



Planning Proposal

20 Berry Street, North Sydney

Submitted to North Sydney Council
On Behalf of Holdmark Property Group

April 2021

REPORT REVISION HISTORY

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1. EXECUTIVE SUMMARY

This Planning Proposal (PP) is being submitted to North Sydney Council on behalf of the proponent, Holdmark Property Group.

This PP explains the intended effect of, and justification for, the proposed amendment to North Sydney Local Environmental Plan 2013 (NSLEP). The amendment is site specific for 20 Berry Street, North Sydney (the site). It has been prepared in accordance with Section 3.33 of the *Environmental Planning and Assessment Act, 1979* (EP&A Act) and the relevant Department of Planning Guidelines including “*A Guide to Preparing Local Environmental Plans*” and “*A Guide to Preparing Planning Proposals*”.

It sets out the justification for the proposed rezoning of the subject site at 20 Berry Street, North Sydney, to allow for a new commercial office building in the North Sydney CBD and near the new Victoria Cross Metro Station. To achieve the vision outlined in this report, the following amendments to the NSLEP are required.

- Rezone from B4 Mixed Use to B3 Commercial Core. It is accepted that this zone change is not ‘*required*’ to facilitate this PP however, it was requested by Council staff as a way to ensure and maintain employment GFA on the site into the future; and
- Include a new “*special area*” on the south-eastern corner of 20 Berry Street of no less than 200 sqm in area; and
- Amend the maximum building height control for the site from RL145 to a maximum RL172.

The proposed controls could allow for the site to be redeveloped, to accommodate 22,750 sqm of commercial floorspace (equating to approximately 704 jobs) in a 24 storey landmark development. The proposed building will include a high-quality design outcome (refer to Figure 1) in terms of built form, quality commercial office space, place-making and net solar amenity.

As outlined in this PP, the proposed building envelope will generate additional shadowing to the Berry Street (West) Special Area, however, to offset this impact, a new “special area” on the corner of Berry and Angelo Streets is proposed, with a minimum area of 200 sqm. This new “special area” will exceed the reduction of solar access to the existing “special area” on Berry Street caused by the proposed development. The proposal results in a net increase of 28,859 sun hours (per square metre).

The proposed development will have numerous economic benefits, during both the construction and operational phases, including the generation of 289 jobs during the construction phase and 1,335 jobs during the operational phase.

Table 1: Summary of Economic Benefits

	Construction Phase	Operational Phase
Output	\$110.5 million in output (\$68.1 million directly)	\$566.8 million additional in output (including \$332.6 million in direct activity)
Gross Regional Product (GRP)	\$46.5 million contribution to GRP (\$23.3 million direct contribution)	\$297.6 million additional in contribution to GRP (including \$168.2 million in direct activity)

Salaries	\$26.9 million in wages and salaries paid to local workers (\$15.7 million directly)	\$135.0 million additional in incomes and salaries paid to households (including \$76.4 million directly).
Full Time Equivalent (FTE) jobs	289 Full Time Equivalent (FTE) jobs (167 direct FTE)	1,335 additional FTE jobs (including 704 additional FTE jobs directly related to activity on the site).

The District Plan employment targets require approximately 340,000 sqm to 460,000 sqm GFA of additional floorspace. Since 2016, the North Sydney CBD has had office net floorspace additions of 130,000 sqm. There is approximately 160,000 sqm in the supply pipeline. Assuming 100% delivery of the supply pipeline this would bring the North Sydney CBD approximately only halfway to meeting its 2036 employment targets.

The proposed development is therefore capable of assisting Council in meeting its target by providing 22,750 sqm of commercial floorspace within the North Sydney CBD.

In summary, there is a sound planning basis and strategic merit to support the zoning of the site as promoted by this PP. We therefore request that Council forwards this PP to the Department of Planning, Industry and Environment for a Gateway determination to receive a Gateway Determination.



Figure 1: Photomontage of indicative built form (Source: Turner)

2. PRE-LODGEMENT MEETING

A pre-lodgement meeting was held with Council on 20 August 2020 (minutes provided at Appendix 7). Table 2, provide a summary response to some of the comments provided by Council.

Table 2: Summary response to pre-lodgement minutes

Council Comment	Response
Council advised that if the proposal is for a commercial building then the Planning Proposal for the site should propose a rezoning from B4 – Mixed Use to B3 – Commercial Core. This would avoid an approved building envelope being inappropriately repurposed for residential development in future.	The PP proposes to rezone the site from B4 Mixed Use to B3 Commercial Core, to ensure the site will be developed for commercial purposes. Refer to Section 10 for a summary of the proposed controls.
Council advised that while the State Government has imposed ambitious targets for employment growth in the North Sydney CBD (15,600–21,100 additional jobs by 2036), Council is currently on track to meet these targets. Therefore, the delivery of additional commercial floorspace through a Planning Proposal for this site is not considered necessary to meet Council’s employment targets.	<p>An Economic Impact Assessment has been prepared by Atlas Urban Economics and provided at Appendix 8. There is approximately 160,000sqm of commercial floorspace in the supply pipeline. Assuming 100% delivery of the supply pipeline and deducting 20% of pipeline supply for existing floorspace to be demolished, the pipeline supply could potentially accommodate 5,800 workers (based on approximately 1 worker per 27sqm).</p> <p>This would bring the North Sydney CBD about halfway to meeting its 2036 employment targets.</p> <p>The proposed development will therefore assist Council in meeting its employment targets by providing approximately 22,750 sqm of commercial floorspace, equating to 704 direct jobs or 1,335 direct/indirect jobs.</p> <p>Refer to the Economic Impact Assessment at Appendix 8 for further detail.</p>
Council staff highlighted the uncertainties surrounding the potential impacts of the Western Harbour Tunnel (WHT) road project on the North Sydney CBD, and Berry Street in particular.	The Environmental Impact Statement for the tunnel states: <i>“Increased traffic demands and delays for traffic in the North Sydney area would be minimised through the proposed changes to road access and network arrangements in North Sydney Central Business District (CBD), as well as the ongoing development of the North Sydney Integrated Transport Program by Transport for NSW. The broader network travel time</i>

	<p><i>and reliability benefits delivered by the project are expected to outweigh increases to localised delays. Key local adverse impacts on public and active transport would include the potential for travel times on bus routes through North Sydney to generally increase in the absence of further mitigation measures.</i></p> <p>The proposed tunnel will therefore improve traffic in the North Sydney CBD. There may be some local adverse impacts on public and transport, however this will be mitigated by the Transport for NSW's Integrated Transport Program and the construction of the new Victoria Cross metro station.</p>
<p>The creation of the proposed Special Area would provide an additional constraint to the development potential of the school which is already required to have regard to the existing Special Area.</p>	<p>As outlined in Section 11.3.2, a solar impact assessment has been undertaken on the new proposed special area. The assessment has taken into account the redevelopment of the Monte Sant' Angelo Mercy College. Should the school's existing building's be redeveloped to the permissible 16 metre height limit, it would not overshadow the new "special area" between 12-2pm between the March and September equinoxes.</p>
<p>Council staff raised concerns over the value of the proposed new Special Area when weighed against the value and potential of the existing Berry Street Special Area.</p>	<p>Refer to Section 11.3.2. The new "special area", which has an area of approximately 200 sqm, will receive 57,146 hours/year (across the "special area"). This represents an increase of 28,859 hours/year.</p>
<p>It should also be noted that the Vodafone building directly south of the subject site contains an indoor public plaza, part of which is included in the mapped Special Area. Though this space is enclosed, it does constitute a semi publicly accessible space during working hours, and as such overshadowing impacts to this space should be carefully considered.</p>	<p>Refer to Section 11.3.2 for a detailed analysis of the solar impact to the Vodafone building's indoor plaza (noting that this plaza has a solid roof). It should be noted that the indoor plaza is not within the mapped LEP "special area". The proposed development will however result in additional shadowing to part of the plaza for 4 months of the year. The remaining months, the plaza will not be impacted by the proposed building.</p>
<p>Council staff raised concerns regarding the proposed built form. In its attempt to minimise overshadowing and maximise commercial floorplates, the proposed building is overly contrived in form.</p>	<p>The concept plan proposes a modern built form which responds to its surrounding context, whilst minimising overshadowing to surrounding "special area". It should however be noted that this an indicative concept plan. Further refinement of the envelope will be undertaken a DA stage.</p>

3. BACKGROUND

3.1. Statutory Planning

North Sydney Local Environmental Plan 2013

The main Environmental Planning Instrument (EPI) applicable to the site is the North Sydney Local Environmental Plan 2013 (NSLEP).

In accordance with the NSLEP, the subject site is zoned B4 Mixed Use (refer to Figure 2) and is surrounded by SP2 Infrastructure to the east and B3 Commercial Core to the south.

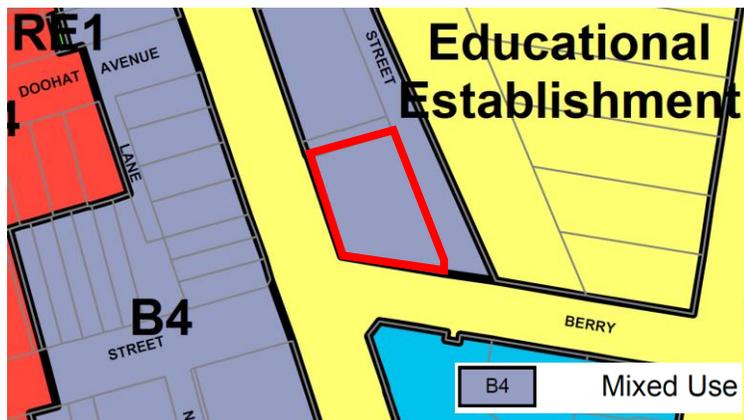


Figure 2: Existing Zoning Map, site highlighted with red boundary (Source: NSW Legislation)

The site is subject to a 145RL height limit (refer to Figure 3).

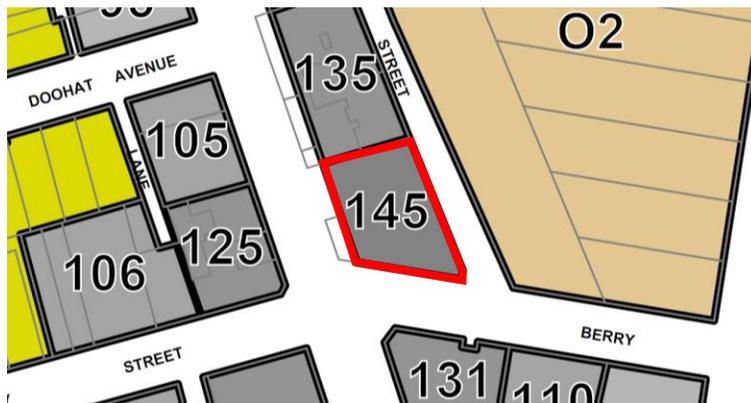


Figure 3: Existing Building Height, site highlighted with red boundary (Source: NSW Legislation)

The site is subject to a minimum non-residential FSR of 3:1 (refer to Figure 4).

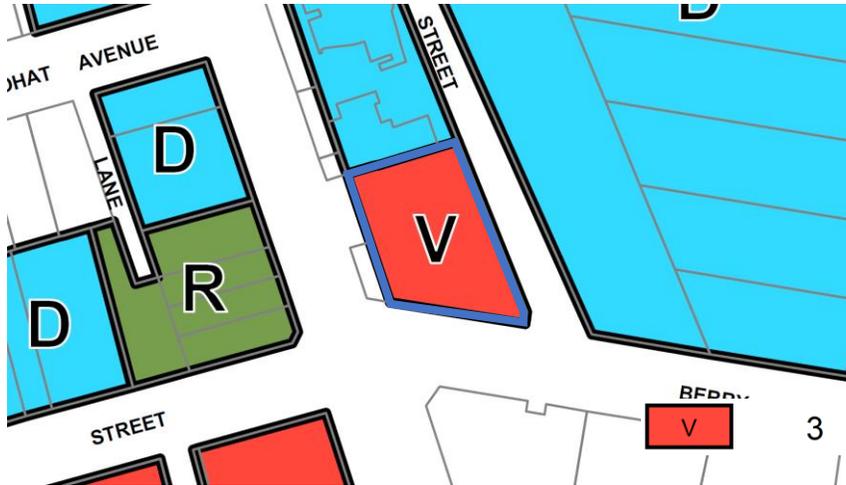


Figure 4: Existing Minimum non-residential FSR, site highlighted in blue (Source: NSW Legislation)

The site is opposite to the Berry Street (West) Special Area (refer to Figure 5). Future redevelopment on the site is restricted by Clause 6.3 which requires there to be no net increase in overshadowing between 12pm and 2pm from the March equinox to the September equinox (inclusive) on land that is identified as a "Special Area".



Figure 5: Existing "Special Areas", site highlighted in blue (Source: NSW Legislation)

4. THE SITE

4.1. Location and description

The proposal relates to the site at 20 Berry Street, North Sydney. The site has an area of approximately 1,420sqm and consists of one allotment, legally described as Lot 1 DP 550167 (refer to Figure 6).



Figure 6: Aerial Image of the site, site highlighted in yellow (Source: Six Maps)

The site currently comprises a fifteen-storey commercial office tower (refer to Figure 7). The site benefits from frontages to Berry Street to the south, the Pacific Highway to the west and Angelo Street to the east.

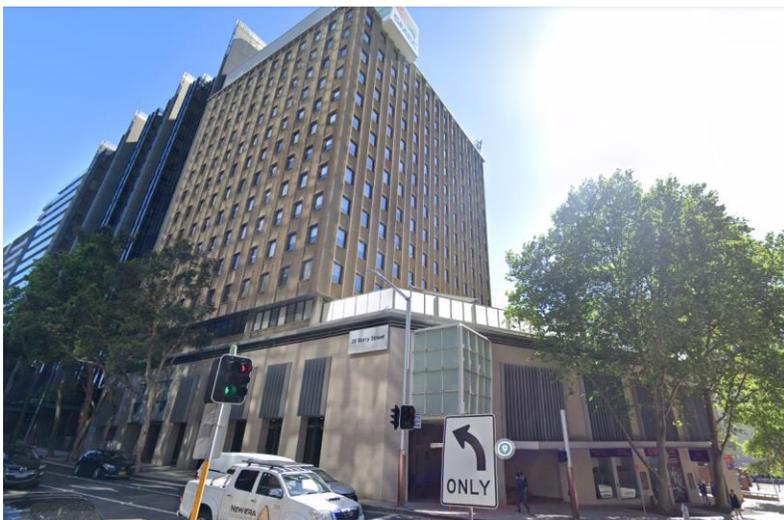


Figure 7: The site (Source: Google Images)

4.2. Adjacent and surrounding development

A summary of the site's context and surrounding development is summarised in Table 3.

Table 3: Adjacent and surrounding development

Direction	
To the north	<p>To the north of the site is a mixed-use precinct, predominately comprised of multi-storey shop-top housing developments (refer to Figure 8).</p>  <p><i>Figure 8: To the north of the site (Source: Google Images)</i></p>
To the south	<p>To the south of the site is the commercial core of the North Sydney CBD, predominately characterised by commercial office buildings and retail tenancies (refer to Figure 9).</p>  <p><i>Figure 9: To the south of the site (Source: Google Images)</i></p>

To the east

To the east of the site is the Monte Sant' Angelo Mercy College (refer to Figure 10). Further to the east, is the remaining commercial core of the North Sydney CBD, characterised by high rise commercial office buildings.



Figure 10: To the east of the site (Source: Google Images)

To the west

To the west of the site, the built form transitions from high-rise mixed-use development, to single storey detached housing, which forms part of the Edward Street Heritage Conservation Area (refer to Figure 11).



Figure 11: To the west of the site (Source: NSW Legislation)

5. SURROUNDING INFRASTRUCTURE

5.1. Sydney Metro City and Southwest

The Sydney Metro City and Southwest link will include six new stations across Sydney, including one located at Victoria Cross. The station is located beneath Miller Street (to the north of the Pacific Highway) between McLaren Street and south of Berry Street. The Victoria Cross Station will have a north and south entrance. The subject site is located in between both entrances (refer to Figure 12).

The new line, including the new Victoria Cross Station, is expected to open in 2024.

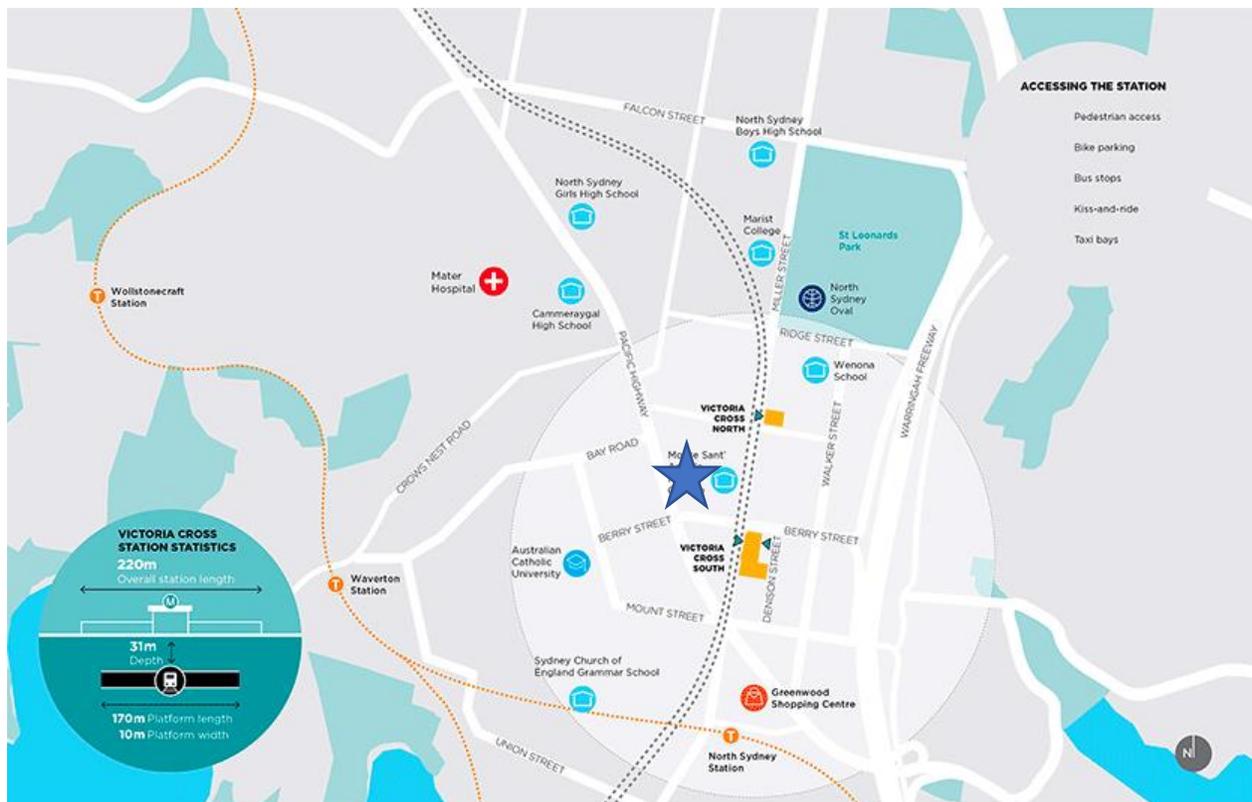


Figure 12: Victoria Cross Metro Station, site highlighted with star (Source: Department of Planning, Industry and Environment)

5.2. Western Harbour Tunnel and Beaches Links

The Western Harbour Tunnel and Beaches Link tunnel will connect to the Warringah Freeway, cross underneath Middle Harbour and connect with the Burnt Bridge Creek Deviation at Balgowlah. The Wakehurst Parkway will be upgraded to two lanes each way between Seaforth and Frenchs Forest.

The Western Harbour Tunnel will connect to WestConnex at the Rozelle Interchange, cross underneath Sydney Harbour and connect with the Warringah Freeway at North Sydney.



Figure 13: Western Harbour Tunnel and Beaches Link (Source: NSW Government)

As outlined below, there will be surface connections to the Warringah Freeway, Falcon Street and Berry Street (in close proximity to the site) in North Sydney (refer to Figure 14).

The tunnel was approved by the Department of Planning, Industry and Environment on 21 January 2021. It is expected that construction will commence in 2022 and the tunnel be open to the public by 2026.

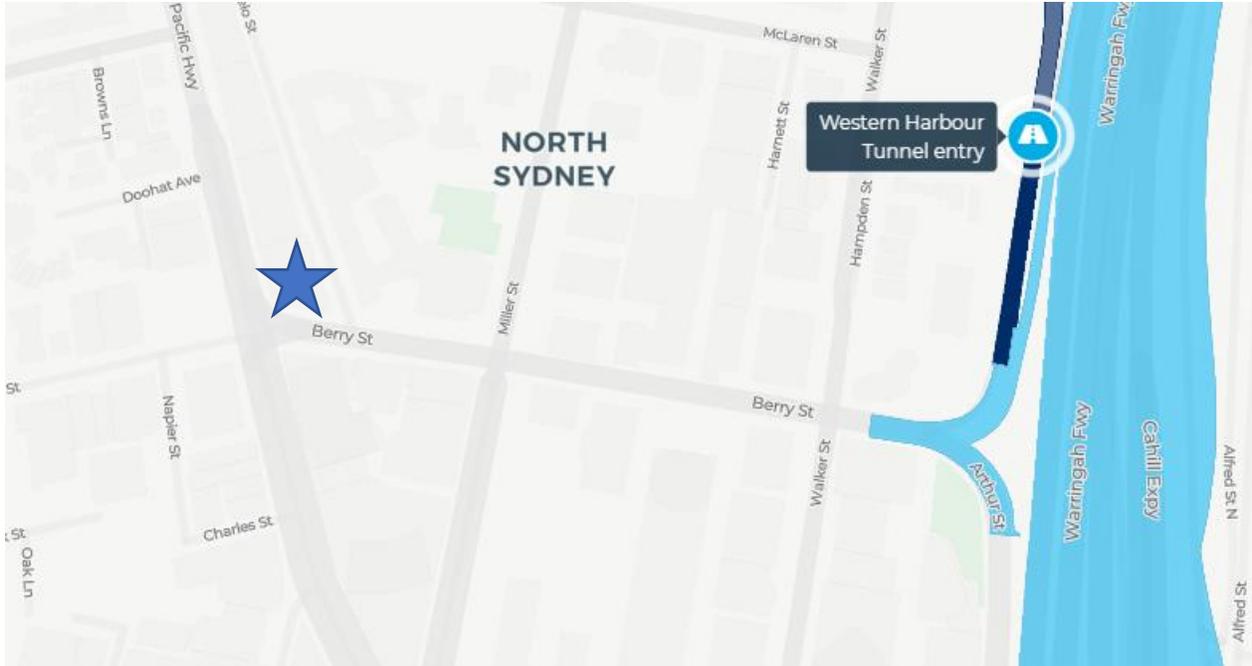


Figure 14: Berry Street connection, site highlighted with star (Source: Transport for NSW)

6. BERRY STREET (WEST) SPECIAL AREA

Future redevelopment on the site is restricted by Clause 6.3 which requires that there is no net increase in overshadowing between 12pm and 2pm from the March equinox to the September equinox (inclusive) on land that is identified as a "Special Area".

The Berry Street (West) Special Area is an established setback along the southern side of Berry Street between the Pacific Highway and Miller Street (refer to Figure 15). The "special area" provides limited activation at street level and is void of any street furniture or landscaping. The "special area" partially sits within the interior of the buildings at 51 and 53 Berry Street, refer Figure 16. At present, the "special area" provides a sub-optimal area of outdoor space within the North Sydney CBD. As confirmed by Council in 2016 below.

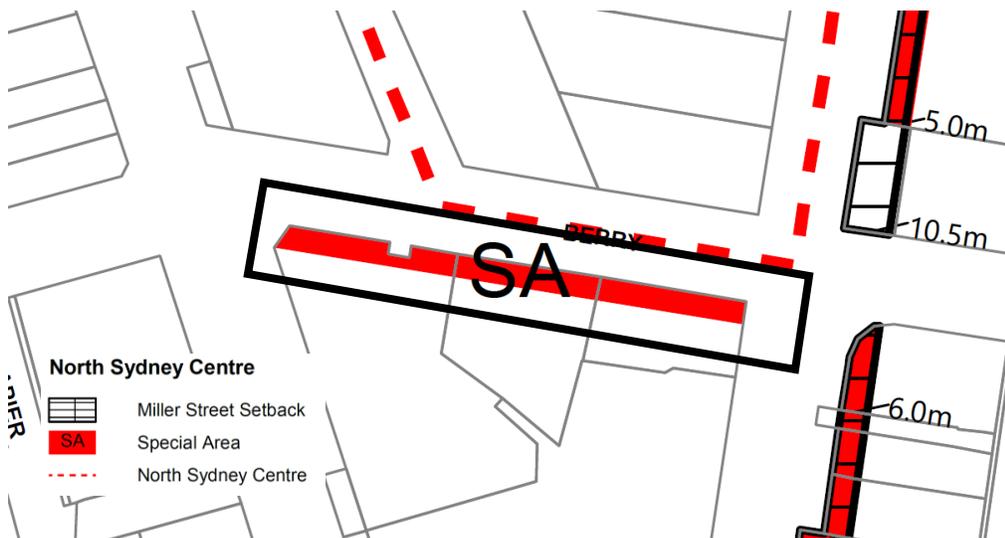


Figure 15: "Special Area" map, Berry Street (West) highlighted with black boundary (Source: NSW Legislation)



Figure 16: Street elevation showing extent of Berry Street (West) Special Area (Source: Turner)

An assessment of all “special area” was undertaken by Council in 2016 in the North Sydney Centre Special Areas Review 2016 (the Review). The Review highlighted the deficiency of this space for users:

Berry Street (West) is a highly active pedestrian thoroughfare between 12noon and 2pm, connecting the Education Precinct to the North Sydney Centre. It offers relatively limited public domain in the form of footpaths adjacent to a 3 lane road and a small paved plaza with café seating.

Whilst a highly active thoroughfare, it provides poor user experience. This is largely due to heavy vehicular traffic, poor building interface and lack of greenery and things to do.

An assessment of the “special area” was undertaken as part of the Review (refer Figure 17). The Review identified that the Special Area’s user experience was **poor**, its function, primary use and future potential use **average** and its frequency of use and solar access **good**. Despite this assessment, it was determined to retain the area due to the current and future use of Berry Street which Council considered heightens the importance of this space.

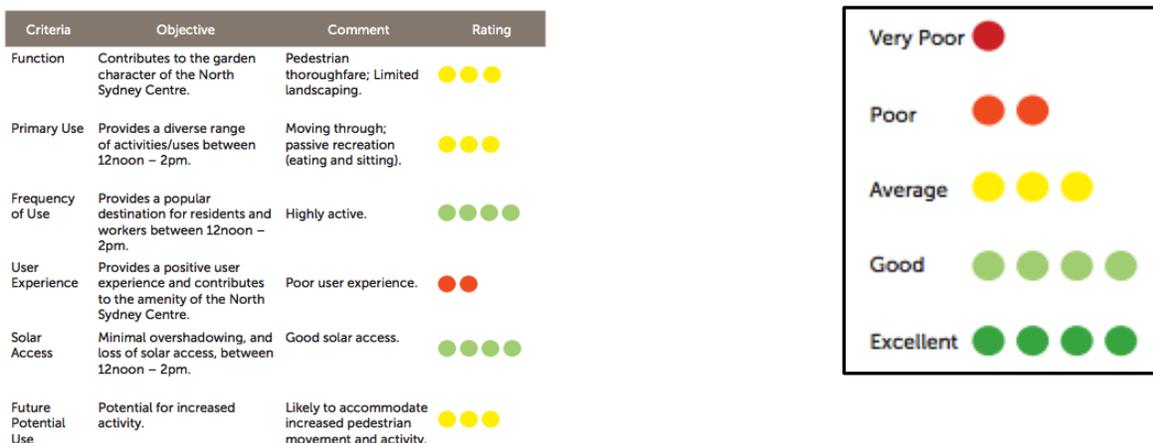


Figure 17: Assessment of Berry Street Special Area extracted from The Review (Source: North Sydney Council)

Due to the overshadowing restrictions in the LEP and the proximity of the Berry Street (West) Special Area, the site is not feasible for redevelopment within the current planning controls. A compliant built form is shown in Figure 18. This demonstrate a steeply tapering building envelope which is impractical in shape and will achieve marginal additional yield on the site than at present. While it is hard to accurately estimate the GFA and height of the ‘compliant envelope’ because of the high restrictive and inefficient form, it is estimated that the compliant envelope provides circa 13,260 sqm of GFA and a height of approximately RL 145. From a financial feasibility perspective, retention and refurbishment of the existing building is the only likely outcome of the site, as redevelopment under existing controls for commercial or mixed-use purposes are not viable options. Retention and refurbishment of the existing building will not however generate any additional jobs on the site. Refer to Section 11.3.3 for a comparison of the different redevelopment options.

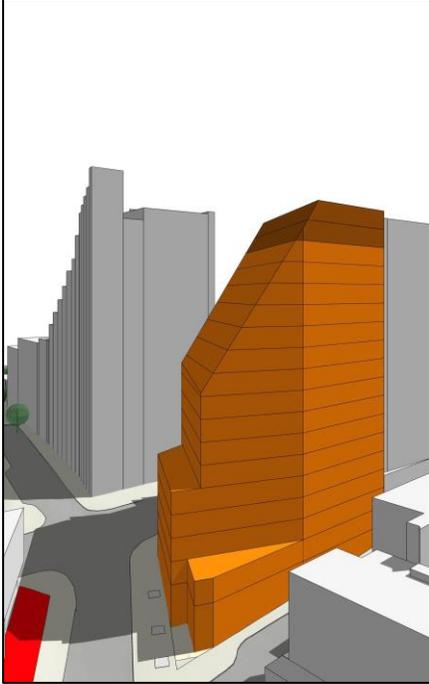


Figure 18: Compliant Envelope (Source: Turner)

7. NORTH SYDNEY CBD PUBLIC DOMAIN STRATEGY

In September 2020, Council endorsed the North Sydney CBD Public Domain Strategy. The Strategy recognises a need to provide amenity for the 20,000 additional workers that will work in North Sydney CBD by 2036. In particular, it notes that the new Victoria Cross Station (150m from the site) will be one of the main arrival points of these workers. The document identifies a need for more public space within the CBD.

The strategy outlines the following specific vision for Berry Street:

Berry St has strong potential to become a pleasant, green and sunlit boulevard with upgraded footpaths, awnings, outdoor dining, new squares and new architecture with the redevelopment of the Ward Street Precinct and the opening of the new Metro Station.

The Strategy also notes the following key public domain goals for Berry Street.

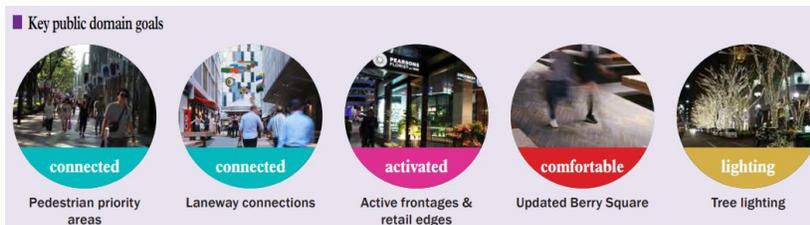


Figure 19: Key Public Domain Goals (Source: North Sydney CBD Public Domain Strategy)

The proposed new “special area” is consistent with the strategy as it will provide a new public domain area with good levels of solar. It will also enhance the amenity of the CBD, by providing new areas for workers/residents/visitors to utilise and opportunities for new street tree plantings and landscaping.

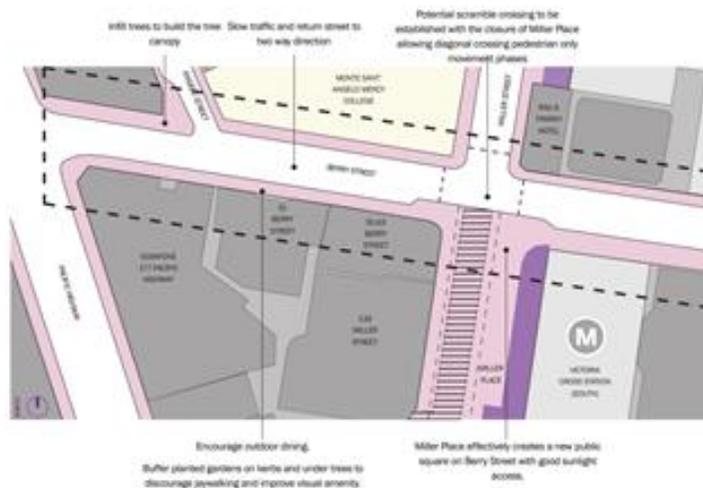


Figure 20: North Sydney CBD Public Domain Strategy (Source: North Sydney Council)

8. INDICATIVE DESIGN CONCEPT

The indicative development is a 24-storey (102 metres, RL 172) office tower (refer to Figure 21) that will replace the existing 14 storey office building on the site. It will provide for approximately 22,750 sqm of non-residential GFA in the North Sydney CBD.

The tower design is unique in its massing design with a stepped form that is widest at mid-height, and a podium with a saw-toothed façade. Pedestrian areas include the ground level perimeter, plaza proposed at the southeast corner, terrace on the podium and nearby sidewalks.

The envelope form of the proposal has been shaped to comply with the solar controls set out in NSLEP Clause 6.3 with the exception of “special area” opposite the site on the south side of Berry Street. The design minimises its impact to the Berry Street Special Area, however it does cause a net increase in shadowing approaching the equinoxes on the existing ‘Special Areas’



Figure 21: Indicative Built Form (Source: Turner)

The indicative scheme would sit at the northern edge of the tall building cluster of the North Sydney CBD and immediately to the south of two of the tallest towers - 177 Pacific Highway and 100 Miller Street. The scheme would also provide a transition between the taller towers to the south and the residential / mixed use towers to the north and west (refer to Figure 22).

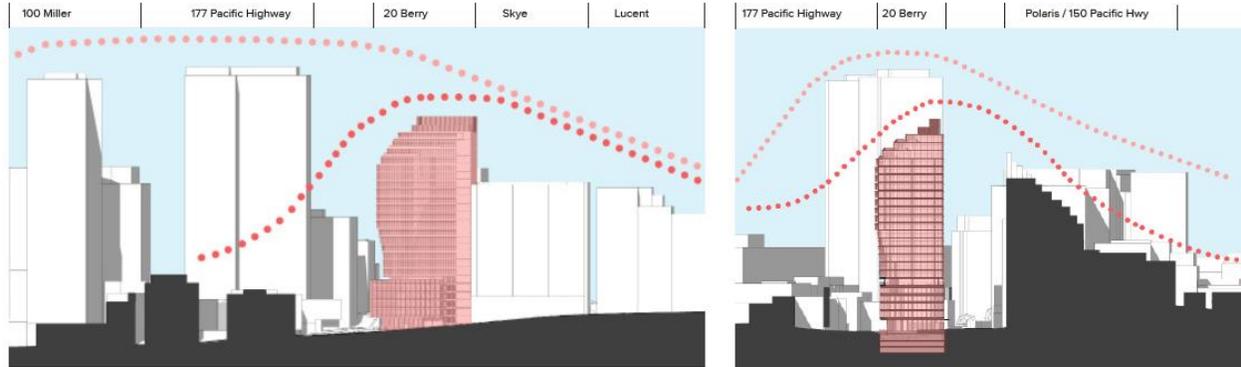


Figure 22: Built form transition (Source: Turner)

A key element of the PP is the creation of a new “special area” of approximately 200 sqm on the southeastern corner of the site (refer to Figure 23 and Figure 24). It is important to note that when this includes the surrounding footpaths, the greater plaza/area has an area of approximately 450sqm. This new “special area” provides usable, open space with good levels of solar access. Sun hour analysis included within this report demonstrates that the sun hours to the proposed new “special area” exceeds the reduction of sun hours to the existing “special area” on Berry Street. The proposal thus would result in a net increase of 28,859 sun hours / year (per square metre).



Figure 23: New “special area”, highlighted in red (Source: Turner)



AERIAL VIEW OF PLAZA



VIEW OF PLAZA FROM SOUTH

Figure 24: Artist image of proposed plaza area (Source: Turner)

9. OBJECTIVES OR INTENDED OUTCOMES

The objective of this PP is to amend the North Sydney Local Environmental Plan 2013 to:

- Provide additional opportunities for commercial floorspace and employment growth within the North Sydney CBD.
- Facilitate the redevelopment of the site and provide a landmark office tower building on this prominent street corner within the North Sydney CBD.
- Increase the height on the site, whilst minimising its impact to the Berry Street (West) Special Area.
- Provide a new “special area” with good levels of solar access on the south-eastern corner of the site, which could be used for open space purposes and to increase the solar access to the Special Areas’ in the precinct

The intended outcomes of the PP are to:

- Allow for the site to be redeveloped and provide a 24-storey tower (102 metres in height) with an approximate GFA of 22,750 sqm and approximately 704 jobs.
- Minimise shadowing to existing “special areas”, while providing a new “special area” with an area of approximately 200 sqm. The new “special area” provides useable open space with good levels of solar access. The sun hours to the new “special area” exceeds the reduction of sun hours to the existing “special area” on Berry Street caused by the proposed development. This results in a net increase in solar access.

10. EXPLANATION OF THE PROVISIONS

To facilitate this PP, it is proposed to amend the NSLEP as follows:

- Rezone from B4 Mixed Use to B3 Commercial Core (as requested by Council staff to ensure employment GFA is maintained for the future);
- Include a new “special area” on the south-eastern corner of 20 Berry Street of no less than 200 sqm in area; and
- Amend the maximum building height control for the site from RL145 to a maximum RL172.

Clause 6.3 of the LEP provides additional provisions to ensure development minimises shadowing to surrounding residential development, open space and “special areas”. Given its importance to the subject site, a summary of compliance has been provided in Table 4 below.

Table 4: Compliance with Clause 6.3

6.3 Building heights and massing	Compliance
<p>(2) Development consent must not be granted for the erection of a building on land to which this Division applies if—</p> <p>(a) the development would result in a net increase in overshadowing between 12 pm and 2 pm from the March equinox to the September equinox (inclusive) on land to which this Division applies that is within Zone RE1 Public Recreation or that is identified as “Special Area” on the North Sydney Centre Map, or</p> <p>(b) the development would result in a net increase in overshadowing between 10 am and 2 pm from the March equinox to the September equinox (inclusive) of the Don Bank Museum, or</p> <p>(c) the site area of the development is less than 1,000 square metres and any building resulting from the development would have a building height greater than 45 metres.</p>	<p>(a) The proposed development will result in minimal additional overshadowing to the Berry Street (West) Special Area during the March and September equinoxes. However, the creation of a new mapped “special area” will allow for additional solar access and result in the proposal not offending clause 6.3.</p> <p>(b) The proposed development does not generate any additional shadowing to the Don Bank Special Area.</p> <p>(c) The subject site has an area of 1,391 sqm, which exceeds the minimum area requirement.</p>
<p>(3) The consent authority may grant development consent to development on land in the North Sydney Centre that would exceed the maximum height of buildings shown for the land on the Height of Buildings Map if the consent authority is satisfied that any increase in overshadowing between 9 am and 3 pm from the March equinox to the September equinox (inclusive) will not result in any private open space, or window to a habitable room, located outside the North Sydney Centre receiving—</p> <p>(a) if it received 2 hours or more of direct sunlight immediately before the commencement of North Sydney Local Environmental Plan 2013 (Amendment No 23)—less than 2 hours of direct sunlight, or</p>	<p>The proposed development does not result in additional overshadowing between 9 am and 3 pm from the March equinox to the September equinox (inclusive) to any private open space, or window to a habitable room, located outside the North Sydney Centre.</p> <p>Accordingly, the development proposal would not offend this clause. However, for abundant caution, this PP, proposes to amend the maximum building height to RL 172 at the request of Council.</p>

<p>(b) if it received less than 2 hours of direct sunlight immediately before the commencement of North Sydney Local Environmental Plan 2013 (Amendment No 23)—less direct sunlight than it did immediately before that commencement.</p>	
<p>(4) Brett Whiteley Plaza Development consent may be granted to development on land at 105–153 Miller Street, North Sydney, known as the MLC Building, that would result in a net increase in overshadowing of the land known as Brett Whiteley Plaza that is within Zone RE1 Public Recreation from the March equinox to the September equinox (inclusive).</p>	<p>Not applicable.</p>
<p>(5) In determining whether to grant development consent for development on land to which this Division applies, the consent authority must consider the following—</p> <ul style="list-style-type: none"> (a) the likely impact of the proposed development on the scale, form and massing of the locality, the natural environment and neighbouring development and, in particular, the lower scale development adjoining the North Sydney Centre, (b) whether the proposed development preserves significant view lines and vistas, (c) whether the proposed development enhances the streetscape in relation to scale, materials and external treatments. 	<ul style="list-style-type: none"> (a) The site is located at a point of transition in scale. To the south and east are tall buildings of the CBD. To north are new multi-storey shop top housing developments. To the west beyond the Pacific Highway the scale changes to 2/3 storey apartment blocks and 1/2 detached and semi-detached houses. The proposed development therefore provides an adequate transition to the built form. (b) Given the site is surrounding by tall buildings to the south and east (the direction of Sydney Harbour and the Sydney CBD) and given the envelope of site's existing building, the proposed development will unlikely impact any significant view lines and vistas. Additional detail and information could be provided at DA stage to demonstrate compliance with this clause. (c) The proposed development has the potential to enhance the streetscape by providing an urban renewal opportunity in the centre of the North Sydney CBD. The redevelopment will include high quality finishes and materials, whilst also including a new "special area".

11. JUSTIFICATION

11.1. Need for the Planning Proposal

11.1.1. Is the planning proposal a result of an endorsed local strategic planning statement, strategic study or report?

The North Sydney Local Strategic Planning Statement (LSPS) sets out Council's land use vision, planning principles, priorities, and actions for the next 20 years. It outlines the desired future direction for housing, employment, transport, recreation, environment and infrastructure for LGA.

The LSPS guides the content of Council's Local Environmental Plan (LEP) and supports Council's consideration and determination of any proposed changes to the development standards under the LEP.

Table 5 outlines consistency with the mains priorities of the LSPS.

Table 5: Consistency with LSPS

Priority/Direction/Action	Response
Collaborate with State government Agencies and the community to deliver new housing, jobs, infrastructure and great places.	The PP will facilitate the redevelopment of the site and provide 22,750 sqm of commercial floorspace, which is an increase when compared to the site's existing building within 100m of the new Victoria Cross Metro Station and 500m of North Sydney Station. It responds to the desire to have transport led growth within walking distance of public transport
Create great places that recognise and preserve North Sydney's distinct local character and heritage.	The PP will deliver an important public domain outcome with the creation of an additional "special area" within the North Sydney CBD. This area will offer a unique space for workers, residents and visitors to the CBD.
Grow a stronger, more globally competitive North Sydney CBD.	The PP will facilitate the redevelopment of the site and provide opportunities for additional commercial office and employment growth. The PP will assist in meeting the employment target of 15,600 - 21,000 additional jobs for the North Sydney CBD by 2036, by providing approximately 704 jobs as a direct result of the PP. The PP will also improve user and public domain amenity within the CBD to support an attractive, vibrant and globally competitive North Sydney CBD.
Develop a smart, innovative and prosperous North Sydney economy.	The site currently comprises an ageing commercial office building. Redevelopment of the site will unlikely occur under existing controls, as the built form will result in an unfeasible building envelope with inefficient floorplates. The proposed controls will enable and encourage redevelopment, by provide a landmark commercial tower for the North Sydney CBD.

11.1.2. Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

This PP is the best means of achieving the desired outcomes for the site. The form and scale of redevelopment cannot occur without a PP to alter the LEP controls. Specifically, at the request of Council, this PP has addressed the following:

Table 6: Alternative Options

<p>Why a development application could not be supported without the benefit of a PP?</p>	<p>The proposed development will result in minimal but some additional overshadowing to the Berry Street (West) Special Area during the March and September equinoxes, which would result in a non-compliance with Clause 6.3(2)(a) of Council's LEP. This clause is not a development standard that can be varied by Cl4.6, and so a PP is required to address this issues whilst achieving the objectives of cl6.3</p> <p>Accordingly, the purpose of the PP is to create a new mapped "special area" which will allow for an overall increase to solar access in the Berry Street (west) Special Area. As a result, the proposed development will not result in a net increase to overshadowing to surrounding "special areas" and therefore it will not offend clause 6.3.</p> <p>A PP is therefore required to amend Council's LEP map to create a new "special area".</p>
<p>Why the zoning should be changed in comparison to retaining the B4 zoning?</p>	<p>The PP proposes changing the zone from B4 Mixed Use to B3 Commercial Core at the request of Council and as stated in Council's meeting minutes from the pre-lodgement meeting dated 20 August 2020 (refer to Table 2). Given all strategic plans and policies highlight the importance of encouraging employment generating development, Council requested this change to ensure any uplift generated from this PP will be dedicated to employment GFA.</p> <p>A PP is therefore required to change the zone. Alternatively, the proponent is willing to retain the B4 Mixed Use zone, given it provides flexibility and allows a variety of additional uses.</p>
<p>Why the height limit should or should not be changed?</p>	<p>Clause 6.3 (3) of Council's LEP allows the consent authority to "grant development consent to development on land in the North Sydney Centre that would exceed the maximum height of buildings shown for the land on the Height of Buildings Map if the consent authority is satisfied that any increase in overshadowing between 9 am and 3 pm from the March equinox to the September equinox (inclusive) will not result in any private open space, or window to a habitable room, located outside the North Sydney Centre receiving....."</p> <p>The proposed development does not result in additional overshadowing between 9 am and 3 pm from the March equinox to the September equinox (inclusive) to any private open space, or window to a habitable room, located outside the North Sydney Centre.</p>

	Accordingly, the proposal would not offend this clause. However, despite the wording of this clause and in accordance with comments from Council, for abundant caution, this PP proposes to increase the height to RL 172.
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11.2. Relationship to Strategic Planning Framework

11.2.1. Will the planning proposal give effect to the objectives and actions of the applicable regional, or district plan or strategy (including any exhibited draft plans or strategies)?

The table below demonstrates consistency with the Greater Sydney Region Plan – A Metropolis of Three Cities.

Table 7: Response to Greater Sydney Region Plan

Objectives	Response
Objective 4 Infrastructure use is optimised	The proposed development can provide an increased quantum of commercial floorspace within walking distance to both the existing North Sydney train station and approximately 100m away from the new Victoria Cross Metro Station. The proposed development will maximise the usage of this infrastructure.
Objective 6 Services and infrastructure meet communities' changing needs	There are sufficient services in the vicinity of the site to accommodate the redevelopment. This will be enhanced with the construction of the new Victoria Cross Metro Station and the Western Harbour Tunnel. Additionally, the proposed development includes a new "special area" which could be used by visitors, workers and residents of North Sydney.
Objective 7 Communities are healthy, resilient and socially connected	The PP proposes to provide a new 200 sqm "special area", with increased levels of solar access, which could be used for open space purposes, which could be used by visitors, workers and residents of North Sydney.
Objective 14 A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities	The proposed development can provide approximately 704 direct jobs within walking distance to major public transport and existing residential development, which will assist in creating a 30-minute walking city.
Objective 15 The Eastern, GPOP and Western Economic Corridors are better connected and more competitive	Council's LSPS identifies the value and significance of the North Sydney CBD to the Eastern Economic Corridor and to North Sydney's ability to provide for employment. It also identifies the challenges that the CBD has faced, which includes the encroachment of residential development on commercial uses. The PP will promote urban renewal by encouraging redevelopment of a key site in the North Sydney CBD, for employment purposes, which is in close proximity to existing, new and proposed infrastructure. The proposed development will create approximately 704 jobs.
Objective 18 Harbour CBD is stronger and more competitive	
Objective 30 Urban tree canopy cover is increased	The proposed development will provide a new "special area". The area will include new landscaping such as mature trees, which will assist in increasing urban tree canopy cover within the North Sydney CBD.

Objective 31 Public open space is accessible, protected and enhanced	The proposed development includes a new “ <i>special area</i> ”, which will include increased levels of amenity (which could include new landscaping, street furniture and mature trees) when compared to surrounding “special areas”. The new “special area” could be used by residents, visitors and workers of the CBD, in addition to workers and students of the adjacent Monte Sant’ Angelo Mercy College.
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The North District Plan is applicable to the site and has been prepared to give effect to the Greater Sydney Region Plan. Consistency with the plan's planning priorities, objectives and actions is demonstrated in the table below.

Table 8: Consistency with Regional and District Plans

Planning Priority	Greater Sydney Regional Plan Objective	Action	Comment	Consistent
Planning Priority N1 Planning for a city supported by infrastructure	Objective 2 Infrastructure aligns with forecast growth – growth infrastructure compact. Objective 4 Infrastructure use is optimised.	3. Align forecast growth with infrastructure. 4. Sequence infrastructure provision using a place-based approach 6. Maximise the utility of existing infrastructure assets and consider strategies to influence behaviour changes, to reduce the demand for new infrastructure, including supporting the development of adaptive and flexible regulations to allow decentralised utilities.	The proposed development will promote urban renewal and the use of alternative modes of transportation, including walking, cycling and the use of the Sydney Metro which is currently under construction within 100m from the site and the future Western Harbour Tunnel and Beaches Link which is currently being planned.	Yes
Planning Priority N3 Providing services and social infrastructure to meet people’s changing needs	Objective 6 Services and infrastructure meet communities’ changing needs.	8. Deliver social infrastructure that reflects the needs of the community now and in the future.	The PP proposes to provide a new 200 sqm “special area”, which would be used for open space purposes, which could be used by visitors, workers and residents of North Sydney. The new “special area” provides for additional solar access to the special areas of the precinct than those anticipated by Councils current controls	Yes
Planning Priority N4 Fostering healthy, creative, culturally rich and socially connected communities	Objective 7 Communities are healthy, resilient and socially connected Objective 8 Greater Sydney’s communities are culturally rich with diverse neighbourhoods. Objective 9 Greater Sydney celebrates the arts and supports creative industries and innovation.	10. Deliver healthy, safe, and inclusive places for people of all ages and abilities that support active, resilient and socially connected communities by: a. providing walkable places at a human scale with active street life b. prioritising opportunities for people to walk, cycle and use public transport c. co-locating schools, health, aged care, sporting and cultural facilities. d. promoting local		Yes

		access to healthy fresh food and supporting local fresh food production.		
Planning Priority N6 Creating and renewing great places and local centres, and respecting the District's heritage	Objective 12 Great places that bring people together. Objective 13 Environmental heritage is identified, conserved and enhanced.	1. Using a place-based and collaborative approach throughout planning, design, development and management deliver great places by: a. prioritising a people-friendly public realm and open spaces as a central organising design principle b. recognising and balancing the dual function of streets as places for people and movement c. providing fine grain urban form, diverse land use mix, high amenity and walkability, in and within a 10-minute walk of centres d. integrating social infrastructure to support social connections and provide a community hub e. recognising and celebrating the character of the place and its people	The proposed new "special area" will improve the amenity of the North Sydney CBD. It will provide much needed useable open space, whilst promoting walkability and increased amenity.	Yes
Planning Priority N7 Growing a stronger and more competitive Harbour CBD	Objective 18 Harbour CBD is stronger and more competitive	24. Grow economic development in the North Sydney CBD to: a. maximise the land use opportunities provided by the new station b. grow jobs in the centre and maintain a commercial core c. strengthen North Sydney's reputation as an education centre, to grow jobs and add diversity d. expand after hours' activities e. encourage growth in business tourism as a conference location that takes advantage of North Sydney's identity as a business	The PP will promote urban renewal by encouraging redevelopment of a key site in the North Sydney CBD, for employment purposes, which is in close proximity to existing, new and proposed infrastructure. The proposed development will also create additional jobs (approximately 740 jobs) in close proximity to existing and proposed new infrastructure.	Yes

		<p>hub, its location, access and views</p> <p>f. provide a variety of high quality civic and public spaces befitting a globally-oriented CBD, which can be utilised for a range of cultural and entertainment activities</p> <p>g. improve amenity by reducing the impact of vehicle movements on pedestrians</p> <p>h. create capacity to achieve job targets by reviewing the current planning controls.</p>		
<p>Planning Priority C8 Eastern Economic Corridor is better connected and more competitive</p>	<p>Objective 15 The Eastern, GOP and Western Economic Corridors are better connected and more competitive.</p>	<p>29. Prioritise public transport investment to deliver the 30-minute city objective for strategic centres along the GOP Economic Corridor.</p>	<p>The site is located within walking distance to existing, new and proposed public transport and road infrastructure. Providing additional employment in this location will assist in creating a 30-minute city.</p>	<p>Yes</p>
<p>Planning Priority C10 Growing investment, business opportunities and jobs in strategic centres</p>	<p>Objective 22 Investment and business activity in centres</p>	<p>36. Provide access to jobs, goods and services by:</p> <p>a. attracting significant investment and business activity in strategic centres providing jobs growth</p> <p>b. diversifying the range of activities in all centres</p> <p>c. creating vibrant, safe places and quality public realm</p> <p>d. focusing on a human-scale public realm and locally accessible open space</p> <p>e. balancing the efficient movement of people and goods with supporting the liveability of places on the road network</p> <p>f. improving the walkability within and to the centre</p> <p>g. completing and improving a safe and connected cycling network to and within the centre.</p> <p>h. improving public transport services to all</p>	<p>The redevelopment of the site will provide additional gross floor area for employment purposes such as commercial office space and retail tenancies.</p>	<p>Yes</p>

		<p>strategic centres i. conserving and interpreting heritage significance j. designing parking that can be adapted to future uses k. providing for a diverse and vibrant night-time economy in a way that responds to potential negative impacts l. creating the conditions for residential development within strategic centres and within walking distance (up to 10 mins), but not as the expense of the attraction and growth of jobs, retailing and services; where appropriate, strategic centres should define commercial cores informed by an assessment of their need.</p>		
<p>Planning Priority N12 Delivering integrated land use and transport planning and a 30-minute city</p>	<p>Objective 14 A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities.</p>	<p>53. Plan for urban development, new centres, better places and employment uses that are integrated with, and optimise opportunities of, the public values and use of Sydney Metro City & Southwest, as well as other city-shaping projects.</p>	<p>The proposed development would maximise the usage of major transport investment, given its close proximity to both the new Sydney Metro Line and Western Harbour Tunnel and Beaches Link.</p>	
<p>Planning Priority N20 Delivering high quality open space</p>	<p>Objective 31 Public open space is accessible, protected and enhanced.</p>	<p>73. Maximise the use of existing open space and protect, enhance and expand public open space by: a. providing opportunities to expand a network of diverse, accessible, high quality open spaces that respond to the needs and values of communities as populations grow b. investigating opportunities to provide new open space so that all residential areas are within 400</p>	<p>The PP provides an opportunity to expand and enhance the open space network in the North Sydney CBD, by providing a new “special area”, with an area of approximately 200 sqm.</p>	

		<p>metres of open space and all high density residential areas (over 60 dwellings per hectare) are within 200 metres of open space c. requiring large urban renewal initiatives to demonstrate how the quantity of, or access to, high quality and diverse local open space is maintained or improved d. planning new neighbourhoods with a sufficient quantity and quality of new open space e. delivering shared and co-located sports and recreational facilities including shared school grounds and repurposed golf courses f. delivering, or complementing the Greater Sydney Green Grid g. providing walking and cycling links for transport as well as leisure and recreational trips.</p>		
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DPIE have prepared assessment criteria for assessing PPs, justify and determine if the PP has strategic planning merit.

In this respect, as outlined in the below summary table, there can be no doubt that this site, due to its position in Metropolitan Sydney and its proximity to significant proposed new infrastructure, has strategic merit and is consistent with the objectives and directions of the Greater Sydney Region Plan.

Table 9: Merit Test

Consideration	Response
a) Does the proposal have strategic merit? Will it:	
give effect to the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or	As outlined in Table 8, the proposal is consistent with both "A Metropolis of Three Cities" and the North City District Plan.
give effect to a relevant local strategic planning statement or strategy that has been endorsed by the Department or required as part of a regional or district plan or local strategic planning statement; or	As outlined in Table 5, the proposal is consistent with the Council's LSPS.
responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing strategic plans.	The proposed development directly responds to the NSW government's infrastructure investment, given the site is in the vicinity of new stations which form part of the new Sydney Metro line (under construction) and the Western Sydney Harbour Tunnel.
b) Does the proposal have site-specific merit, having regard to the following?	
the natural environment (including known significant environmental values, resources or hazards) and	As outlined in Section 11.3, the proposed development will have minimal impact to the natural environment.
the existing uses, approved uses, and likely future uses of land in the vicinity of the proposal and	The PP has been carefully developed to ensure it does not impact the redevelopment of any surrounding sites. To the east of the site is the Monte Sant' Angelo Mercy College, which is a heritage site. Given the site is a heritage item, it has limited redevelopment potential. The permissible height limit on the site is 16 metres. The shadow analysis at Section 11.3.2, demonstrates that should the school be redeveloped to a 16 metre height limit, it will not overshadow the new "special area" between 12-2pm during between the March and September Equinoxes. The new "special area"

	will therefore not restrict the redevelopment of the school.
the services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.	As outlined in Section 11.3, the surrounding road and traffic infrastructure can accommodate the proposed development. It is likely that the surrounding utility infrastructure can also accommodate the proposal, with further information to be provided at Development Application stage, should the proposal proceed.

11.2.2. Will the planning proposal give effect to a council’s endorsed local strategic planning statement, or another endorsed local strategy or strategic plan?

Yes, the PP will give effect to Council's endorsed LSPS (refer to Table 5).

11.2.3. Is the planning proposal consistent with applicable state environmental planning policies?

Table 10: Consistency with applicable State Environmental Policies (SEPPs).

SEPP Title	Consistency	Comment
State Environmental Planning Policy No 55— Remediation of Land	Yes	Refer to Section 11.3.2.
State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004	N/A	Not Applicable – this SEPP will no longer be applicable given the proposed change of zone from B4 to B3.
State Environmental Planning Policy (Infrastructure) 2007	N/A	Not Applicable – given the site’s location, in close proximity to road and transportation infrastructure, any future Development Application will likely need to be referred to Transport for NSW for comment.
Sydney Regional Environmental Plan (Sydney Harbour Catchment) 2005	Yes	The site is within the Sydney Harbour Catchment, however given the site’s location, it will unlikely have any adverse impacts to Sydney Harbour.

11.2.4. Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 directions)?

It is considered that the PP is consistent with the relevant Directions issued under Section 9.1 of the Act by the Minister to Councils, as demonstrated in the assessment of the following:

Table 11: Consistency with S117 Ministerial Directions.

Direction Title	Consistency	Comment
1.1 Business and Industrial Zones	Yes	<p>The PP is accompanied by an Economic Impact Assessment prepared by Atlas Urban Economics and provided at Appendix 8. The assessment considers the following redevelopment scenarios:</p> <ul style="list-style-type: none"> • Existing building – 9,902 sqm • Development of new commercial building – 13,260 sqm • Development of new mixed use residential building – 9,300 sqm • Proposed development – 22,750 sqm <p>Both development options that are compliant with existing planning controls are not feasible. This is because their respective values are lower than the existing use. The proposed development option results in a site value that is greater than the existing use, thereby making it a commercially viable development option. An amendment to the site's current controls is therefore required, to act as a catalyst to trigger the site's redevelopment.</p> <p>The PP is directly consistent with this direction, as it allows for greater commercial floorspace be provided within the North Sydney CBD. The PP proposes to also rezone the site from B4 Mixed Use to B3 Commercial Core, to ensure the uplift generated from this PP is dedicated for non-residential purposes.</p>
2.3 Heritage Conservation	N/A	Not applicable. Refer to Section 11.3.2 for a summary of the surrounding heritage items in the vicinity of the site.
2.6 Remediation of Contaminated Land	Yes	Refer to Section 11.3.2.
3.1 Residential zones	Yes	<p>The objectives of this direction are provided below.</p> <ul style="list-style-type: none"> (a) To encourage a variety and choice of housing types to provide for existing and future housing needs (b) To make efficient use of existing infrastructure and service and ensure that new housing has appropriate access to infrastructure and services; and

Direction Title	Consistency	Comment
		<p>(c) To minimise the impact of residential development on the environment and resource lands.</p> <p>The ministerial direction allows a PP to be inconsistent if the development is consistent with the direction's objectives or if it is consistent with any Regional or District Plan.</p> <p>The PP proposes to rezone the site from B4 Mixed Use, which permits residential development, to B3 Commercial Core. This amendment is proposed at the request of Council, to ensure the uplift generated from the PP is dedicated to employment generating land uses.</p> <p>It is acknowledged that the PP will reduce the amount of residential zoned land with the North Sydney CBD. It will however allow for greater employment generating land uses, which is directly consistent with both Council's LSPS and the North District Plan.</p> <p>Council's LSPS identifies the value and significance of the North Sydney CBD to the Eastern Economic Corridor and to North Sydney's ability to provide for employment. It also identifies the challenges that the CBD has faced, which includes the encroachment of residential development on commercial uses.</p> <p>The North District Plan also outlines the importance to grow jobs in the centre and encourage growth in business tourism. It is therefore important to ensure that there is sufficient capacity within the CBD to accommodate the viable redevelopment for commercial purposes.</p> <p>Employment growth in this area of the CBD, has generally been slower, given it is currently zone B4 Mixed Use which permits non-employment uses such as residential. The site being located on the edge of the B3 Commercial Core has the potential to expand the CBD's commercial core and to help spur greater employment activity, maximising the land use opportunities provided by the new metro station.</p>
3.4 Integrating land use and transport	Yes	<p>The PP will enable high density commercial development near existing and future housing, jobs and services encouraging walking, cycling and use of public transport. This will be further enhanced with the construction of Sydney Metro and its stations, which</p>

Direction Title	Consistency	Comment
		will increase accessibility, to the site and surrounding area.
3.5 Development Near Regulated Airports and Defence Airfields	Yes	<p>The objectives of this direction are provided below:</p> <p>(a) to ensure the effective and safe operation of regulated airports and defense airfields;</p> <p>(b) to ensure that their operation is not compromised by development that constitutes an obstruction, hazard or potential hazard to aircraft flying in the vicinity; and</p> <p>(c) to ensure development, if situated on noise sensitive land, incorporates appropriate mitigation measures so that the development is not adversely affected by aircraft noise</p> <p>As outlined in Section 11.3.2, the proposal will not impact the operation of any nearby airports or airfields. The site is not situated on noise sensitive land.</p>
4.1 Acid sulphate soils	N/A	The site is not located on acid sulphate soils. Accordingly, Direction 4.1 is not applicable.
4.3 Flood Prone Land	N/A	Not applicable – the site is not within a known flood prone location.
5.10 Implementation of Regional Plans	Yes	Refer to Table 7.
6.3 Site Specific Provisions	Yes	The PP proposes to introduce a new “special area” which in turn will increase the net solar hours available to the “special areas” in the precinct, thus permitting the proposed development.

11.3. Environmental, Social and Economic Impact

11.3.1. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The site is within an urban setting and will therefore have no adverse impacts to critical habitat or threatened species, populations or ecological communities or their habitats.

11.3.2. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

Heritage

A Statement of Heritage Impact has been prepared by GBA Heritage and provided at Appendix 2.

As outlined in the figure below, the site is not a heritage item, however, is in the vicinity of several items and Heritage Conservation Areas (HCA), including the Monte Sant Angelo Group east of the site, and the McLaren Street Heritage Conservation Area (HCA) to its north-east.

The potential impact on the HCA and surrounding heritage items is minimal, given the intervening distance and the extant tall buildings already visible, notably the Skyscraper Centre. A building within the proposed site envelope would therefore have an acceptable additional visual impact on the HCA. Similarly, several tall buildings are already visible from within and as a backdrop to the Monte Sant Angelo Group and its individually listed buildings.

Additionally, neither the overshadowing of a section of the Berry Street Special Area, i.e., the footpath along the south side of Berry Street, nor the reservation of a portion of the public space on the corner of Berry and Angelo Streets for a new “special area”, would have any adverse impact on any heritage item or heritage conservation area.

GBA Heritage conclude that the PP is considered acceptable from a heritage perspective.



Figure 25: Heritage Map, site highlighted with blue boundary (Source: GBA Heritage)

Pedestrian Wind

A Pedestrian Wind Assessment has been prepared by RWDI and provided at Appendix 3 to conduct a qualitative assessment of the pedestrian wind conditions expected around the proposed development. A summary of the report's findings is outlined below:

- The development site is sheltered from prevailing winds by the existing surroundings but is influenced by southerly winds to the northeast winds in the summer.
- The proposed building is comparable in height to the taller buildings in the surrounding area.
- The proposed indicative design incorporates several wind-responsive features, including massing and façade articulations, a wide canopy above street level, recessed main level, tall balustrades on the terrace, which will moderate the potential wind impacts on the surroundings.
- Wind conditions on and around the development site are not expected to exceed the recommended criteria for pedestrian safety; conditions are likely to remain similar to the existing conditions post completion.
- The terrace on the podium will also benefit from overhead features like a trellis, high-canopied trees or a canopy, particularly at the east end.

Wind conditions around the base of the development are expected to be comfortable for sitting or standing through most of the year. Higher wind speeds comfortable for walking may be expected occasionally at the intersections of Berry Street at Pacific Highway and Angelo Street, and in the proposed "special area" due to the westerly and north-easterly winds. However, the inclusion of the stepped façade form and recessed terrace level is expected to ensure conditions are similar to the existing conditions. The proposed tree planting at the corner of Angelo and Berry Streets will further help to reduce wind activity in this area.

RWDI concludes that wind tunnel testing can be conducted at detailed design stage, to quantify the wind conditions and to determine whether there is a need for measures to mitigate any impacts.

Traffic

A Traffic and Transport Report has been prepared by SMEC and provided at Appendix 4.

The building is located at the north-eastern corner of Pacific Highway and Berry Street. The Pacific Highway runs in the north/south direction with Berry Street in the east/west direction. Access to the building's basement parking is via Angelo Street.

The intersections around the site generally perform at an acceptable level of service in both the AM and PM peaks, operating at a LOS of C or higher. Of specific importance is Pacific Highway/Berry Street intersection which performs at a LOS C in the AM peak and LOS A in the PM peak, operating under maximum capacity, with queues of 138 metres (in the AM Peak). The intersection of Berry and Miller Street performs satisfactorily in both peaks, operating at a LOS of C with queues of around 140 metres. Pedestrian levels of service are estimated to be similarly acceptable.

The site and surrounding area is serviced by frequent bus services as well as train services via North Sydney Station and the future Victoria Cross Metro Station. North Sydney station is located around a 550 metres radius from the site.

Table 12 summarises the trip generation of an existing vs compliant vs proposed redevelopment scenarios. The results indicate that, based on the North Sydney Office Block Rate survey the proposed development is likely to generate a similar amount of traffic as that of the current site. The AM Peak development is slightly higher in the proposed development as compared to the current site, 40 vs 38, with a difference of two vehicles, while in the PM peak the proposed development is estimated to generate less traffic than the current development, 33 compared to 43. There is minimal difference when the proposed development is compared to a compliant development scheme (under existing controls), with only one vehicle increase in the AM and PM periods.

Under the use of the above trip generation assumption, no adverse traffic impacts are expected on the local road network because of the proposed development.

Table 12: Summary of Traffic Generation (Source: SMEC)

Building	Scale (m ² GFA)	AM			PM			Daily					
		Rate (per 100m ²)	Total	In	Out	Rate (per 100m ²)	Total	In	Out	Rate (per 100m ²)	Total	In	Out
Existing Development (Counts)(office and child care)	9,720		38	30	8		43	7	36				
Existing Building (used as office)	9,026	0.17	16			0.14	13						
Compliant Proposal (used as office)	13,260	0.17	23			0.14	19						
Current Planning Proposal (used as office)	22,750	0.17	39			0.14	32						
Proposed Development (North Sydney Office Block Rate)	23,500	0.17	40	32	6	0.14	33	5	28	1.23	289	145	145

Aviation

An Aeronautical Impact Assessment has been prepared by Landrum & Brown and provided at Appendix 5. The proposed development, with a building to a maximum height of RL 172 AHD including temporary associated construction crane activity of the same height:

- will unlikely upon review affect the Sydney Airport OLS;
- will not require obstacle lighting;
- will not infringe the Bankstown Airport OLS;
- will not infringe any PANS OPS surfaces;
- will not infringe any BRA for navigation aids;
- will unlikely impact upon ATC Surveillance systems;
- will not impact the safety of flight operations in at Sydney Airport; and
- will not have an impact on the regularity of flight operations at Sydney Airport.

The existing tall buildings in the Sydney CBD, between the airport and North Sydney provide shielding for the proposed development and crane activity. An application to Sydney Airport would be required but approval would be likely due to other infringements of the OLS by taller buildings in the immediate vicinity of the development and in the Sydney CBD, all of which would provide shielding from impacts to aviation activities in the area.

Preliminary Site Investigation

A Preliminary Site Investigation has been prepared by EI Australia and provided at Appendix 6.

Based on the available historical information, the site had been continuously used for commercial purposes since at least 1943. Visual evidence of contamination, including fragments of fibre cement sheeting was not observed on the site nor any suspicious odours detected. There was also not evidence that an underground petroleum storage system or any underground storage tank was present on the site.

Based on the assessment's findings, EI Australia concludes that the potential for contamination is low. The site is deemed suitable for the proposed (commercial) development, in accordance with Clause 7 of the State Environmental Planning Policy 55 – Remediation of Land.

Shadowing

Clause 6.3 (provided below) of the NSLEP outlines that development must not be granted that would result in a net increase to RE1 zoned land or a "special area" between the March to September equinox.

(2) Development consent must not be granted for the erection of a building on land to which this Division applies if—

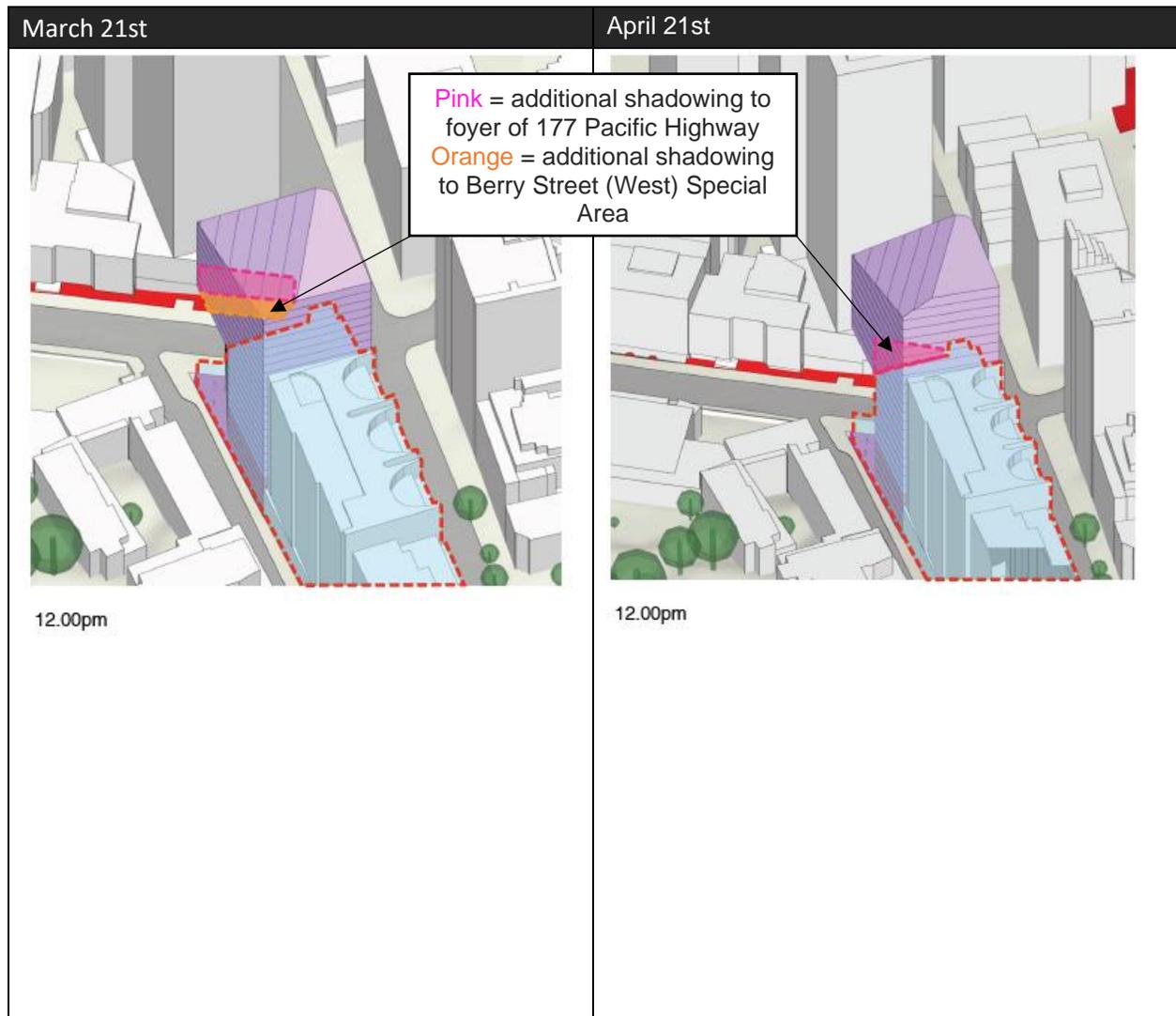
(a) the development would result in a net increase in overshadowing between 12 pm and 2 pm from the March equinox to the September equinox (inclusive) on land to which this Division applies that is within Zone RE1 Public Recreation or that is identified as "Special Area" on the North Sydney Centre Map,

Given there is no RE1 zoned land in the vicinity of the site, a solar assessment has been undertaken to the surrounding "special areas", between the March to September.

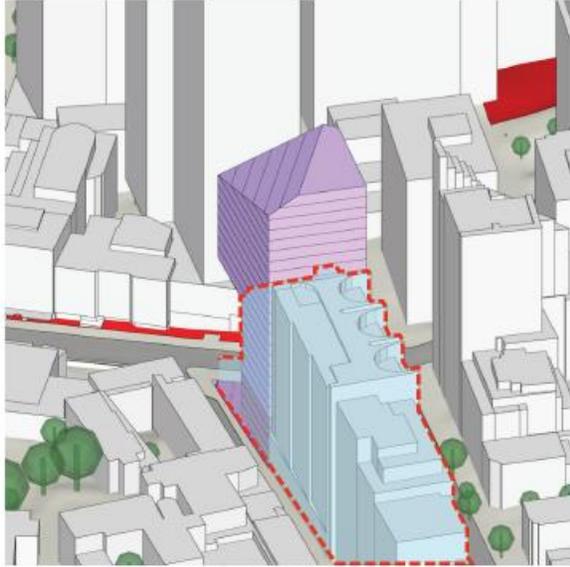
As outlined in Table 13, the proposal only affects the 'Berry Street (west) Special Area' and avoids shadowing the Miller Street and Don Bank "special areas". The proposal does not generate any additional shadowing to the Berry Street (west) Special Area between May-June and additional shadowing is limited to only March and September, to only a small area, directly opposite the subject site.

The foyer of 177 Pacific Highway is also part of the "special area", however it is important to note that this is an "indoor plaza" which has a solid roof. This area is only subject to minimal additional shadowing over a 4-month period.

Table 13: Shadow Assessment (Pink = areas of additional overshadowing to foyer of 177 Pacific Hwy, Red = Berry Street Special Area) and Orange = areas of additional overshadowing to Berry Street Special Area)



May 21st



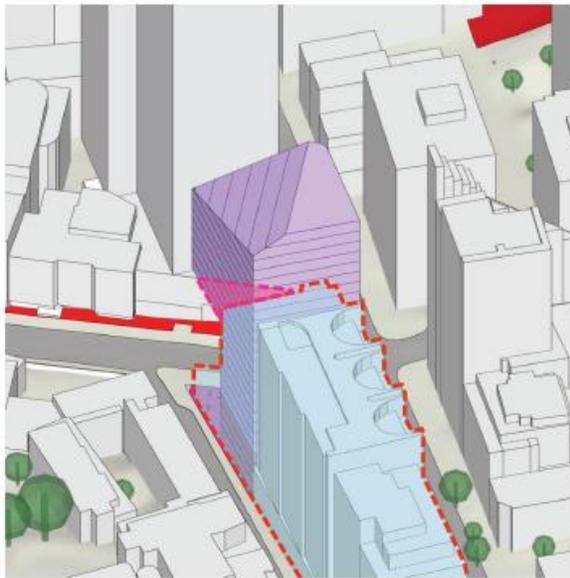
12.00pm

June 21st



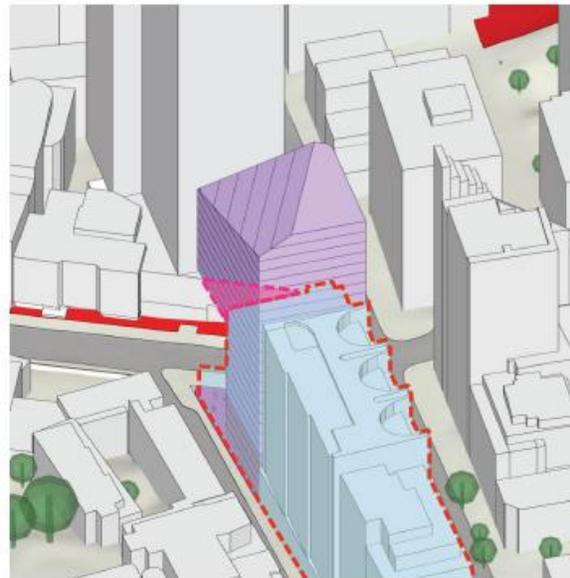
12.00pm

July 21st



12.00pm

August 21st



12.00pm

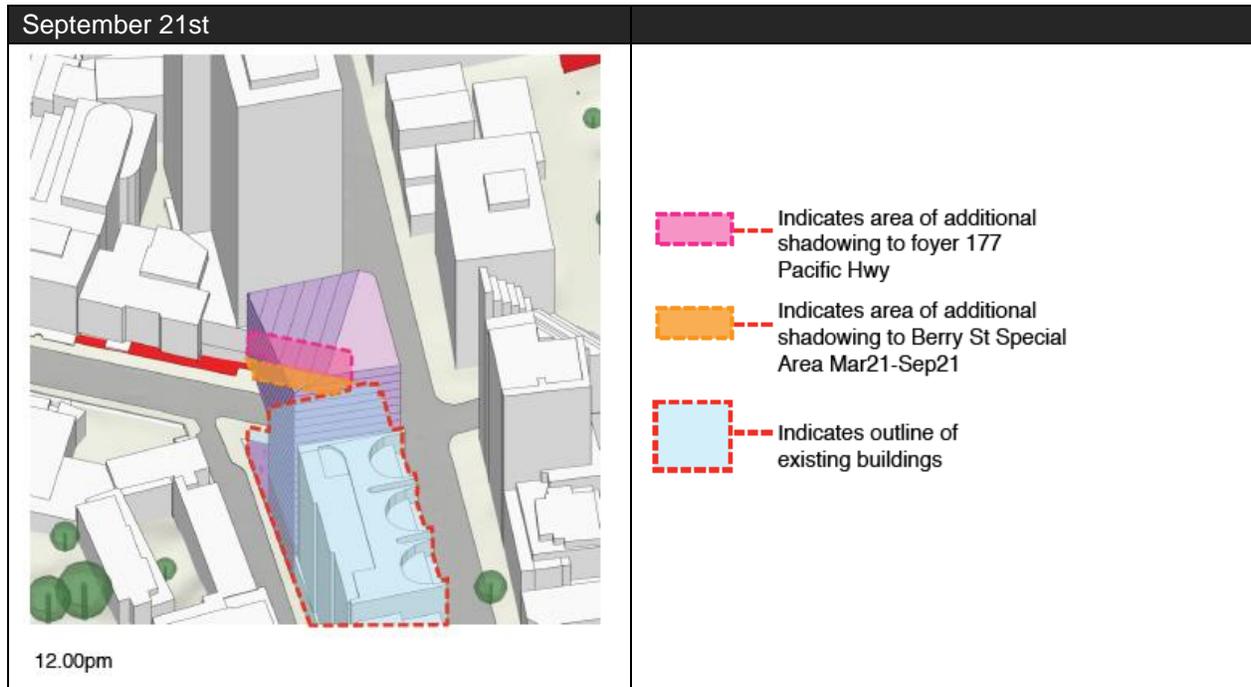


Table 14 summarises the solar access to the Berry Street “special area” (an area of approximately 580 sqm directly opposite the subject site). The solar access results are based on the “special area” being divided into individual square metre fragments, to allow for a specific and accurate analysis of the solar access received to each component of the area (refer to Figure 26).

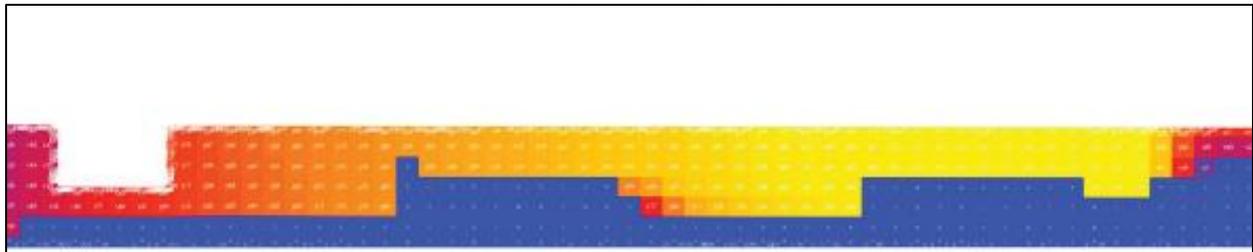


Figure 26: Solar Access Calculation - each square represents has been individual analysed (Source: Turner)

The “special area” currently receives 195,803 hours/year (per square metre). As a result of the proposal, the solar access to this part of the “special area” will be reduced to 167,516 hours/year (per square metre). This is an overall reduction of 28,287 hours/year (per square metre).

Table 14: Reduction in Solar Access per square metre

Current Solar Access	Proposed Solar Access	Reduction
195,803 hours/year	167,516 hours/year	-28,287 hours/year

The new “special area”, which has an area of approximately 200 sqm, and is the subject of this PP, together with the existing ‘special areas” will however receive 57,146 hours/year (per square metre). This represents an increase of 28,859 hours/year, which is a 14.7% increase. This new “special area” will commence received solar access from between approximately 10:30am in September and 11:45am in June (refer to Figure 27).

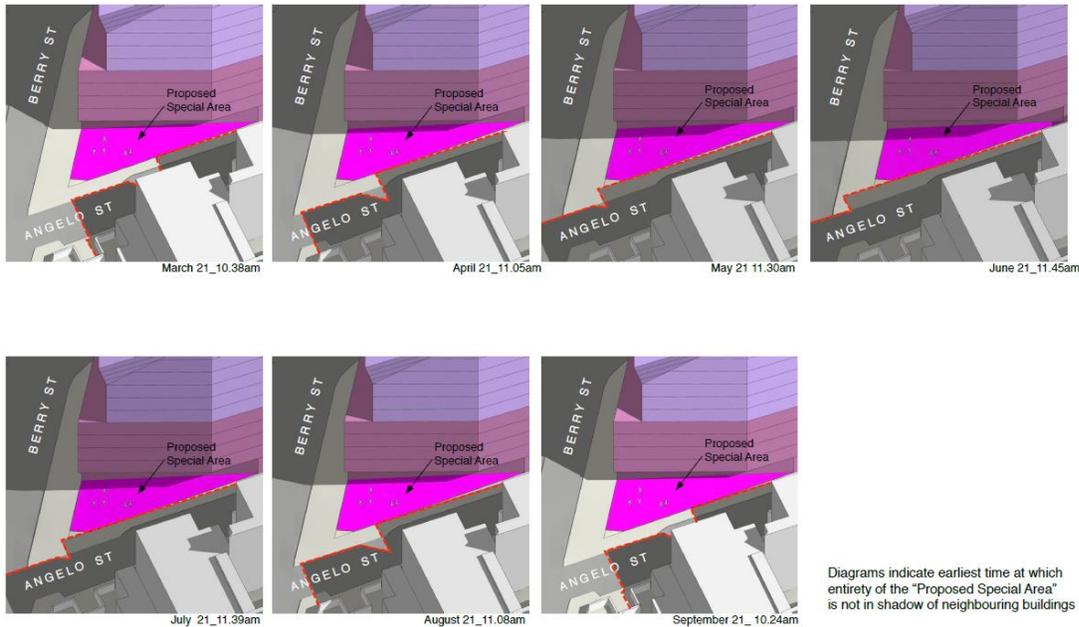


Figure 27: Proposed solar access to new “special area” (Source: Turner)

In mid-winter, the new “special area”, receives solar access from approximately 11.30am until 12.30pm.



Figure 28: Solar access to proposed special area during mid-winter (Source: Turner)

The above analysis has taken into account any shadowing impact of the Mont Sant’Angelo Mercy College, assuming the school’s buildings were redeveloped to the permissible 16 metre height limit. The analysis

demonstrates that a 16m building located anywhere on the Mont Sant'Angelo site would not overshadow the proposed Special Area from 12pm-2pm between the March and September equinoxes. Any future development on the Mont Sant'Angelo would only have a minor shadowing impact earlier in the morning. The proposed Special Area will therefore not compromise the development of the Mont Sant'Angelo Mercy College under the current LEP controls.

This new "special area" provides useable open space with good levels of solar access. Sun hour analysis included within the accompanying Urban Design Report demonstrates that the sun hours to the proposed new "special area" exceeds the reduction of sun hours to the existing "special area" on Berry Street caused by the proposed development.

11.3.3. Has the planning proposal adequately addressed any social and economic effects?

An Economic Impact Assessment has been prepared by Atlas Urban Economics and provided at Appendix 8.

The North Sydney CBD is a major office market and plays a complementary role to the Sydney CBD. The North Sydney CBD is identified as part of the Eastern Economic Corridor in strategic planning documents, specifically Greater Sydney Region Plan - A Metropolis of Three Cities and the North District Plan.

One of the key challenges for the North Sydney CBD will be the ability of its high proportion of secondary grade office space (B and C-grade) to renew and redevelop. The District Plan and LSPPS identify the importance of capacity to grow employment.

The notion of capacity is two-fold - theoretical capacity and market capacity. Market capacity refers to whether capacity in the planning framework is deliverable from a commercial viability perspective, firstly whether there is market demand, and secondly whether the planning controls enable viable development. In order for existing office buildings to be redeveloped, that redevelopment must be a commercially viable proposition.

For illustrative purposes, Table 15 compares the site values of various development options against the existing-use value of the 15-storey commercial building.

Both development options that are compliant with existing planning controls are not feasible. This is because their respective site values (\$66m and \$51m) are lower than the existing use (\$105m) as an investment property, giving no incentive to displace the current use. The proposed commercial-only option results in a value that is greater than the existing use, thereby making it a commercially viable proposition.

The proposed development will also result in a net increase in the number of jobs. The proposed development will generate approximately 704 direct employment opportunities, which is more than double when compared to the site's existing building (estimated at 330 jobs) and over 100 more jobs when compared to the site's redevelopment potential under existing controls.

Table 15: Feasibility of Development Options (Source: Atlas Economics)

Option	No. of Jobs	Total GFA (sqm)	Commercial (sqm)	Residential (sqm)	Estimated Value	Feasibility
Retention and refurbishment	330	9,902	9,902	-	\$105,387,500	n/a
New Commercial under existing controls	600	13,260	13,260	-	\$66,300,000	No
New Mixed Use under existing controls	190	9,300	4,173	5,127	\$51,448,500	No
Proposed development	704	22,750	22,750	-	\$113,750,000	Yes

The ability of North Sydney CBD to be competitive will depend on the capacity of its secondary grade stock to renew, improving its commercial office offer and transforming parts of the centre that are aged and in need or reinvestment.

The site being located on the edge of the B3 Commercial Core has the potential to help spur greater employment activity, maximising the land use opportunities provided by the new metro station.

Structural changes in office market trends have been accelerated by the COVID-19 pandemic, shifting business and employee expectations, and entrenching a ‘permanent flight to quality’ mindset. In any economic downturn (including the present), occupancy rates for secondary grade buildings are not only challenged by falling tenant demand but also by a ‘flight to quality’ by existing tenants upgrading to prime grade buildings. Post-COVID, office assets will be required to ‘work harder’ in order to be competitive. Secondary grade assets like the site (which is nearly 50 years old) will be particularly vulnerable to tenant selectiveness and amenity expectations.

The District Plan employment targets (15,600 to 21,100 additional jobs) require approximately 340,000sqm to 460,000sqm GFA of additional floorspace (net of demolished floorspace). Since 2016, the North Sydney CBD has had office net floorspace additions of 130,000sqm (approx. 5,900 workers). There is approximately 160,000sqm in the supply pipeline. Assuming 100% delivery of the supply pipeline and deducting 20% of pipeline supply for existing floorspace to be demolished, the pipeline supply could potentially accommodate 5,800 workers. This would bring the North Sydney CBD about halfway to meeting its 2036 employment targets.

The proposed development envisages smaller floorplates compared to other new A-grade buildings (recently completed or in the pipeline). The majority of the new prime grade commercial buildings comprise floorplates in excess of 1,900sqm and up to 4,000sqm. With typical floorplates of 800sqm to 900sqm, the proposed development adds a diversity of stock to the North Sydney CBD office market.

This caters to smaller occupiers who may want A-grade space in a boutique offer building. The PP offers a boutique commercial building with smaller floorplates that could accommodate approximately 1,000 workers.

It would enable the existing B-grade building to be redeveloped, contributing to Council's objective of renewing the large proportion of B and C-grade office space in the North Sydney CBD.

Summary of Economic Benefits

The PP is estimated to result in a net increase in economic activity during construction through direct and indirect (flow-on) at:

- \$110.5 million in output (\$68.1 million directly).
- \$46.5 million contribution to Gross Regional Product (GRP) (\$23.3 million direct contribution).
- \$26.9 million in wages and salaries paid to local workers (\$15.7 million directly).
- 289 Full Time Equivalent (FTE) jobs (167 direct FTE).

When operational, the PP is estimated to result in a net increase in economic activity above the Base Case through direct and indirect (flow-on) annually at:

- \$566.8 million additional in output (including \$332.6 million in direct activity).
- \$297.6 million additional in contribution to GRP (including \$168.2 million in direct activity).
- \$135.0 million additional in incomes and salaries paid to households (including \$76.4 million directly).
- 1,335 additional FTE jobs (including 704 additional FTE jobs directly related to development).

11.4. State and Commonwealth Interests

11.4.1. Is there adequate public infrastructure for the planning proposal?

The site is in walking distance of the existing North Sydney Train station and the future Victoria Cross Metro Station (currently under construction). The site is also well serviced by road infrastructure, with the new Western Harbour Tunnel (which has been approved) also in close proximity.

Existing utility services will adequately service any future development proposal as a result of this PP and will be upgraded or augmented where required.

Waste management and recycling services are available through North Sydney Council.

The area is generally well-serviced with Police, Ambulance, Fire and other emergency services.

11.4.2. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

State and Commonwealth public authorities have not yet been contacted at this early stage in the PP process. It is anticipated that the relevant authorities will be identified in the Gateway Determination.

12. MAPPING

The PP proposes to amend the land use zoning (refer to Figure 29), building height map (refer to Figure 30) and the “special area” map (refer to Figure 31). Reference should be made to the Urban Design Report (Appendix 1), for more detailed maps.

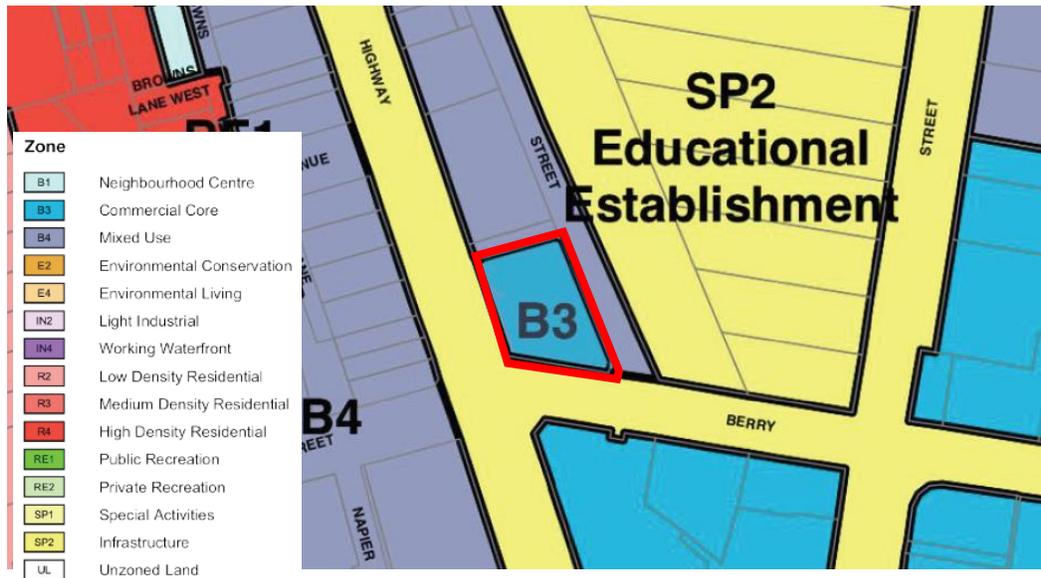


Figure 29: Proposed zoning map, site highlighted in red (Source: Turner)

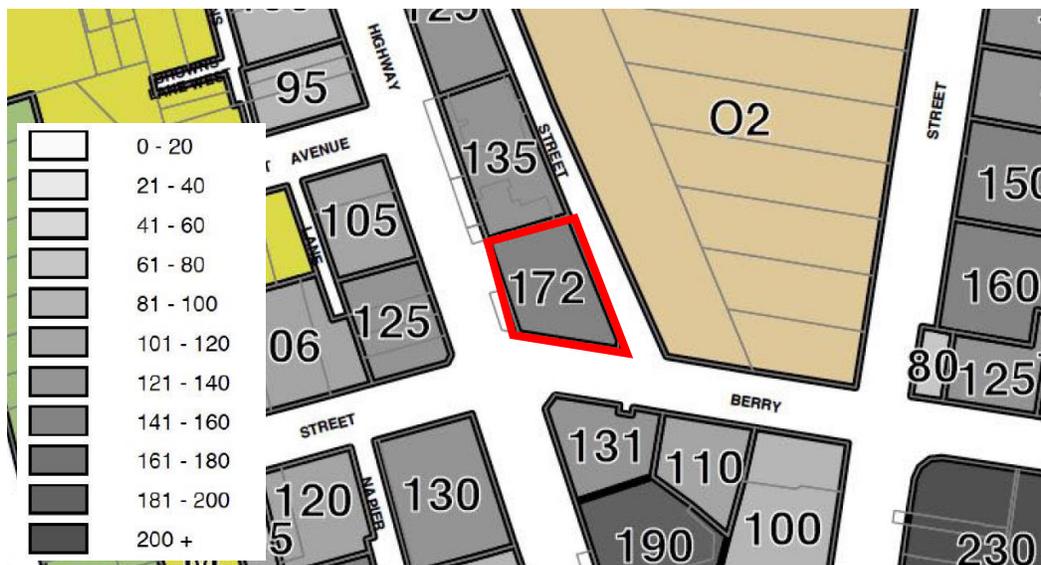


Figure 30: Proposed height map, site highlighted in red (Source: Turner)

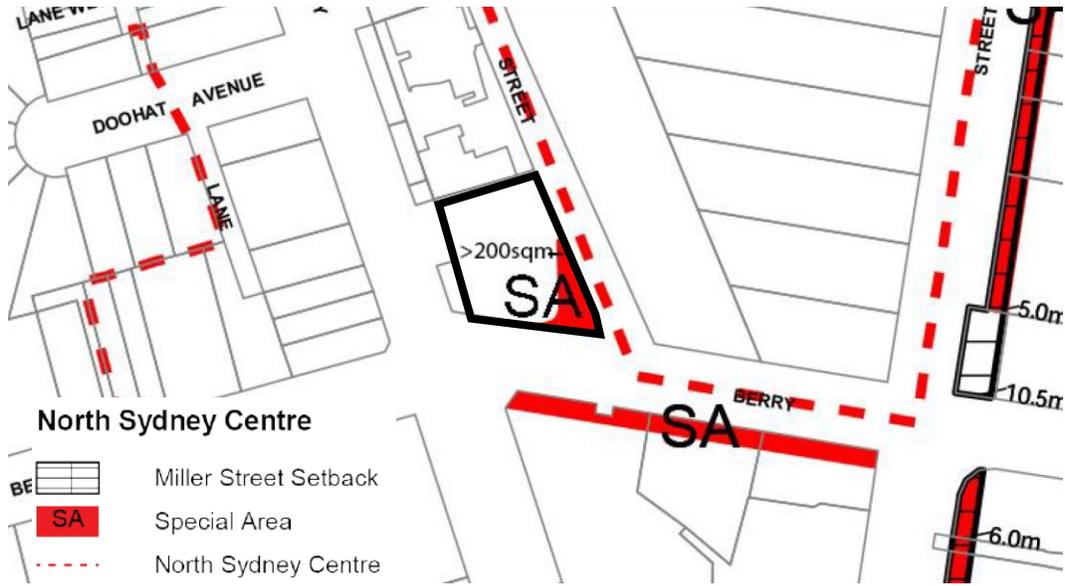


Figure 31: Proposed “special areas” map, site highlighted in black (Source: Turner)

13. COMMUNITY CONSULTATION

It is anticipated that this PP will be made publicly available for a minimum of 28 days, to ensure all matters and concerns the Council or the community may have, are adequately and thoroughly addressed. The community will be notified of the commencement of the exhibition period via a notice in a local newspaper and via a notice on Council's website. The written notice will:

- Give a brief description of the objectives or intended outcomes of the PP;
- Indicate the land affected by the PP;
- State where and when the PP can be inspected;
- Give the name and address of the RPA for the receipt of any submissions; and
- Indicate the last date for submissions.

During the exhibition period, the following material will be made available for inspection:

- The PP, in the form approved for community consultation by the Secretary of the Department of Planning, Industry and Environment;
- The Gateway determination; and
- Any studies relied upon by the PP.

14. PROJECT TIMELINE

The timeframe for the completion of the PP will depend on the complexity of the matters, the nature of any additional information that may be required and the need for agency and community consultation. The following details are indicative only and may be amended at Gateway to provide the necessary level of confidence that the PP will be finalised within a reasonable time.

Table 16: Indicative Project Timeline

Step	Indicative Timeframe
Anticipated commencement date	Date of Gateway determination
Anticipated timeframe for the completion of required technical information	Not applicable. Technical analysis have already been commissioned to support the PP.
Timeframe for government agency consultation (pre and post exhibition as required by the Gateway determination)	Anticipated timeframe is to run concurrently with the public exhibition period.
Commencement and completion dates for public exhibition period.	Dates are dependent on the date of the Gateway determination.
Dates for public hearing (if required)	Not applicable at this stage.
Timeframe for consideration of submissions	To be determined by Council.
Timeframe for the consideration of proposal post exhibition	To be determined by Council.
Date of submission to the Department to finalise the LEP	Not known.
Anticipated date RPA will make the plan (if delegated)	Not known.
Anticipated date RPA will forward to the Department for notification	Not known.

15. CONCLUSION

This PP has been prepared in accordance with Section 3.33 of the Environmental Planning and Assessment Act 1979 (the Act) and the relevant guidelines prepared by DPIE, including “A Guide to Preparing Local Environmental Plans” and “A Guide to Preparing Planning Proposals”.

It sets out the justification for the proposed rezoning of the subject site at 20 Berry Street, North Sydney, to allow for a new commercial office building. In order to achieve the vision outlined in this report, the following amendments to the NSLEP are required.

- Rezone from B4 Mixed Use to B3 Commercial Core;
- Include a new “*special area*” on the south-eastern corner of 20 Berry Street of no less than 200 sqm in area; and
- Amend the maximum building height control for the site from RL145 to a maximum RL172.

The proposed controls could allow for the site to be redeveloped, to accommodate 22,750 sqm (equating to approximately 704 FTE jobs) of commercial floorspace in a 24 storey landmark development, with a high-quality design outcome in terms of built form, quality commercial office space, place-making and net solar amenity.

The new “*special area*” on the corner of Berry and Angelo Streets with a minimum area of 200 sqm will exceed the reduction of solar access to the existing “*special area*” on Berry Street caused by the increased height of the development. The proposal results in a net increase of 28,859 sun hours (per square metre).

The proposal has been demonstrated as being the best means of achieving the objectives and intended outcomes. The PP is considered suitable and appropriate as it:

- Is consistent with the Greater Sydney Regional Plan and the North District Plan;
- Is consistent and complies with the strategic planning test outlines in DPIE’s “A guide to preparing planning proposals”;
- Is consistent with Council’s Local Strategic Planning Statement;
- Is consistent with the relevant Ministerial Directions under Section 9.1 of the Act; and
- Does not pose any adverse environmental or social impacts to the surrounding community.

In summary there is a sound planning basis and strategic planning merit to support the rezoning of the site as promoted by this PP.