

Rezoning Review Briefing Report – RR-2025-15

166-188 and 198-214 Military Road, Neutral Bay (140 dwellings)

Element	Description
Date of request	21 October 2025
Department ref. no	IRF25/2520
LGA	North Sydney Council
LEP to be amended	North Sydney Local Environmental Plan (NSLEP) 2013
Address	166-188 and 198-214 Military Road, Neutral Bay
Reason for review	<input checked="" type="checkbox"/> Council notified the proponent it will not support the proposed amendment <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
Has council nominated PPA role	Council is unable to be the planning proposal authority for this proposal as they have notified the proponent that they do not support the proposed amendment.
Consultation	No consultation has been recorded
Political Donations	The proponent is not aware of any person who has financial interest in the application who has made a political donation or gift in the last two years.
Lobbyists Code of Conduct	The PPA team is not aware of any meetings or communication with registered lobbyists with respect to this planning proposal.
Brief overview of the timeframe/progress of the planning proposal	<p>29 October 2024 - The planning proposal (PP-2024-1241) lodged with Council.</p> <p>13 March 2025 - A request for Information (RFI) letter from North Sydney Council sent to proponent.</p> <p>11 April 2025 - Revised planning proposal submitted to Council</p> <p>26 August 2025 - North Sydney Local Planning Panel (NSLPP) supported recommendation that the planning proposal does not proceed.</p>

	<p>12 September 2025 - In response to Council’s report to the NSLPP, Proponents seeks to amend planning proposal via submissions to the Planning Portal.</p> <p>22 September 2025 - Council resolved to refuse the planning proposal.</p> <p>24 October 2025 - Rezoning Review was submitted to the DPHI</p> <p>2 December 2025 - Council comments on proposal received</p>
Department contact:	Douglas Cunningham, Manager, Planning Proposal Authority

Planning Proposal

Table 1. Overview of planning proposal

Element	Description
Site Area	4,475m ²
Site Description	<p>The subject site comprises of nine individual lots of land and divided into two parcels separated by land owned by North Sydney Council (190-192 Military Road) and two lots held under private ownership (194 and 196 Military Road). The subject site includes one lot (180-182 Military Road) not held under ownership by the applicant (Arkadia).</p> <p>The western portion is referred to as Site 2A and covers 166 - 188 Military Road. Site 2A has an approximate area of 2,280m². The eastern portion is referred to as Site 2B and contains the sites 198-214 Military Road. It has an approximate area of 1,838m². The total approximate area of land covered by this proposal is 4,188m². The site is currently occupied by a wide variety of retail and commercial uses.</p> <p>The site is located:</p> <ul style="list-style-type: none"> • 300 m east of Redlands, Sydney Church of England Coeducational Grammer School; • 680 m southwest of Forsyth Park; • 1.4 km southwest if Victoria Cross Metro Station; and • 780 m west of Bradfield Highway. <p>The subject site is bound by Grosvenor Lane and the existing Grosvenor Lane public car park to the north and Military Road to the south.</p>

Element	Description
<p>Proposal summary</p>	<p>The intent of the planning proposal (Attachment B) is to facilitate the delivery of 4 mixed-use buildings ranging in height from 9 to 12 storeys.</p> <p>The planning proposal seeks to amend the NSLEP 2013 as follows:</p> <ul style="list-style-type: none"> • Increase the maximum building height control for the site from 16m to 36-45m. • increase the minimum non-residential floor space ratio control from 0.5:1 to 1.2:1. <p>The planning proposal is accompanied by a draft Voluntary Planning Agreement (VPA) (Attachment B3) which, in summary, seeks to provide</p> <ul style="list-style-type: none"> • a 730m² community centre (40-year peppercorn lease to Council); • 2 publicly accessible through-site links; and • Footpath widening and other public domain upgrades
<p>Relevant State and Local Planning Policies, Instruments</p>	<ul style="list-style-type: none"> • Greater Sydney Region Plan (GSRP); • North District Plan; • North Sydney Local Strategic Planning Statement (LSPS); • Relevant State Environmental Planning Policies (SEPP) including SEPP (Biodiversity and Conservation) 2021, SEPP (Resilience and Hazards) 2021 and SEPP (Housing) 2021; and • Relevant Section 9.1 Ministerial Directions including Direction 1.1 – Implementation of Regional Plans, Direction 4.4 - Remediation of Contaminated Land, and Direction 3.2 Heritage Conservation.

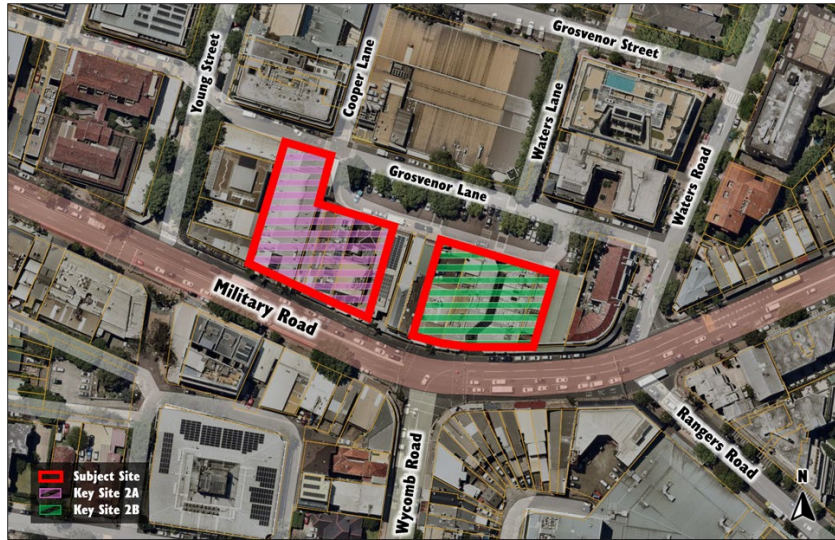


Figure 1. Subject site (source: Nearthmaps, 2026)



Figure 2: Massing of the proposal within future built form context (source: RFI response April 2025)

The planning proposal seeks to amend the NSLEP 2013 per the changes below.

Table 2. Current and proposed controls

Control	Current	Proposed
Zone	MU1 Mixed Use	No Change
Maximum height of the building	16m	45m
Non-residential Floor space ratio	0.5:1	1.2:1

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Control	Current	Proposed
Number of dwellings	0	140
Affordable Housing	0	up to 15% of apartments delivered for 15 years

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

The full set of current and proposed maps for this proposal can be found at **Attachment C**.

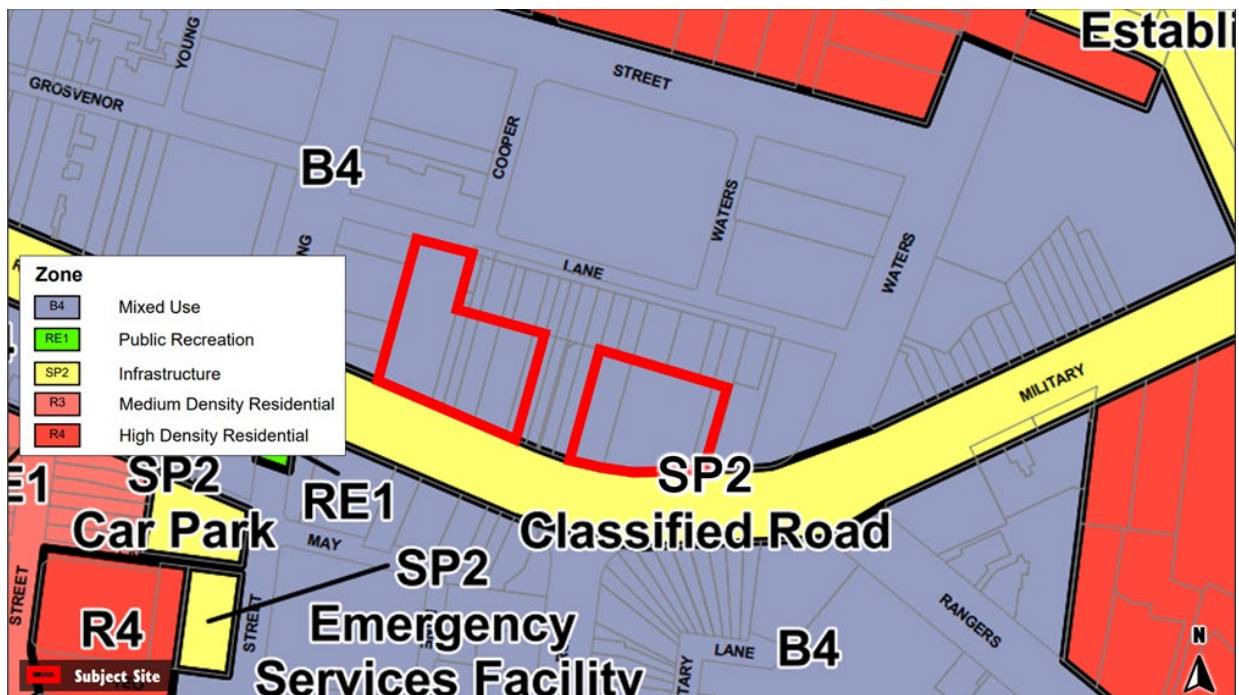


Figure 3. Current Zoning Map (Source: North Sydney LEP 2013)

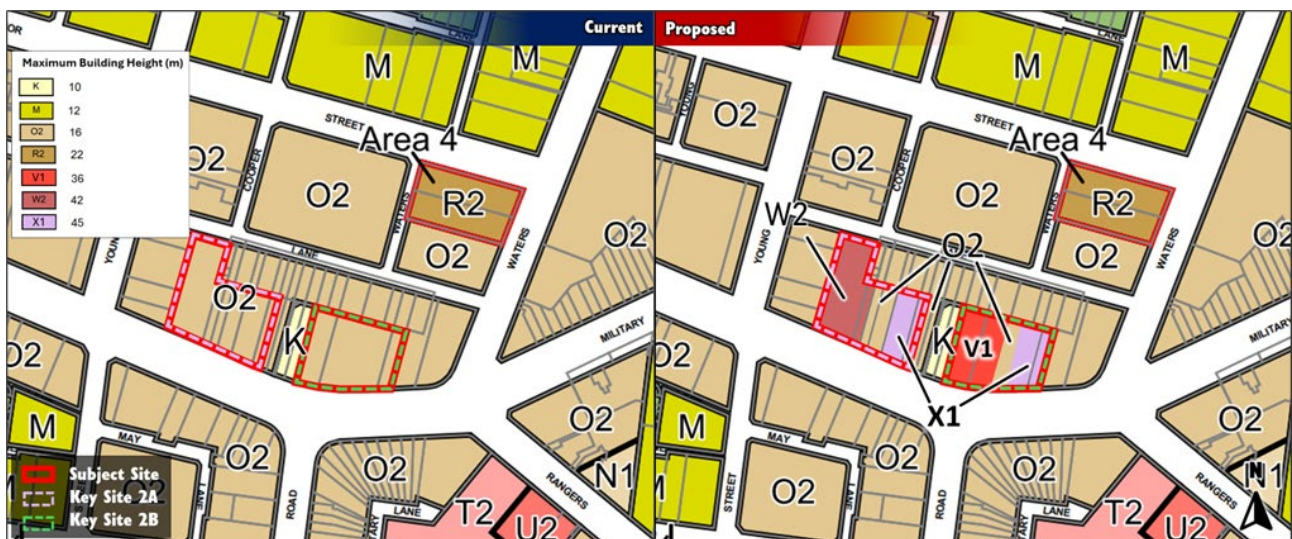


Figure 4. Current and proposed Height of Building (Source: North Sydney LEP 2013)

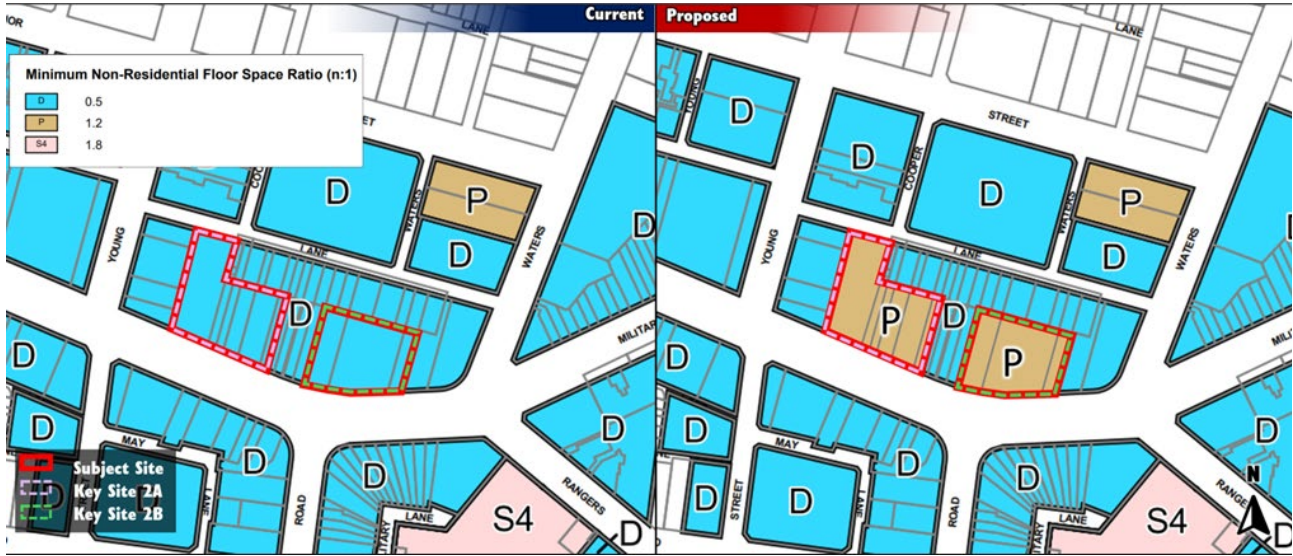


Figure 5. Current and Proposed Minimum Non-Residential Floor Space Ratio (source: North Sydney LEP 2013)

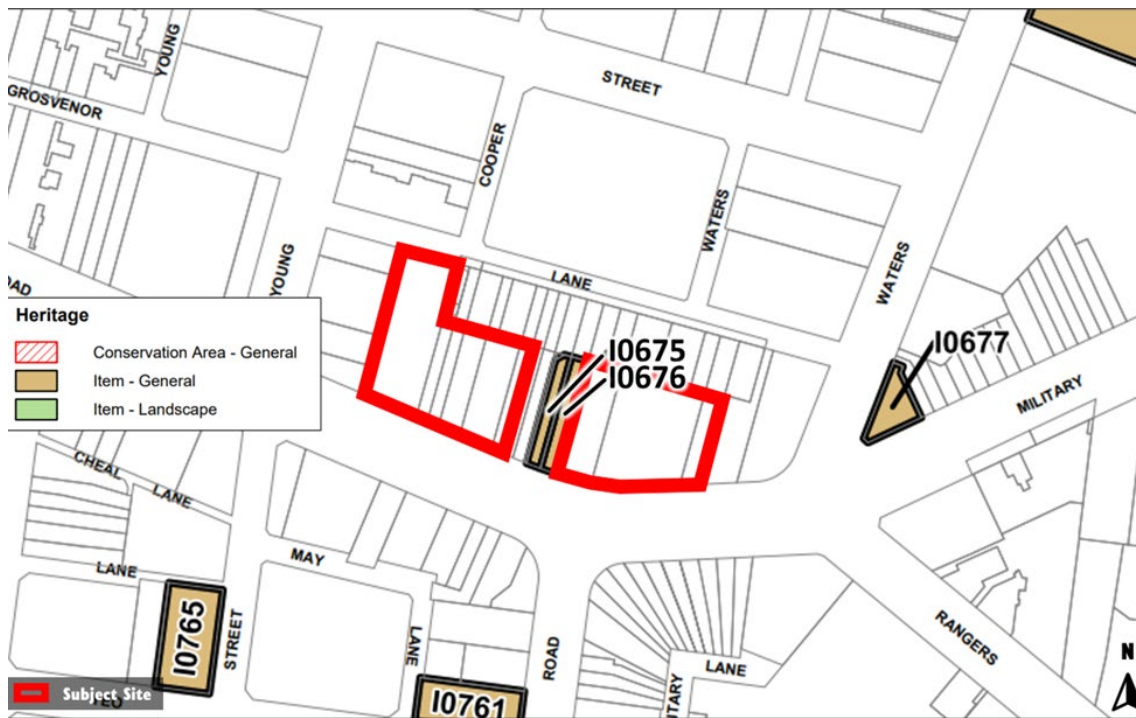


Figure 6. Heritage Map (Source: North Sydney LEP 2013)

Local Planning Panel (LPP) recommendation

The LPP Panel (**Attachment A3**) advised Council that the planning proposal had strategic merit, however, should not proceed to Gateway in its current form. In summary, the LPP recommended the following changes to the proposal:

- The proposed height and FSR controls should apply to 180-182 Military Road, Neutral Bay;

- A mechanism be included to exclude additional heights above 8 to 12 stories through the application of Clause 4.6 or any bonus provision in other planning instruments.
- The reference document be amended to resolve key issues raised in the assessment report including the inconsistencies with the Neutral Bay Village Planning Study (NBVPS).

Council Decision

Council considered the matter on 22 September 2025 and resolved that, consistent with the independent planning assessment and the recommendation of the North Sydney Local Planning Panel of 26 August 2025, Council not support the Planning Proposal proceeding to a Gateway Determination (**Attachment A7**).

Key Issues

Note - An independent planning consultant (Ingham Planning) was engaged by Council to undertake the original assessment of the proposal on its behalf, given the extended planning history for the Neutral Bay precinct as well as the current Expressions of Interest/Tender process for the potential delivery of a future Grosvenor Plaza, located adjacent to the subject site.

STRATEGIC MERIT

Issue no. 1: Inconsistency with Strategic Plans

Council view

- The planning proposal is inconsistent with the endorsed place-based study for the locality (the NBVPS) and the North Sydney Local Strategic Planning Statement (LSPS), North District Plan and Greater Sydney Region Plan (GSRP).

Proponent view

- The proposal is consistent with the Greater Sydney Region Plan, North District Plan, and LSPS, supporting objectives like transit-oriented development, housing diversity, and creating vibrant local centers.
- The proposal delivers approximately 140 diverse dwellings, including up to 15% affordable housing for 15 years, contributing to North Sydney Council's housing target of 5,900 new homes by 2029.
- The planning proposal supports the revitalisation of the Neutral Bay Town Centre through a mixed-use redevelopment that aligns with Council's Military Road Corridor Planning Study and NBVPS.

Issue no. 2: Site Isolation

Council view

- The NBVPS identifies the site at 180-182 Military Road, Neutral Bay for additional height. This site forms an integral part of key 'Site 2A' under the Study. Two submissions have been received on behalf of the landowner of this site raising concerns about the impacts of the proposal on the future development potential of their site.

- The original planning proposal submitted to council excluded 180-182 Military Road from the proposal, and relied on maintaining a lower scale development on the site to provide adequate separation between the proposed tower elements on Sites 2A.
- Following a preliminary assessment, a RFI was issued to the proponent in March 2025, requesting the proponent consider various amendments to the proposal. These included incorporation of 180-182 Military Road to facilitate a coherent built form outcome.
- The proponent's updated concept scheme submitted in April 2025, includes this land, however, the existing building height control is proposed to remain at 16m (**Attachment A1**).
- Council notes that proposed amendments to the proposal, dated 12 September, have been included in the rezoning review package. These amendments have not been considered by their independent planning consultant (**Attachment A4 and A5**).

Proponent view

- In response to the Council and the Panel's recommendations, a request to amend the planning proposal was submitted to Council via the Planning Portal on 12 September 2025 (**Attachment A4 and A5**) seeking the following changes:
 - Amending the Height of Building LEP map to show the extension of the proposed building height controls across the through-site links and no. 180-182 Military Road.
 - Amending the Non-Residential Floor Space Ratio control to show the extension of the proposed FSR control across the laneways and no. 180-182 Military Road.
 - Refining the reference scheme to include a 6-metre-wide laneway as part of site 2A.
- Council officers advised that it was not possible to assess the requested changes ahead of its scheduled meeting due to time constraints.

SITE SPECIFIC MERIT

Issue no. 1: Building Height

Council view

- Council's independent assessment report held the view that a building height range of 7 to 12 storeys may be considered appropriate and acceptable in the context of recent changes to the local planning context.
- Notwithstanding this above, Council's independent assessment report found the proposal needs to demonstrate consistency with the core built form principles of the NBVPS, provide an appropriate transition in heights to protect solar access to public open space, and provide an appropriate interface to the future plaza and surrounding development.
- The two 11 storey towers would result in additional overshadowing and undesirable place making outcomes on existing public spaces.

Proponent view

- Building heights up to 12 storeys are part of the emerging character context of this precinct. This includes the current SSDA and concurrent rezoning being progressed by the Housing Delivery Authority for the nearby Woolworths site at 1-7 Rangers Road and 50 Yeo Street Street and 183-185 Military Road.
- The proposed uplift in height and density is necessary to economically support the delivery of public benefits and community facilities, which are unfeasible under current planning controls.
- The proposal will not compromise the amenity of nearby existing and future residential areas.

Issue no. 2: Built Form

Council view

- The independent assessment report found that the overall bulk and scale of the proposed built form is unacceptable as it provides inadequate setback and building separations, having regard to the provisions of the State Environmental Planning Policy (Housing) 2021 and Apartment Design Guide (ADG).
- The proposed 12m separation between buildings does not comply with the minimum building separation requirements of the ADG and 'non-habitable' interfaces do not appear achievable given the indicative design.
- The proposed habitable elevations, along the western and eastern side boundaries, will not meet Building Code of Australia (BCA) requirements and are non-compliant with ADG setback requirements.

Proponent view

- The built form will result in developments that contribute to the wider 'village atmosphere' through providing inviting spaces to encourage activation and utilisation of the town centre.
- The controls encourage high-quality building design to enrich the experience of the Neutral Bay town centre, including
 - sensitive height transitions to protect solar access to public open spaces and residential areas.
 - a human-scaled streetscape to enhance the village atmosphere.
 - preserves and is sensitive to heritage items.
- The proposed development provides additional floor space that will increase housing supply and employment in a highly accessible location to support the existing and increasing population of greater Sydney; This will take advantage of substantial investment in public transport infrastructure and support the achievement of a '30-minute city.'

Issue no. 3: Public domain and community facilities

Council view

- Current NSLEP 2013 was used to determine what public domain improvements and community facilities were needed to support growth.

- Whilst the proposal incorporates the provision of two through-site links, a new 730m² community, and footpath widening, they fall short of the requirements of the NBVPS.
- The independent assessment report concludes that the overall function and amenity of the public space around the site would be compromised by the proposed amendments.

Proponent view

- The proposal incorporates significant community benefits include a new 730m² community centre, two new through-site links, an upgraded existing link, and widened footpaths along Military Road, enhancing pedestrian connectivity and public domain (**Attachment B3**).
- The proposal will not compromise the amenity of nearby existing and future residential areas.
- The proposal will be a catalyst for further investment and renewal in NBTC, transforming aging infrastructure into a vibrant, community-focused hub.

Other Issues

Affordable Housing

- Council notes that while the planning proposal includes the provision of up to 15% of the total residential dwellings as affordable housing for 15 years, the mechanism to achieve this should form part of the planning proposal and its supporting information.

Attachments

- A Rezoning Review Request**
- A1 Proponent's Response to Request for Further Information**
- A2 Council Assessment Report to NSLPP**
- A3 NSLPP Recommendation**
- A4 Ethos Urban Request to amend the planning proposal**
- A5 Revised indicative concept scheme submitted**
- A6 Council Meeting Agenda**
- A7 Council Meeting Minutes**
- B Planning Proposal**
- B1 Urban Design Report (August 2024)**
- B2 Transport Assessment (August 2024)**
- B3 Public Benefit Offer (August 2024)**
- C Locality map, existing and proposed LEP Maps**
- D Council Comments on rezoning review**

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(Signature)

23/01/2026

(Date)

Douglas Cunningham

Manager, Planning Proposal Authority

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(Signature)

27/01/2026

Louise McMahon

Director, Planning Proposal Authority

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