week (subject to staging during redevelopment).
- 4. A public domain plan is to be lodged with any development application which identifies the interface with the public domain and the future treatment of Post Office Lane.
- 5. All rooftops up to 30m from ground level are to include an extent of green roof. These will provide a green contribution to the street and a balance of passive and active green spaces that maximise solar access.
- 6. 20% of the site area is to be provided as soft landscaping located at podium and rooftop levels.
- 7. A landscape plan is to be lodged with the development application identifying increased vegetation cover including through delivery of green walls and podium and rooftop landscaping.

8 Traffic and transport

Performance criteria

- 1. Provide adequate and safe access to the site
- 2. Minimise adverse traffic impacts on the surrounding road network
- 3. Ensure future vehicular access can be provided to the adjoining site
- 4. Minimise the number of vehicular access points to the development.

Controls

- 1. All car parking is to be located below ground level
- 2. All vehicles are to enter and exit the site in a forward direction from a single access on Victor Street
- 3. Where this cannot be achieved for service vehicles an alternative solution such as a turntable will need to be demonstrated to be appropriate.
- 4. Opportunities are to be identified to provide break through provisions at certain locations in the basement for future shared basement access for adjoining sites
- 5. Car parking is to be provided at the rates shown in Table 1
- 6. A minimum of 5 car share spaces are to be provided on site
- 7. Accessible car spaces are to be provided at a rate of 3% of commercial / retail spaces and for 1 in 5 apartments capable of being adapted.

Table 1: Car parking rates

Use	Car parking rates
Residential: Studio / 1 bedroom 2 bedrooms 3 bedrooms Visitor	0.5 spaces per dwelling 1 space per dwelling 1.25 spaces per dwelling 0 spaces
Retail / commercial	1 space per 330sqm GFA

9 Waste management and loading

Performance criteria

1. To ensure that adequate provision is made for loading and waste storage and removal.

Controls

- 1. Any loading docks, including garbage, deliveries and residential removal trucks are to be located in the basement
- 2. Consideration is to be given to the potential to provide for servicing within the basement for existing retail uses along Post Office Lane to the west of the site
- 3. A waste management plan shall be submitted at development application stage.

10 Design quality

Performance criteria

1. To ensure that innovation and excellence in architectural design is delivered on the site.

Controls

- 1. Prior to lodging a development application on the site, the applicant is to undertake a competitive design process.
- 2. The applicant is to invite three architectural firms with experience in the design of high quality buildings to participate in the process.
- 3. The selected firms are to be supplied with a competitive design process brief.
- 4. The consent authority may appoint an independent representative as an observer of the design process to verify that the process has been followed appropriately and fairly.
- 5. A presentation of the design submissions are to be made to the developer's selection panel.
- 6. A copy of the submissions are to be provided to the independent representative a week prior to the presentation.
- 7. A competitive design report is required to be submitted to the consent authority with 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 is to 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.

11 Public art

Performance criteria

1. Ensure public art is considered as part of development within Chatswood.

Controls

1. Public art is be identified in the detailed design and may include a public art installation suspended from the ceiling above Post Office Lane and/or along part of the façade fronting Post Office Lane.



Appendix J Cundall Advice letter





Charles Maxwell
Assistant Development Manager
Mirvac
Level 28, George Street, Sydney NSW 2000

15 December 2020

Ref: 1029628-WCC-01

Dear Charles

RE: Building Sustainability Approach - Planning Proposal 2016/7/A 45 Victor Street, and 410-416 Victoria Avenue, Chatswood

This letter is produced in response to Willoughby City Council's letter dated 28th October 2020 regarding the Planning Proposal submitted for 45 Victor Street, and 410-416 Victoria Avenue, Chatswood, and the project's approach to achieving higher building sustainability standards.

Council has sought an approach to design excellence and building sustainability consistent with, Section 3 - Achieving the Vision and Objectives: key element 9) Achievement of design excellence will include achievement of higher building sustainability standards, as outlined in Willoughby Council Chatswood CBD Strategy 2036, September 2020.

We can confirm that, at this stage of the planning process, we have reviewed the conceptual building envelope and services provisioning allowances, and that the proposal is capable of meeting building sustainability standards consistent with Key Element 9 of the Chatswood CBD Strategy. Measures which will be explored as part of a detailed building design could include:

- Consistency with BASIX requirements for energy and potable water consumption for Residential.
- Consistency with NatHERS requirements to ensure that the Residential development is designed for high levels of thermal comfort for occupants.
- Compliance with National Construction Code 2019 Section J requirements across Residential, Commercial, and Retail components of the development.
- Pursuing environmental ratings such as Green Star, NABERS and WELL for Commercial/Retail to be investigated and targets identified where viable to progress further.
- Sustainability initiatives focussed on integrated design, energy, water, indoor environmental quality, health & wellbeing, materials, waste, transport, and ecology will be reviewed with the project team and may be integrated in the sustainability strategy for the project as the design development progresses.

Based on our experience in working on similar projects of this nature, and noting the early stage of the design process the project is current at (still in concept phase with detailed design yet to be undertaken), we confirm that in our opinion, there is nothing that we believe would preclude the consistency of the project with Key Element 9 of the Chatswood CBD Strategy.



Please feel free to contact me should you have any clarifications with regards to the above.

Yours sincerely For and on behalf of Cundall Johnston and Partners Pty Ltd

Isuru Hettiarachchi Senior Consultant

Cundall



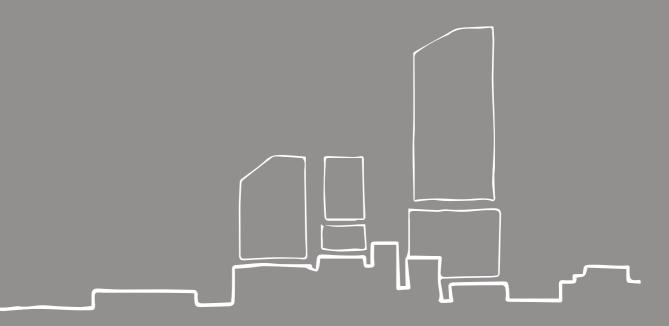
Appendix K Urban Design Study August 2020

45 VICTOR STREET & 410-416 VICTORIA AVENUE CHATSWOOD

URBAN DESIGN STUDY

MIRVAC DESIGN

AUGUST 2020





- 1.0 Vision
- 2.0 Context
- 3.0 The Site
 - 3.1 Amalgamated Sites
 - 3.2 Site Analysis
- 4.0 Previous Proposal
- 5.0 Planning Principles
 - 5.1 Site Optimisation
 - 5.2 Connectivity
 - 5.3 Mixed Use Development
 - 5.4 Sun Access
 - 5.5 Urban Scale
 - 5.6 Slender Tower
 - 5.7 Activated Ground Plane
 - 5.8 Vehicles and Servicing
- 6.0 The Proposal
 - 6.1 Design Concept
 - 6.2 Built Form
 - 6.2.1 Council Objectives
 - 6.2.2 Height
 - 6.2.3 Setbacks and Building Separation
 - 6.3 Public Amenity and Street Activation
 - 6.4 Post Office Lane
 - 6.5 Solar Access and Overshadowing
 - 6.6 Commercial
 - 6.7 Residential
- 7.0 Sustainable Design
- 8.0 Chatswood CBD Planning and Urban Design Strategy to 2036
- 9.0 SEPP 65 Design Quality Principles
- 10.0 Appendix

Architectural Drawings

Shadow Analysis

In its Draft Urban Design Strategy for Chatswood CBD, Willoughby City Council has articulated its vision and adopted a series of principles and guiding concepts aimed at delivering a reinvigorated CBD core:

Chatswood CBD will be confident, fine grain and green. It will be a diverse, vibrant, active and accessible place, with attractive places for residents, workers and visitors to enjoy.

This Planning Proposal for 45 Victor St and 410–416 Victoria Avenue, Chatswood seeks to build upon those principles and deliver a true mixed use outcome in the heart of the CBD that will activate the public realm, deliver a significant quantum of high-quality commercial space and provide opportunities for residents to live in a highly accessible urban environment.

By consolidating two sites, the proposal is able to deliver generous A-Grade commercial floorspace within immediate proximity of Chatswood Station and an activated ground plane that stitches into the existing CBD fabric, facilitating pedestrian movement through the site.

A slender tower is proposed with a stepped podium addressing the scale of the streetscape in this prominent corner location. The building envelope sits within a sun access plane protecting key public spaces, ensuring no additional overshadowing to Chatswood Oval.

The northerly aspect of the Victoria Avenue frontage provides the opportunity for sunny elevated 'green' open space on the podium roof while at ground level, publicly accessible active uses can occupy the full width of the site activating the pedestrianised public realm of Victoria Avenue.



2.0 Context

Chatswood is identified as a Strategic Centre within the Sydney metropolitan area, comprising a vibrant mix of commercial, retail and residential accommodation.

Chatswood Station, located at the heart of the CBD core, provides direct connectivity to the Sydney CBD and other Strategic centres throughout Sydney.

The Victor St site lies directly to the east of this key transport node and enjoys a prime location within the Victoria Avenue East precinct.

With the highly activated pedestrianised environment of Victoria Avenue as its primary address and the Westfield Centre located directly across the road, the site is located at the heart of the vibrant precinct. The site is also located within close proximity of community facilities, retail centres and recreational spaces such as The Concourse, Chatswood Chase and Chatswood Oval.



- 1. Sit
- 2. Pacific Highway
- 3. Chatswood Station
- 4. Chatswood Oval
- 5. Chatswood Park6. Garden of Remembrance
- 7. Victoria Avenue Mall
- B. Westfield
- 9. The Concourse
- 10. Chatswood Private Hospital
- 11. Chatswood Chase

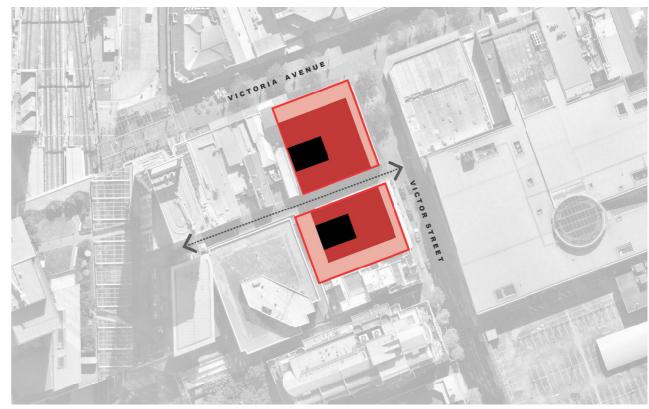
3.0 The Site

3.1 Amalgamated Sites

The Proposal involves the amalgamation of two sites in order to satisfy the minimum site area requirements for commercial development as prescribed in Council's Draft Planning and Urban Design Strategy. The two sites (45 Victor St and 410–416 Victoria Avenue) are located either side of Post Office Lane and, when combined and including a portion of the lane, provide an opportunity to mark the prominent corner location with a mixed use development of substance, scale and urban design quality.

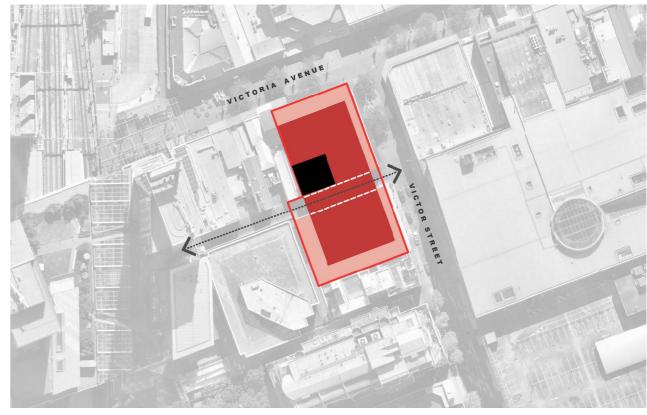
Due to their size, the two sites, if developed individually, are unable to deliver a viable commercial outcome because they are below Council's indicative minimum site area of 1800sqm for commercial development in the B3 Commercial Core Zone and are unable to provide a sufficient floor plate size to meet market expectations. As such, the consolidation of the two sites unlocks significant development potential by offering the opportunity for a generous commercial floorplate and an activated ground plane.

Importantly the combined site incorporates the eastern end of Post Office Lane which provides service access to the neighbouring retail and commercial properties that back onto it. By retaining the laneway in its existing alignment and making it a key element of design, the opportunity exists to enhance the public realm by creating an activated shared zone providing a direct pedestrian link to the station.



SEPARATE SITES

If developed separately, the two sites are unable to deliver a viable commercial outcome due to their small site area.



AMALGAMATED SITES

The amalgamation of the two sites unlocks significant development potential for a single tower and results in a highly activated ground plane due to the consolidation and overall reduction of building cores, services and vehicle access.

3.0 The Site

3.2 Site Analysis

The consolidated site occupies a prime corner location at the intersection of Victor St and Victoria Avenue and provides the opportunity to deliver a high quality urban design outcome that responds to the strengths, weakness and constraints that the location offers.

Strengths

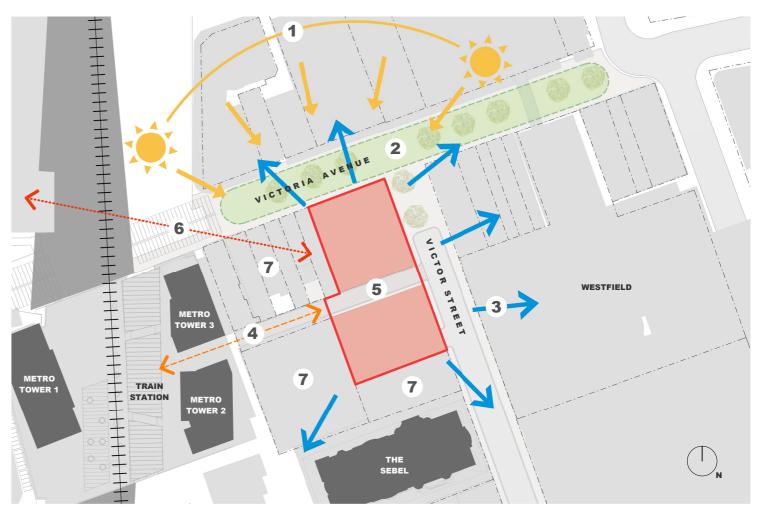
- Prime central location adjacent to a major rail and bus transport nodes, community facilities, recreational spaces and retail precinct
- Combined site area of 2297sqm in a rational, rectilinear configuration ideal for commercial floorplate
- Excellent orientation for solar access and outlook
- · North facing frontage to a highly active, vibrant, pedestrianised ground plane
- Ability for a new building to be sited, massed and designed to ensure no additional overshadowing of Chatswood oval and to maintain solar access to neighbouring buildings.

Weaknesses and Constraints

- Location of site disjointed from western CBD commercial precinct and isolated amongst surrounding mixed uses to be meaningfully considered a commercial location for tenant occupants.
- Aged and dilapidated existing improvements on site with limited, if any redevelopment potential.
- Separate standalone sites unable to be redeveloped for commercial use due to site
 area of less than 1800sqm each and an inability to provide a sufficient floor plate size
 to meet market expectations.
- Existing buildings on site with blank walls to streetfronts
- · No 'Green' space on existing sites.
- Unattractive and potentially unsafe nondescript vehicular laneway bisecting the sites

Opportunities

- Consolidation of sites to provide a large quantum of high quality A-Grade commercial office space with excellent amenity in a highly efficient, rational floorplate to seek to meet market expectations.
- The upgrade, reimagination and conversion of a nondescript vehicular service lane into a safe, attractive, inviting public space and activated thoroughfare facilitating pedestrian movement to Chatswood Station.
- Creation of highly activated public street frontages to what would otherwise be unachievable with standalone sites.
- Consolidation of services and vehicular access into one larger site to maximise the opportunities for activated street frontages.
- Greening' the CBD with opportunities for soft landscaping including green walls and landscaped roof terraces.
- Inclusion of high quality residential apartments with excellent access to public transport and amenity in order to facilitate the delivery of a large quantum of A-Grade commercial office space and to deliver a vibrant mixed use development in the heart of the CBD.



- 1. North-easterly aspect provides excellent solar access to activated public street frontages
- Prime Victoria Avenue Mall adress
- 3. Unobstructed northerly and easterly views for tower
- 4. Direct connection to Chatswood Station via exsiting rear service laneway
- 5. Rational, rectilinear site configuration ideal for commercial floorplate
- 6. Site separated from western CBD by rail line
- 7. Neighbouring sites unable to be developed due to limited size



VICTOR STREET 6-8 storey street walls



POST OFFICE LANE non-descript rear service lane providing access to station



VICTORIA AVENUE prime opportunity to deliver a high quality urban design outcome in a key corner location

4.0 Previous Proposal - December 2016

The previous Planning Proposal lodged in 2016 sought amendments to the planning controls to allow the following::

- Maximum height of RL 262.0
- Non-residential FSR of 5:1
- Inclusion of 45 Victor Street in Schedule One, Clause 31 of the WLEP to allow shop-top housing.

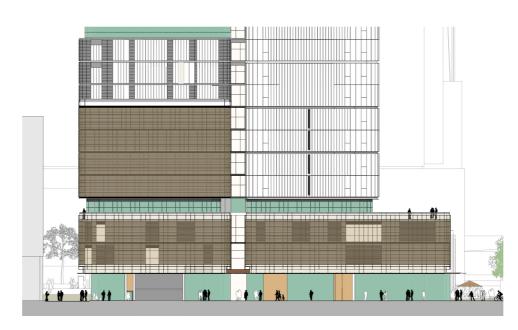
The indicative design comprised the following:

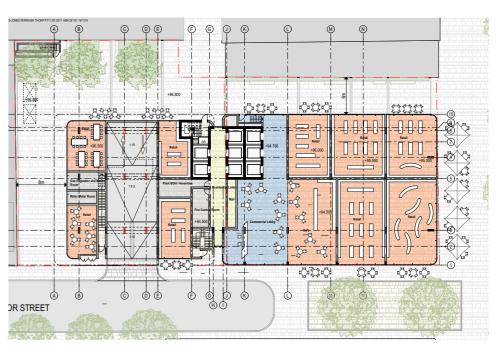
- Approximately 11,000sqm of A-grade office space
- Approximately 800sqm of retail
- Approximately 320 apartments

A review of the proposal, carried out by Architectus, raised a number of concerns which are addressed in this updated Proposal. The issues and recommendations raised by Architectus along with the responses adopted in this Proposal are as follows:

	Item	Issue	Recommendation	Response (Updated Proposal)
1	Land Use	'The applicant's proposal for a mixed use building of primarily residential space is not consistent with Architectus' recommended zoning (of B3 Commercial Core).'	'The site should be protected for office uses.'	The Proposal delivers approximately 18,000sqm of non-residential GFA (8:1 FSR). Residential apartments are also proposed in order to provide that quantum of non-residential floorspace.
				The outcome is a true mixed use development with a significant component of high-quality office space in the heart of the CBD.
2	Post Office Lane and Connectivity	'The proposed link replacing Post Office Lane is not direct, which creates legibility issues for this highly used connection within the wider centre'. 'The proposed link abuts neighbouring blank facades (with neighbouring sites that are likely to not redevelop for some time) and turns a corner which will result in a pedestrian link that is poorly activated particularly at night, without good passive surveillance and therefore has poor safety as well as legibility for pedestrians'.	'Architectus' preferred approach is to adopt a 'high direct north-south pedestrian link through the site (for the full width of the existing Post Office Lane) with a high ceiling of 3-4 storeys and an office tower above'	The Proposal retains Post Office Lane in its existing alignment, upgrades and reimagines it as a significant public space, and bridges over it with an office tower and a high ceiling of up to 9.5m in height.
3	Overshadowing of Chatswood oval	'Architectus' testing has shown that the Proposal would cause additional overshadowing of Chatswood Oval at around 11:30am.'	'The proposal be reduced in height to protect solar access to the Oval between 11am and 2pm'	The proposal has been revised to ensure no additional overshadowing of the oval between 11am and 2pm.
4	Victoria Avenue street wall height	'For Victoria Avenue, Architectus has recommended a two storey street wall height The proposal exceeds this with a three storey wall height.'	'The street wall facing Victoria Avenue should be reduced to two storeys to best protect the character of this street.'	The proposal has a two-storey street wall height to Victoria Avenue.
5	Relationship to potential tower forms to the west	'If the site is allowed to bridge the lane, adjacent sites may also seek to develop similarly across the lane.'	'Vehicular access and legibility of pedestrian connectivity needs to be considered in understanding the impacts of the proposal'.	The Proposal considers vehicular access and legibility of pedestrian connectivity by retaining Post Office Lane in its existing alignment.



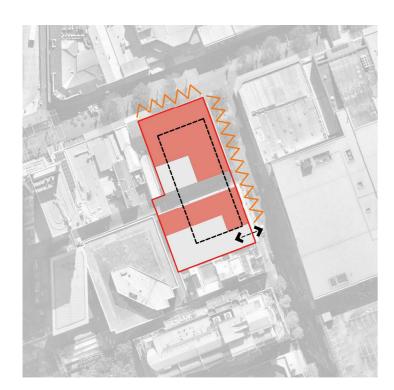




5.0 Planning Principles

The new Proposal is underpinned by a series of planning principles informed by Council's Draft Planning and Urban Design Strategy which aims to deliver 'a distinctive, resilient and vibrant CBD'.

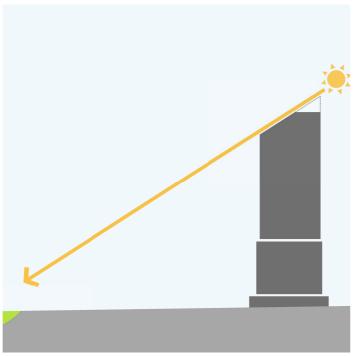
The principles are a framework of guiding concepts that demonstrate how a development of scale can deliver a high quality urban design outcome that is sensitive to and greatly enhances the context in which it sits.



5.1 Site Optimisation

Amalgamation of the two sites results in a total site area of almost 2300sqm which provides the opportunity to deliver a high quality commercial floorplate capable of attracting major tenants.

Consolidation of plant, services and car parking over a single site delivers building efficiencies that result in greater opportunities for activated street frontages.



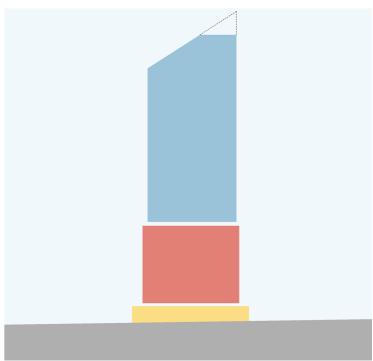
5.2 Sun Access

The building envelope steps down toward the south to ensure no additional overshadowing of Chatswood Oval on June 21.



5.3 Connectivity

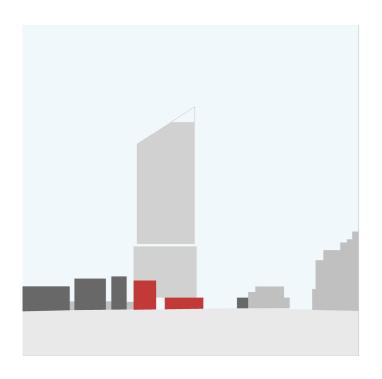
The site facilitates and enhances connectivity between the station, Victor St and Victoria Avenue by reinforcing and activating the street block edges with public uses. Alignments with Councils recommended future throughsite links are established, setting up the framework for broader pedestrian permeability throughout the CBD.



5.4 Mixed Use Development

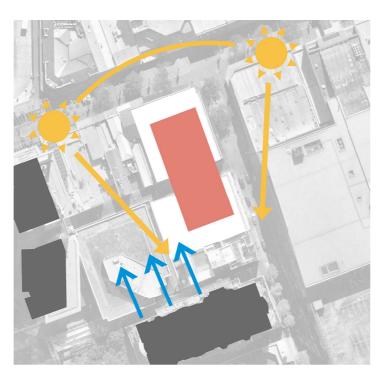
The proposal delivers a significant quantum of commercial and retail floor area with residential apartments at the upper levels resulting in a vibrant mix of uses.

5.0 Planning Principles



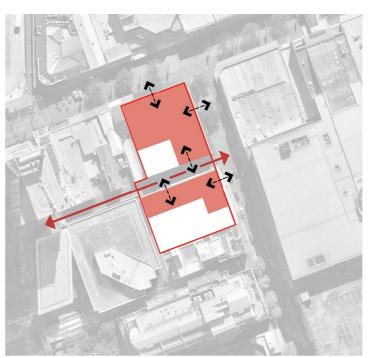
5.5 Urban Scale

The scale of the podium is modulated to integrate with the neighbouring street context. The podium street wall along Victor St transitions from 6 storeys at the south to 2 storeys at Victoria Avenue in response to the differing scales of the two streets.



5.6 Slender Tower

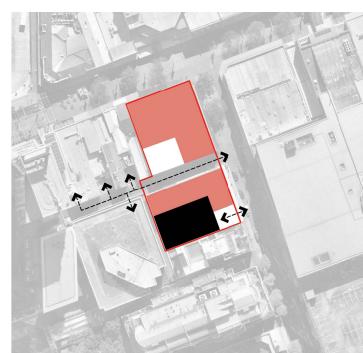
The amalgamation of the two sites provides the opportunity for a slender tower form running north-south. This minimises the impact of overshadowing to neighbouring residential buildings and key public spaces and facilitates view sharing with the Sebel tower to the immediate south.



5.7 Activated Ground Plane

The large majority of street frontage is activated by retail with the opportunity for sunny north and east facing food and beverage tenancies. Commercial and residential lobbies add diversity to the streetscape while vehicular access is minimised and located at the southern extremity of the site, as far from the prime retail and pedestrian environment as possible.

Post Office Lane also introduces a fine grain retail experience activating the upgraded pedestrian route to the station.



5.8 Vehicles and Servicing

The amalgamation of the two sites allows a single vehicular access point to service what would otherwise be two separate sites.

Post Office Lane is retained as a shared zone to maintain service access to the neighbouring properties.

Plant and service requirements are primarily concealed from public view behind active shopfronts while all parking is located underground.

6.1 Design Concept

The proposal envisions a diverse mix of uses in a multistorey development with a substantial commercial component and a strong focus on pedestrian permeability and amenity at ground level.

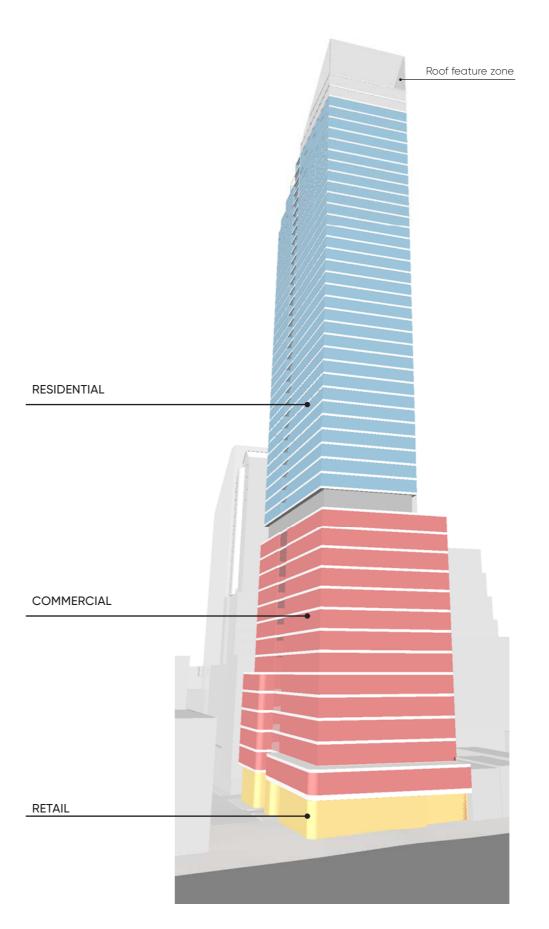
Configured as a single slender tower and podium, the proposal delivers a high density urban outcome with prime commercial, retail and residential floorspace and a considered built form response to location and context.

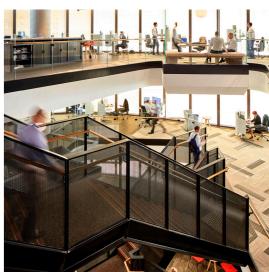
Details of the proposal are as follows:

	GFA	FSR
Commercial / Retail Residential	18,376 sqm 27,564 sqm	
Total Apartments Total Cars	310 (Approx.) 380 (Approx.)	
Maximum Height	RL 262.0 (To top of building, excluding possible roof feature zone)	

Roof feature zone

It is proposed that above RL 262 to the top of sun access plane, a roof feature zone be permitted to allow for architectural expression during the detailed design phase.











6.2 Built Form

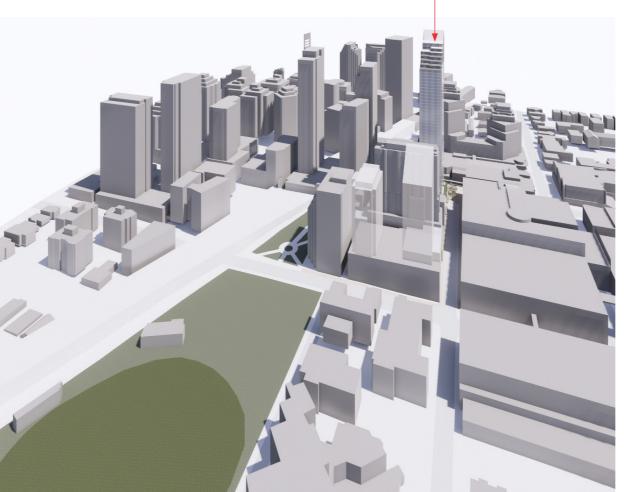
6.2.1 Council Objectives

The proposed built form is a response to the objectives outlined in Council's Draft Planning and Urban Design Strategy.

In summary the Strategy seeks to achieve the following:

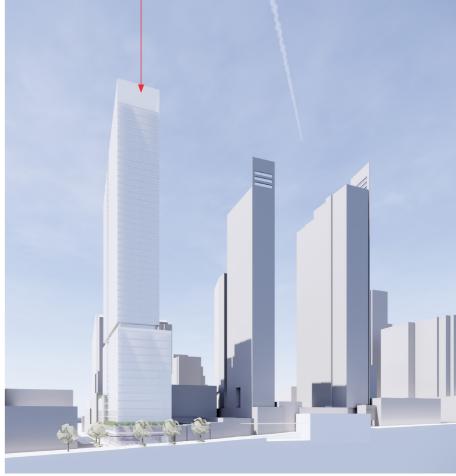
- Slender tower forms
- Optimised commercial development opportunities through the amalgamation of sites
- Appropriate building separation between towers
- · Consistency with the guidelines of the ADG
- Provision of sun access to key public spaces
- Street frontage heights and setbacks which reflect requirements for different parts of the Chatswood CBD
- Active street frontages
- Maximised floor space at ground level
- · Concealed car parking, loading, plant and services
- Zero-setback podiums
- Traditional lot patterns along Victoria Avenue East.

The proposal satisfies Councils objectives and generally adheres to the desired metrics in relation to heights, setbacks and floor plate size with some exceptions in order to deliver a commercial outcome that is acceptable to the market.



PROPOSED TOWER





The Proposal delivers a slender tower form consistent with the scale of the Metro towers to the west. The north-south orientation of the building minimises the impact of overshadowing to neighbouring buildings and key public spaces.

The tower is a slender addition to the CBD skyline when viewed from the north and south while the wider east and west elevations are generally obscured by or read against the OSD towers.

6.2.2 Height

The proposed tower extends in height to RL 262.0 and steps down to the south to ensure no additional overshadowing of Chatswood Oval between 11am and 2pm in mid winter.

In accordance with Council's indicative requirements, the proposal has a zero-setback podium to both street frontages.

In keeping with the scale of the neighbouring streetscape, the street wall to Victoria Avenue is 2 storeys in height though exceeds the 7 metre height limit in order to deliver a high quality design outcome with generous ceiling heights throughout the ground level retail tenancies and lobbies. At 2 storeys and approximately 10 metres in height the street wall is consistent with the neighbouring 2 storey streetscape which varies in height from lot to lot and includes the Westfield Shopping Centre directly to the east.

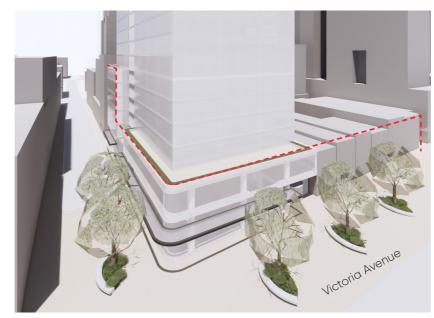
The street wall turns the corner into Victor St as a 2 storey podium and then steps up to 6 storeys beyond Post Office Lane to align with the streetscape to the south of the site. Due to the slope of the street, and in order to again deliver high quality ground level tenancies with generous ceiling heights, the street wall is approximately 25.5m in height at its highest point but is consistent with the scale of the neighbouring podiums which vary in height being both greater and less than the proposal.

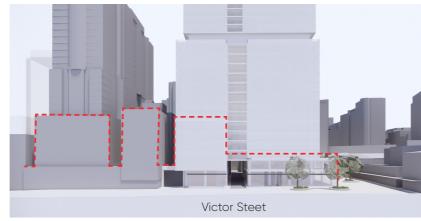
Above the commercial levels the tower footprint reduces in size to deliver a compact and efficient residential floorplate able to satisfy key guidelines of the ADG such as apartment depth, size and access to daylight.

Council's indicative controls outside of the CBD core suggest a maximum floorplate of 700sqm GFA with a 90 metre height limit in the B4 mixed use zone in order to achieve a slender tower form. At a maximum of 870 sqm GFA and by setting a maximum RL of 262 (excluding roof feature), the Proposal delivers a proportionally more slender outcome than the indicative controls achieve.

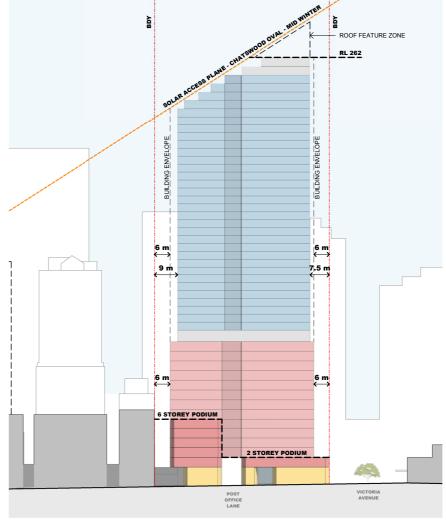
While RL 262.0 is set as a maximum building height, it is proposed that a roof feature zone be allowed from RL 262.0 up to the sun access plane to allow for a roof feature as part of detailed design.

The height and slenderness of the proposed tower is also consistent with the size and scale of the nearby Metro towers to the west.

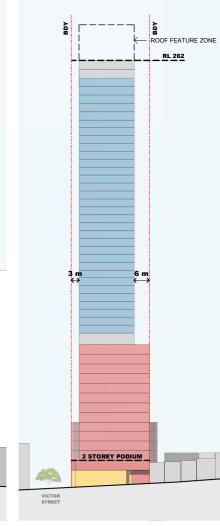




The street wall varies in height to respond to the different scales of Victor St and Victoria Avenue



The tower is approximately 168 metres in height and sits within the solar access plane ensuring compliance with Councils overshadowing controls for key public spaces.



The tower presents a very slender elevation to the north and south.

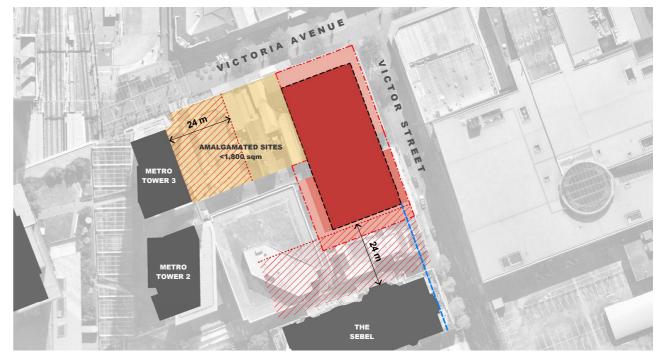
6.2.3 Setbacks and Building Separation

Building setbacks adhere to the principles of Council's Draft Planning and Urban Design Strategy and are generally in accordance with the suggested metrics. Where considered reasonable, variations to the indicative setbacks are proposed in order to achieve a more optimal A-Grade commercial footprint.

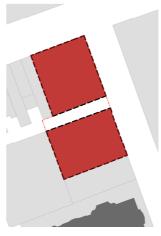
A summary of proposed setbacks is as follows:

	Council Indicative Setback	Proposed Setback	Comments
Northern Boundary (Victoria Avenue)	6m above street wall	6m as per Council Guidelines (refer note below regarding indicative building envelope)	
Eastern Boundary (Victor Street)	6m above street wall	3m above street wall	A 3m setback sets up an approximate alignment with the Sebel Tower to the immediate south and results in a superior A-Grade commercial floor plate
Southern Boundary	Minimum 6m for commercial uses above street wall height. 1:20 ratio of setback to building height.	6m for commercial uses above street wall height as per Council Guidelines. 6m for residential uses in lieu of 1:20 ratio. (refer note below regarding indicative building envelope)	The neighbouring site to the south is unable to be redeveloped as a commercial tower under Council's indicative requirements for minimum site areas. The Proposal therefore considers building separation requirements to the Sebel Tower further to the south in order to determine setbacks to the southern boundary. The proposal achieves a greater than 24m setback to the Sebel tower which is consistent with the guidelines of the ADG.
Western Boundary	Minimum 6m for commercial uses above street wall height. 1:20 ratio of setback to building height.	6m setback for commercial uses above street wall height south of Post Office Lane as per Council Guidelines. Zero setback for commercial uses above street wall height north of Post Office Lane. 12m for residential uses south of Post Office Lane. 6m for residential uses north of Post Office Lane in lieu of 1:20 ratio.	The neighbouring sites to the west (even if amalgamated) are unable to be redeveloped as a commercial tower under Council's indicative requirements for minimum site areas. The Proposal therefore considers building separation requirements to the Metro towers further to the west in order to determine setbacks to the western boundary. The proposal achieves over 50m building separation to the Metro towers which is consistent with the guidelines of the ADG.

An indicative building envelope is proposed for the residential floor plate to allow design flexibility in the design process. Rather than prescribe a fixed rectangular building footprint that the architect must use, an envelope is proposed to allow the architect to have more freedom in designing the shape of the floorplate. The envelope nominates setbacks and allows the opportunity for a residential floorplate of a maximum of 870sqm GFA to be configured in a range of ways subject to the design objectives of the architect.



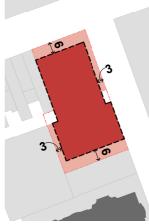
Neighbouring sites (even if amalgamated) are not developable as commercial towers due to their size and requirement to satisfy 24m ADG building separation distances from the Metro towers and the Sebel tower



Retail / Commercial

Zero podium setbacks to all boundaries

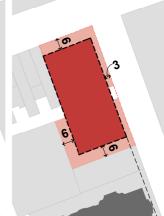
G & L1



Southern and western setbacks provided to podium levels south of Post Office Lane to provide natural light to commercial floorplate.

L2-5

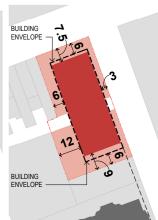
Commercial



3m setback to Victor St approximately aligns with Sebel Tower

L6-13

Commercial



L14-42 (L43-46 steps back) Residential

Building envelope (dotted) to allow flexibility of design for residential footprint. Suggested north and south setbacks (of 7.5m and 9m) indicate possible building footprint for a residential floorplate of a maximum of 870sqm GFA

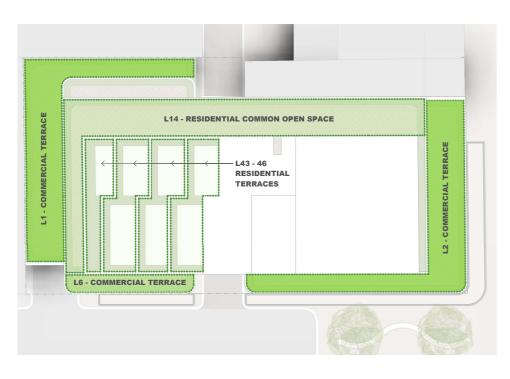
6.3 Public Amenity, Street Activation and Green Roofs

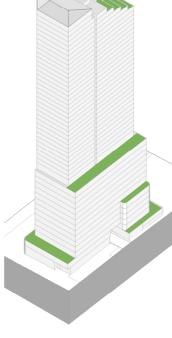
The Ground Floor will be dedicated as much as possible to publicly accessible uses. Retail tenancies front Victor St, Victoria Avenue and Post Office Lane while entries for both the commercial and residential occupants can have separate dedicated lobbies.

Generous ceiling heights of 4 to 5.5m throughout the ground level give a sense of spaciousness and grandeur and allow natural night to penetrate deep within the retail and lobby spaces.

The two-storey podium to Victoria Avenue offers the opportunity for double height retail tenancies with clear and accessible vertical circulation connecting ground level to the upper podium level and then again to the publicly accessible green space on the podium roof. A range of other green roof spaces are available for private and communal use at upper levels.

Post Office Lane is reimagined as an activated pedestrian thoroughfare with the opportunity for fine grain retail, public art and green walls.





The opportunity for a range of green roof spaces is available for public and private use.



The two storey podium to Victoria Avenue provides the opportunity for clear and accessible vertical circulation to the north-facing rooftop terrace.

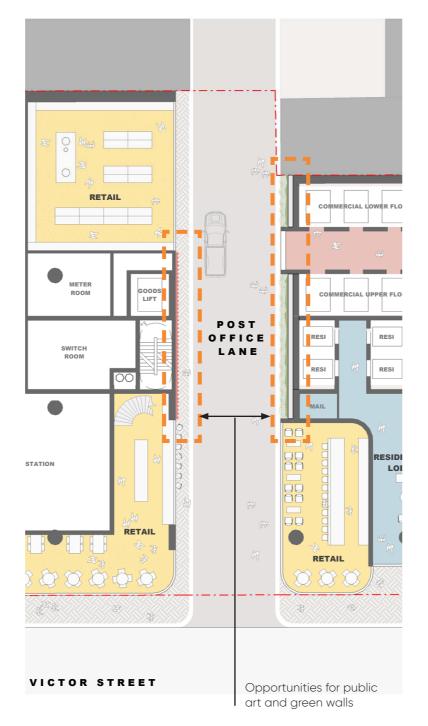


The ground level provides highly activated frontages to both streets and the laneway with plant, loading and vehicle access concealed behind active uses.

6.4 Post Office Lane

Post Office Lane provides an important link between Victor St and the station. It currently serves as a rear lane to a number of retail and commercial tenancies though it has the opportunity to be reimagined as an activated shared vehicular/pedestrian zone, enhancing the CBD laneway network and providing a safe, attractive approach and entry to the station.

The proposal incorporates the laneway within the design and bridges it, creating a dramatic covered public space of up to 9.5m in height with active uses on either side. It's suggested that the laneway could be upgraded with new paving, lighting, green walls, and public art offering the opportunity for a fine grain retail experience complementing the main retail tenancies along Victor Street and Victoria Avenue.





Post Office Lane reimagined as a highly activated and attractive shared public space with green walls and public art forming a safe inviting approach to Chatswood Station.

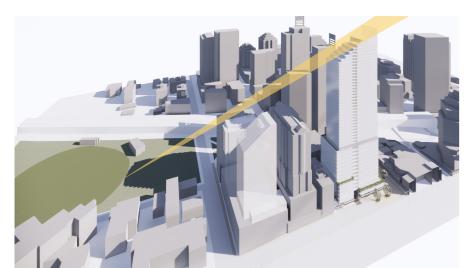




6.5 Solar Access and Overshadowing

In accordance with the indicative requirements of Council's Draft Planning and Urban Design Strategy the proposal ensures no additional overshadowing of Victoria Avenue, Concourse Open Space, Garden of Remembrance, Tennis and croquet club or Chatswood Oval within the suggested times. It is indeed the solar plane to Chatswood Oval that defines the building envelope which steps down towards the south to satisfy the solar access controls.

Studies have also been undertaken to demonstrate that 2 hours of sunlight is maintained to the façade of north-facing apartments in the Sebel building and to the façade of north and east-facing apartments in the Metro Towers between 9am and 3pm on June 21. It is considered that the built form as proposed and the associated overshadowing is acceptable, as a high level of amenity to surrounding dwellings is able to be maintained while balancing the requirement to achieve Council's strategic imperative under the Draft Chatswood CBD Strategy to deliver a significant quantum of new employment generating floor space within the Chatswood CBD.



The building envelope is defined by the shadow plane to Chatswood Oval.

Shadow analysis at mid winter.

CHATSWOOD OVAL/ GARDEN OF REMEMBRANCE

The solar access plane for overshadowing to Chatswood Oval is determined by the sun angle between 11:15am and 11:45am at which time the shadow passes the Oval.

The shadow passes Garden of Remembrance by approx. 11:30am.

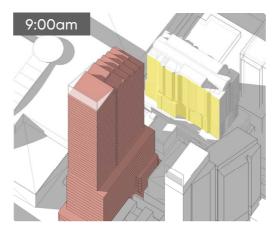


The slender tower form ensures 2 hours solar access is maintained to the façade of north-facing apartments in the Sebel Tower.

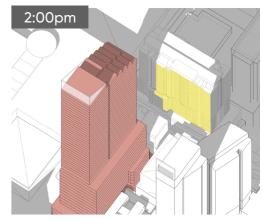






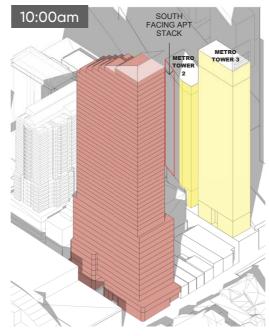


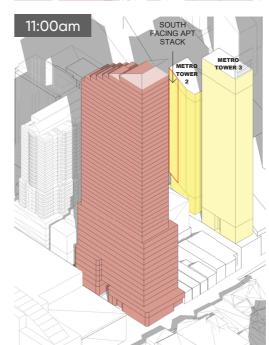


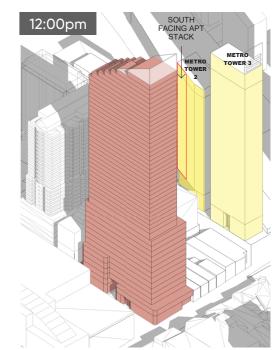


METRO TOWERS

The Proposal maintains at least 2 hours solar access to the façade of north and east-facing apartments in the Metro Towers.







Refer to full shadow analysis in Appendix.

Portion of facade receiving direct sunlight at mid winter

6.6 Commercial

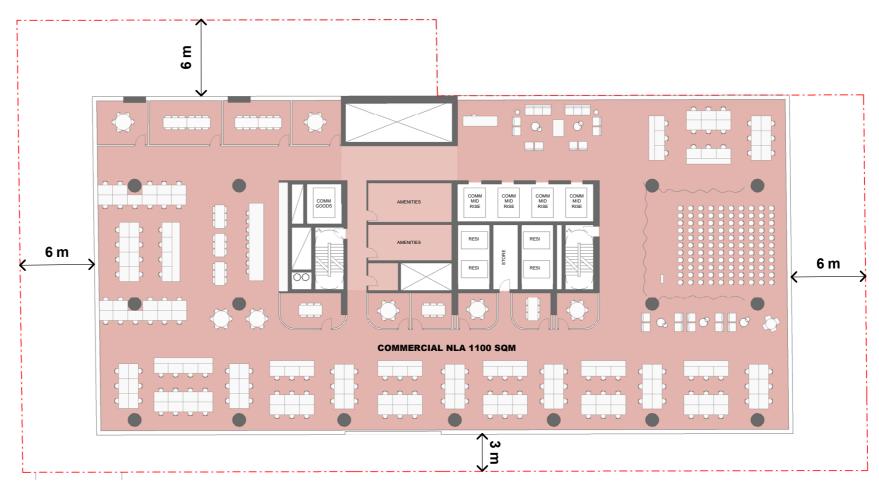
The proposal presents the opportunity to deliver high quality PCA 'A-Grade' commercial floorspace within immediate proximity of a major transport node and with direct access to retail, cultural and entertainment facilities.

The typical commercial floorplate has been maximised to deliver approximately 1100sqm of net lettable area per typical floor with larger floors in the podium. Despite falling short of the optimal size of 1200sqm from a market perspective the proposal provides the largest floorplate possible within the confines of the site.

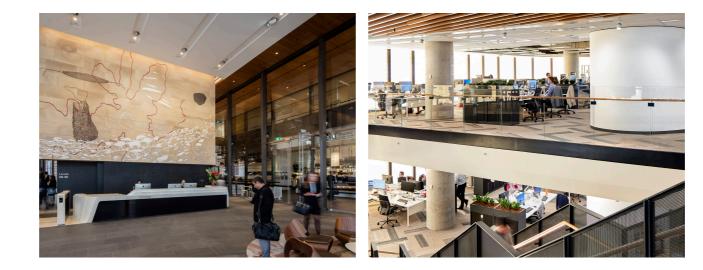
The core location provides optimal regular shaped floorplates, allowing for flexible planning to suit activity-based working, cellular offices, or a combination of both.

The slender tower form means approximately 95% of the floorplate is within 12m of natural light and the structural grid offers the opportunity for voids to be cut in to provide interconnected floors for multi-floor tenants.

The proposal allows the opportunity for a generous commercial lobby at ground level off Victoria Avenue with casual seating and direct internal access to a café or retail tenancy.



INDICATIVE OFFICE FLOOR PLAN



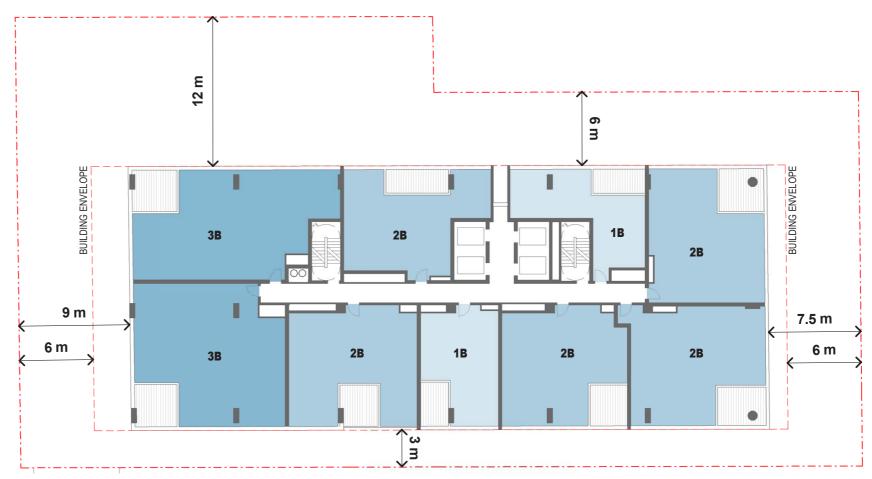
6.7 Residential

The residential floor plate has been designed to ensure consistency with the NSW Apartment Design Guide. The north-south orientation of the tower ensures all apartments receive direct 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 deep into habitable spaces.

The compact, efficient floorplate is capable of delivering a range of 1, 2 and 3 bed apartments, all with excellent amenity to cater to all demographics with large open terraces available at the upper levels for either communal or private use.

At ground level the entry foyer has a Victor St address, being the more discrete of the two street frontages while car parking and resident storage is located in below ground basements.

As referred to in Section 6.2.3 it is proposed that 6m setbacks to the north and south set a possible building envelope to allow for design flexibility during the detailed design process. These setbacks will also be constrained by a maximum residential GFA floorplate of 870sqm. The floor plan to the right indicates how a floorplate with a maximum GFA of 870sqm could fit within the building envelope footprint, ultimately resulting in northern and southern setbacks of 7.5m and 9m respectively.



INDICATIVE RESIDENTIAL FLOOR PLAN





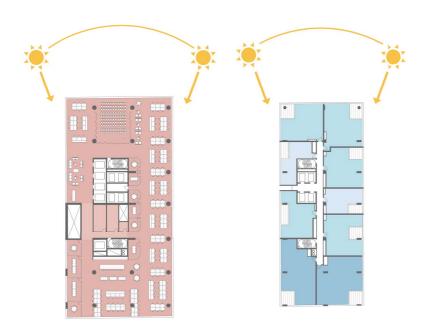


7.0 Sustainable Design

General principles of sustainable design are considered at a Planning Proposal level and will be incorporated into all aspects of the proposal from design conception and the construction process, through to post-completion.

The proposal is capable of achieving a high level of sustainable design and will incorporate appropriate commitments at the Development Application Stage should the Planning Proposal progress.

The building orientation facilitates optimal solar access to commercial and retail spaces and to the apartments above while the location of the development near a major transport node and retail precinct will significantly reduce car dependence. Areas for communal and private open space with green roofs will be incorporated into the design to encourage social interaction and to provide a connection to nature.



North-south building orientation facilitates optimal solar access for commercial and residential amenity.









8.0 Chatswood CBD Draft Planning and Urban Design Strategy to 2036

In its Draft Planning and Urban Design Strategy for Chatswood CBD, Willoughby City Council has articulated its vision for the CBD and has outlined a series of principles aimed at delivering its vision for a reinvigorated commercial core. Furthermore the Draft Strategy outlines a series of desired measures and controls by which the Vision and Objectives can be achieved. The following schedule assesses the Proposal against these desired measures and controls.

Vision

Chatswood CBD will be confident, fine grain and green. It will be a diverse, vibrant, active and accessible place, with attractive places for residents, workers and visitors to enjoy.

Principles

To achieve this vision the Strategy has adopted the following seven principles:

- 1. Promoting office growth in the core
- 2. Residential growth on the periphery of the CBD
- 3. Diverse mix of uses
- 4. Great public places
- 5. Sustainable and active transport
- 6. Urban design quality
- 7. Greening the Centre

Achieving the Vision and Objectives

Item	M	easures and Controls	Response	
CBD boundary Land Use		The Chatswood CBD boundary is expanded to the north and south to accommodate future growth of the centre	The proposal seeks to deliver 18,736sqm GFA of high quality A-Grade commercial and retail space equating to an FSR of approximately 8:1.	
	2.	Land uses in the LEP will be amended as shown in Figure 3.1.2, to:	In order to be able to provide that quantum of non-residential space, private residential	
		 a. Protect the CBD core around the interchange as commercial, permitting retail throughout to promote employment opportunities (with no residential permitted) 	apartments are also proposed to maintain a rich and diverse mix of uses in line with Count vision.	
		b. Enable other areas to be mixed use permitting commercial and residential	Serviced apartments are not proposed.	
	3.	The existing DCP limits on office and retail use in parts of the commercial core to be removed		
	4.	Serviced apartments to be removed as a permissible use from the B3 Commercial Core zone		
Value uplift sharing to fund public domain	5.	The existing FSR controls are to be simplified and be retained as a 'base' FSR (Figure 3.1.3)	Public benefits are proposed to be negotiated with Council as part of the Planning Proposal	
	6.	Increased FSR between the base FSR and the maximum FSR is to 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.	process in accordance with DPIE guidelines	
		All developments in Chatswood Centre achieving a FSR uplift through this strategy should contribute public art in accordance with Council's Public Art Policy.		

The height and slenderness of the proposed tower is also consistent with the size and scale of

An indicative building envelope is proposed for the residential floor plate to allow design flexibility in the design excellence process. The envelope nominates setbacks and allows the opportunity for a residential floorplate of a maximum of 870sqm GFA to be configured in a

range of ways subject to the design objectives of the architect.

the nearby Metro towers to the west.

Item	Measures and Controls		Response	
Design Excellence and Building Sustainability		Design excellence is to be required for all developments exceeding the base FSR, based on the following process:	The proposal is proposed to achieve design excellence. Please refer to the Planning Pro Report for further details.	
		a. A Design Review Panel for developments up to 35m highb. Competitive designs for development over 35m high		
	9.	Achievement of design excellence will include achievement of higher building sustainability standards		
	10.	The Architects for design excellence schemes should be maintained through the development application process and can only be substituted with written agreement of Council		
Floor Space Ratio (FSR)	11.	Figure 3.1.3 shows a simplified FSR diagram to that in the existing LEP. It provides a maximum base FSR which:		uraged, the amalgamation of two sites results in a site area greater than 1800sqm.
		a. Is the maximum FSR for sites below the minimum site areas identified in Point 12 below		d FSR's are as follows:
		b. Forms the base above which value uplift sharing and design excellence applies.		Commercial, Retail
	12.	Minimum site area of:	12:1 F	Residential
		a. 1800sqm for commercial development in the B3 Commercial Core zoneb. 1200sqm for mixed use development in the B4 Mixed Use zone	Any affor	rdable housing will be distributed throughout the development as required.
	13.	FSR's are as follows:		
		 a. No maximum FSR for commercial development in the centre b. 6:1 in outer centre c. Retention of 2.5:1 FSR along northern side of Victoria Avenue east. 		
	14.	Affordable housing is to be provided within the maximum floor space ratio, and throughout a development rather than in a cluster.		
	15.	The minimum commercial floor space ratio sought in development in a mixed use zone is 1:1 in order to deliver a reasonable amount of employee floorspace.		
Built Form	16.	In order to achieve the slender tower forms sought by Council the maximum floor plate at	The typic	cal commercial floorplate delivers approximately 1250sqm of GFA or 1100sqm of NLA.
		each level of a development should be no more than:		cal residential floor plate will be limited to 870sqm of GFA.
		a. 2000sqm GFA for office andb. 700sqm GFA for residential towers above Podium within Mixed Use zones	•	ection 6.2 of this report the commercial footprint has aimed to be maximised in size to market's requirements working in the confines of the site.
	17.	In pursuit of the same goal of slender tower forms, the width of each side of any tower should be minimised to satisfactorily address this objective. To the same end, design elements that contribute to building bulk are not supported, and should be minimised.	Council's 700sqm	s draft strategy for the B4 mixed use zone suggests a maximum floor plate size of GFA for residential buildings in order to achieve a slender tower form. The draft
	18.	If there is more than one residential tower on a site, sufficient separation is to be provided.	strategy for this zone, however, anticipates a maximum height of 90 metres. At approxi 168 metres high with an 870sqm floorplate, the proposal delivers a proportionally more outcome.	

Item	Measures and Controls	Response	
Sun Access to Key Public Spaces	 19. No additional overshadowing and protection in mid winter of: a. Victoria Avenue (between interchange and Archer St) 12pm-2pm b. Concourse Open Space 12pm-2pm c. Garden of Remembrance 12pm-2pm d. Tennis and croquet club 12pm-2pm e. Chatswood Oval 11am-2pm (which in turn also protects Chatswood Park) 	The proposal satisfies all requirements of the Draft Strategy	
Building Heights	 20. Maximum height of buildings in the CBD will be based on Figure 3.1.6, up to the airspace limits (Pans Ops plane), except as reduced further to meet: a. Sun access protection. 21. All structures located at roof top level, including lift over runs and any other architectural features are to be: a. Within the height maximums b. Integrated into the overall building form 	The proposal satisfies all suggested building height requirements.	
Links, Open Space and Landscaping	 22. The links and open space plan in Figure 3.1.7 will form part of the DCP. All proposals should have regard to the potential on adjacent sites. Pedestrian and cycling linkages will be sought in order to improve existing access within and through the CBD. New linkages may also be sought where these are considered to be of public benefit. All such links should be provided with public rights of access and designed with adequate width, sympathetic landscaping and passive surveillance. 23. Publicly accessible open space and green landscaping such as street trees will be required by all development, subject to design principles. 24. All roofs up to 30 metres from ground to be green roofs. These are to provide a balance of passive and active green spaces that maximise solar access. 25. A minimum of 20% of the site is to be provided as soft landscaping, which may be located on Ground, Podium and roof top levels or green walls of buildings. 26. Any communal open space, with particular regard to roof top level on towers, should be designed to address issues of quality, safety and usability. 	The proposal provides and enhances a strong pedestrian link to the station with the reimagination of Post Office Lane. The proposal provides a north-facing sunny green roof on top of the podium overlooking Victoria Avenue and also at the first residential level above the commercial levels where the tower sets back. Soft landscaping opportunities exist on the podium roof, stepped terraces at the top of the building and within the Laneway portal space marking the entry to Post Office Lane. Refer to Section 6.3 for further detail.	

Item	Me	easures and Controls	Response
Street Frontage Heights and Setbacks		Street frontage heights and setbacks are to be provided based on Figure 3.1.8, which reflect requirements for different parts of the Chatswood CBD.	Street frontage heights and setbacks generally align with with Councils objectives though some departures are proposed in order to facilitate a commercial component that is more optimal in terms of meeting the markets requirements.
		With setbacks of 3 metres or more, including the Pacific Highway, deep soil planting for street trees is to be provided.	Refer to Section 6.2 for further detail
		 a. Victoria Avenue retail frontage i. Maximum of 7 metre street wall height at front boundary ii. Minimum 6 metre setback above street wall 	
		 b. Urban Core i. Maximum 24 metre wall height at front boundary ii. Minimum 6 metre setback above street wall 	
	28.	All buildings are to be setback from all boundaries a minimum of 1:20 ratio of the setback to building height (eg. 3m setback for a 60m building, and 6m setback for a 120m building)	
	29.	Building separation to neighbouring buildings is to be:	
		a. In accordance with the Apartment Design Guide for residential uses	
		b. A minimum of 6 metres from all boundaries for commercial uses above street wall height	
Active Street Frontages	30.	At ground level, to achieve the vibrant CBD Council desires, buildings are to maximise street frontages. Blank walls are to be minimised and located away from key street locations	By amalgamating two sites the opportunity exists to minimise the extent of 'non-active' uses such as vehicle entries and building services by consolidating them into one larger site. As such, the proposal delivers active street frontages for the majority of the site curtilage in a way that far exceeds that of the existing buildings on the sites.
			In addition the proposal reinvigorates Post Office Lane with opportunities for fine grain retail that will create a vibrant environment in what is currently a nondescript rear lane.
Further Built Form Controls	31.	Site isolation will be discouraged and where unavoidable joined basements and zero-setback podiums should be provided.	The proposal comprises a zero-setback podium and basement.
	32.	Controls will be applied to ensure the traditional lot pattern along Victoria Ave east (building widths of between 6-12m) is reflected into the future.	The traditional lot pattern along Victoria Avenue east can be carried through in the ground level retail tenancies and lobbies of the proposal fronting Victoria Avenue.
	33.	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.	Car Parking, loading, garbage rooms, plant and services are located within the basement and any plant is concealed at ground level behind active uses which form the street frontage.
	34.	Substations are to be provided within buildings, not within streets, open spaces or setbacks and not facing key active street frontages.	

Item	Measures and Controls	Response
Traffic and Transport	 35. Site specific traffic and transport issues are to be addressed as follows: a. Vehicle entry points to a site are to be rationalised to minimise street impact, with one entry into and exiting a site. To achieve this objective loading docks, including garbage and residential removal trucks, are to be located within Basement areas. b. 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. c. All vehicles are to enter and exit a site in a forward direction. In this regard vehicle turntables should be provided where necessary. d. All commercial and residential loading and unloading is required to occur on-site and not in public streets. e. Car parking should be reduced by utilising RMS car parking rates for sites close to public transport, as well as reciprocal parking and car sharing strategies. 	Vehicle access is on Victor St at the southern extremity of the site. This minimises potential conflict between vehicles and pedestrians by locating the entry as far as possible from Victoria Avenue. All loading and parking occurs in the basement which occupies the full extent of the site. A separate Transport Report has been provided as part of the Planning Proposal.

9.0 SEPP 65 Design Quality Principles

The proposal responds to the 9 SEPP65 Design quality Principles as follows:

PRINCIPLE 1

Context and neighbourhood character

The proposal is a contextual response to both the physical environment in which it is located and the social and environmental needs of the Chatswood CBD. The site sits within the heart of the commercial core, within immediate proximity of Chatswood train station and the proposal is conceived and designed accordingly.

The proposal responds to the following:

· Physical context

By modulating built form and activating street frontages in response to neighbouring streetscape and surrounding development.

Social context

By integrating mixed uses within the building in order to reinvigorate the commercial core area with office, retail and residential opportunities.

Transport context

By facilitating and promoting pedestrian movement to the train station by reimagining Post Office Lane

· Community context

By ensuring no additional overshadowing to key public spaces such as Chatswood Oval.

PRINCIPLE 2

Built form and scale

Located at the heart of the commercial core the proposal is of a scale and mix appropriate to deliver a built form outcome in line with Councils vision for a vibrant, active, reinvigorated commercial core.

The proposal achieves the following:

- A material commercial component in the Chatswood CBD
- A podium modulated in scale to be consistent with the street walls of both Victor Street and Victoria Avenue.
- A slender tower form of a scale consistent with neighbouring towers within the heart of the CBD that ensures no additional overshadowing to key public spaces and facilitates view sharing.
- A permeable ground plane designed to facilitate and promote pedestrian movement to the train station by reimagining Post Office Lane.
- Active and public uses to main street frontages of Victor Street and Victoria Avenue..

PRINCIPLE 3

Density

The Draft Chatswood CBD strategy aims to provide capacity for future growth as the CBD expands over the next 20 years. The proposal is located in the heart of the Chatswood CBD and is extremely well connected to public transport. As such, the proposed density is appropriate to the site and its context for the following reasons:

- Increased density supports Councils vision for a vibrant, active, reinvigorated CBD providing capacity for future growth
- The proposal is in close proximity to a major transport node and arterial roads connecting to the Sydney CBD and other Strategic Centres throughout Sydney
- The site proposes substantial employment uses with a significant commercial and retail component.
- The site is in close proximity to local established community facilities including the library, performing arts centre and hospital
- The apartments will enjoy a high level of amenity with solar access, outlook, private/communal open space and co-location with retail and commercial opportunities

PRINCIPLE 4

Sustainability

The Proposal is capable of achieving a high level of sustainable design and will incorporate appropriate commitments at the Development Application stage should the Planning Proposal progress.

The Proposal combines positive environmental, social and economic outcomes through the orientation and composition of the tower and through the level of ground level amenity provided.

Key sustainability features will include the following:

- North-south tower orientation to ensure every apartment receives optimal solar access
- Building services systems to reduce emissions
- · Water efficiency measures.
- Solar shading to façade to reduce energy costs

9.0 SEPP 65 Design Quality Principles

PRINCIPLE 5

Landscape

A range of different landscape opportunities exist to provide both public and private amenity. Though the relatively small site area and central urban location precludes the ability to deliver deep soil zones, opportunities for a variety of landscaped roof terraces exist with the stepped tower and podium configuration.

Landscape design considerations include the following:

- Generous sunny north-facing podium roof terrace connected to ground floor tenancies with clearly articulated vertical circulation.
- Stepped landscaped roof terraces at top of tower providing views to the city
- Opportunities to enhance the Post Office Lane environment with green walls comprising shade tolerant planting.

PRINCIPLE 6

Amenity

Sound urban design principles around siting and orientation establish basic fundamentals that enable all apartments to enjoy a high level of amenity.

The proposal achieves good amenity through the following:

- North-south tower orientation ensuring all apartments receive good solar access.
- Generous building separation to neighbouring towers facilitating privacy and outlook.
- · Ability to deliver good apartment design.
- · Sunny outdoor private space to apartments
- · Opportunities for rooftop communal space
- Apartment storage as required
- · Parking to meet market demand

PRINCIPLE 7

Safety

Active uses at ground level facilitate passive surveillance of the public realm while secure entries to the building and car park are located in prominent and visible locations. Reimagining Post Office Lane with new lighting and active uses takes what was previously a nondescript and potentially unsafe rear lane and converts it to a pedestrian friendly active environment with greatly improved surveillance.

PRINCIPLE 8

Housing diversity and social interaction

In addition to the range of apartment types and sizes that can be accommodated in the flexible tower floor plate, the mixed use nature of the proposal creates vibrancy and diversity and offers opportunities for social interaction amongst residents.

Opportunities exist for a range of different communal spaces at both the base of the residential tower and at the top where generous open terraces are also available due to building setbacks.

Additionally, the vibrant ground plane and reimagined laneway offer opportunities for cafes and meetings spaces for residents and visitors to interact.

9.0 SEPP 65 Design Quality Principles

PRINCIPLE 9

Aesthetics

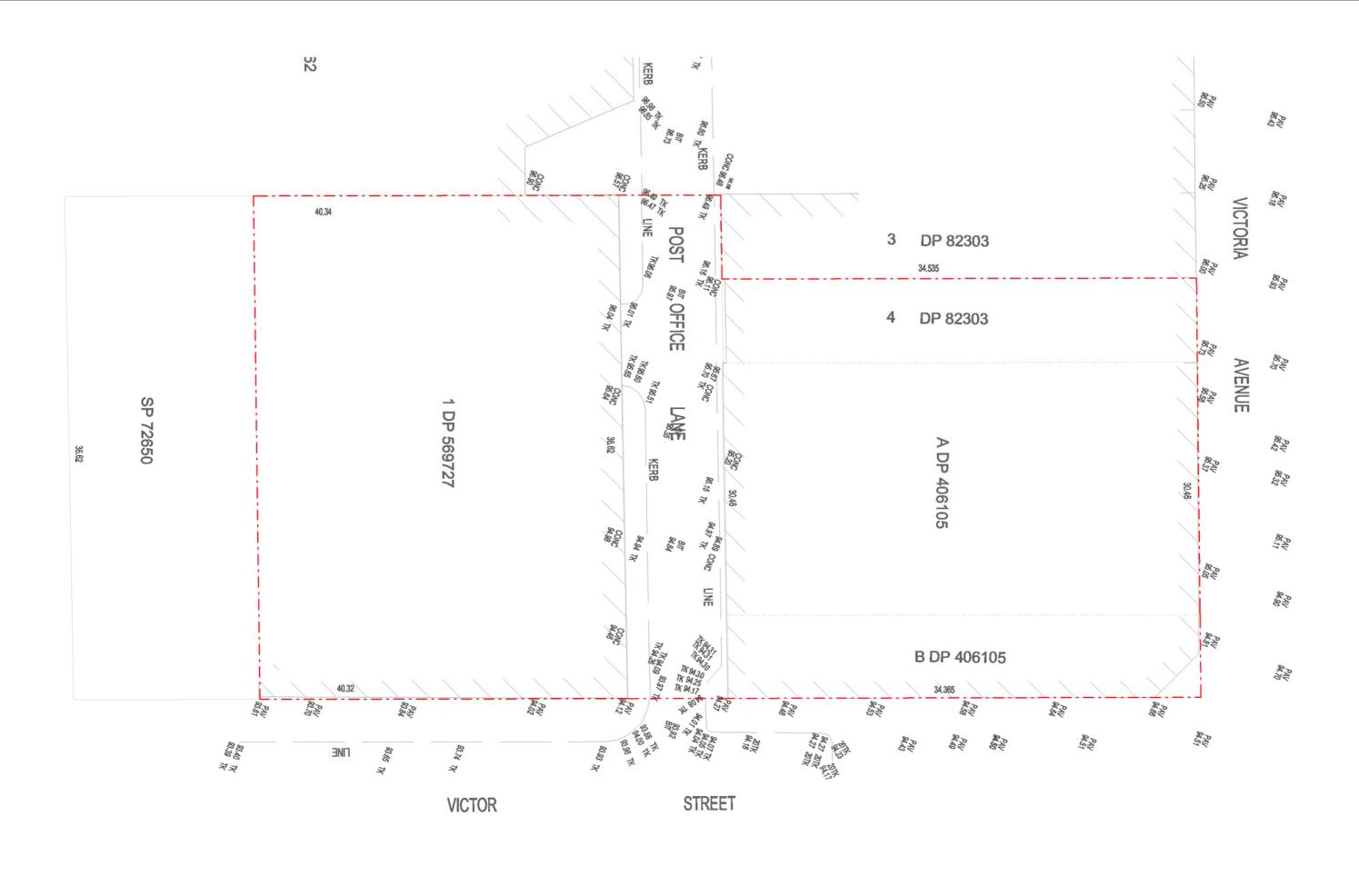
The built form is generated as a contextual response to the scale of the streetscape and surrounding development. The tower and podium configuration is a balanced composition of elements that completes the street wall of both Victor St and Victoria Avenue and is informed by built form controls outlined in Councils Draft Planning and Urban Design Strategy.

The range of different uses within the development provides the opportunity for an expressive external aesthetic with a variety of different façade treatments, materials, colours and textures possible to provide diversity and interest.

At ground level, attention has been paid to concealing services and plant rooms to ensure active frontages comprising high quality retail, residential and commercial spaces are prominent. The reimagination of Post Office Lane provides the opportunity for a new attractive urban aesthetic to what is currently a nondescript rear lane.

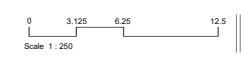


10.0 Appendix



Victor Street, Chatswood





Survey

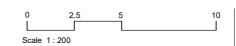


MIRVAC DESIGN

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Nominated Architect: Diana Sarcasmo #5091

Victor Street, Chatswood





Typical Basement Plan

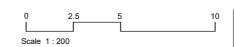
SK098



MIRVAC DESIGN

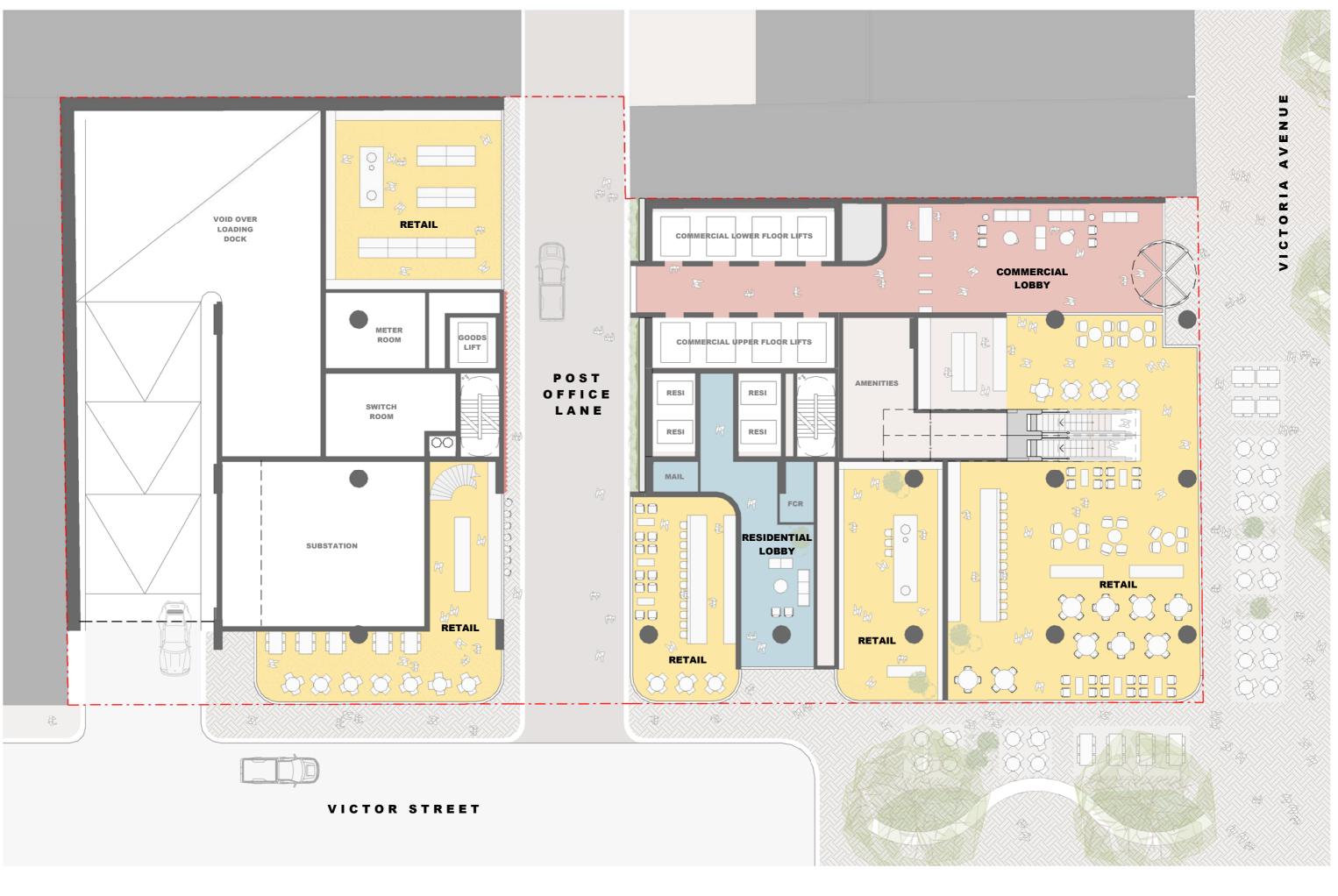
Victor Street, Chatswood



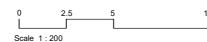


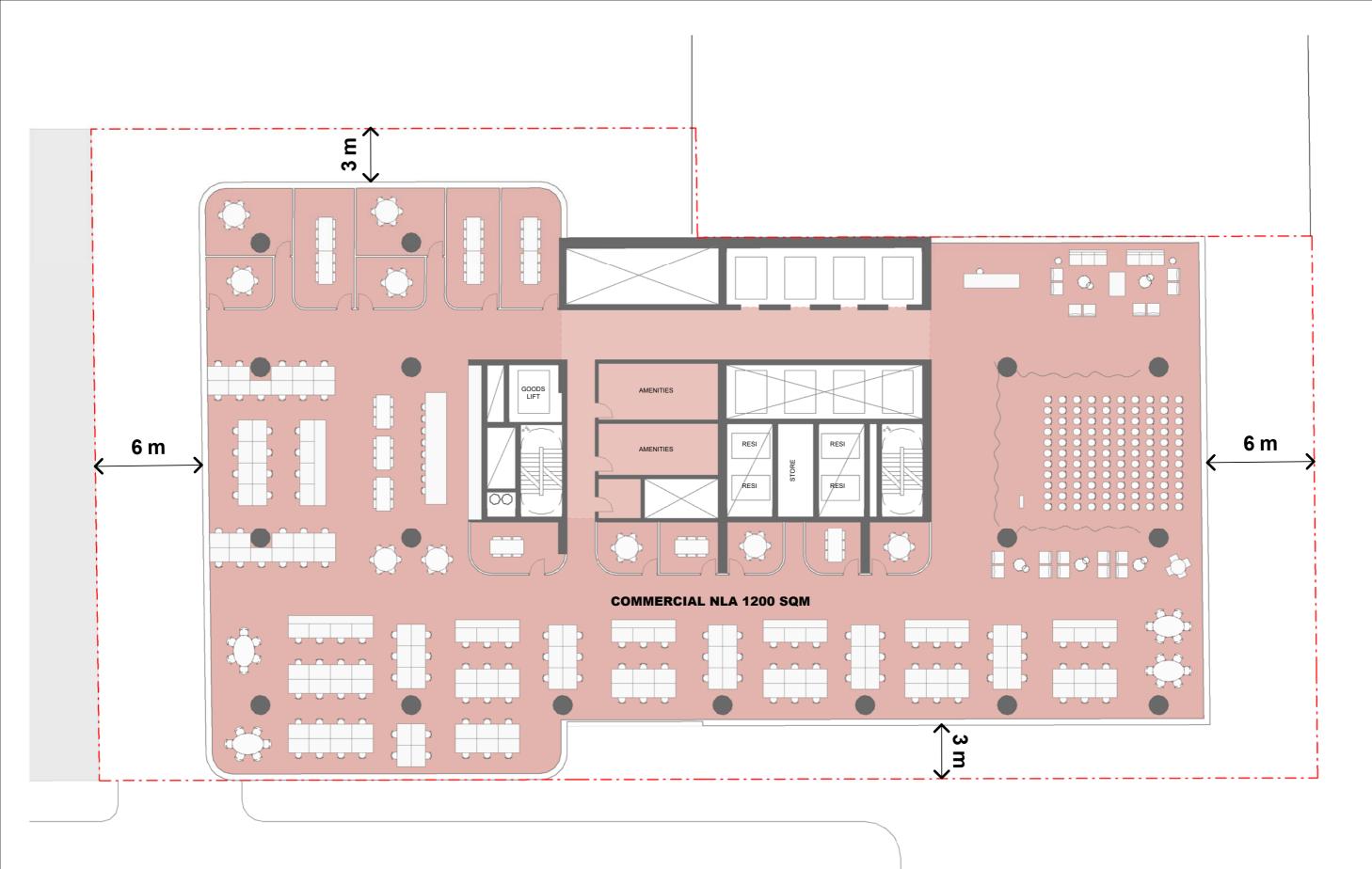
Basement 1 Plan

SK099







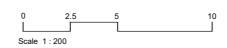


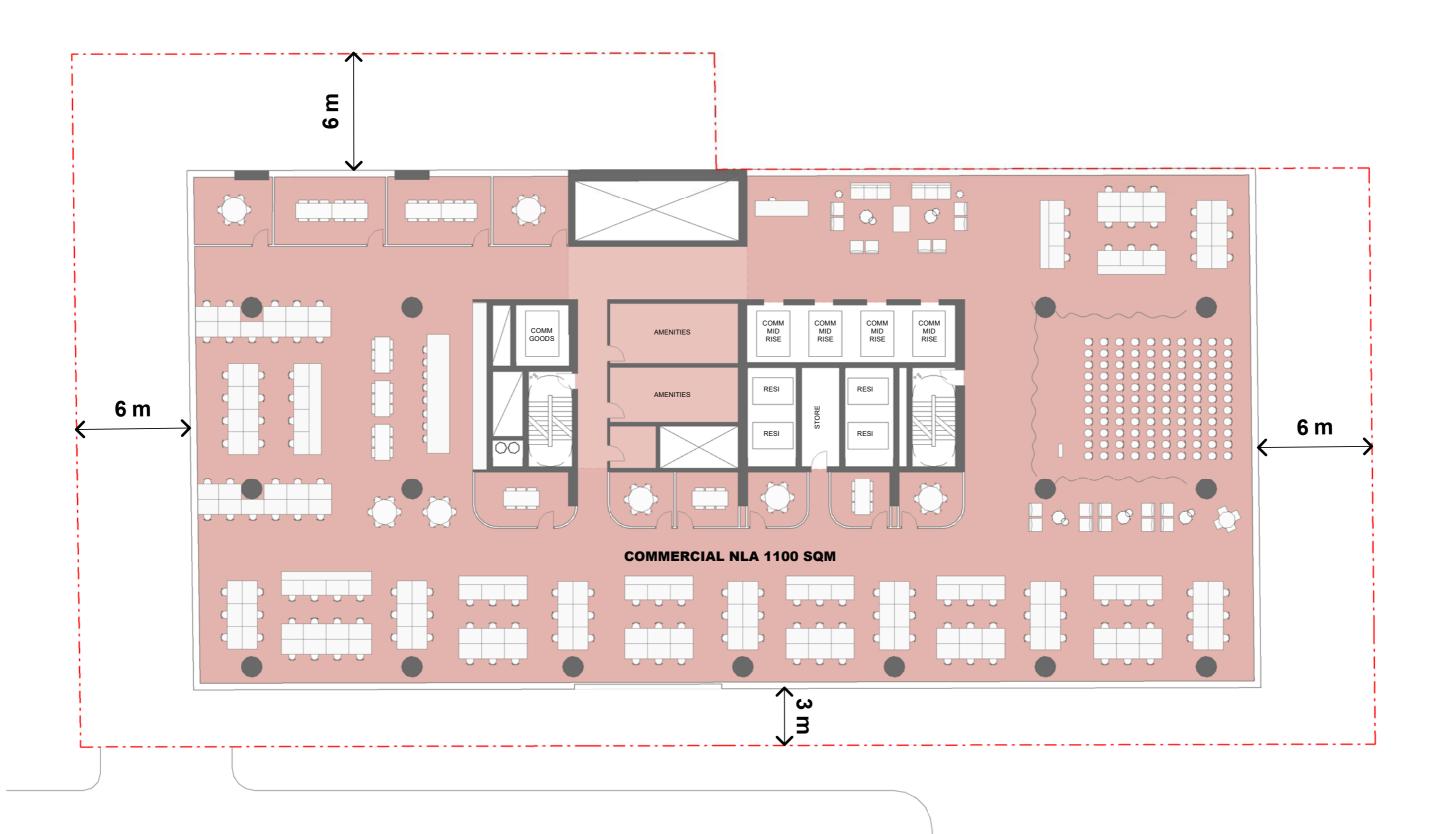


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Victor Street, Chatswood





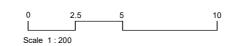


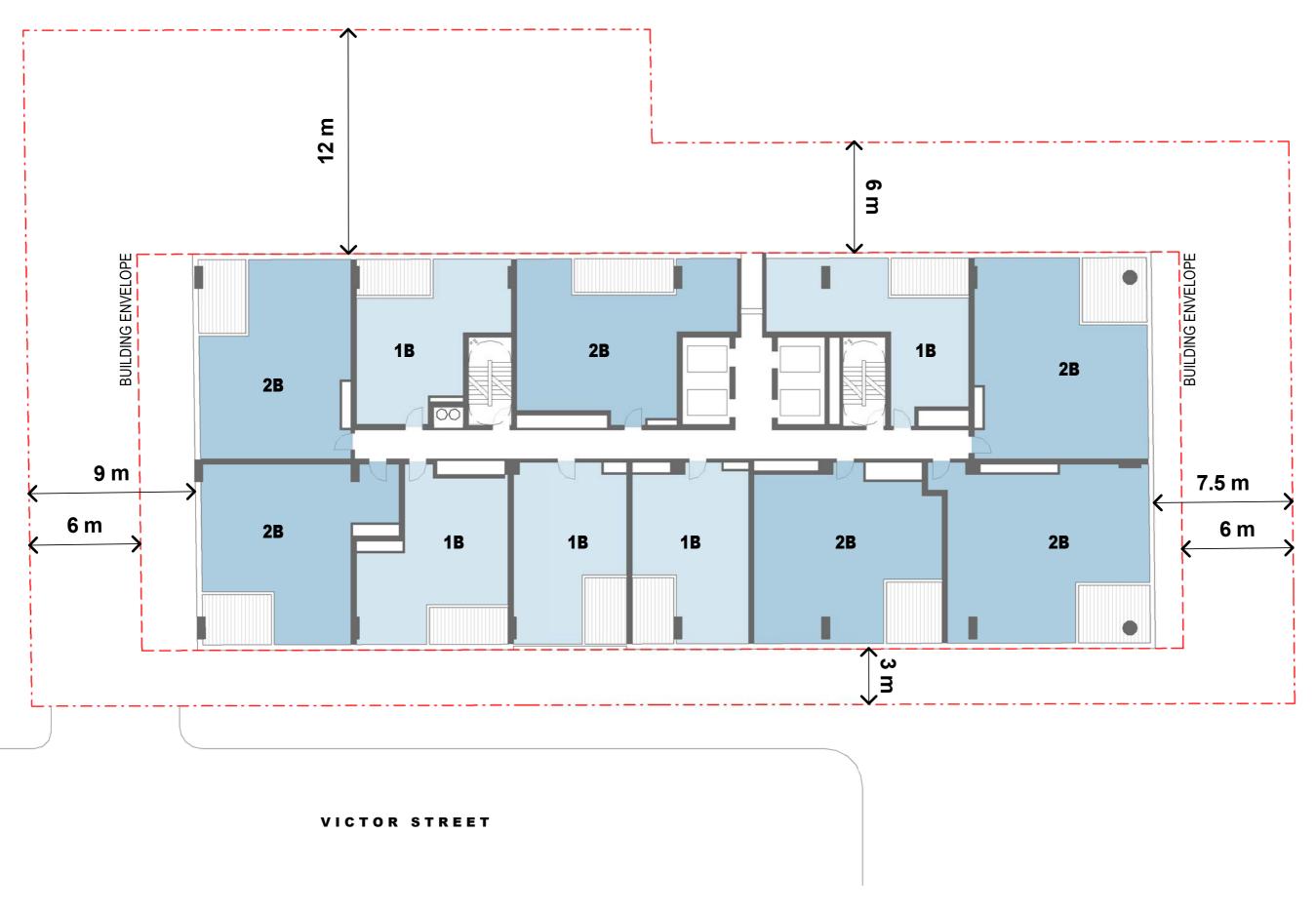


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Victor Street, Chatswood



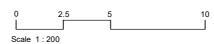




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ABIN 78 003 359 150
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Nominated Architect: Diana Sarcasmo #5091

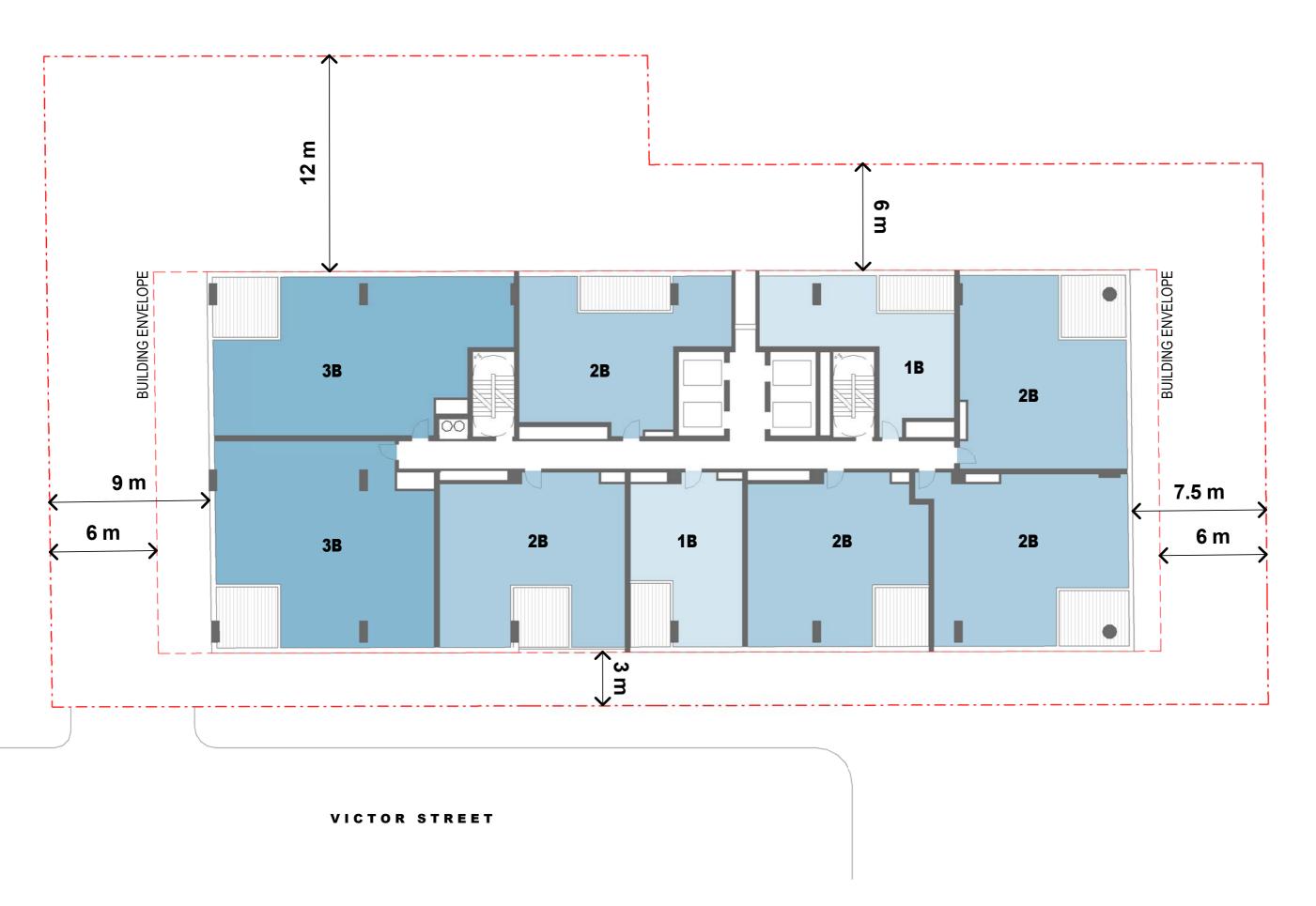
Victor Street, Chatswood





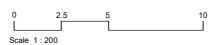
Typical Residential Plan - Lower

SK126



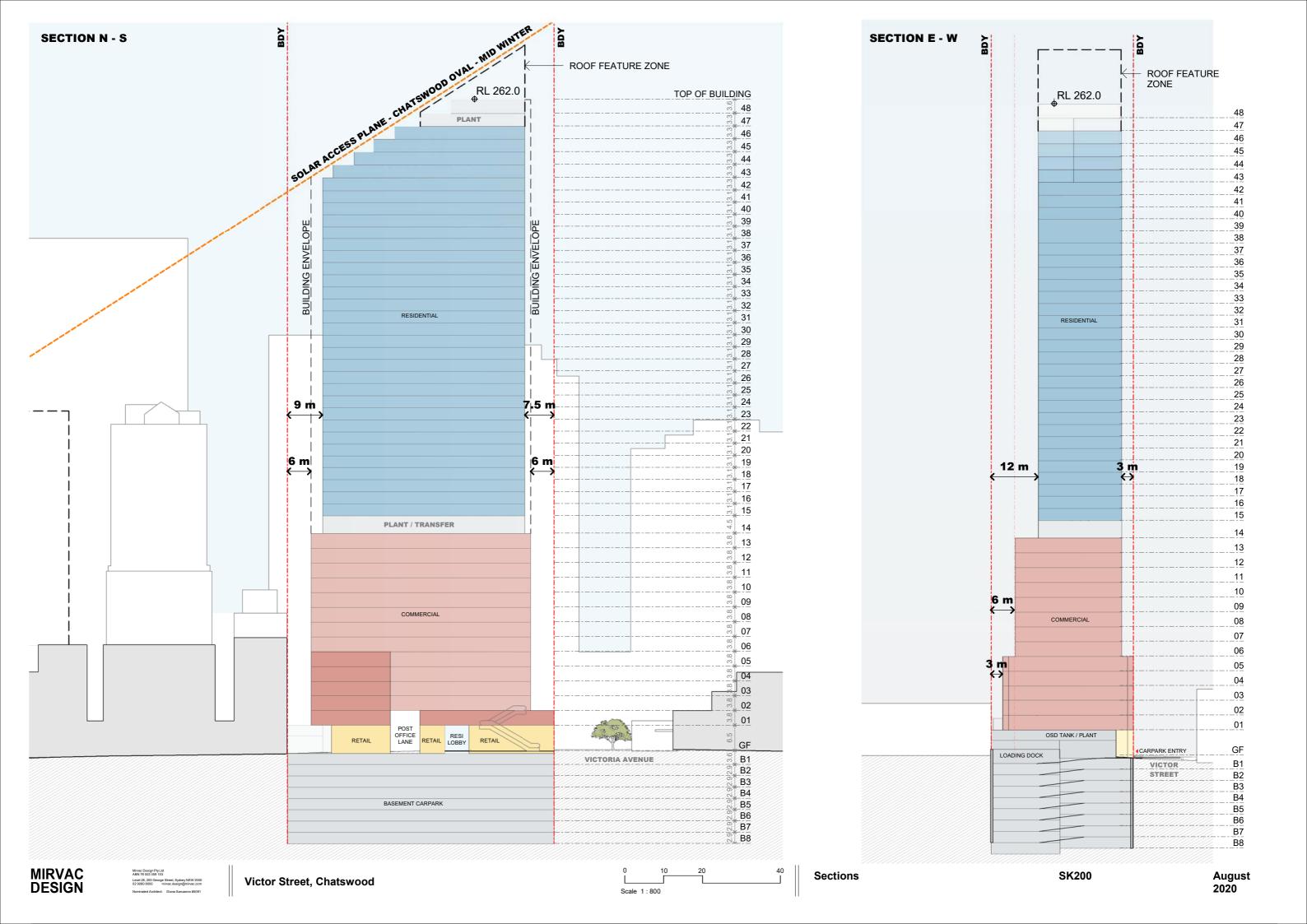
Victor Street, Chatswood





Typical Residential Plan - Upper

SK142





Minac Design Ply Ltd ABN 78 003 359 153 Level 28, 200 George Street, Sydney NSW 2000 02 9080 8000 mirvsc.design@mirvsc.com Victor Street, Chatswood





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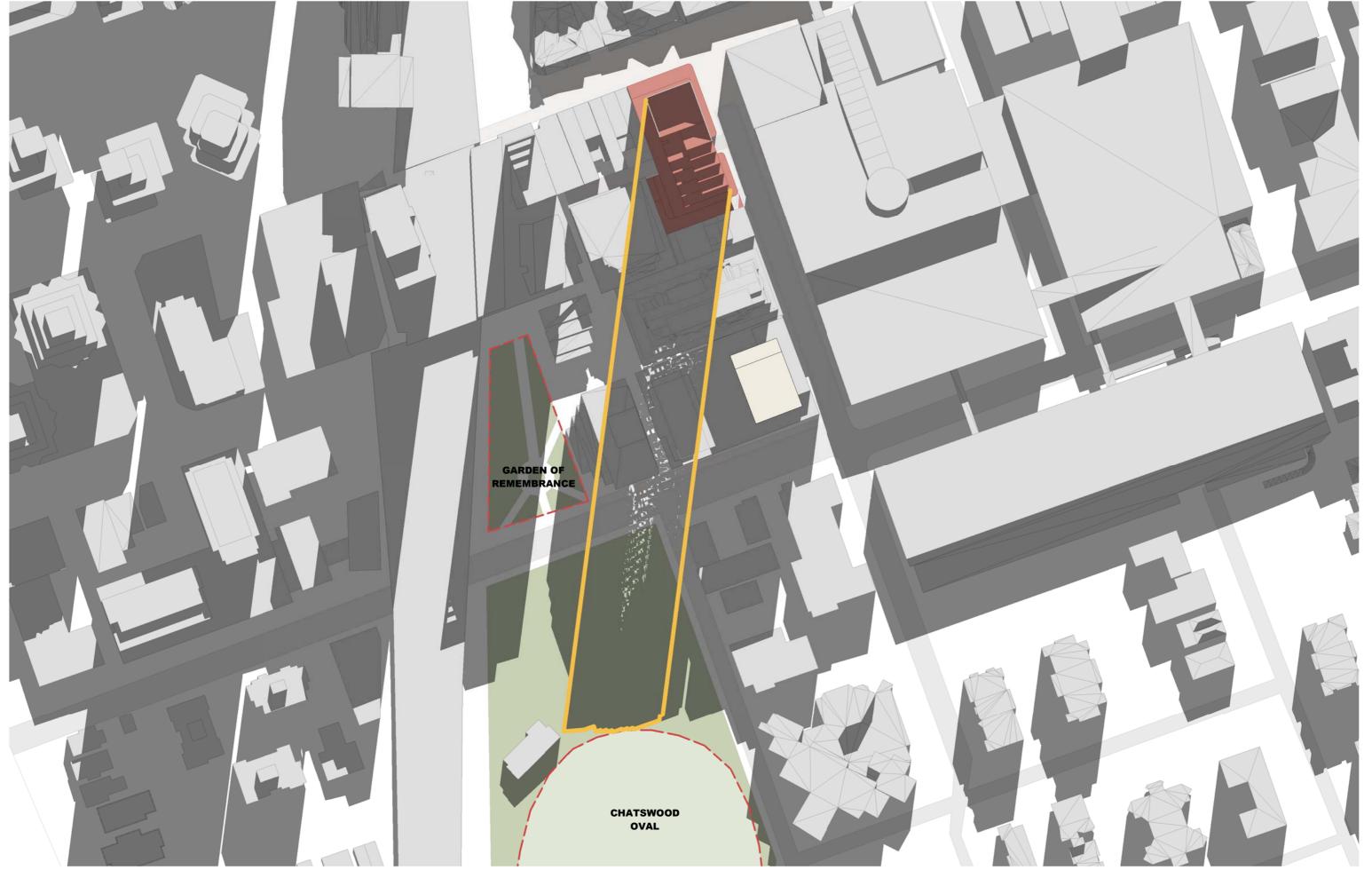
Victor Street, Chatswood



0 18.75 37.5 75

1115am 21 June

SK501



Minac Design Ply Ltd ABN 78 003 359 153 Level 28, 200 George Street, Sydney NSW 2000 02 9080 8000 mirvsc.design@mirvsc.com Victor Street, Chatswood



0 18.75 37.5 75

1130am 21 June

SK503



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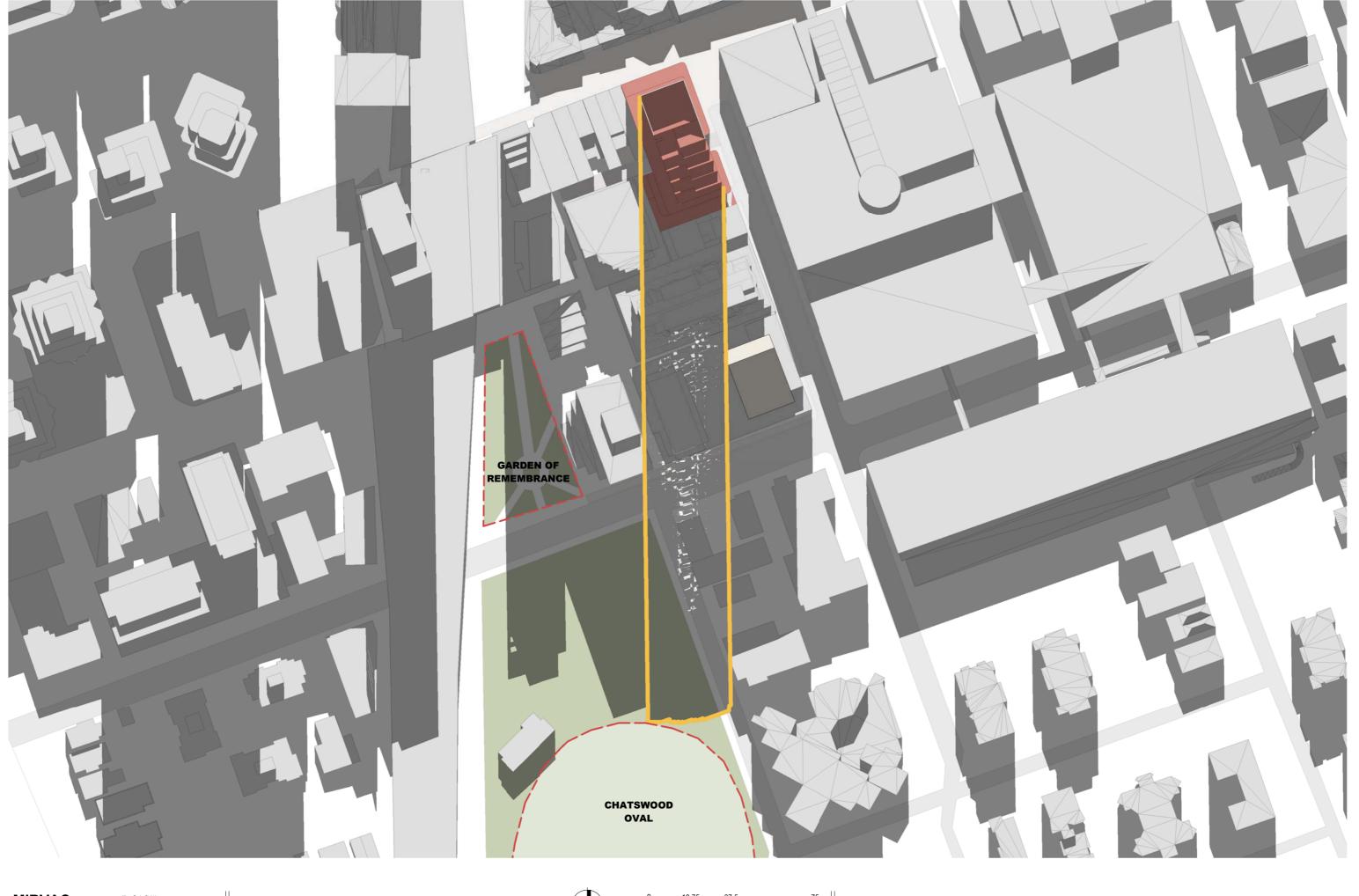
Victor Street, Chatswood



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1145pm 21 June

SK504



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Victor Street, Chatswood

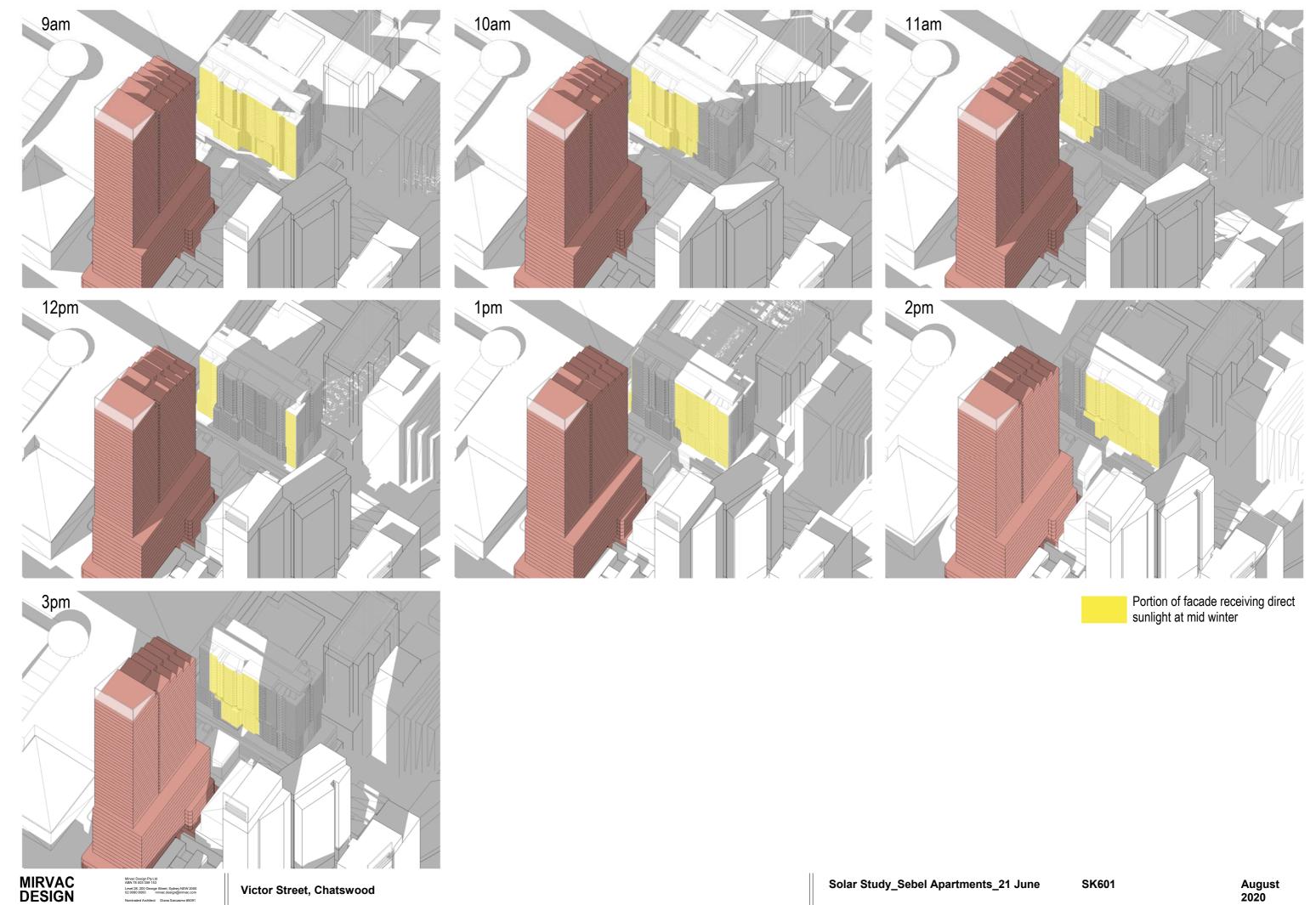


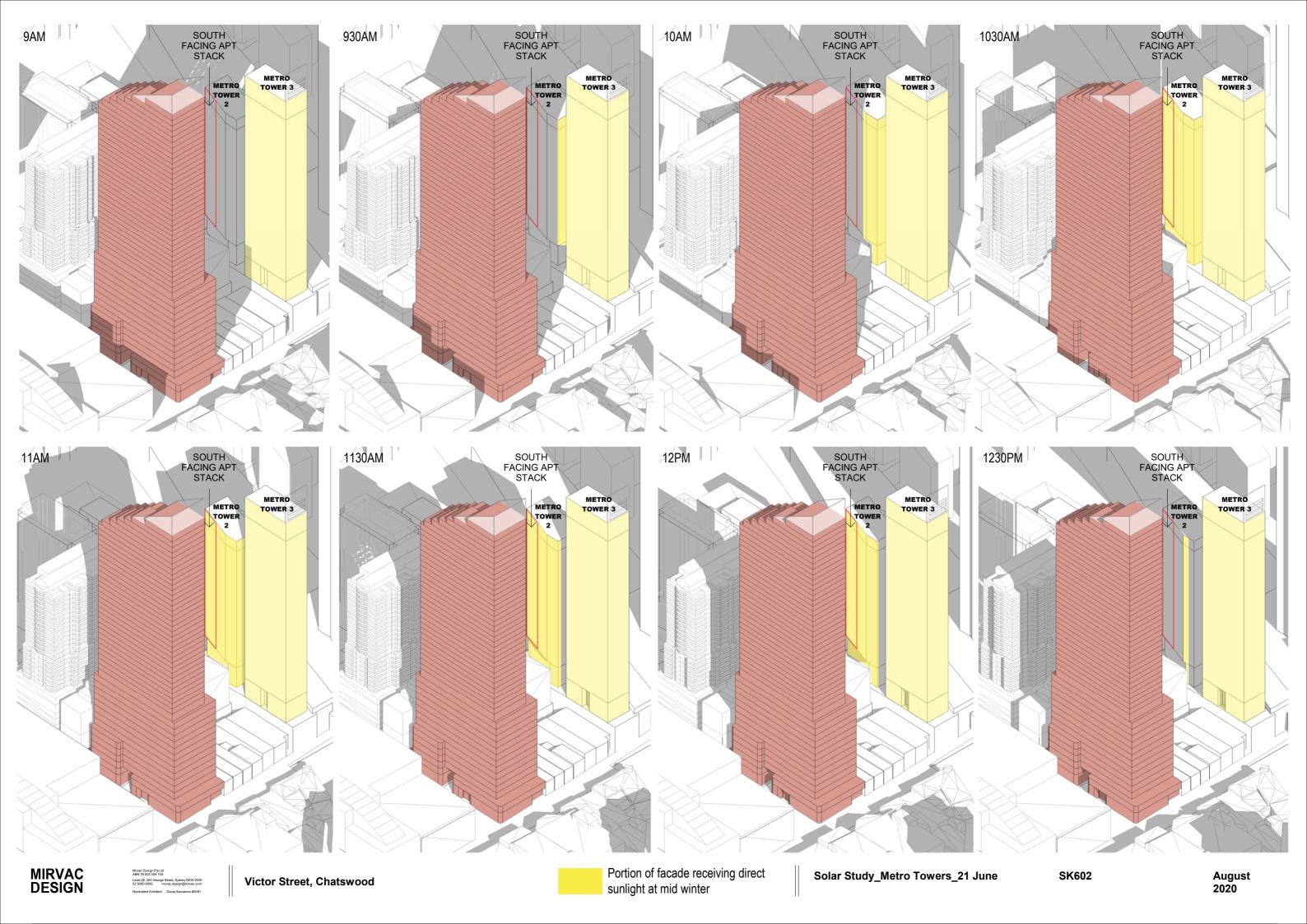
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12pm 21 June

SK505









Appendix L Strategic Airspace advice



9th November 2020

Mirvac Design Level 28, 200 George St Sydney NSW 2000

Email: Charles.Maxwell@mirvac.com

Attn: Charles Maxwell

strategic airspace

Dear Charles,

45 Victor St and 410-416 Victoria Ave, Chatswood NSW — Preliminary Re: **Aeronautical Assessment**

design & information

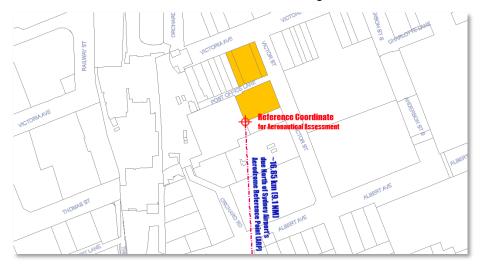
strategic

airspace

This letter responds to your request to clarify the aeronautical height approval implications of the Victor St Chatswood project (45 Victor St and 410-416 Victoria Ave, comprising Lot 1 DP 569727, Lot 4 DP 82303 and Lots A and B DP 406105).

solutions

For the assessment we used the closest point of the site to the airport, that being the southwestern corner of the Victor St lot, as indicated in the image below.



strategic airspace pty Itd (incorporated in VIC) ABN 60 097 857 415

The site is outside, and therefore unconstrained, by Sydney Airport's Obstacle Limitation Surfaces (OLS).

The site is under PANS-OPS and RTCC surfaces which are part of Sydney Airport's Prescribed Airspace. However, at the proposed maximum height of RL262, the proposed development is well below the limiting height and will therefore not require PO Box 253 prior height approval from the aviation authorities.

PANS-OPS & Other Surface(s)	Height Limit (Nearest M)	Comment
RTCC Surface	305	The Radar Terrain Clearance Chart (RTCC) surface height, as per Sydney Airport's 2015 chart, applicable over the site. Related to a 2000ft Minimum Vector Altitude (MVA) Sector. Some MVA/RTCC sector boundaries have changed since 2015. If this sector has since changed, the height limit is highly unlikely to be lower, but higher instead (eg 335m).

Bondi Junction

NSW 1355

Australia

Telephone

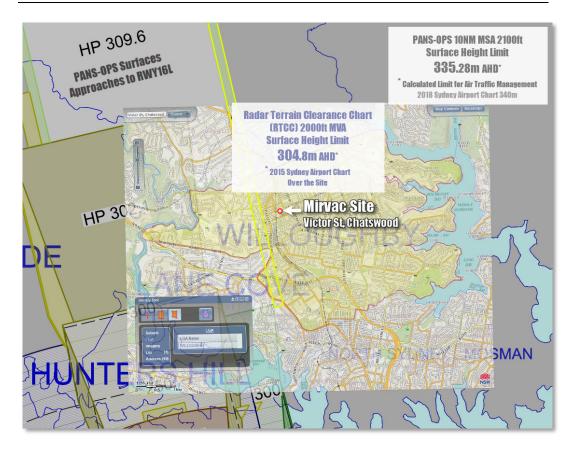
+61 2 8957 2278

Email

Exec

@StrategicAirspace.com

PANS-OPS & Other Surface(s)	Height Limit (Nearest M)	Comment		
10NM MSA	335	The 10 Nautical Mile (NM) Minimum Sector Altitude surface is the limiting PANS-OPS height across the site (and the entire eastern part of the image below). NB: We have calculated a height limit related to Air Traffic Management usage, which is more conservative than the value shown on Sydney Airport's PANS-OPS chart.		
RWY34R Departures	>400m	Based on the Omnidirectional Departure Procedure from the eastern parallel runway, RWY 34R.		
RWY16L Approaches & Other Surfaces	N/A	Outside or below the surfaces related to all other PANS-OPS procedures and other relevant non-PANS-OPS airspace.		



In summary, 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).

The following two issues are also raised for your information only — noting that neither matter should preclude approval of a planning proposal for the development itself.

- Any cranes that would infringe the limiting surface at the time of construction would be required would require prior approval, but applications need not be made until the relevant time.
- Upon completion of any towers that exceed 100m above ground level (AGL), as-built survey coordinates and maximum height data must be forwarded to Airservices for inclusion in the national Tall Structures Database. (Reference: the Civil Aviation Safety Authority (CASA) Advisory Circular 139-08)



I hope this information satisfies your requirements. Please contact me on 0411 389 317 or at Cathy.PakPoy@StrategicAirspace.com if you require further information.

Yours sincerely,

STRATEGIC AIRSPACE

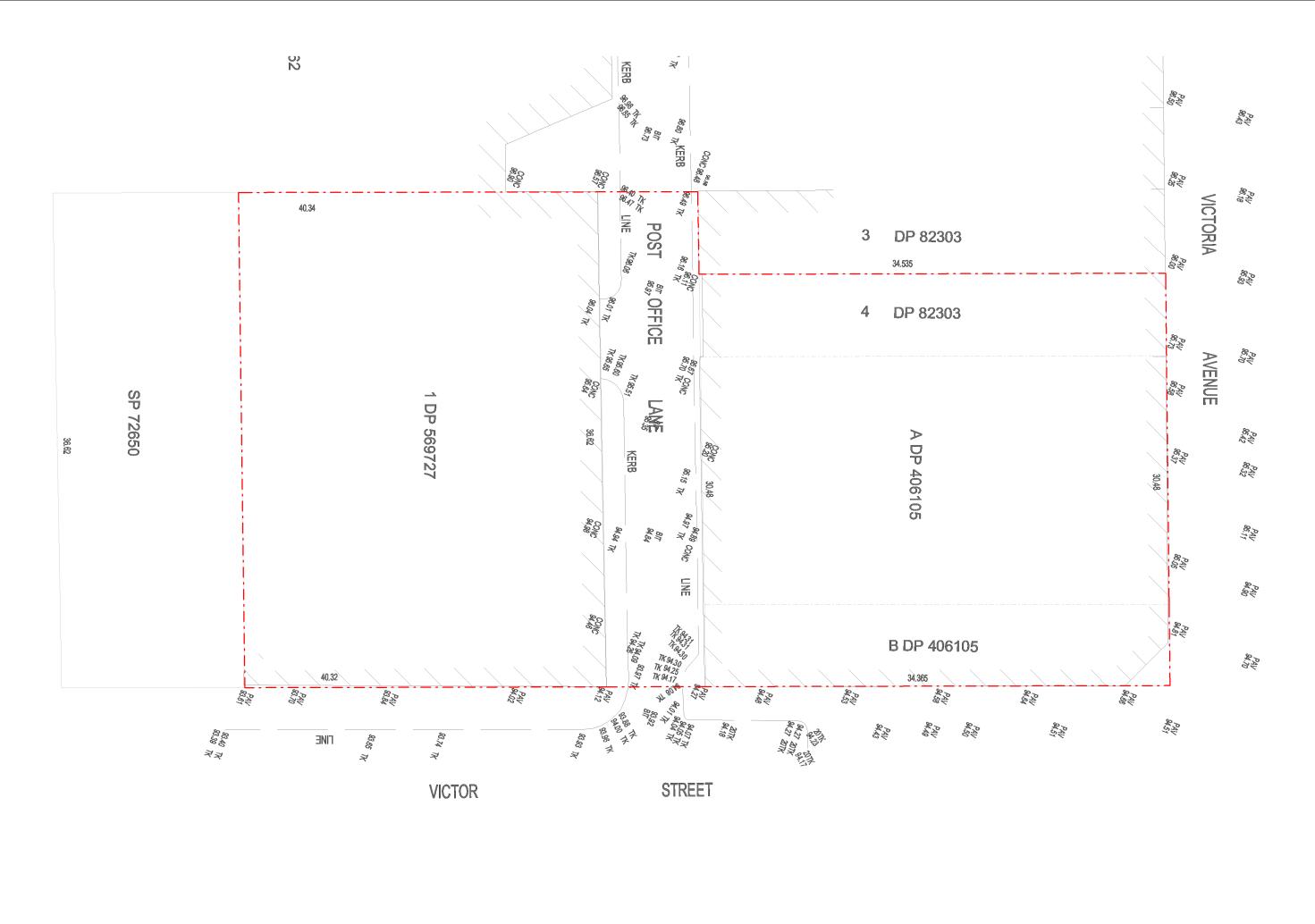
Cathy Pak-Poy Joint CEO





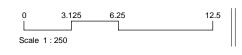
Appendix M Updated architectural plans

See separate A3 document



Victor Street, Chatswood





Survey

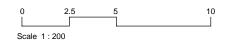
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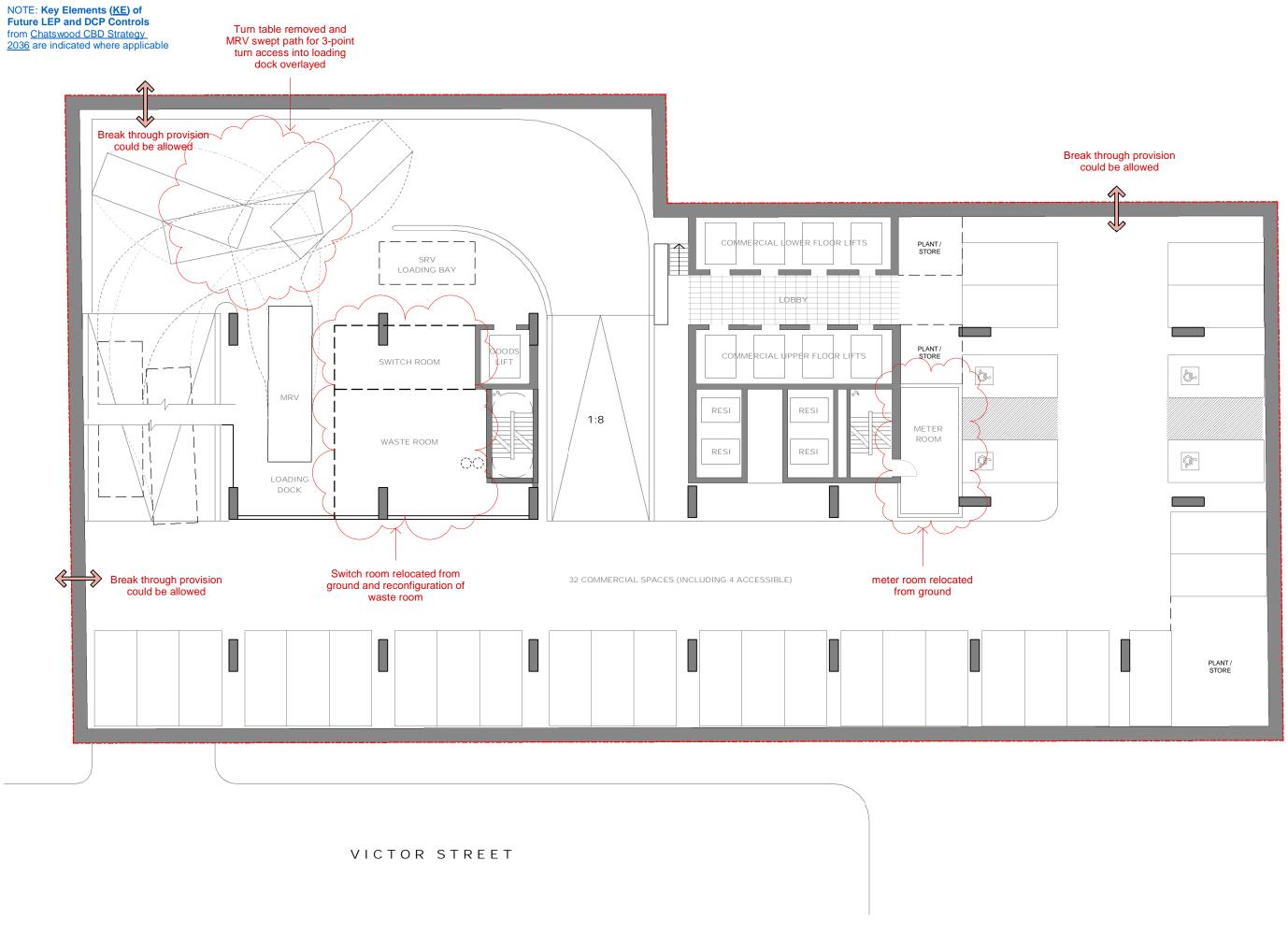
Rev U Dec 2020



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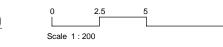






nervac Design Py Ltb ABN 78 003 399 153 Level 28, 200 George Street, Sydney NSW 2000 02 9080 8000 mirvac.design@mirvac.com Nominated Architect: Diana Sarcasmo #5091



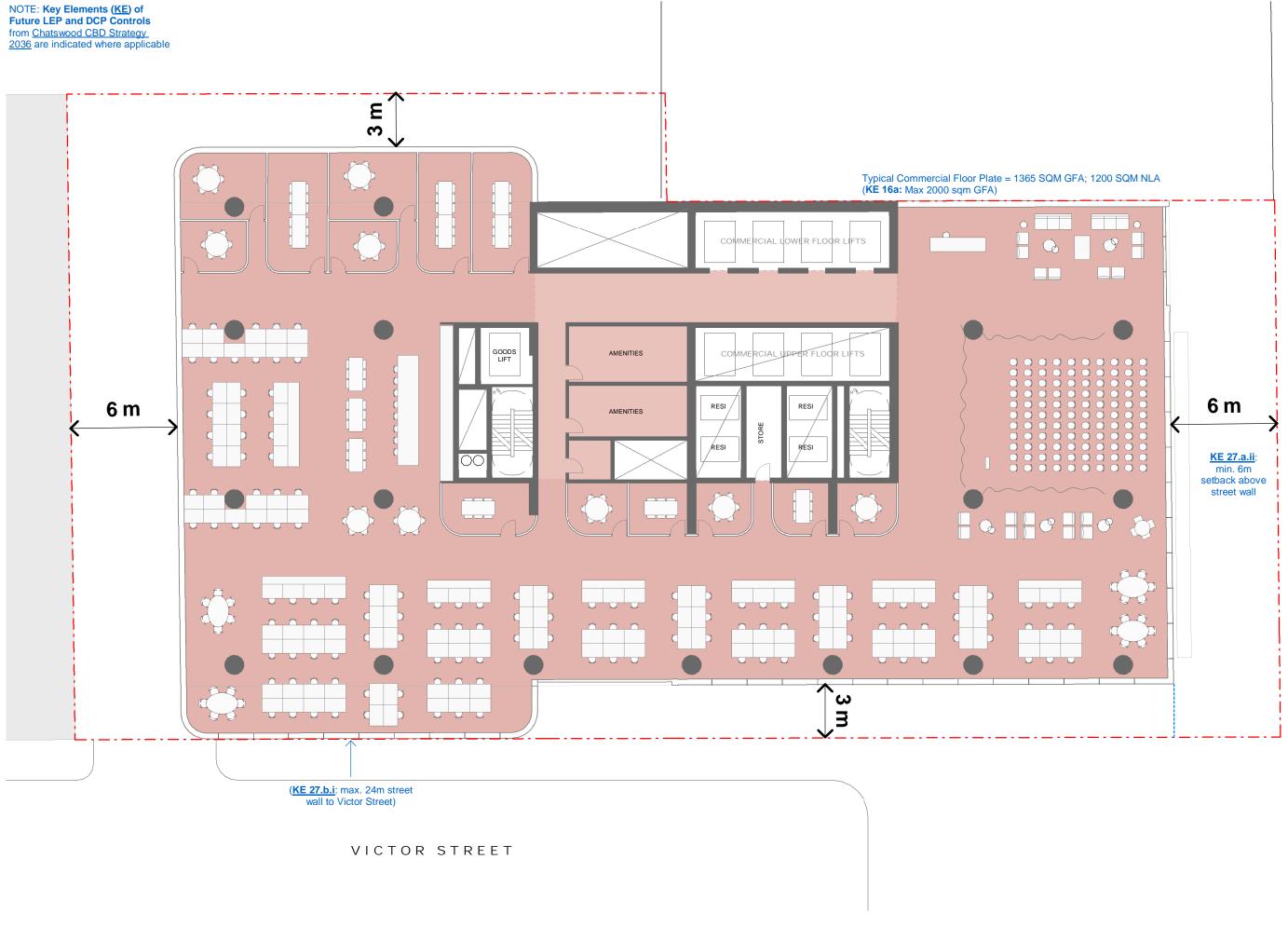


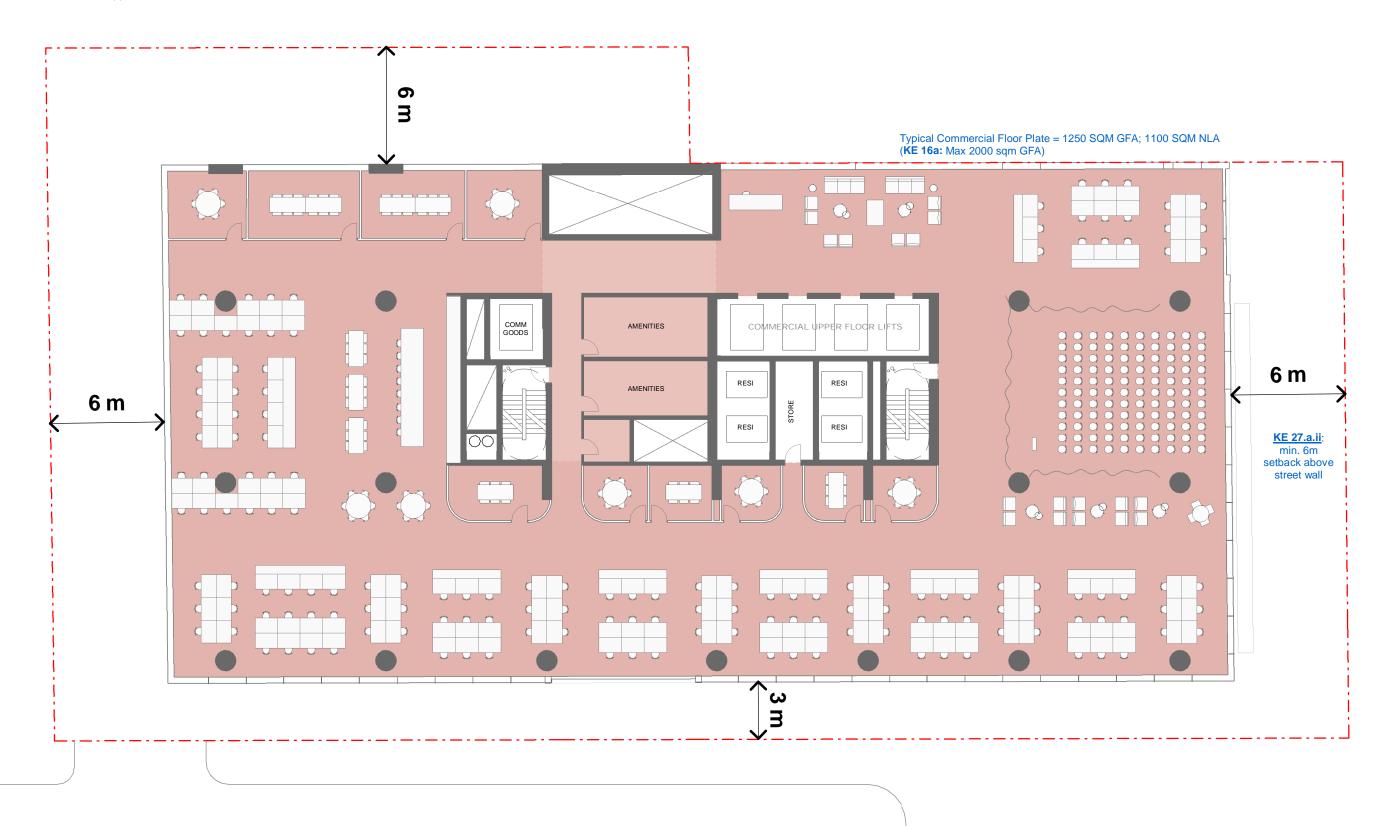






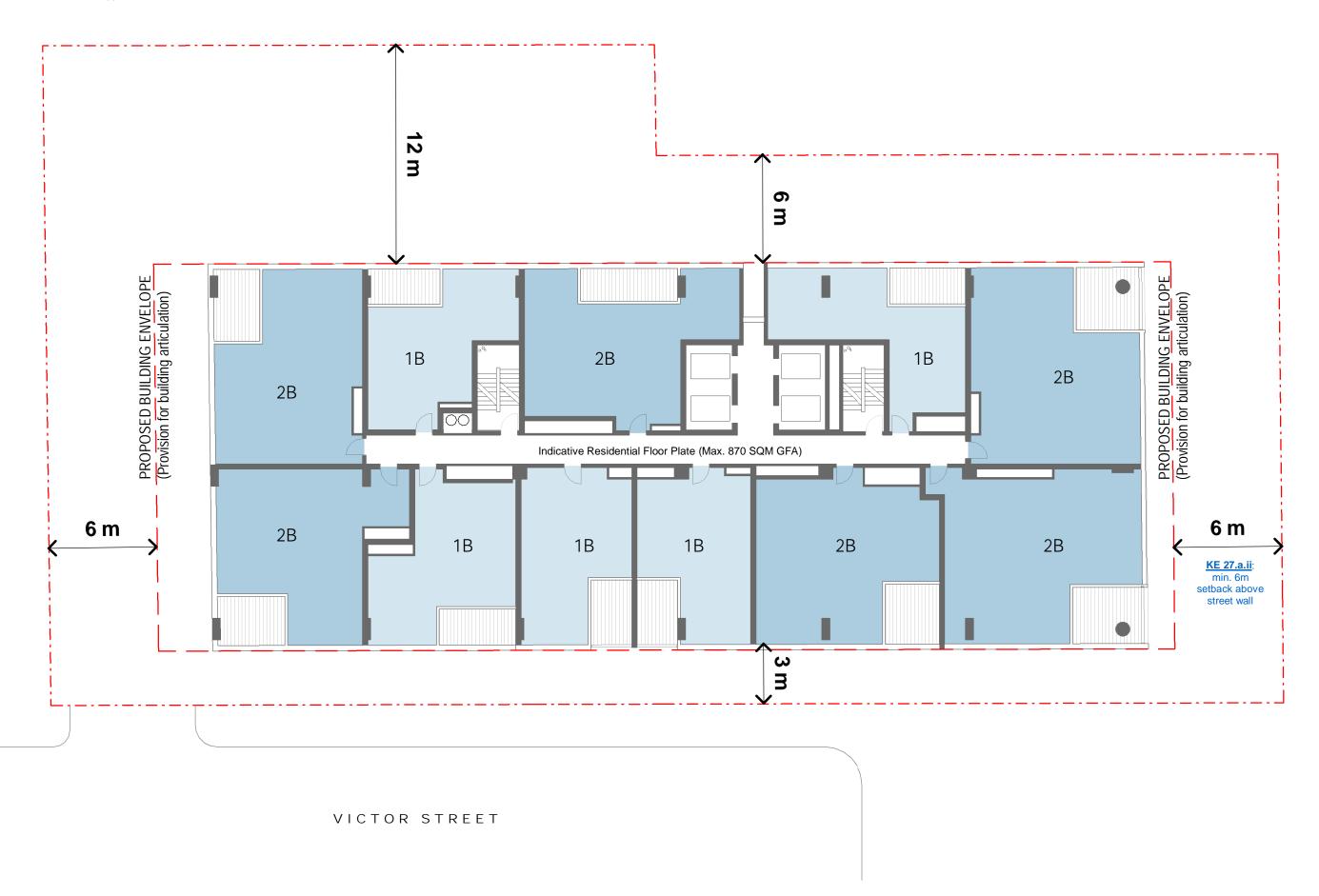






VICTOR STREET

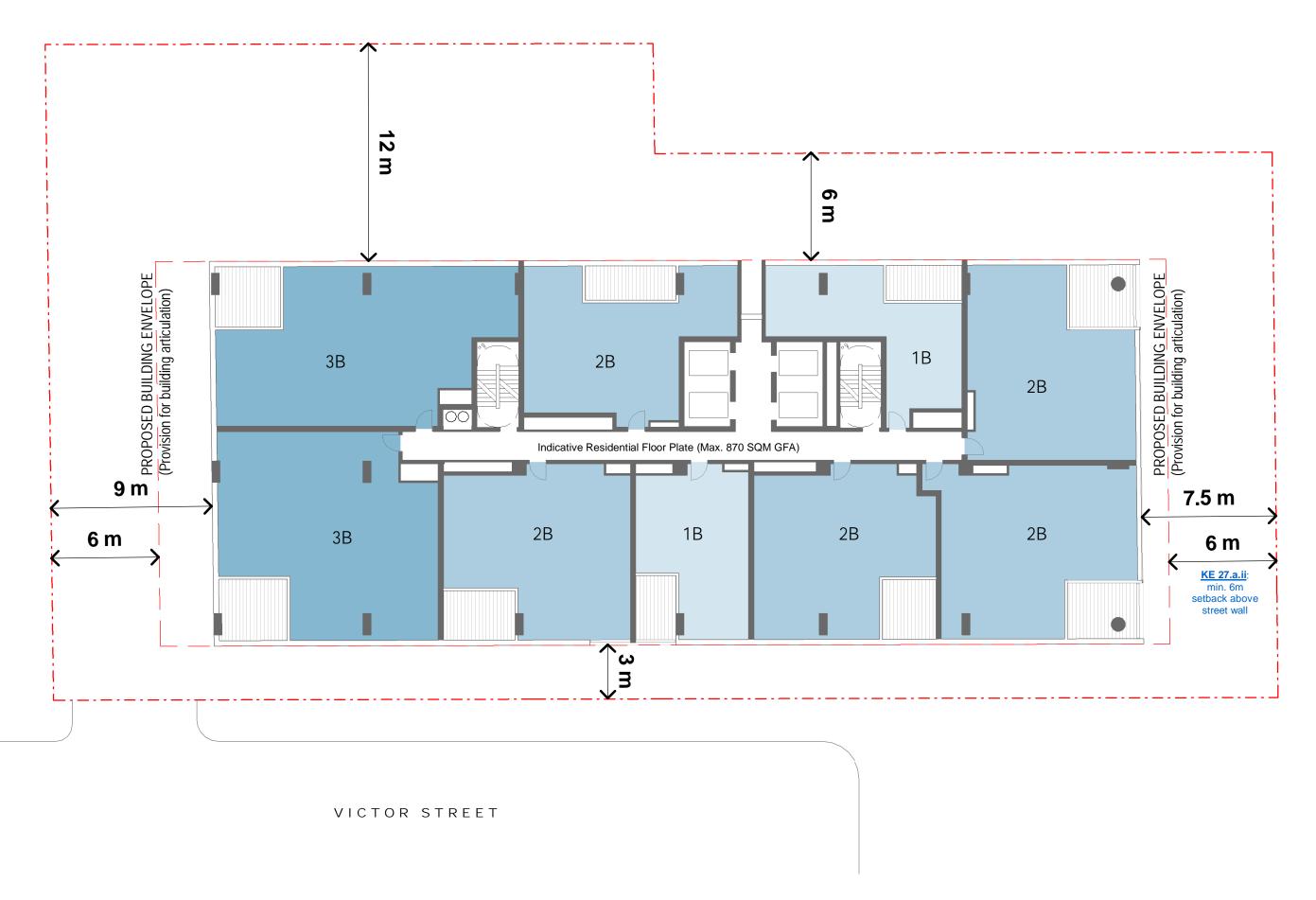




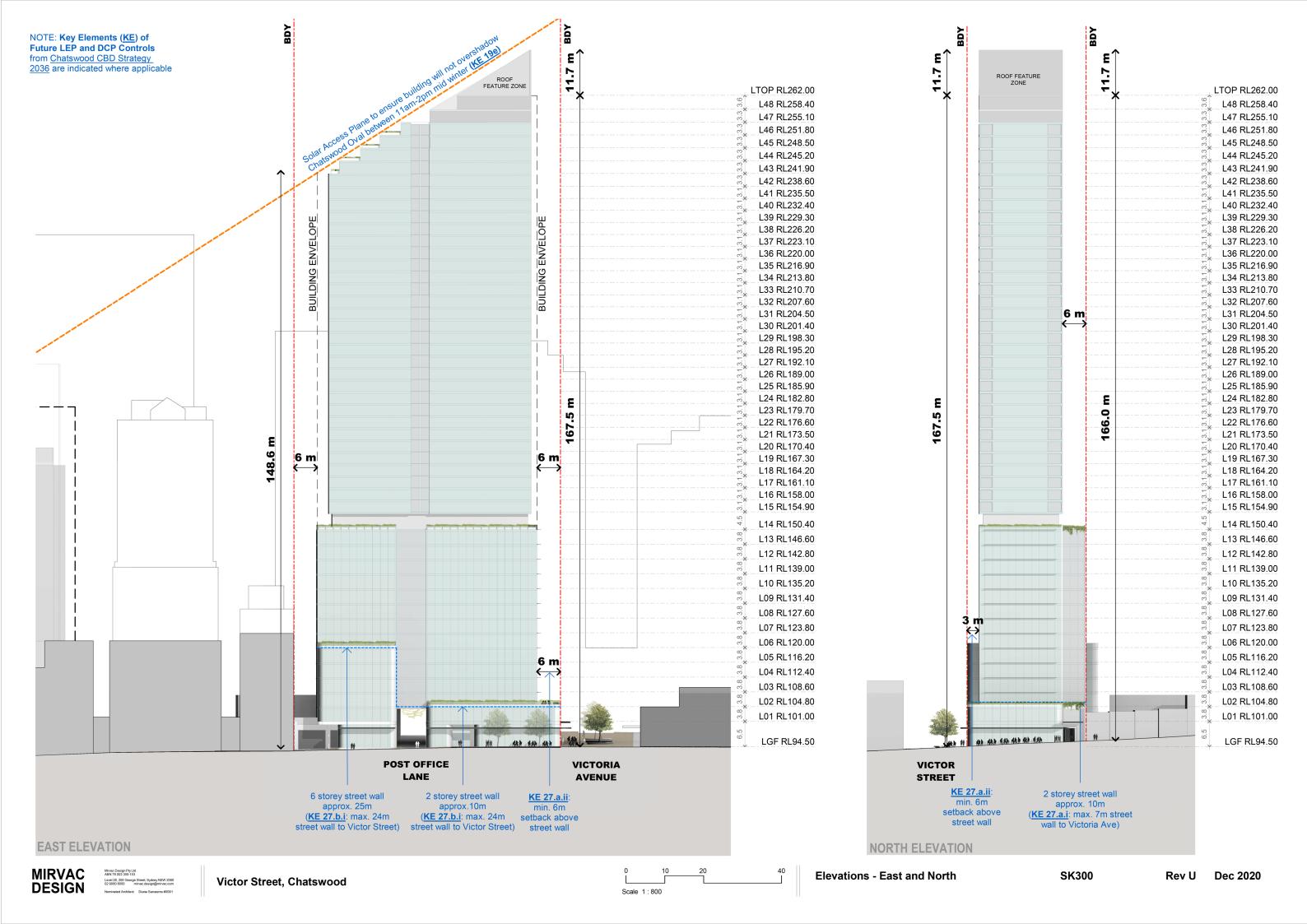
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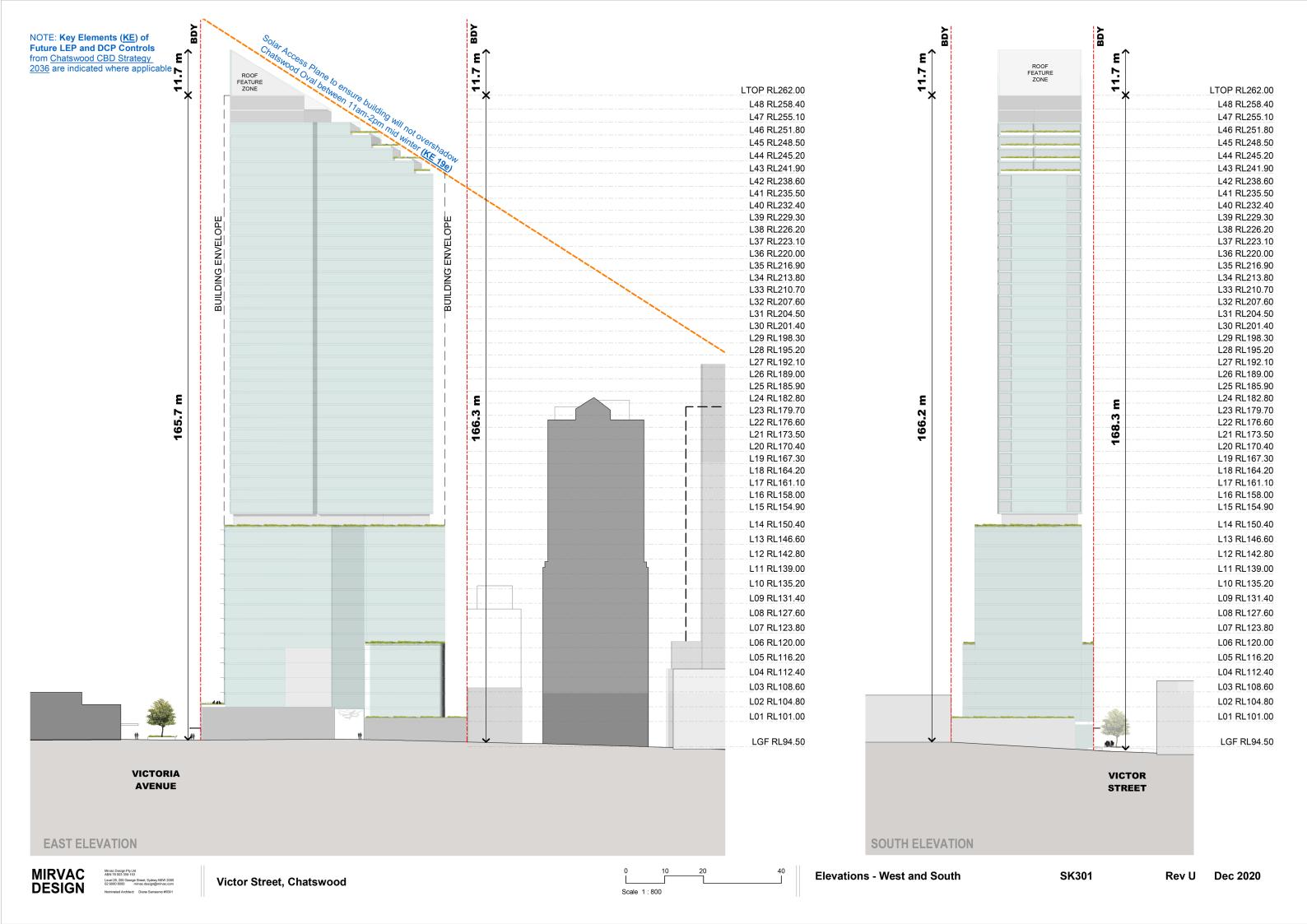


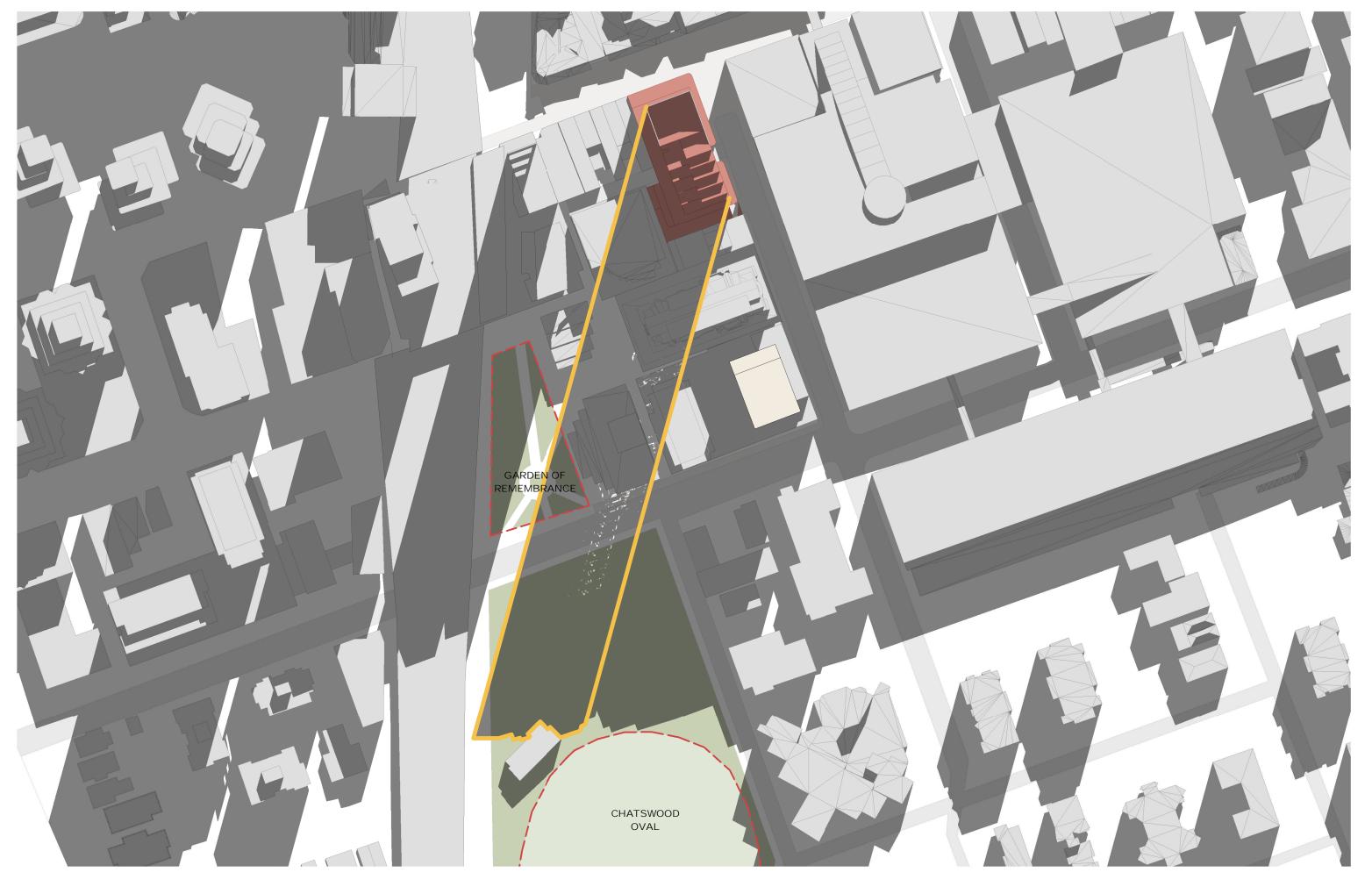












Victor Street, Chatswood



Shadow Study_1100am 21 June

SK500

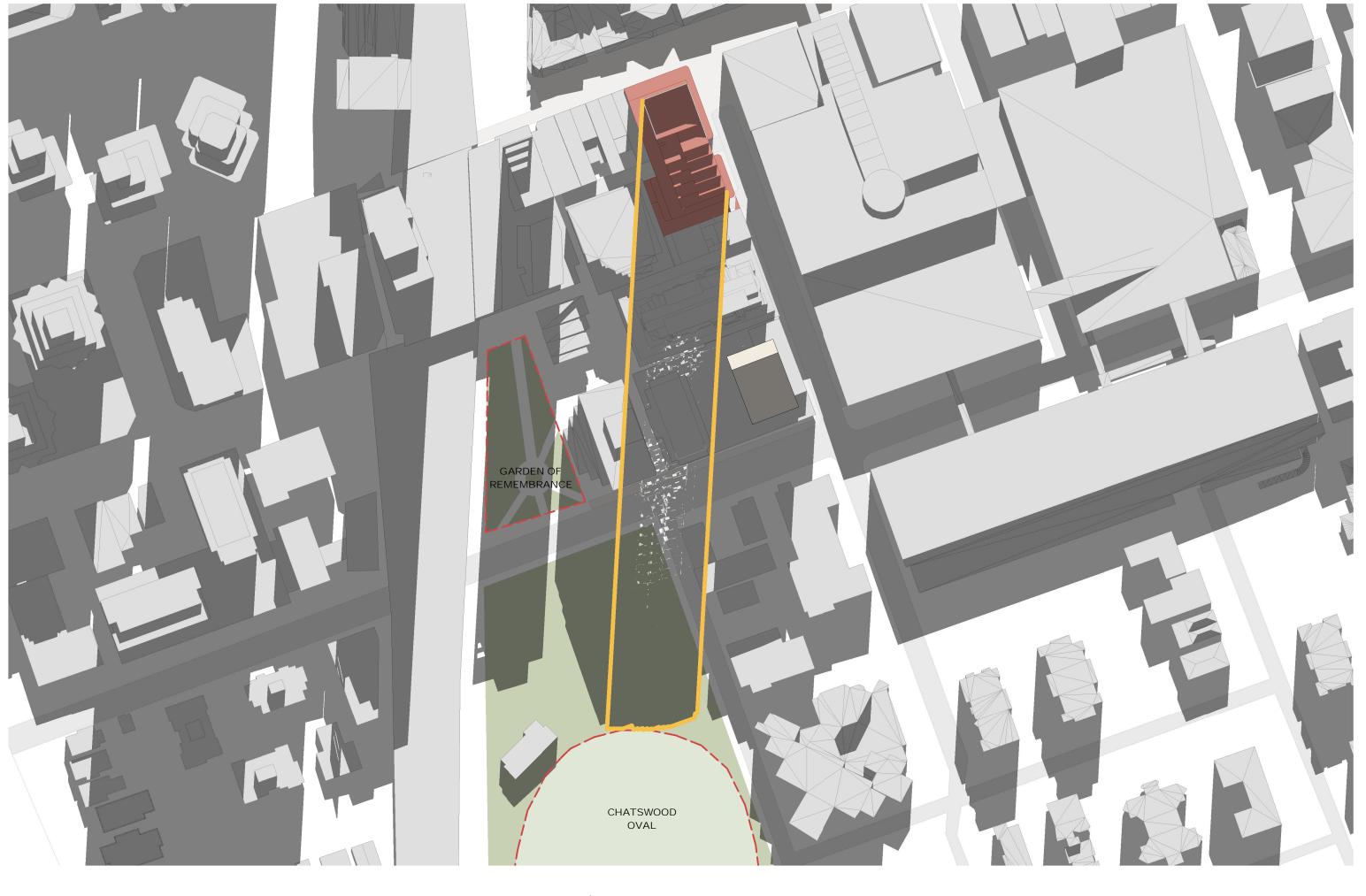
Rev U Dec 2020















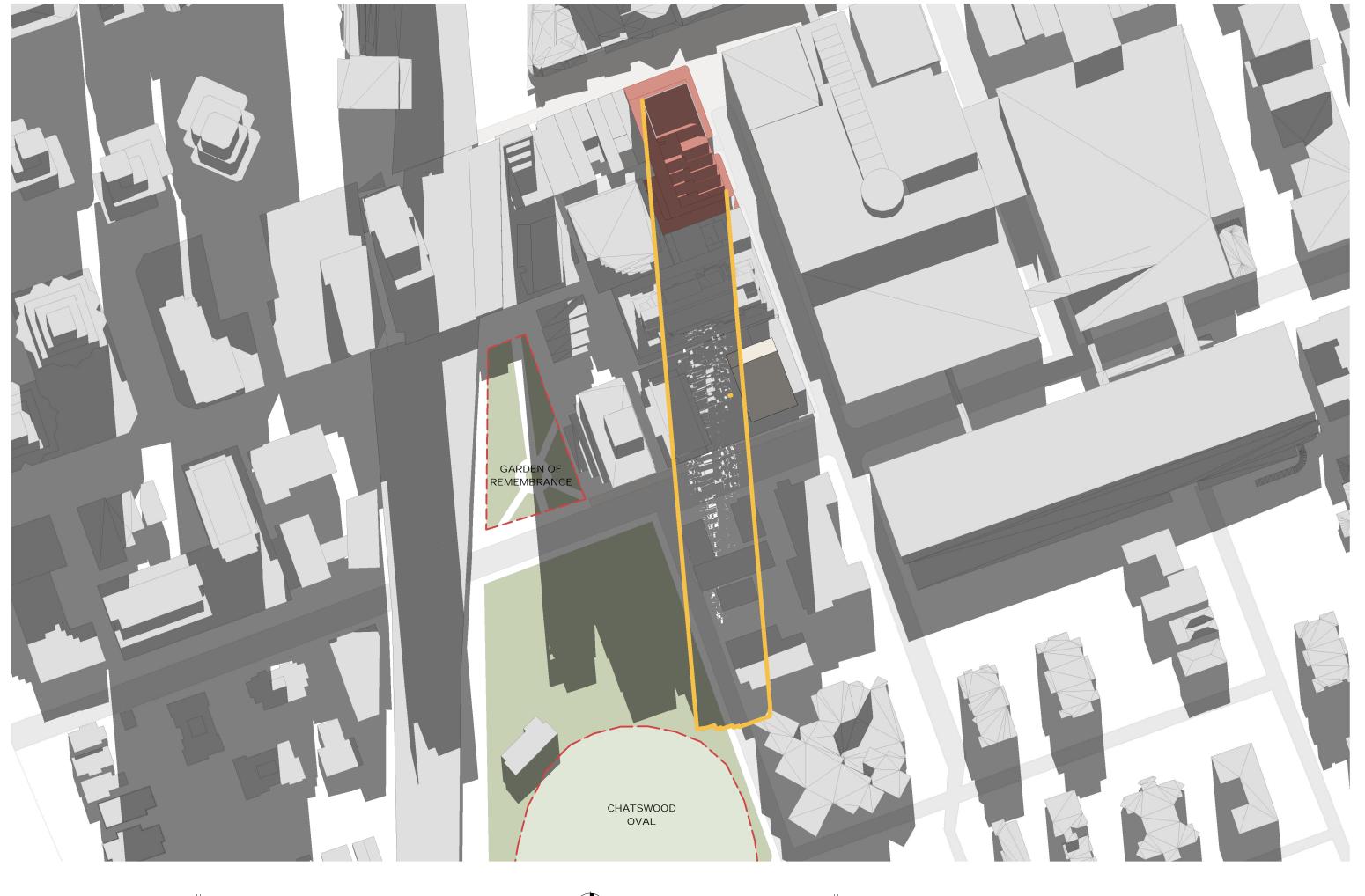
Victor Street, Chatswood



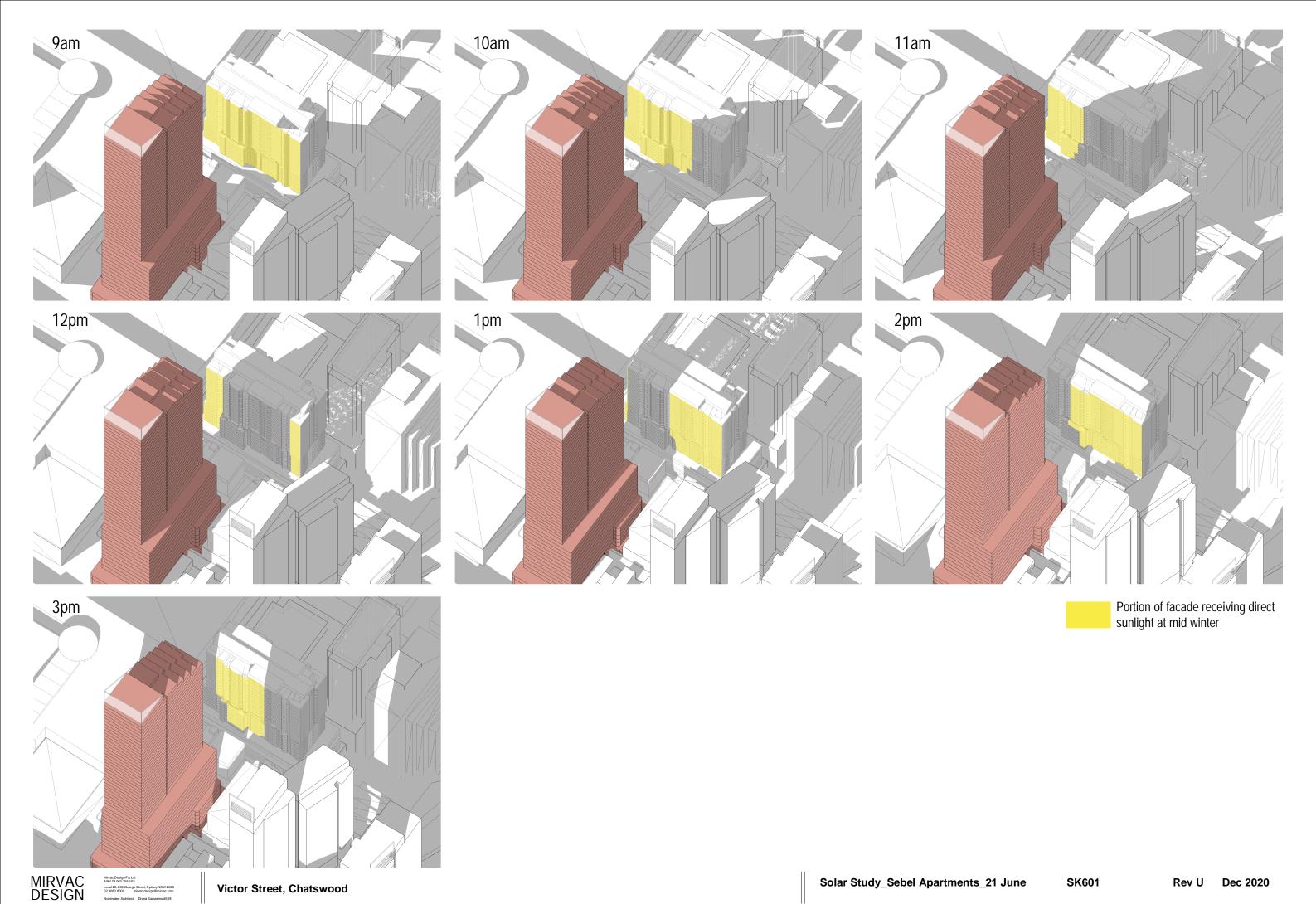
Shadow Study_1200pm 21 June

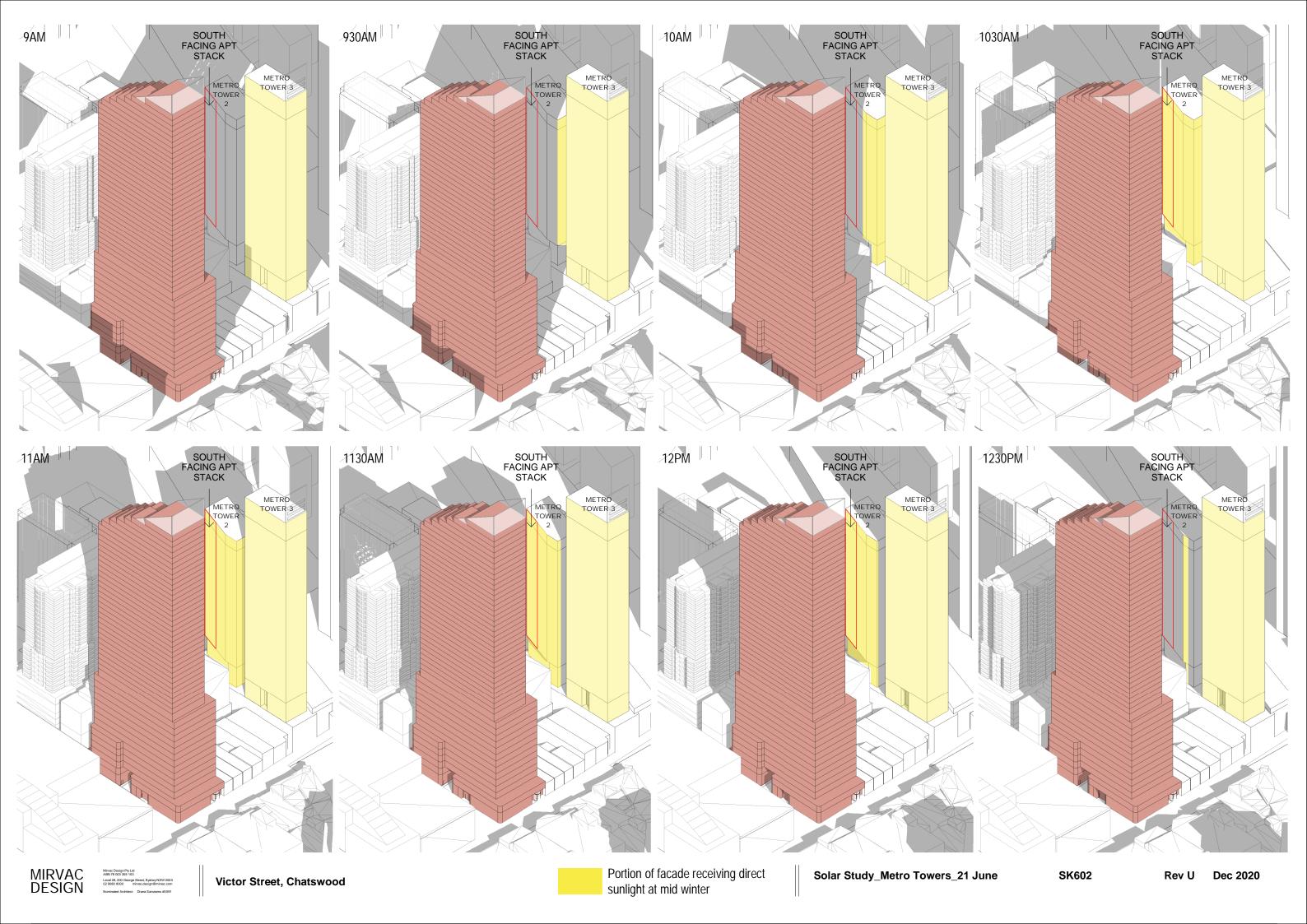
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Rev U Dec 2020









All roof top terraces up to 30m will be green roofs in accordance with **Key Element 25**. Soft landscaping will be provided on roof terraces and as green walls within Post Office Lane to the equivalent of 20% of the site area in accordance with **Key Element 26**.

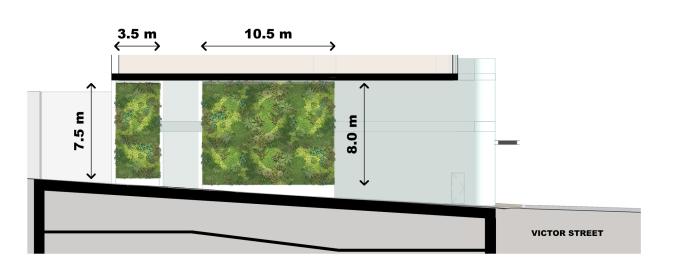


LEVEL 01





LEVEL 02

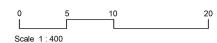


SOUTH ELEVATION - POST OFFICE LANE

MIRVAC DESIGN

LEVEL 6







Appendix N Updated Key Elements table

Draft Planning and Urban Design Strategy to 2036 (December 2020 update)

Achieving the Vision and Objectives

Item	Measures and Controls	Response
.1 CBD boundary Land Use	 The Chatswood CBD boundary is expanded to the north and south to accommodate future growth of the centre. 	The proposal seeks to deliver 18,736sqm GFA of high quality A-Grade commercial and retail space equating to an FSR of approximately 8:1.
	2. Land uses in the LEP will be amended as shown in Figure 3.1.2, to:	In order to be able to provide that quantum of non-residential space, private residential apartments are also proposed to maintain a rich and diverse mix of uses in line with
	a) Protect the CBD core around the interchange as commercial, permitting retail throughout to promote employment opportunities.b) Enable other areas to be mixed use permitting commercial and residential.	Council's vision. Serviced apartments are not proposed.
	3. The existing DCP limits on office and retail use in parts of the Commercial Core to be removed.	derviced apartments are not proposed.
	4. Serviced apartments to be removed as a permissible use from the B3 Commercial Core zone	
Planning Agreements to Fund Public Domain	5. Planning Agreements will be negotiated to fund public domain improvements.6. A new planning Agreements Policy will apply and be linked to a contributions scheme that will	Public benefits are proposed to be negotiated with Council as part of the Planning Proposal process in accordance with DPIE guidelines.
	provide the public and social infrastructure in the Chatswood CBD necessary to support an increased working and residential population.7. All developments in Chatswood CBD should contribute public art in accordance with	
	Council's Public Art Policy.	
Design Excellence and Building Sustainability	8. Design excellence is to be required for all developments based on the following process:	The proposal is proposed to achieve design excellence. Please refer to the Planning Proposal Report and Section 3 of Response Report for further details.
	a) A Design Review Panel for developments up to 35m highb) Competitive designs for development over 35m high.	An updated DCP in light of Councils 28 October 2020 letter and this Response Report provided at Annexure 9 .
	Achievement of design excellence will include achievement of higher building sustainability standards.	
	10. The Architects for design excellence schemes should be maintained through the development application process and can only be substituted with written agreement of Council.	
Floor Space Ratio (FSR)	11. Figure 3.1.3 shows the existing FSR controls under WLEP 2012.	As encouraged, the amalgamation of two sites results in a site area greater than 1800sqm. This helps achieve the following:
	12. Minimum site area of:a) 1800sqm for commercial development in the B3 Commercial Core zone	 A podium with setbacks to a slender tower form Enhancement of the public realm with the reimagination of Post Office Lane.
	b) 1200sqm for mixed use development in the B4 Mixed Use zone To achieve maximum FSR as indicated in Figure 3.1.4. Site amalgamation is encouraged to meet this minimum requirement. In addition sites should not be left isolated.	 Consolidation of vehicle access to minimise impact on pedestrians. Provision of parking and loading in the basement with adequate on-site manoeuvrability Maximisation of commercial floor space and street activation at ground level
	The objective of this Key Element is to enable a site to be redeveloped to achieve an optimum outcome as envisioned under the Strategy and detailed in the other Key Elements. In particular to enable:	 Maximisation of commercial noor space and street activation at ground level Opportunities for landscaping on podium rooftops and green walls. Proposal FSR's are as follows:
	 a) Provision of required setbacks to achieve slender towers and building separation whether on-site or with neighbouring sites. 	8:1 Commercial, Retail

	b) Provision of ground level public realm or areas accessible by public on private land.	12:1 Residential
	 c) Appropriate vehicle entry / exit point. d) Provision of parking and loading in basement with adequate on-site manoeuvrability. e) Maximising commercial floor space and street activation at ground level. f) Maximising landscaping and deep soil planting. 	Any affordable housing will be distributed throughout the development as required.
	13. The FSRs in Figure 3.1.4 (page 34), should be considered as maximums achievable in the centre subject to minimum site area and appropriate contributions, and are as follows:	
	 a) No maximum FSR for commercial development in the B3 zone b) A range of FSR maximums in the B4 zone, surrounding the B3 zone, reflecting context. c) Retention of 2.5:1 FSR along northern side of Victoria Avenue east. Floor space ratio maximums are not necessarily achievable on every site, and will depend on satisfactorily addressing: a) Site constraints b) Surrounding context c) Other aspects of this Strategy including setbacks at ground and upper levels d) SEPP 65 and associated Apartment Design Guidelines. 	
	14. Affordable housing is to be provided within the maximum floor space ratio, and throughout a development rather than in a cluster.	
	15. Where the maximum floor space ratio of 6:1 is achieved, the minimum commercial floor space ratio sought in development in a mixed use zone is 1:1.	
	The objective of this Key Element is to achieve a satisfactory level of commercial in the B4 mixed Use zone to deliver a reasonable amount of employment floor space, typically to within the podium levels of a development. This will be moderated depending on the overall FSR.	
Built Form	16. In order to achieve the slender tower forms sought by Council the maximum floor plate at each level of a development should be no more than:	Refer to Section 5 (Built Form) of the Response Report. Councils 28 October 2020 letter states:
	 a) 2000sqm GFA for office (to achieve this maximum a large site would be required) b) 700sqm GFA for residential towers above Podium within Mixed Use zones. 17. In pursuit of the same goal of slender tower forms, the width of each side of any tower should be minimised to satisfactorily address this objective. To the same end, design elements that contribute to building bulk are not supported, and should be minimised. Setbacks are considered an important part of achieving slender tower forms. 18. If there is more than one residential tower on a site, sufficient separation is to be provided. 	'If residential land use is proposed in a mixed-use approach to a site within the B3 Commercial Core zone, then requirements for mixed use development in the B4 Mix Use zone would apply.' Noting that Council's CBD strategy makes no reference to a mixed use approach on site within the B3 Commercial Core zone, it is logical that the built form controls spec for commercial buildings under Council's CBD Strategy within the B3 zone should apply to all buildings within this zone, and that the use of the building should not be a consideration in determining its slenderness. If Council's built form objectives for the zone are satisfied by taller towers and footprints of up to 2000sqm GFA, it is unclear to why Council would seek to apply B4 built form controls in the B3 zone on no other basis than the use of the building. The current proposal provides a more slender outcome than that which would be achieved if it was a wholly commercial building, and from the ground plane it will pre as a high quality CBD type commercial premises. It is also noted that the proposal is consistent in form and scale with the neighbouring Metro Towers to the west. The proposed typical residential floor plate will be limited to 870sqm of GFA
Sun Access to Key Public Spaces and Adjacent Conservation Areas	19. The sun access protection and heights in Figure 3.1.5 will be incorporated into LEP controls, to ensure no additional overshadowing and protection in mid winter of:	The proposal satisfies all requirements of the Draft Strategy
	 a) Victoria Avenue (between interchange and Archer St) 12pm-2pm b) Concourse Open Space 12pm-2pm c) Garden of Remembrance 12pm-2pm d) Tennis and croquet club 12pm-2pm 	

	e) Chatswood Oval 11am-2pm (which in turn also protects Chatswood Park)	
	In addition,	
	f) Heights adjoining the South Chatswood Conservation Area will provide for a minimum 3 hours solar access between 9am and 3pm mid winter.	
Building Heights	20. Maximum height of buildings in the CBD will be based on Figure 3.1.6, based on context and up to the airspace limits (Pans Ops plane), except as reduced further to meet:	The proposal is considered to satisfy the intent of all suggested building height requirements.
	a) Sun access protection.	The Proposal seeks a nominal increase in height to the Victoria Avenue frontage in to achieve an appropriate two-storey street wall for a high-quality commercial
	Achievement of nominated height maximums will depend on addressing site constraints, surrounding context and other aspects of this Strategy in addition to satisfying SEPP 65 and Apartment Design Guidelines.	development aimed at delivering a significant quantum of commercial floorspace in with Councils CBD Strategy.
	21. All structures located at roof top level, including lift over runs and any other architectural features are to be:	It is noted that the neighbouring streetscape has a range of parapet heights and pro a number of which exceed 7 metres in height including the existing retail building or subject site itself which is up to 11.3m in height on the boundary at the corner of Vio Street and Victoria Avenue
	a) Within the height maximums b) Integrated into the overall building form	It is also noted that the fall along Victoria Avenue significantly impacts the ability to achieve a two-storey podium without compromising either the ground floor or Level floorplate.
		The Tower height satisfies requirements for both the sun access protection plane a airspace limits as noted in the letter by Strategic Airspace in Annexure 12.
		Council's feedback in its letter of 28 October 2020 contradicts the Willoughby LEP, which states that roof features can exceed the maximum height of buildings. Given the above aeronautical advice and compliance with overshadowing requirements, the item is satisfactorily addressed and is therefore not intended to be amended.
Links and Open Space	22. The links and open space plan in Figure 3.1.7 will form part of the DCP. All proposals should have regard to the potential on adjacent sites. Pedestrian and cycling linkages will be sought in order to improve existing access within and through the CBD. New linkages may also be sought where these are considered to be of public benefit. All such links should be provided with public rights of access and designed with adequate width, sympathetic landscaping and passive surveillance.	The Proposal is consistent with the CBD Strategy and facilitates and enhances the existing connectivity between the Chatswood Interchange, Victor Street and Victoria Avenue by reinforcing and activating the street block edges with active uses. Alignowith Council's recommended future through-site links outlined in Figure 3.1.7 of Council's CBD Strategy are established, setting up the framework for broader pede permeability throughout the CBD.
	23. Any communal open space, with particular regard to roof top level on towers, should be designed to address issues of quality, safety and usability	Opportunities for accessible roof terraces are illustrated in Indicative Landscape Pla Annexure 13 . These will be designed to address issues of quality, safety and usab
Public Realm or Areas Accessible by Public on	24. Public realm or areas accessible by public on private land:	The proposal facilitates public access through the site with the reimagination of Pos Office Lane.
Private Land	 a) Is expected from all B3 and B4 redeveloped sites. b) Is to be designed to respond to context and nearby public domain. c) Should be visible from the street and easily accessible. d) Depending on context, is to be accompanied by public rights of way or similar to achieve 	
	a permanent public benefit.	
Landscaping	25. All roofs up to 30 metres from ground are to be green roofs. These are to provide a green contribution to the street and a balance of passive and active green spaces that maximise solar access.	In accordance with Council's CBD strategy, the plans satisfy the requirements of Ke Elements 25 and 26 as follows:
	26. A minimum of 20% of the site is to be provided as soft landscaping, which may be located on Ground, Podium and roof top levels or green walls of buildings	 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 opportur exists for podium greening to be visible from the street primarily on the Lev roof terrace.
		 The equivalent of 20% of the site area is available for soft landscaping inclugreen walls and landscaped roof terraces

		Indicative Landscape Plans are provided at <u>Annexure 13</u> showing proposed locations for the above. Detailed landscaping concepts would be further developed as part of the design excellence process.
Setbacks and Street Frontage Heights	27. Setbacks and street frontage heights are to be provided based on Figure 3.1.8, which reflect requirements for different parts of the Chatswood CBD. With setbacks of 3 metres or more, including the Pacific Highway, deep soil planting for street trees is to be provided.	The Proponent contends that street frontage heights and setbacks align with the intent of Councils objectives though some departures are proposed in order to facilitate a commercial component that is more optimal in terms of meeting the markets requirements.
	 a) Victoria Avenue retail frontage i. Maximum of 7 metre street wall height at front boundary ii. Minimum 6 metre setback above street wall to tower 	The tower is approximately 168 metres high with setbacks ranging from 0 to 12 metres from site boundaries
	 b) Urban Core i. Maximum 24 metre wall height at front boundary ii. Minimum 6 metre setback above street wall to tower 	Proposed building setbacks have been established with consideration given to the following
	28. All towers above podiums in the B3 Commercial core and B4 mixed Use zones are to be setback from all boundaries a minimum of 1:20 ratio of the setback to building height. This means if a building is:	 Setback controls within Councils CBD Strategy; The Apartment Design Guide; Existing context and the development potential of neighbouring properties; and Council's key objective of delivering high quality, viable commercial floor space.
	 a) A total height of 30m, a minimum setback from the side boundary of 1.5m is required for the entire tower on any side b) A total height of 60m, a minimum setback from the side boundary of 3m is required for 	Whilst it is acknowledged that not all numerical setback controls have been strictly adhered to it is suggested that this should be balanced against:
	 the entire tower on any side. c) A total height of 90m, a minimum setback from the side boundary of 4.5m is required for the entire tower on any side d) A total height of 120m, a minimum setback from the side boundary of 6m is required for the entire tower on any side. e) A total height of 150m, a minimum setback from the side boundary of 7.5m is required for the entire tower on any side f) A total height of 160m, a minimum setback from the side boundary of 8m is required for the entire tower on any side. The required setback will vary depending on height and is not based on setback averages but the full setback. 	 Market requirements for a viable commercial floor plate and a viable overall development project; The limited opportunities available in the Chatswood CBD for site amalgamation; The general intent of setback and building separation controls; and An assessment of site-specific characteristics (such as the undevelopable nature of neighbouring properties or relative importance of specific controls) that unlock opportunities for sites to deliver on Council's objectives for the CBD. Refer to Section 10 of the Response Report for further detail.
	29. Building separation to neighbouring buildings is to be:	
	a) In accordance with the Apartment Design Guide for residential usesb) A minimum of 6 metres from all boundaries for commercial uses above street wall height	
Active Street Frontages	30. At ground level, to achieve the vibrant CBD Council desires, buildings are to maximise street frontages. Particular emphasis is placed on the B3 Commercial core zone. Blank walls are to be minimised and located away from key street locations	By amalgamating two sites the opportunity exists to minimise the extent of 'non-active' uses such as vehicle entries and building services by consolidating them into one larger site. As such, the proposal delivers active street frontages for the majority of the site curtilage in a way that far exceeds that of the existing buildings on the sites.
		In addition, the proposal reinvigorates Post Office Lane with opportunities for fine grain retail that will create a vibrant environment in what is currently a nondescript rear lane.
Further Built Form Controls	31. Site isolation will be discouraged and where unavoidable joined basements and zero-setback podiums should be provided to encourage future efficient sharing of infrastructure.	The proposal comprises a zero-setback podium and basement. Basement Plans have been updated to indicate possible breakthrough locations to connect future neighbouring basements
	32. Controls will be applied to ensure the traditional lot pattern along Victoria Ave east (building widths of between 6-12m) is reflected into the future.	The traditional lot pattern along Victoria Avenue east can be carried through in the shopfront design of ground level retail tenancies and lobbies of the proposal fronting
	33. 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.	
	34. Substations are to be provided within buildings, not within streets, open spaces or setbacks and not facing key active street frontages.	Car Parking, loading, garbage rooms, plant and services are located within the basement and any plant is concealed at ground level behind active uses which form the street frontage. The updated Proposal has moved additional plant areas to the basement to maximise the extent of activated space at ground level

		The updated Proposal indicates the opportunity for shared servicing facilities for use by neighbouring properties as requested by Council.
Traffic and Transport	35. Site specific traffic and transport issues are to be addressed as follows:	Vehicle access is on Victor St at the southern extremity of the site. This minimises potential conflict between vehicles and pedestrians by locating the entry as far as
	 Vehicle entry points to a site are to be rationalised to minimise street impact, with one entry into and exiting a site. To achieve this objective loading docks, including garbage 	possible from Victoria Avenue.
	and residential removal trucks, are to be located within Basement areas. Where possible, cars and service vehicle access should be separated.	All loading and parking occurs in the basement which occupies the full extent of the site with all vehicles able to enter and exit the site in a forward direction.
	b) In order to facilitate rationalisation of vehicle entry points on neighbouring sites, all	with all verifices able to effect and exit the site in a forward direction.
	development sites are to provide an opportunity within basement levels to provide vehicle access to adjoining sites when they are developed.	The updated Proposal has been modified to ensure trucks can manoeuvre within the sit without the need for mechanical solutions.
	c) All vehicles are to enter and exit a site in a forward direction. Physical solutions, rather	
	than mechanical solutions are sought.	Refer to Section 14 of the Response Report and Annexure 6 for further detail.
	 All commercial and residential loading and unloading is required to occur on-site and not in public streets. 	
	 e) 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 Councils DCP. 	
	 f) Other strategies for car parking reduction include reciprocal arrangements for sharing parking and car share. 	