

Rezoning Review Briefing Report – RR-2022-29

1-7 Rangers Road and 50 Yeo Street, Neutral Bay (91 dwellings, 113 jobs)-
Planning proposal seeks to increase maximum building height from 16m to part 30m and part 40m and increase the minimum non-residential FSR from 0.5:1 to 1.7:1.

Element	Description
Date of request	14 October 2022
Department ref. no	RR-2022-29
LGA	North Sydney
LEP to be amended	North Sydney Local Environmental Plan 2013
Address	1-7 Rangers Road and 50 Yeo Street, Neutral Bay
Reason for review	<div><input checked="" type="checkbox"/> Council notified the proponent it will not support the proposed amendment</div> <div><input type="checkbox"/> Council failed to indicate support for the proposal within 90/115 days, or failed to submit the proposal after indicating its support</div>
Has council nominated PPA role	As North Sydney Council has resolved not to support the planning proposal, in accordance with the Local Environmental Plan (LEP) Making Guideline (September 2022), the Panel should act as the PPA if it is supported to proceed to Gateway determination (Attachment D).
Consultation	<p>North Sydney Local Planning Panel (NSLPP) considered the planning proposal on 14 September 2022 and recommended that the proposal not be supported for Gateway determination as the proposal does not demonstrate either site specific or strategic merit to justify a rezoning for this site.</p> <p>The Department has received over 100 submissions objecting to the planning proposal on the site. The submissions request that the proposal not proceed to a Gateway determination. It is noted that the proposal is not currently under Department Gateway assessment and formal submissions may be made should the proposal progress through to gateway and public exhibition.</p>

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Element	Description
Brief overview of the timeframe/progress of the planning proposal	<p>22 February 2021: Council adopted the Neutral Bay Town Centre - Future Directions Report (also known as the Military Road Corridor Planning Study).</p> <p>29 October 2021: Proponent meeting with Council to present indicative concept which included 1-7 Rangers Road, 50 Yeo Street and 183-185 Military Road and provided an update on the progress of negotiations with landowners at 183-185 Military Road.</p> <p>16 December 2021: Proponent presented updated design concept to Council responding to previous feedback.</p> <p>24 January 2022: Council meeting resolved to rescind the Military Road Corridor Planning Study.</p> <p>20 May 2022: Planning proposal lodged with council for 1-7 Rangers Road and 50 Yeo Street, Neutral Bay.</p> <p>June-September 2022: Woolworths conducted their own community engagement post lodgement of the proposal.</p> <p>9 September 2022: Proponent notified North Sydney Council of an amended proposal with reduced height. Council did not assess this amendment and it does not form part of this rezoning review.</p> <p>14 September 2022: NSLPP considered proposal, recommended the proposal not progress to Gateway.</p> <p>10 October 2022: Council resolved not to progress the planning proposal to Gateway.</p> <p>14 October 2022: Proponent request for Rezoning Review.</p> <p>26 October 2022: Additional information received to complete rezoning review application.</p>
Department contact:	Matthew Rothwell – Planning Officer

Planning Proposal

Table 1. Overview of planning proposal

Element	Description
Site Area	4,207sqm
Site Description	<p>1-7 Rangers Road and 50 Yeo Street, Neutral Bay</p> <p>The site 1-7 Rangers Road is currently occupied by a single storey Woolworths supermarket with adjoining bottle shop. Customers can access the Woolworths from both Rangers Road and Yeo Street. Vehicular access is via Rangers Road to a basement carpark with loading and servicing via a loading dock on Military Lane.</p> <p>The site 50 Yeo Street is occupied by a 6 storey commercial building occupied by WOTSO workspace. The existing properties on both sites are part of a stratum arrangement.</p> <p>An aerial view of the site is provided at Figure 1.</p>
Surrounding Area	<p>Adjoining the site to the north along the southern edge of Military Road are 3 storey commercial buildings, with additional commercial and retail development located on the northern side of Military Road.</p> <p>South of the site across Yeo Street are several residential flat buildings typically 3 storeys in height.</p> <p>Adjoining the site at the corner of Rangers Road and Yeo Street is a recently developed 6 storey residential flat building. Further east across Rangers Road are a series of residential developments with some ground floor retail.</p> <p>West of the site is Military Lane enabling rear access to several buildings. Across Military Lane is a 4 storey residential flat building with ground floor retail to Yeo Street.</p>

Element	Description
Proposal summary	<p>The objective of the planning proposal is to enable the redevelopment of the site for a part 7 storey and part 10 storey mixed-use building accommodating a full line Woolworths supermarket below ground (subterranean level). A 2 storey built form is proposed along the site boundary with 183-185 Military Road.</p> <p>The concept design provides for retail and commercial floor space within the podium and 91 apartments located above, and basement car park for 350 cars over 4 levels.</p> <p>The planning proposal subject to this rezoning review seeks to amend the <i>North Sydney Local Environmental Plan (LEP) 2013</i> to:</p> <ul style="list-style-type: none">• increase the maximum building height from 16m to part 30m (at 50 Yeo Street) and part 40m (at 1-7 Rangers Road); and• amend the minimum non-residential FSR control from 0.5:1 to 1.7:1. <p>The planning proposal is accompanied by a Voluntary Planning Agreement (VPA) Public Benefit Offer (Attachment B6) and site-specific DCP (Attachment B8). The VPA proposes to deliver the following public benefits:</p> <ul style="list-style-type: none">• 65 car parking spaces for public use, located within the basement of the future development;• a public plaza (approx.1,000 sqm) and arcade-style pedestrian through-site link connecting Rangers Road to Yeo Street. <p>It is noted the rezoning review request (Attachment A) provides an amended proposed scheme as an addendum which reduces the building heights to part 6 storeys and part 8 storeys. This is not the subject of this rezoning review and may only be considered at the Sydney North Planning Panel's discretion following any potential finding of strategic merit in the planning proposal being considered.</p>

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Element	Description
Relevant State and Local Planning Policies, Instruments	<ul style="list-style-type: none"> Greater Sydney Region Plan North District Plan Military Road Corridor Planning Study - rescinded by Council 24 January 2022 North Sydney Local Environmental Plan 2013 North Sydney Local Strategic Planning Statement (March 2020) SEPPs <ul style="list-style-type: none"> SEPP 55 Remediation of Land (<i>superseded by SEPP (Resilience and Hazards) 2021</i>) SEPP 65 Design Quality of Residential Flat Buildings SEPP (Housing) 2021 SEPP (Transport and Infrastructure) 2021 9.1 Ministerial Directions <ul style="list-style-type: none"> 4.4 Remediation of Contaminated Land 5.1 Integrated Land Use and Transport 6.1 Residential Zones 7.1 Business and Industrial Zones

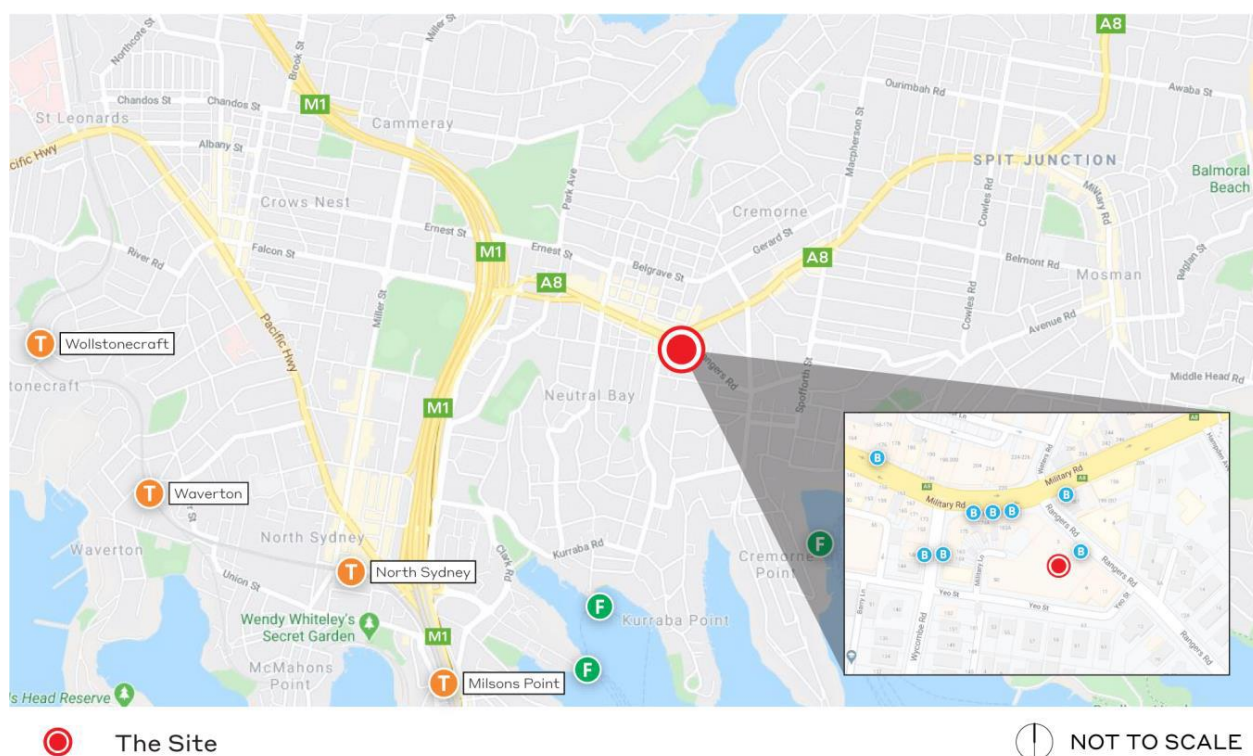


Figure 1. Site context map (source: *Ethos Urban rezoning review request*)



Figure 2. Subject site (source: *Ethos Urban rezoning review request*)

The planning proposal seeks to amend North Sydney LEP 2013 per the changes in Table 2 below.

Table 2. Current and proposed controls

Control	Current	Proposed
Zone	B4 Mixed Use	B4 Mixed Use
Maximum height of the building	16m	30m (at 50 Yeo Street) 40m (at 1-7 Rangers Road)
Minimum non-residential FSR	0.5:1	1.7:1
Number of dwellings	0	91 apartments
Number of jobs	N/A	113 additional jobs 3,949sqm commercial/retail GFA 3,311sqm Woolworths GFA

The planning proposal contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved.

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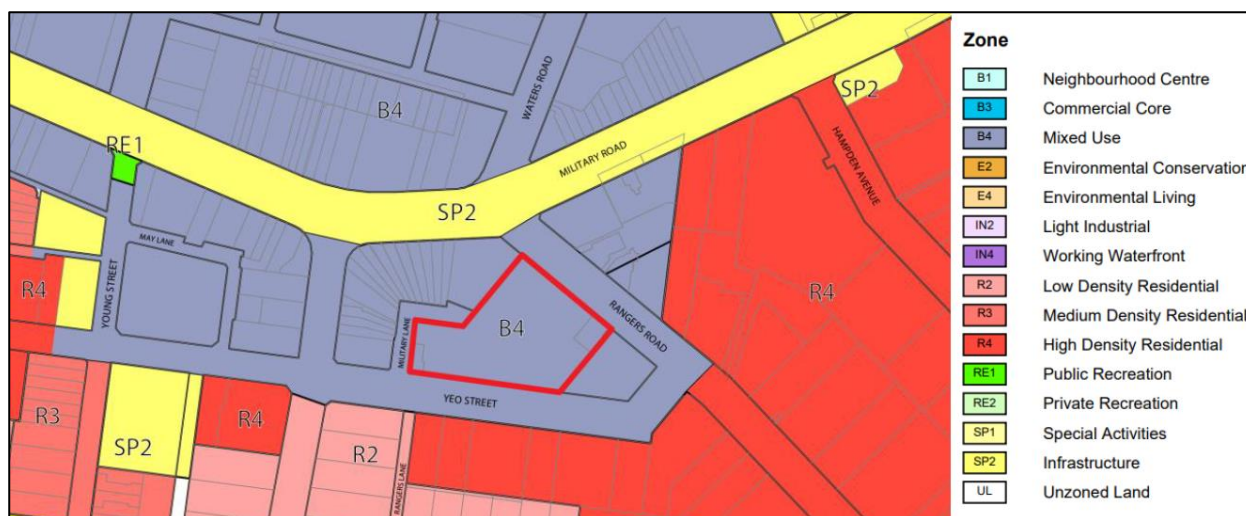


Figure 3. Current zoning map – no change proposed (source: *Ethos Urban planning proposal*)



Figure 4. Current height of buildings map (source: *Ethos Urban planning proposal*)



Figure 5. Current minimum non-residential floor space ratio map (source: *Ethos Urban planning proposal*)

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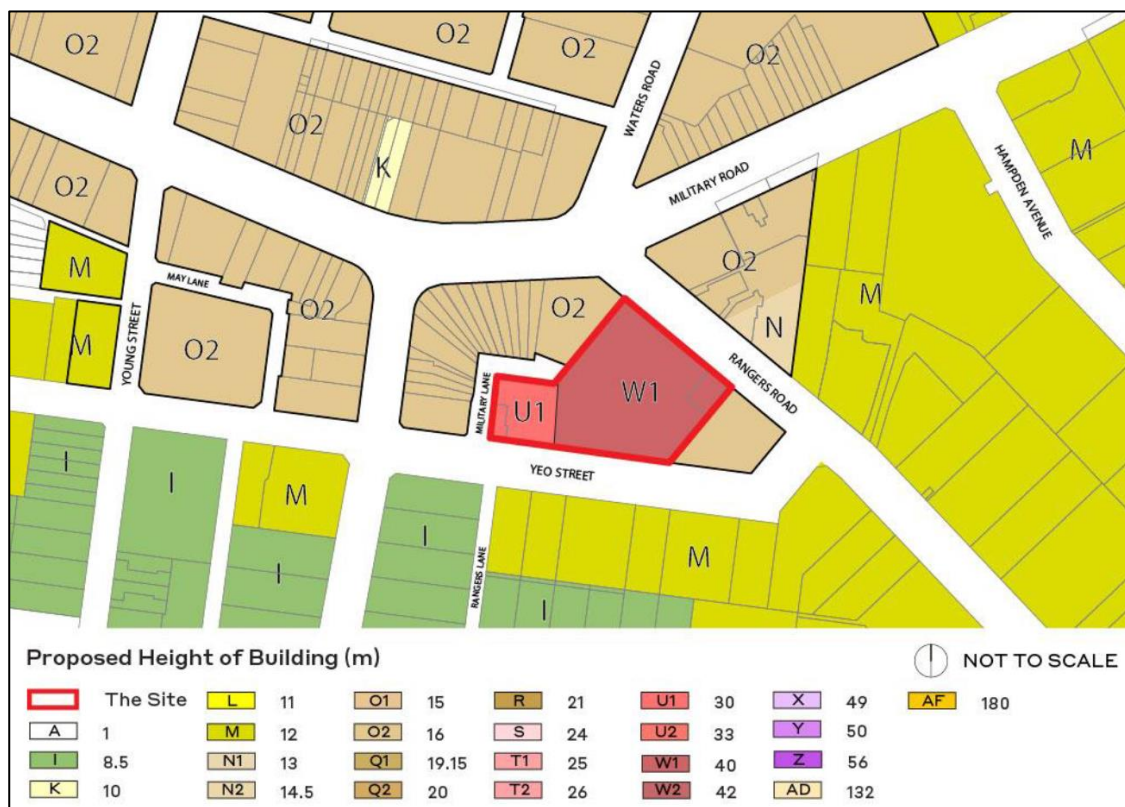


Figure 6. Proposed height of buildings map (source: *Ethos Urban planning proposal*)

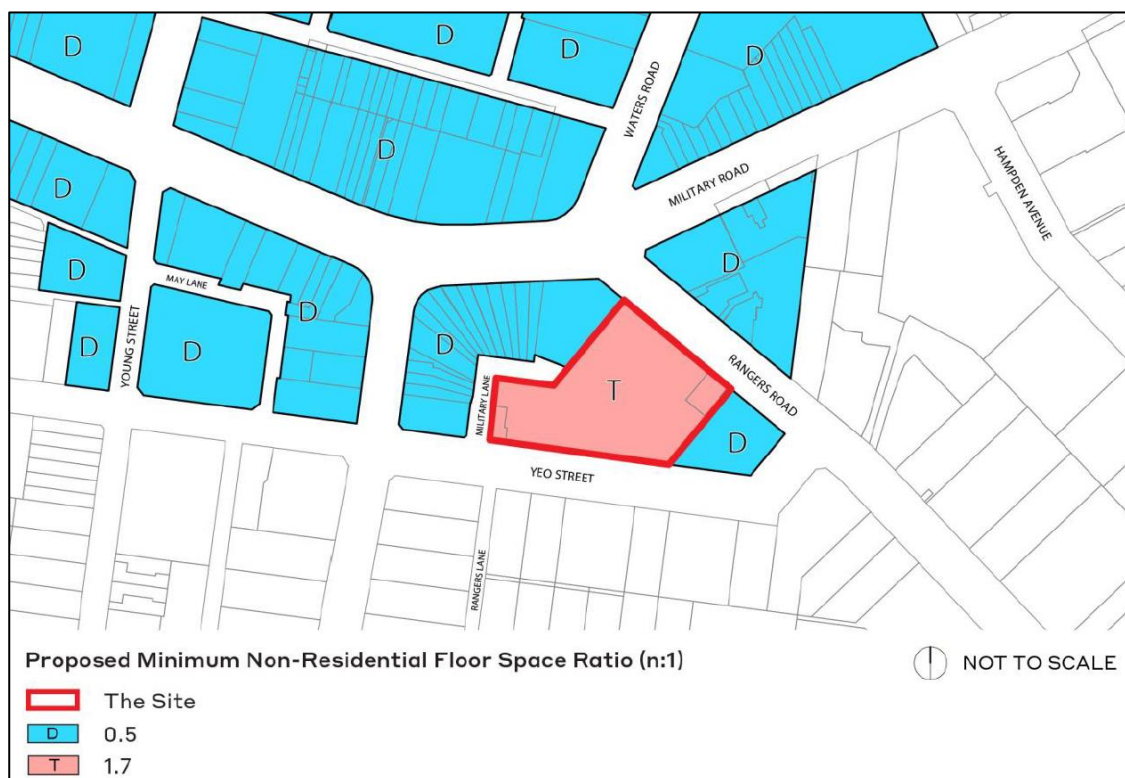


Figure 7. Proposed minimum non-residential floor space ratio map (source: *Ethos Urban planning proposal*)

Built Form

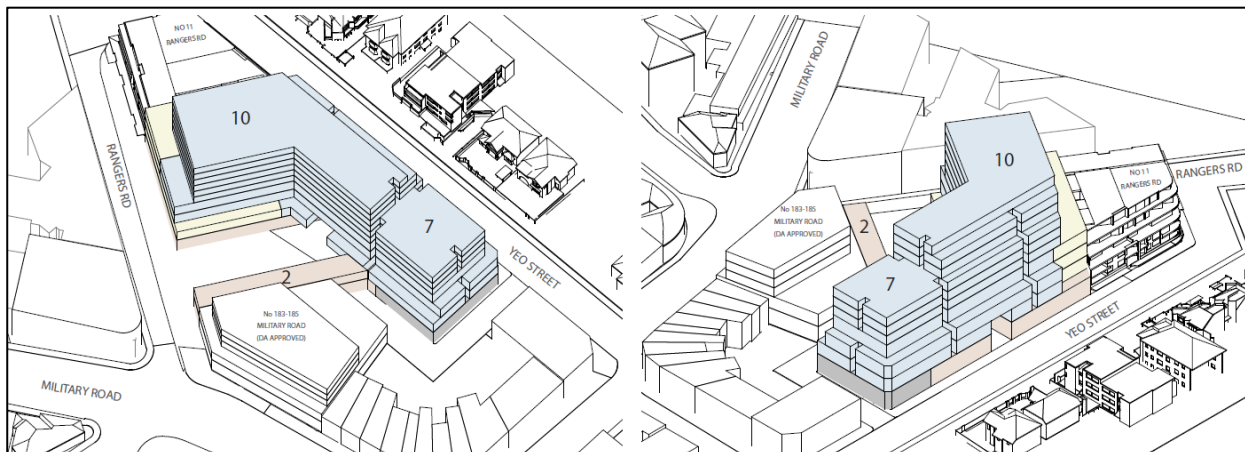


Figure 8. Proposed building massing diagrams (source: *Koichi Takada Architects (KTA) urban design report*)

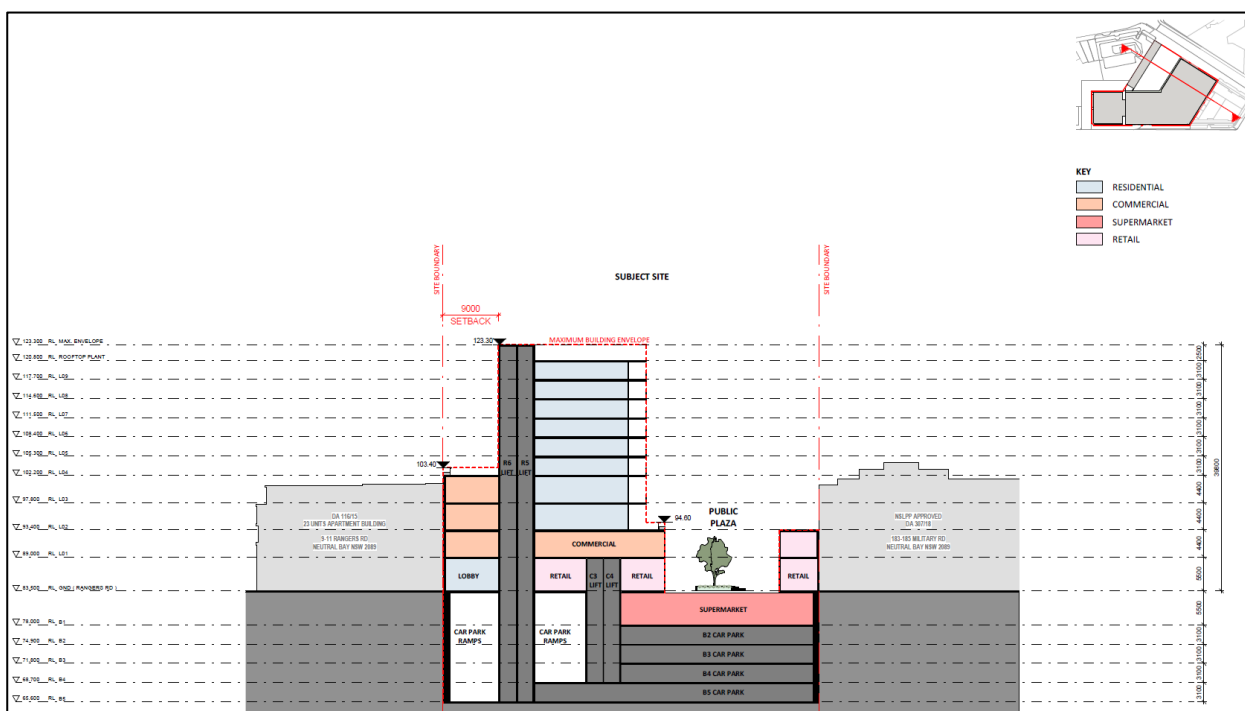


Figure 9. Proposed Rangers Road section (source: *KTA architectural plans*)

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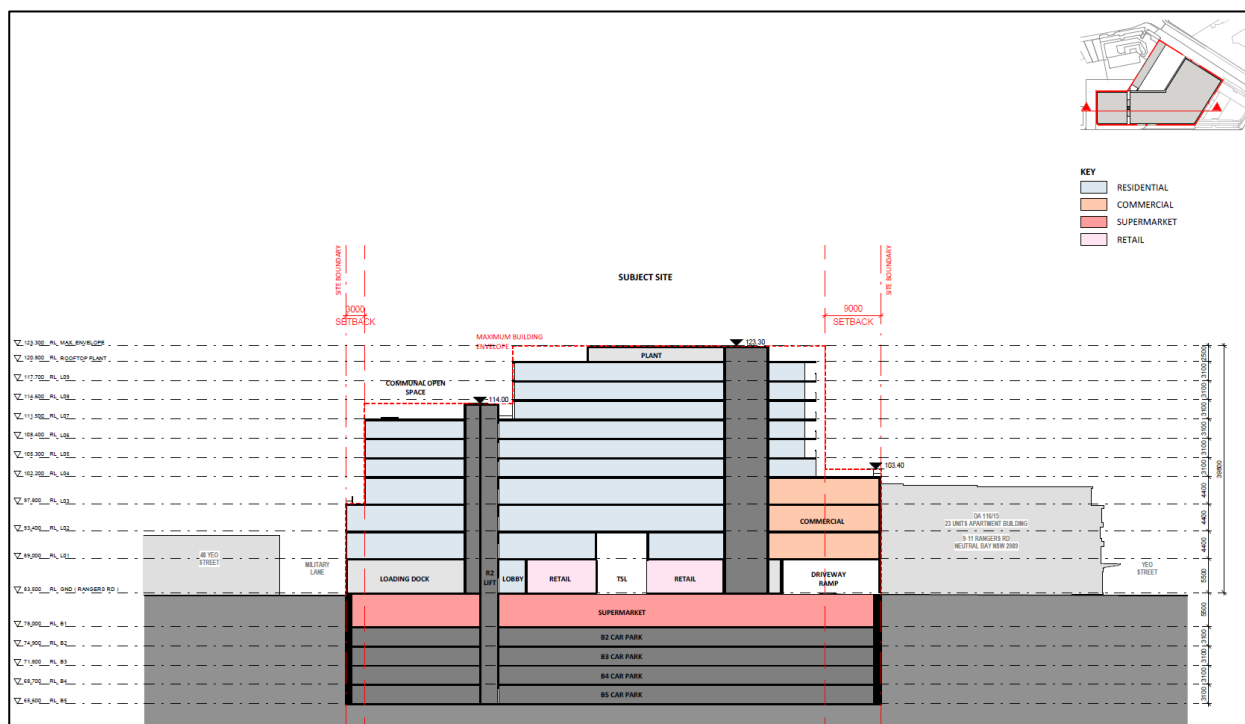


Figure 10. Proposed Yeo Street section (source: *KTA architectural plans*)

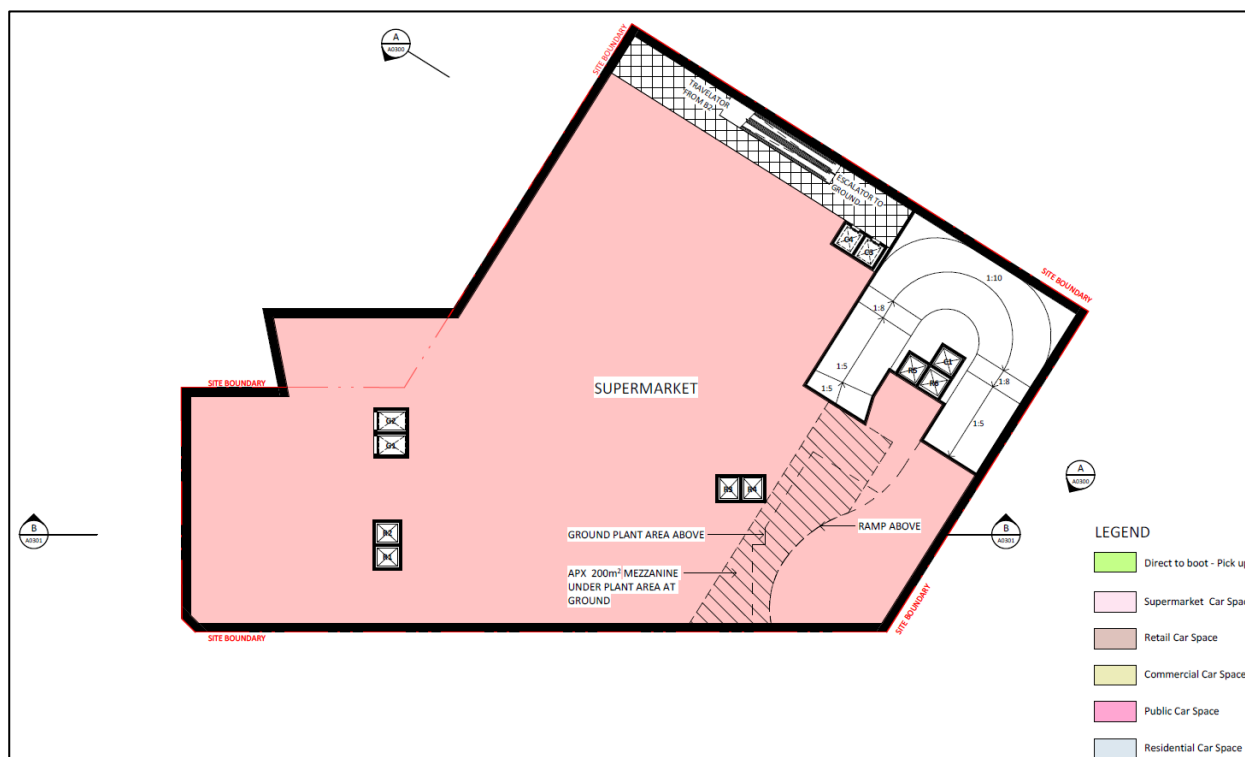


Figure 11. Proposed basement level 01 supermarket floor plan (source: *KTA architectural plans*)

Site 3 – Military Road Corridor Planning Study (rescinded)



Figure 12. Envisaged built form of the Military Road Corridor Planning Study (source: *MRCPS North Sydney Council*)

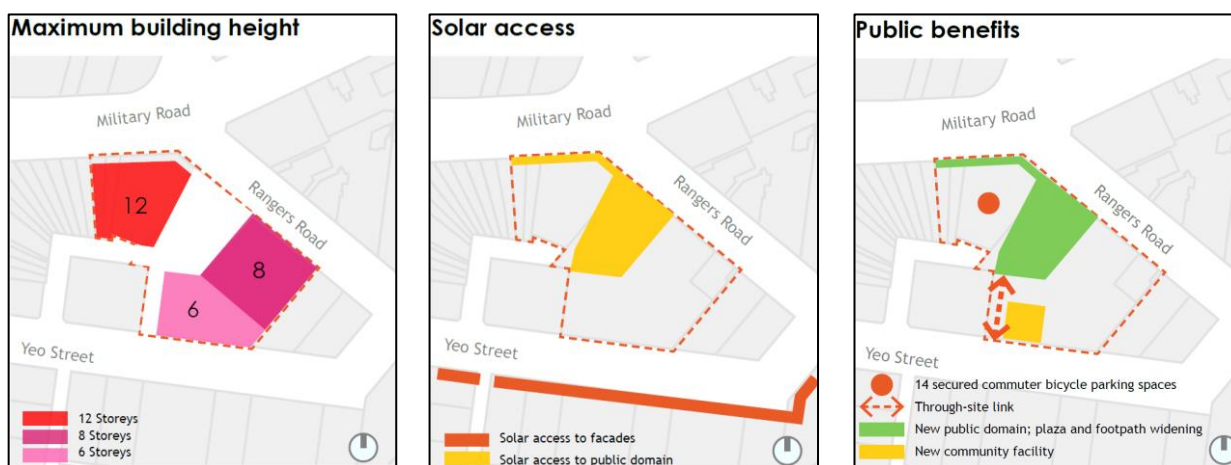


Figure 13. Envisaged planning controls from the Military Road Corridor Planning Study (source: *MRCPS North Sydney Council*)

Key Issues

The following section summarises the key issues, drawn from the proponent's rezoning review request (**Attachment A**), proponent's planning proposal (**Attachment B**), Council Officer's Report (**Attachment C**) and Council's comments on the rezoning review (**Attachment D**).

Issue no. 1

The proposal does not demonstrate strategic merit as it seeks to progress a planning proposal that is not underpinned by an endorsed comprehensive strategic planning study and is inconsistent with the objectives of the Regional and North District Plan.

Council view

- Council resolved to rescind the MRCPS amidst concerns on the height and scale of development proposed by the Study and further engage with the community and stakeholders to prepare a revised recommendation that has a better balance between development height and the provisions of additional public open space.
- Council resolved in alignment with Council Officer's report not to support the proposal as it seeks to progress a planning proposal that is not underpinned by an endorsed planning study and would therefore undermine the ability to achieve the objectives and actions of high-level strategic planning policies relating to the site, including:
 - Greater Sydney Region Plan;
 - North District Plan; and
 - North Sydney Local Strategic Planning Statement (LSPS) – Action L1.5.
- The proposal would set an unacceptable precedent prior to the establishment of a finalised policy position for future development in the locality and undermine the future strategic planning work for the Neutral Bay Town Centre.
- Any decision significantly increasing development potential on a key site within the precinct ahead of the revised strategic review would be premature and undermine the future strategic planning work.
- Notwithstanding, the proposal is inconsistent with the objectives of the Regional and North District Plan and does not present a sound strategic planning outcome for the following reasons:
 - will deliver public benefits of compromised amenity;
 - undermines the development potential of the immediately adjoining site to the north;
 - will result in a net reduction in commercial floorspace across the site.

Military Road Corridor Planning Timeline

- On 22 February 2021, Council adopted the stage 1 post-exhibition report which included the amended Neutral Bay Town Centre – Future Directions Planning Study.

- On 24 January 2022 at an extraordinary Council meeting, Council resolved to rescind the Neutral Bay Town Centre – Future Directions Planning Study and conduct an internal briefing on the matter (**Attachment E1**).
- Council has committed to prepare a new development framework and strategy for the Military Road Corridor in the next four years. On 23 May 2022, Council endorsed a scoping framework as the basis to guide the commencement of work on a revised study for the Neutral Bay Town Centre which indicates a potential 18 month timeframe for completion.
- The same objectives will be retained in the renewed study as they remain relevant, however, a new objective is to be included relating to “targeted modest increases in height and density while maintaining and enhancing the village atmosphere of the centre.”

Inconsistency with section 9.1 Ministerial Directions

- Direction 1.1 – Implementation of Regional Plans
- Direction 5.1 – Integrating Land Use and Transport
- Direction 7.1 – Business and Industrial Zones

Proponent view

- The previously endorsed Study and Future Directions Report provide a clear indication of the Council's and community's desire to see revitalisation and renewal of the Neutral Bay Town Centre.
- The study was supported by a robust evidence base and therefore should be a key consideration for the planning proposal.
- The proposal has been designed to report to this aspiration and provides an outcome consistent with the rescinded study, LSPs, District and Regional Plan.
- The proposal will provide additional floorspace that will increase housing supply and employment in a highly accessible location. This will contribute to the goals of increasing housing supply and providing new employment opportunities.

Issue no. 2

The planning proposal will result in an excessively long, bulky and visually dominant built form in a lower scale context.

Council view

- At 10 storeys, the proposal does not provide a human-scale frontage to the proposed public plaza or an appropriate transition to low-scale residential areas south of the site.
- The southern elevation presents as a largely unbroken building length of approx. 77m, resulting in an overly long and tall barrier between the proposed public plaza and residences to the south (**Figure 8**).
- The 20m height of the 4 storey podiums fronting Rangers Road and Yeo Street are oversized and equivalent of 5 storeys (**Figures 9-10**). They do not respond appropriately to the desired human scale in this location.

Proponent view

- The built form has been designed to respond to site-specific constraints whilst still achieving a viable development outcome capable of supporting the delivery of a town square, through site link and street upgrades.
- A singular built form with a 2 storey building along the western boundary helps frame the centralised town square, with the 10 storey and 7 storey building along Yeo Street designed to terrace back in its street setback, including recesses along the façade to help modulate the buildings appearance from the street.
- The planning proposal notes the indicative concept scheme represents just one possible solution to the site's future design.
- The proposed podium form will establish an appropriate scale that does not result in an overwhelming impact on the amenity of the public domain to create a welcoming human-scale neighbourhood centre.

Issue no. 3

The proposal is inconsistent with the objectives, recommendations and envisaged built form of the rescinded Military Road Corridor Planning Study (MRCPS).

Council view

- The Study envisaged increases in height on three (3) amalgamated sites within the precinct where new community facilities and public domain projects could be delivered.
- The MRCPS envisaged height increases across a larger, amalgamated site (1-7 Rangers Road and 183-185 Military Road, excluding 50 Yeo Street) with recommended maximum building heights of 8 storeys along Rangers Road, 6 storeys along Yeo Street and 12 storeys to Military Road (**Figure 13**) (**Attachment G**). 183-185 Military Road has been excluded from this proposal.
- The intent of the Study's staggered building heights and setbacks was to minimise overshadowing to the public plaza, provide an appropriate transition in height and scale and protect the existing village character of Neutral Bay and minimise overshadowing impacts to surrounding residential areas.
- The MRCPS envisaged an open-to-sky pedestrian link along the western boundary to provide a visual break in the development, maximising solar access. This would connect to a public plaza connecting this site and the northern site.
- The inclusion of a narrow 2 storey retail strip on the joint northern boundary undermines the ability to leverage community benefits and public domain improvements from any future potential growth on the 183-185 Military Road site.
- Proposed heights will result in a significant reduction in solar access to residential dwellings on the southern side of Yeo Street between 10AM to 3PM in mid-winter, with some properties (57-59 Yeo Street) to be shadowed for the entire day (**Figure 14**).

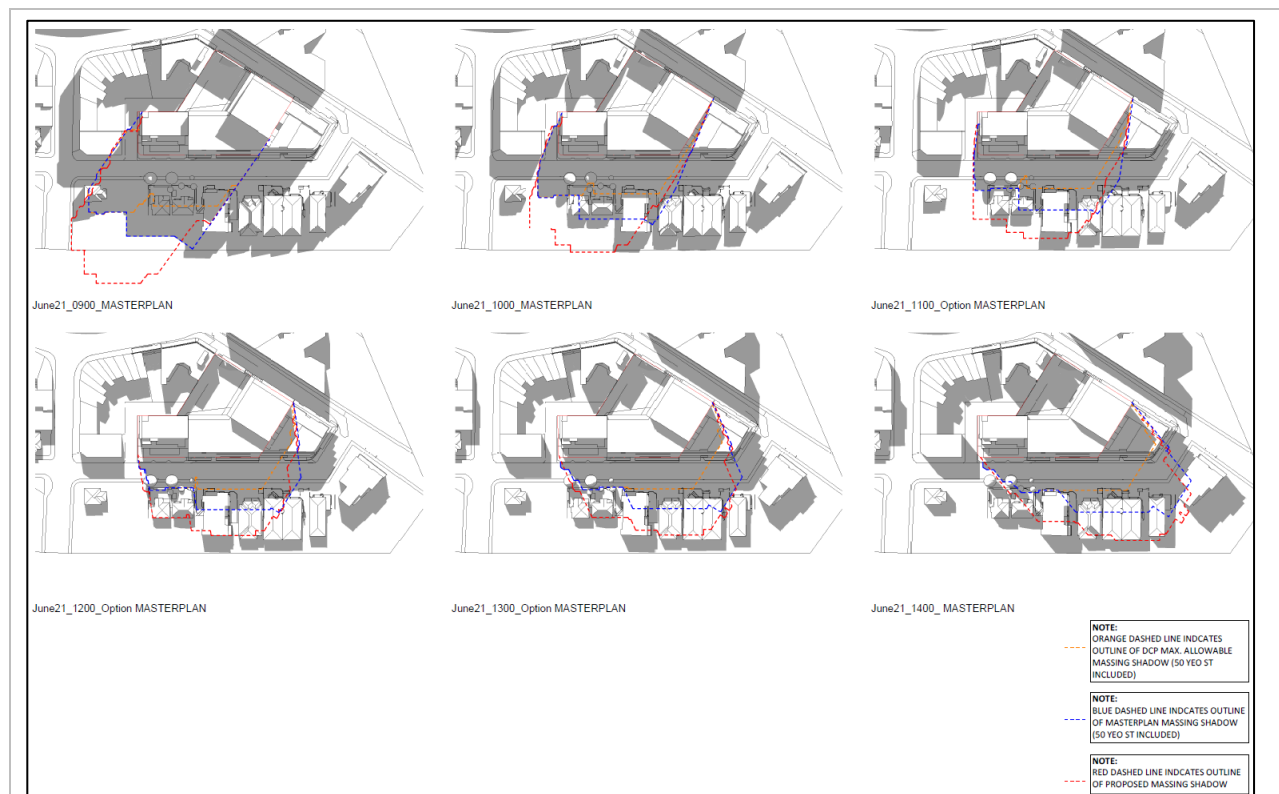


Figure 14. Overshadowing diagrams for 21 June (source: *KTA architectural plans*)

Proponent view

- The deviation in height from the MRCPS does result in some increased overshadowing impacts to the southern side of Yeo Street, however this is considered to be acceptable given a large proportion of development aligns with the MRCPS and the proposed storeys are well below the 12 storeys intended for opportunity site 3.
- The proposal delivers a 1,013sqm town square, through site link between Rangers Road and Yeo Street, and aims to revitalise the site to enhance Neutral Bay Town Centre through public benefits and an improved public domain.
- A 2 storey retail podium along the western boundary is intended to support the creation of a highly activated ground plane, consistent with the desired character intended for the site under the MRCPS.
- Despite the MRCPS, Woolworths has been unable to acquire the land at 185 Military Road, resulting in Woolworths acquiring the land at 50 Yeo Street instead. This has required the reconsideration of the opportunity provided by the site.
- A continuous through site pedestrian link is proposed from Rangers Road to Yeo Street that will be activated by retail tenancies on the ground floor, increasing the amount of active retail frontages.

Other issues:

Non-Residential FSR

- The planning proposal will likely result in a net loss of approx. 450sqm of commercial floorspace (6% reduction) compared to existing conditions.
- The proposal anticipates delivering a significantly lower portion of commercial office space than currently provided. The proponent's Economic Impact Assessment (**Attachment B5**) acknowledges a net loss of commercial office floorspace (-2,003sqm) and net gain of retail floorspace (+1,661sqm).
- In the context of the North District Plan and Council's objectives to redress the ongoing decline in commercial floorspace in the precinct, any reduction of employment generating floorspace would be premature and undermine the future strategic planning work for the Neutral Bay Town Centre.

Transport and Traffic Generation Implications

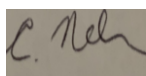
- A proposed total of 350 car parking spaces (net increase of 250) and associated traffic generation will have a significant impact on the efficiency and performance of the surrounding road network. This number of spaces exceeds Council's maximum parking requirements.
- The submitted analysis (**Attachment B4**) indicates a 40% increase in net traffic generation during the PM peak hours. This excludes the proposed 65 public spaces proposed under the VPA and if applied would load the network over and above "operating near capacity" conditions.

Council Comments

- Council has confirmed that the planning proposal submitted for this rezoning review is the proposal submitted to Council for assessment (**Attachment D**).
- However, Council notes the proponent's rezoning review request letter includes details of a revised scheme accompanied by a set of amended architectural plans that did not form part of the documentation submitted to Council for assessment.
- On 8 September 2022 Council received a letter from the proponent advising it is willing to amend the proposal to reduce height. The proponent has also publicly announced that the number of storeys would be reduced in a revised scheme. Council, however, has not received an amended planning proposal and as such, can only consider the planning proposal as submitted.
- Council objects to the consideration of an amended concept scheme at this stage of the process as it would appear to contravene the Department's LEP Making Guidelines.

North Sydney Local Planning Panel Comments

- Recommends to Council that the proposal not proceed to Gateway determination.
- The Panel considers the planning proposal does not demonstrate either site-specific or strategic merit to justify a spot rezoning for this site in isolation, given its location within the Neutral Bay Town Centre.
- The Panel noted that the applicant has advised that the number of storeys would be reduced in a revised scheme. The Panel advised it is not privy to any details of the revised scheme and it does not constitute an amended planning proposal therefore, the Panel can only consider the planning proposal as submitted.
- The Panel urges Council to finalise its strategy and plans as a matter of priority for all stakeholders, including the community. The Panel recognises the importance of strategic planning to guide change and future development having regard to providing certainty on a comprehensive basis, to deliver improved built form outcomes, function and accessibility for the centre.



23.11.2022

Charlene Nelson

Manager, Place and Infrastructure, North District



25 November 2022

Brendan Metcalfe

Director, North District, Metro Central and North

Assessment officer

Matthew Rothwell

Planning Officer, North District, Metro Central and North

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Attachments

Attachment A – Rezoning Review Request Letter (26 October 2022)

Attachment A1 – Proponent letter to North Sydney Council (7 September 2022)

Attachment A2 – Amended Architectural Plans (18 October 2022)

Attachment B – Planning Proposal Report (9 May 2022)

Attachment B1 – Architectural Plans (11 March 2022)

Attachment B2 – Design Report (11 March 2022)

Attachment B3 – Landscape Concept Report (February 2022)

Attachment B4 – Transport Assessment (9 March 2022)

Attachment B5 – Social and Economic Impact Assessment Report (9 March 2022)

Attachment B6 – VPA Public Benefit Offer (11 March 2022)

Attachment B7 – Proposed LEP Maps

Attachment B8 – Site-Specific DCP (May 2022)

Attachment B9 – Preliminary Site Investigation Report (April 2022)

Attachment C – Council Officer's Assessment Report (26 August 2022)

Attachment D – Council's Response to the Rezoning Review (15 November 2022)

Attachment E – Council resolution (10 October 2022)

Attachment E1 – Council resolution rescinded planning study (24 January 2022)

Attachment F – North Sydney Local Planning Panel minutes (14 September 2022)

Attachment G – Rescinded Military Road Corridor Planning Study (February 2021)

Note – Attachments marked in red apply to an amended scheme submitted by the proponent that is not subject to this rezoning review.