### ITEM <u>11</u> REPORTS <u>24/02/2020</u>

NORTH SYDNEY COUNCIL REPORTS



### **Report to General Manager**

Attachments: 1. Briefing Paper to SNRPP 2. SNRPP Recommendation

- **SUBJECT:** Planning Proposal 2/19 Alfred Street Precinct (263-283 Alfred Street North & 4 Little Alfred Street, North Sydney) Planning Proposal Authority
- **AUTHOR:** Ben Boyd, Executive Strategic Planner

**ENDORSED BY:** Joseph Hill, Director City Strategy

### **EXECUTIVE SUMMARY:**

On 22 March 2019, Council received a Planning Proposal to amend North Sydney Local Environmental Plan 2013 (NSLEP 2013) as it relates to land located at 263-283 Alfred Street and 4 Little Alfred Street, North Sydney (which includes the Bayer Building), also known as the Alfred Street Precinct. In particular, the Planning Proposal seeks the following amendments to NSLEP 2013:

- Rezoning the Precinct from B3 Commercial Core to B4 Mixed Use.
- Increase the maximum building height on the Height of Buildings Map from 13m to:
  - o 31m (an 18m increase) at 283 Alfred Street;
  - o 80m (a 67m increase) at 275 Alfred Street;
  - o 28m (a 15m increase) at 271-273 Alfred Street; and
  - o 29m (a 16m increase) at 263-269 Alfred Street and 4 Little Alfred Street.
- Increase the maximum floor space ratio on the Floor Space Ratio Map for 275 Alfred Street from 3.5:1 to 7.3:1.
- Incorporate a local provision allowing a 2:1 floor space ratio bonus on land at 275 Alfred Street subject to a design excellence competition being held.

Due to Council not having made a determination within 90 days of lodgement of the Planning Proposal, the applicant lodged a request with the Department of Planning, Infrastructure and Environment on 27 June 2019 for a Rezoning Review.

Despite the lodgement of the Rezoning Review, Council considered an assessment report in relation to the Planning Proposal and the advice from the North Sydney Local Planning Panel on 26 August 2019, wherein it resolved not to support the progression of the Planning Proposal to Gateway Determination.

On 31 October 2019, the Rezoning Review request was formally considered by the Sydney North Regional Planning Panel (SNRPP), which handed down its recommendation on 18 November 2019. In particular, the SNRPP recommended that the Planning Proposal should progress to Gateway Determination, subject to the following conditions:

- the Planning Proposal is to be accompanied by a site specific DCP addressing amalgamation patterns, built form outcomes, footpath widths, public domain upgrades and provision of publicly accessible space on site;
- the establishment of a methodology for the protection and embellishment of nearby public parks;
- the Planning Proposal is to contain a more detailed analysis of potential overshadowing impacts of neighbouring properties; and
- further clarification in relation to the provision of affordable housing is to be provided.

In its correspondence of 18 November 2019, the SNRPP also sought Council's advice with respect to accepting the role of Planning Proposal Authority (PPA). The PPA is responsible for progressing Planning Proposals through the plan making process, including ensuring the Planning Proposal is consistent with the Gateway Determination, the public exhibition process, consideration of submissions and the making of an amendment to Council's Local Environmental Plan giving effect to the planning proposal.

This report considers the implications of taking on the PPA role in light of the recommendations of the SNRPP and Council's previous resolutions in relation to the subject lands. In consideration of these implications, it is recommended that Council decline the acceptance of the PPA role, to minimise any perceived conflicts in the next round of assessment and determination processes of the Planning Proposal.

## FINANCIAL IMPLICATIONS:

Should Council accept the role of PPA, the applicant of the Planning Proposal would be required to pay the Stage 2 Planning Proposal Fees to cover the expenses of placing the Planning Proposal on public exhibition and the making of the plan. If Council does not accept the role of PPA, the applicant of the Planning Proposal would be required to pay a fee to the Department of Planning, Industry and Environment to cover the expenses of placing the Planning Proposal on public exhibition and the making of the plan.

## **RECOMMENDATION:**

**1. THAT** Council not accept the role of the Planning Proposal Authority for Planning Proposal 2/19 – Alfred Street Precinct.

**2. THAT** in not accepting the Planning Proposal Authority role, that Council advise the Department of Planning, Industry and Environment:

- a. that any recommendations of the Sydney North Regional Planning Panel form conditions to any Gateway Determination issued;
- b. that it consider Council's assessment report and resolution in relation to the progression of the Planning Proposal in determining the imposition of any conditions on the Gateway Determination;
- c. that the terms of any draft Voluntary Planning Agreement or public benefit associated with the Planning Proposal be determined prior to the public exhibition of the Planning Proposal in conjunction with Council; and
- d. that the responsible authority to amend North Sydney Development Control Plan 2013 be the same as the Planning Proposal Authority for the Planning Proposal.
- **3. THAT** Council advise the Sydney North Regional Planning Panel of its decision.

**4. THAT** once Gateway Determination be issued, the Planning Proposal, any VPA and site specific DCP controls, be placed on public exhibition concurrently.

Report of Ben Boyd, Executive Strategic Planner Re: Planning Proposal 2/19 – Alfred Street Precinct, North Sydney – Planning Proposal Authority

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**5. THAT** should Council resolve to accept the role of Planning Proposal Authority, that upon receiving Gateway Determination, Council seek Stage 2 fees to progress the Planning Proposal prior to public exhibition.

## (4)

# LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

| Direction: | 1. Our Living Environment  |
|------------|--|
| Outcome:   | <ul><li>1.3 Quality urban greenspaces</li><li>1.4 Public open space and recreation facilities and services meet community needs</li></ul>  |
| Direction: | 2. Our Built Infrastructure  |
| Outcome:   | <ul><li>2.1 Infrastructure and assets meet community needs</li><li>2.2 Vibrant centres, public domain, villages and streetscapes</li><li>2.4 Improved traffic and parking management</li></ul> |
| Direction: | 3. Our Future Planning   |
| Outcome:   | <ul><li>3.1 Prosperous and vibrant economy</li><li>3.4 North Sydney is distinctive with a sense of place and quality design</li></ul>  |
| Direction: | 4. Our Social Vitality   |
| Outcome:   | 4.4 North Sydney's history is preserved and recognised   |
| Direction: | 5. Our Civic Leadership  |
| Outcome:   | <ul><li>5.1 Council leads the strategic direction of North Sydney</li><li>5.2 Council is well governed and customer focused</li></ul>  |

## BACKGROUND

## 1. Planning Proposal

On 22 March 2019, Council received a Planning Proposal to amend North Sydney Local Environmental Plan (NSLEP) 2013 as it relates to land located at 263-283 Alfred Street and 4 Little Alfred Street, North Sydney, also known as the Alfred Street Precinct. In particular, the Planning Proposal seeks the following amendments to NSLEP 2013:

- Rezoning the Precinct from B3 Commercial Core to B4 Mixed Use.
- Increase the maximum building height on the Height of Buildings Map from 13m to:
   0 31m (an 18m increase) at 283 Alfred Street;
  - o 80m (a 67m increase) at 275 Alfred Street;
  - o 28m (a 15m increase) at 271-273 Alfred Street; and
  - o 29m (a 16m increase) at 263-269 Alfred Street and 4 Little Alfred Street.
- Increase the maximum floor space ratio on the Floor Space Ratio Map for 275 Alfred Street from 3.5:1 to 7.3:1.

• Incorporate a local provision allowing a 2:1 floor space ratio bonus on land at 275 Alfred Street subject to a design excellence competition being held.

The Planning Proposal is also accompanied by a site specific Development Control Plan (DCP) that outlines controls relating to setbacks, through site links and number of storeys.

The Planning Proposal has principally been prepared to enable the redevelopment of the Bayer Building located at 275 Alfred Street, however it has been expanded to include surrounding lands consistent with previous advice from the former Joint Regional Planning Panel.

Due to North Sydney Council recently determining not to endorse a Council prepared Planning Study relating to the Precinct, Council engaged Ingham Planning to undertake an independent assessment of the Planning Proposal to avoid any perceived conflicts of interest. Ingham Planning's Assessment Report recommended that the Planning Proposal should not be supported to proceed to Gateway Determination for the following reasons:

- The indicative concept design fails to demonstrate how the site could be acceptably developed to the requested heights insofar that it does not respond adequately to the site attributes and context and will result in a significant level of public and private amenity impacts;
- It is contrary to objectives (c), (e) and (f) of the Height of Building controls under clause 4.3 to NSLEP 2013;
- It is contrary to the objectives (a) and (b) of the FSR controls under clause 4.4 to NSLEP 2013;
- It is inconsistent with a number of objectives and actions under the relevant Regional and District strategies applying to the land;
- It will have an adverse impact on the adjoining Whaling Road heritage conservation area;
- It will result in excessive overshadowing of adjoining properties including Alfred Street North Park;
- It will have an adverse visual impact and detract from the existing and desired future character of the area;
- It does not encourage the amalgamation of lots to:
  - allow adequate flexibility in the manner in which built form is distributed on the site to minimise impact;
  - minimise vehicular access points and parking related structures on Little Alfred Street and;
  - *allow an appropriate and efficient basement parking arrangement;*
- It provides minimal public benefit in that the public accessible areas within the site are mainly thoroughfares that provide access to commercial uses and have limited potential for use as open space and limited amenity;
- The provision of an LEP provision allowing an additional 2:1 FSR subject to design excellence competition requirements is contrary to the existing LEP provisions, has not been sufficiently justified and would result in a building of excessive height and /or bulk.

The North Sydney Local Planning Panel (NSLPP) considered the Assessment Report prepared by Ingham Planning on 14 August 2019, which resolved to defer making a recommendation as to whether it would support or not support the progression of the Planning Proposal to a Gateway Determination, until a number of matters had been satisfactorily addressed. The reasons for deferral largely replicated the reasons outlined by Ingham Planning for not supporting the progression of the Planning Proposal.

On 26 August 2019, Council considered the advice of the NSLPP and the independent planning consultant and resolved:

**1. THAT** Council resolves not to support the Planning Proposal proceeding to Gateway Determination for the reasons outlined in the Assessment Report prepared by Ingham Planning, which is included as Attachment 2.

**2. THAT** Council notifies the applicant of Council's determination in accordance with clause 10A of the Environmental Planning and Assessment Regulations 2000.

**3. THAT** Council advise the Department of Planning, Industry and Environment of its decision and that it be provided with a copy of this report and its resolution in support of Council's position.

## 2. Rezoning Review

On 27 June 2019, the applicant of the Planning Proposal lodged a request with the Department of Planning, Industry and Environment (DPIE) for a Rezoning Review, due to Council not having made a determination within 90 days of the lodgement of the Planning Proposal. This was despite Council advising the applicant before its lodgment of the Rezoning Review that the Planning Proposal was scheduled to be considered by its Local Planning Panel on 14 August 2019.

Council was advised of this Rezoning Review request on 1 July 2019 and invited to provide a response detailing why the original request to Council was not progressed. Council provided a formal response on 11 July 20019, followed by a further response on 1 August 2019, following Council's request for more time to allow the matter to be reported to the NSLPP.

On 24 October 2019, Council was provided with a copy of the Briefing Paper (refer to Attachment 1) to the Sydney North Regional Planning Panel (SNRPP). It was noted that the report made reference to the NSLPP's advice but did not provide any commentary with respect to Council's determination of the matter on 26 August 2019, despite this being supplied to the DPIE prior to the finalisation of the Briefing Paper.

The SNRPP considered the request for the Rezoning Review on 31 October 2019 and handed down its recommendation on 18 November 2019. In particular, it recommended that the Planning Proposal proceed to Gateway Determination on both strategic and site specific merit grounds. Furthermore, it was recommended that any Gateway Determination issued should contain conditions addressing the following:

- the Planning Proposal is to be accompanied by a site specific DCP addressing amalgamation patterns, built form outcomes, footpath widths, public domain upgrades and provision of publicly accessible space on site;
- the establishment of a methodology for the protection and embellishment of nearby public parks;
- the Planning Proposal is to contain a more detailed analysis of potential overshadowing impacts of neighbouring properties;
- Further clarification in relation to the provision of affordable housing is to be provided.

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A copy of the SNRPP's letter and recommendations form Attachment 2 to this report.

In addition, the SNRPP has requested that Council indicate whether it would like to assume the role of Planning Proposal Authority (PPA) for the ongoing processing of the Planning Proposal (i.e. to undertake the public exhibition and prepare the post exhibition report) within 42 days of its letter.

If Council accepts the PPA role, it will then have a further 42 days from the date of its acceptance within which to forward the Planning Proposal to the DPIE to obtain a Gateway Determination.

On 25 November 2019, Council sent a letter to SNRPP advising that it was not able to provide a formal response until Council had formally considered the matter at its next available Council meeting which was not until 24 February 2020 consistent with previous practices. The SNRPP Secretariat advised Council on 4 December 2019 that they did not object to Council providing a formal response following its meeting of 24 February 2020.

This report seeks Council's decision on whether it should accept or decline the role of PPA for the Planning Proposal.

## **CONSULTATION REQUIREMENTS**

Should Council determine that the Planning Proposal should proceed, community engagement will be undertaken in accordance with Council's Community Engagement Protocol, the requirements of any Gateway Determination issued in relation to the Planning Proposal and the Environmental Planning and Assessment Regulations 2000.

### SUSTAINABILITY STATEMENT

The following table provides a summary of the key sustainability implications:

| QBL Pillar  | Implications   |  |  |  |
|-------------|--|--|--|--|
| Environment | • The proposal has the ability to increase traffic congestion.   |  |  |  |
|             | • The proposal has the ability to compromise the quality of adjacent public open spaces, through poor solar access.  |  |  |  |
| Social      | <ul> <li>The proposal has the ability to take advantage of maximising public transport patronage, due to its proximity to a new Metro station.</li> <li>The proposal has the potential to improve the vitality of the locality through increased activation of the public domain interface.</li> <li>The proposal will place a substantial demand on local services and facilities, especially open space.</li> <li>The proposal has the ability to have a negative impact upon the adjoining heritage conservation area.</li> </ul> |  |  |  |
| Economic    | No anticipated impacts.  |  |  |  |
| Governance  | No anticipated impacts.  |  |  |  |

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## DETAIL

## **1.** Determination of the PPA Role

Following the issue of a Gateway Determination, the PPA is responsible for progressing a Planning Proposal through the next stages of the plan making process. This includes finalisation of planning proposals, consulting with the community and relevant agencies, considering submissions, finalising assessment of the proposal and, should the plan progress to the final stage, request the making of the plan (being amendments to NSLEP 2013). The Gateway Determination enables a Planning Proposal to progress to public exhibition.

There are a number of advantages and disadvantages to accepting/declining the role of PPA that should be considered by Council. These are addressed in the following subsections.

## 2. Options

### 2.1. Council Accepts the PPA Role

### 2.1.1. Control of the Plan Making Process

If Council resolves to accept the role of PPA, Council would have administrative control of the plan making process, including public exhibition, post exhibition report and finalisation of the amendment to the relevant LEP. This is reflective of Council's present role.

## 2.1.2. Quality of the Planning Proposal

A PPA must be satisfied with the content of a Planning Proposal and the quality of the information provided in support of the proposal. In addition, it must ensure that the information provided is accurate, current and sufficient for issuing a Gateway Determination. If Council resolves to accept the role of PPA, it would have greater control over the content and quality of information provided in the Planning Proposal prior to it being placed on public exhibition.

The assessment of the Planning Proposal prepared by Ingham Planning on behalf of Council identified a number of deficiencies with the information submitted and inadequate justifications to support the progression of the Planning Proposal. This position was generally reflected by the NSLPP's recommendation to defer the progression of the Planning Proposal until the identified issues had been addressed. This position was supported by Council in general terms.

The proponent of the Planning Proposal is unlikely to amend their Planning Proposal to address Council's primary concerns as it would be generally detrimental to justifying their position. However, should Council be perceived to be preventing the progression of the Planning Proposal, the DPIE has the power to remove the PPA role from Council and reallocate the role to an alternate body.

## 2.1.3. Community Concerns

Council has a much broader understanding of its community's concerns and is able to better articulate those concerns and in turn, address them with respect to the potential impacts arising from the Planning Proposal.

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## 2.1.4. Influencing Final Outcomes

In considering the assessment of submissions made and recommendations of the post-exhibition report, Council as the PPA would still have the ability to resolve that the Planning Proposal not proceed.

Notwithstanding Council's ability to resolve that a Planning Proposal should not proceed, the Minister for Planning or their delegate can vary or overturn Council's decision in the making of the plan. In the past 5 years, this occurred when the Planning Proposals for 144-154 Pacific Highway and 18 Berry Street, North Sydney and 11 Cowdroy Avenue, Cammeray were considered following Rezoning Reviews as Council did not support their progression.

## 2.1.5. Perceived Conflicts

Council has undertaken significant strategic work with respect to the Precinct arising from previous proposals relating to 275 Alfred Street (Bayer Building). However, <u>it does not have a resolved position with respect to the strategic direction of the Precinct</u>. This is further reinforced by a planning study having been undertaken by staff, which was the subject of significant public consultation, which was rejected by Council.

Given the absence of a formal strategic position, Council had engaged an independent planning consultant to provide an impartial assessment of the current Planning Proposal. Should Council accept the role of the PPA, consideration will be given to engaging an independent planning consultant to assist in the progression of the Planning Proposal through the plan making process to minimise any perceived conflicts.

Furthermore, Council's ability to appropriately negotiate and address any relevant Voluntary Planning Agreement outcomes or satisfactorily resolve any Development Control Plan issues will be challenging. It may be simpler, should Council wish to pursue it, to negotiate a VPA outcome if Council is not tied to the process of the Planning Proposal. In an environment where Council is aware of significant community opposition to the Proposal, perceptions may arise where VPA offers/negotiations may be made in exchange for height/density, if Council has a hand in controlling the planning proposal process, notwithstanding the final decision will be made by others.

# 2.1.6. Fees

If Council resolves to accept the role of PPA, Stage 2 fees to progress the Planning Proposal to public exhibition will need to be paid to Council prior to any public exhibition of the Planning Proposal.

## 2.2. Council Declines the PPA Role

If Council resolves not to accept the role of PPA, the DPIE may appoint an alternate PPA to prepare the Planning Proposal and undertake the next stages of the plan making process including exhibition, post exhibition report and finalisation of the amendment to the relevant LEP. An alternate PPA may include the SNRPP, the Planning Secretary of DPIE or any other person or body authorised under the Environmental Planning and Assessment Regulations 2000. The applicant will be required to pay the DPIE a fee to fulfil its role as PPA.

By not accepting the role of PPA, it is considered likely that the role will be allocated to the SNRPP. The SNRPP has been nominated as the PPA in all instances where a council has resolved not to accept the role.

Despite not having control of the plan making process or control over the quality of the information provided in the Planning Proposal, Council will still be provided the opportunity to lodge a submission when the Planning Proposal is publicly exhibited. This will be in a similar way to Council addressing Development Applications that are determined by the SNRPP.

The Alfred Street Precinct has been subject to significant strategic planning work undertaken by Council. In particular, On 26 March 2018, a draft Planning Study for the Precinct was endorsed for public exhibition. The main features of the draft Study were:

- Identification of 2 development sites Site A comprised 271-283 Alfred Street and Site B comprised the remainder of the block;
- Site A permitted to have a mixed use building up to 26 storeys (located further to the north than the existing Bayer building) and a 3 storey podium commercial building south of a through-site link;
- Site B permitted a 3 storey residential building to Little Alfred Street and a 9 storey mixed use building to Alfred Street with a further through site link between Sites A and B;
- A pocket park and through site link in the northern part of the site; and
- An overall FSR of 3.6:1 comprised of 5,800sqm of commercial floor space and 170 dwellings (including 5% affordable housing).

Following the public exhibition and consideration of public submissions, the Planning Study was revised as follows:

- Reconfiguration of the development sites with 275-283 becoming Site A and the remainder being Site B;
- Relocation of the tower to a similar location to the existing Bayer building and reduction to 24 storeys;
- Removal of one though site link allowing a single building form within Site A;
- An increase in the overall FSR to 3.9-4.4:1 comprised of around 4,800sqm of commercial floor space (1,000sqm less than exhibited scheme) and 235 dwellings (65 more than exhibited scheme);
- Removal of the pocket park;
- An increased ground level setback to Little Alfred Street (from 3m to 6m);
- Improvements to the existing Mount Street overpass; and
- No affordable housing.

On 29 January 2019, the post exhibition report incorporating a revised Planning Study was considered by Council which recommended:

**1. THAT** the amended Alfred Street Planning Study (Attachment 2) be adopted and endorsed as Council's preferred planning framework for the precinct.

**2. THAT** any Planning Proposal lodged for the precinct be required to be consistent with the endorsed Alfred Street Precinct Planning Study.

**3. THAT** any Planning Proposal lodged for the precinct be required to resolve any detailed issues not fully resolved in the Planning Study.

**4. THAT** Council write to Roads and Maritime Services seeking to enter into dialogue about potential improvements to the park to the south of the precinct.

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However, Council resolved:

**1. THAT** Council not adopt the amended Alfred Street Planning Study as Council's preferred planning framework for the precinct.

Given that Council has dealt with this matter in the past and has been unable to arrive at a resolved position, there may be some benefit in an independent body (such as the SNRPP) administering the remaining plan making stages.

## 2.3. Previous Offers to Accept the PPA Role

Council has previously considered the question of accepting the role of PPA in relation two Planning Proposals as follows:

- 18 Berry Street and 144-154 Pacific Highway, North Sydney (Amendment No.8 to NSLEP 2013); and
- 11 Cowdroy Street, Cammeray (Amendment No.21 to NSLEP 2013).

The question arose in response to the Independent Planning Commission's (re: Amendment No. 8) and SNRPP's (re: Amendment No. 21) recommendation to progress the planning proposals <u>contrary</u> to Council's resolution not to support the progression of the Planning Proposals.

Council subsequently resolved to accept the role of PPA in each of these instances, to ensure that it maintained control of the plan making process for local matters. Given the complexity with respect previously resolved positions in relation the subject lands, the ability to accept the PPA role is less straight forward in this case.

### **3.** Gateway Determination

The SNRPP does not have the authority to issue a Gateway Determination, only the Minister for Planning or their delegate has the authority to do so. The SNRPP can only recommend if a planning proposal should proceed to Gateway Determination following the consideration of a Rezoning Review request. Therefore, nothing prevents Council from writing to the DPIE requesting that the Minster for Planning or their delegate not issue a Gateway Determination for the Planning Proposal.

Whilst Council has put similar requests to the DPIE in the past, there is no record of the Minister or their delegate not issuing a Gateway Determination contrary to the recommendations of a Regional Planning Panel.

It should be noted that any resolution to request the Minster not to issue a Gateway Determination does not obviate Council's need to advise the SNRPP of whether it would like to accept the role of PPA or not.

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## 4. Proposed Amendment to North Sydney Development Control Plan (NSDCP) 2013

The Planning Proposal is accompanied by a draft amendment to NSDCP 2013. It is noted that SNRPP recommended that the proposed draft amendment to NSDCP 2013 submitted with the Planning Proposal should be further amended to address a number of additional considerations.

Amendments to development control plans are typically processed by councils. It is <u>unclear</u> at this point as to whether Council would still take carriage of the associated DCP amendment. However, the Minister for Planning or their delegate has the ability under the Environmental Planning and Assessment Act, 1979 (EP&A Act) to implement the proposed amendment to NSDCP 2013. Council should seek further clarification as to who the responsible authority for the draft DCP amendment will be.

To add clarity and transparency, any associated DCP amendments should be placed on public exhibition concurrently with the Planning Proposal. The coordination of any such DCP amendments concurrently with the progression of the Planning Proposal would be better served by the same planning authority responsible for the Planning Proposal.

## 5. Rezoning Review Requirements

Should Council resolve to accept the role of PPA, Council would then be required to prepare and submit for Gateway Determination, a Planning Proposal within 42 days of accepting the role of PPA.

In doing so, Council would forward the Planning Proposal as submitted to Council to the DPIE. Whilst this version of the Planning Proposal would be inconsistent with the recommendations of the SRNPP, the Minister for Planning or their delegate has the ability to include conditions on the Gateway Determination. Therefore, should Council accept the PPA role, that it include in its response a recommendation that the issues raised by the SNRPP be incorporated as conditions on the Gateway Determination.

This would require the applicant to revise the Planning Proposal prior to public exhibition. The PPA would still be responsible for ensuring the information provided in the Planning Proposal is accurate, current and compliant with the Gateway Determination.

## 6. Conclusion

Council has been asked by the SNRPP if it would like to accept or decline the role of PPA for progressing Planning Proposal 2/19 – Alfred Street Precinct, North Sydney through the plan making process following its consideration of a request for a Rezoning Review.

There are advantages and disadvantages to accepting the role.

It is clear, however, that the SNRPP has expressed an unambiguous view that the proposal to significantly increase height within the precinct is strategically supported and reasonable, notwithstanding Council's previous formal position on the matter which was reinforced by an independent review of the Proposal. Council's previous experiences in undertaking the PPA role when its position was contradicted by the SNRPP (previously the JRPP), ended on both occasions with the SNRPP's position prevailing.

This report recommends that on balance, Council should reject the role of PPA in this instance. This is premised on the somewhat conflicting positions taken by Council staff in preparing a planning study for the precinct on the one hand, and the elected Council in rejecting such study, on the other. This study has been quoted and somewhat relied on by the proponent in pursuing the PP for the precinct. Council has undertaken significant strategic work here but\_does not have a resolved position with respect to the strategic direction of the Precinct.

It may also be simpler to negotiate a VPA outcome if Council is not tied to the process of the Planning Proposal where perceptions may arise that VPA offers may be made in exchange for height/density.

The SNRPP has recommended that a site specific DCP be prepared and that a public benefit offer should be formulated to protect and embellish nearby parks as well as addressing affordable housing. If Council is of a view that the PPA role should be undertaken by others, given the SNRPP's expressed recommendation, then it is also recommended that that PPA require that collaboration occur with Council to satisfy these conditions.

Further clarification is required as to who the responsible authority for progressing the DCP will be and that there would be benefit in the same authority being responsible for both the Planning Proposal and DCP amendment.



IRF19/4948

# **REZONING REVIEW – Briefing Report**

| Date of referral  | 1 July 2019  |                |  |  |
|---|--|----------------|--|--|
| Department ref. no  | RR_2019_NORTH_003_00   |                |  |  |
| LGA   | North Sydney   |                |  |  |
| LEP to be amended   | North Sydney Local Environmenta  | al Plan 2013   |  |  |
| Address   | 283, 275, 271-273, 263-269 Alfred Street and 4 Little Alfred Street,<br>North Sydney   |                |  |  |
| Reason for review   | □ Council notified the proponent<br>it will not support the proposed<br>amendment. □ Council failed to indicat<br>for the proposal within 90<br>failed to submit the proposed<br>indicating its support. |                |  |  |
| Is a disclosure<br>statement relating to<br>reportable political<br>donations under s10.4<br>of the Act required and<br>provided? | ☐ Provided   | ⊠ Not required |  |  |

# **1. SUMMARY OF THE PROPOSAL**

# **1.1 Introduction**

On 27 June 2019, Mecone on behalf of Benmill Pty Ltd submitted a rezoning review request to the Department as Council failed to indicate support for the proposal within 90 days.

The planning proposal seeks the following amendments to North Sydney Local Environmental Plan (NSLEP) 2013 (**Attachment F**):

- rezone the site from B3 Commercial Core to B4 Mixed Use;
- increase the maximum height of buildings from 13m to:
  - o 31m for 283 Alfred Street (Building A);
  - o 80m for 275 Alfred Street (Building B);
  - o 28m for 271-273 Alfred Street (Building C); and
  - o 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building.
- insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site and is triggered if the height of the building exceeds 62m.

- Introduce two new provisions:
  - o Clause 4.4(2A) Floor Space Ratio
    - which allows for a maximum FSR of 9.3:1 for 275 Alfred Street, subject to achieving design excellence; and
  - o Clause 6.15 Design Excellence
    - which outlines considerations for design excellence and provides a height trigger for a design competition.

No amendment is proposed to the FSR controls for 283 Alfred Street, 271-273 Alfred Street, 263-269 Alfred Street and 4 Little Alfred Street.

# 1.2 Background

# Previous Planning Proposal - 2015

A previous planning proposal was lodged to North Sydney Council in September 2015 for the Bayer Building at 275 Alfred Street to rezone the site from B3 Commercial Core to B4 Mixed Use, increase the maximum building height from 13m to 85m and increase the maximum floor space ratio from 3.5:1 to 10.2:1.

Mecone on behalf of Benmill Pty Ltd requested a pre-gateway review (now known as rezoning review) of the planning proposal as Council resolved not to support the planning proposal at its meeting on 15 February 2016. The pre-gateway review was referred to the Joint Regional Panel (now known as the Sydney North Planning Panel) for its advice (**Attachment E**). The Pavel recommended that the proposal should not be submitted for a Gateway determination and provided the following advice:

- The Panel considers that this site and the street block zoned B3 in which it is located is isolated from the main commercial centre of North Sydney and closely related to the adjoining residential area. Therefore, a change in zoning that would allow residential use in the street block, would be appropriate;
- The Panel does not recommend that this planning proposal proceed to Gateway Determination is that it deals with one site only rather than the area zoned B3 in which it is located. This piecemeal approach is contrary to the strategic intent of zoning decisions. In addition, the planning proposal leads to this site having three times the development potential of the other sites within the B3 zone. It fails to achieve the desirable separation distances between residential buildings and adversely affects the development potential of the adjoining sites; and
- The Panel considers that, in any future planning proposal for the block zoned B3, it would be appropriate to grant this site the density it now enjoys by virtue of the existing building on it, with some additional height so that a mixed use building with appropriate amenity may be developed on it. As concerns the other sites within the B3 zone, the existing density of 3.5:1 may be combined with some additional height, so that it becomes possible to develop them to their development potential for mixed use buildings with appropriate amenity.

## North Sydney Council Alfred Street Precinct Planning Study

In February 2017, Council resolved to prepare a planning study for the precinct in response to planning proposal lodged for the Bayer Building in 2015. The draft Alfred Street Planning Study was adopted by Council for public exhibition at its meeting on 26 March 2018.

Council considered a post exhibition report and resolved not to adopt the Alfred Street Planning Study at its meeting on 29 January 2019.

Further details of the Study are discussed on page 11 of this report.

## 1.3 Locality and context

The site known as the Alfred Street Precinct is between the North Sydney Centre and lowdensity residential buildings to the north and east which are in the Whaling Road Conservation Area.

To the north and east of the site is the Whaling Road Heritage Conservation Area which contains residential dwellings such as terrace houses and detached dwellings of 1-3 storeys in height. There are also taller, high-density residential buildings which were built around 1970's to the north east and south east of the site, including 22 Doris Street at 9-10 storeys and 50 Whaling Road at 23 storeys (Figure 2).

West of the site is the Warringah Expressway and beyond the Warringah Expressway is the North Sydney Centre comprising of predominantly commercial offices with some retail and residential uses.

South of the site opposite Whaling Road is a public reserve owned by Roads and Maritime Services, which acts as a buffer between the highly trafficked Warringah Freeway, Alfred Street and the residential areas.

The proposed Victoria Cross Metro Station is approximately 500m to the north west. While North Sydney Railway Station is approximately 400m to the west.

The site is also approximately 500m from bus services that operate regularly along the Pacific Highway.

A locality map is provided at **Attachment A** and Figure 1 and 2.

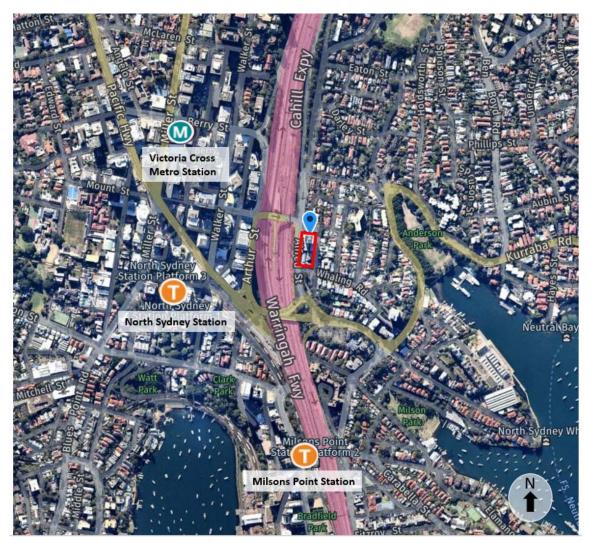


Figure 1: Locality Map (nearmap)



Figure 2: Locality Map (nearmap)

## 1.4 Site description

The site known as Alfred Street Precinct comprises 5 lots with a combined site area of 5,217m<sup>2</sup> (Table 1). The site includes a row of commercial buildings, with the tallest being the 18 storey Bayer building at 275 Alfred Street.

The site has street frontages of approximately 120m to Alfred Street to the west, 43m to Whaling Road to the south and 120m to Little Alfred Street to the east. A site map is provided at **Attachment B** and in Figure 3 and 4.

| Table 1: Site | description |
|---------------|-------------|
|---------------|-------------|

| Street<br>address                               | Lot and DP   | Existing building  | Existing<br>NLA/ FSR                 | Site Area           | Building/<br>Site |
|---|--|--|--------------------------------------|---------------------|-------------------|
| 283 Alfred St                                   | Lot 14 DP67882<br>Lot 15 DP67882<br>Lot 16 DP67882<br>Lot 3 DP554750<br>Lot 1 DP554749 | 3-4 storey commercial building, estimated 1,740m <sup>2</sup> net lettable area.   | 1,740m <sup>2</sup> NLA              | 872m <sup>2</sup>   | A                 |
| 275 Alfred St                                   | Lot 1 DP54856  | 18 storey (61m) commercial<br>building (ground floor retail with<br>17 storeys of office space with a<br>total of 7,920m <sup>2</sup> net lettable<br>area) also known as 'the Bayer<br>building'. | 7,920m <sup>2</sup> NLA<br>FSR 7.3:1 | 1,334m <sup>2</sup> | В                 |
| 271 Alfred St                                   | Lot 1 DP532504   | 3-4 storey commercial building, approximately  | 521m² NLA                            | 1,030m <sup>2</sup> |                   |
| 273 Alfred St                                   | SP6830   | 3-4 storey commercial building, approximately  | 1,490m <sup>2</sup> NLA              |                     | С                 |
| 263-269<br>Alfred St &<br>4 Little Alfred<br>St | SP71563 and<br>SP71454   | 3-5 storey strata building<br>with townhouses and<br>residential units, some<br>occupied for commercial,<br>some converted for<br>residential use.   |                                      | 1,980m <sup>2</sup> | D                 |



Figure 3: Site map (nearmap)

# 1.5 Current planning provisions

The site is subject to the following local controls under North Sydney LEP 2013:

- B3 Commercial Core (Figure 5);
- 13m maximum building height (Figure 6); and
- 3.5:1 maximum floor space ratio (Figure 7).

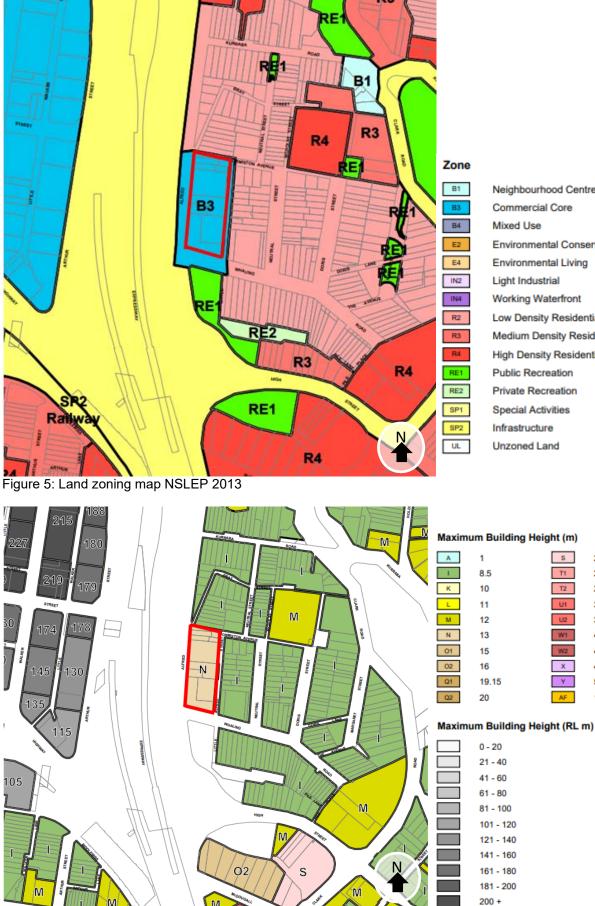
Part of the site at 263-269 Alfred Street and 4 Little Alfred Street currently allows residential accommodation through an additional permitted use under Schedule 1 of NSLEP 2013.

The site is not subject to a minimum non-residential FSR and is not identified as a heritage item or within a heritage conservation area.

The site adjoins Whaling Road Heritage Conservation Area to the north and east of the site (**Figure 6**).

Current LEP zoning, maximum building height, non-residential FSR and heritage maps are provided at **Attachment C**.

### ATTACHMENT TO ITEM 11 - 24/02/2020



Neighbourhood Centre Commercial Core Mixed Use Environmental Conservation Environmental Living Light Industrial Working Waterfront Low Density Residential Medium Density Residential High Density Residential Public Recreation Private Recreation Special Activities Infrastructure Unzoned Land

24

25

26

30

33

40

42

49

50

180

S

T1

T2

U1

U2

W1

W2

х

Y

AF

1

8.5

10

11

12

13

15

16

20

19.15

61 - 80

81 - 100 101 - 120

121 - 140 141 - 160

161 - 180 181 - 200

200 +



Figure 6: Maximum building height map NSLEP 2013

### ATTACHMENT TO ITEM 11 - 24/02/2020

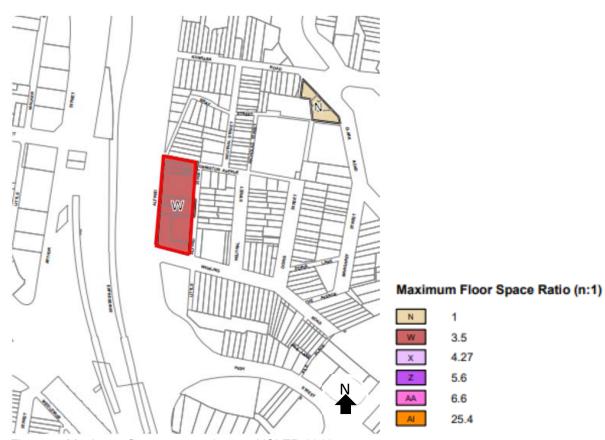


Figure 7: Maximum floor space ratio map NSLEP 2013

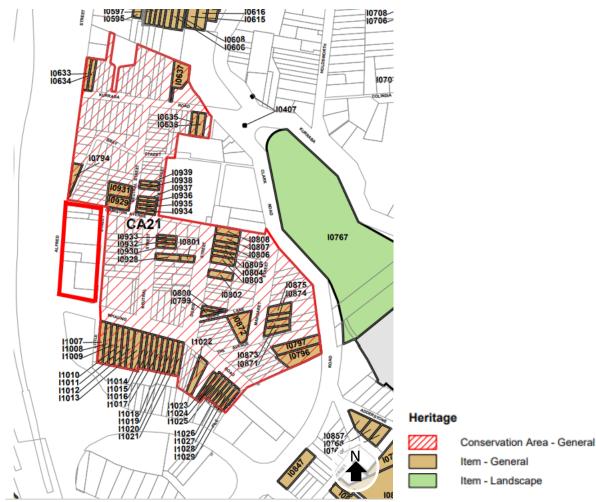


Figure 8: Heritage Map NSLEP 2013

# 1.6 Proposed planning provisions

The planning proposal seeks the following amendments to North Sydney Local Environmental Plan (NSLEP) 2013 (**Attachment F**):

- Rezone the site from B3 Commercial Core to B4 Mixed Use;
- Increase the maximum height of buildings from 13m to:
  - o 31m for 283 Alfred Street (Building A);
  - o 80m for 275 Alfred Street (Building B);
  - o 28m for 271-273 Alfred Street (Building C); and
  - o 29m for 263-269 Alfred Street/4 Little Alfred Street (Building D).
- Increase FSR provision for 275 Alfred Street (Building B) from 3.5:1 to a base of 7.3:1 which is the existing FSR of the Bayer Building.
- Insert a design excellence provision which allows for an additional 2:1 FSR (with a total maximum FSR control of 9.3:1), subject to a design competition being undertaken for the site and is triggered if the height of the building exceeds 62m.
- Introduce two new provisions:
  - o Clause 4.4(2A) Floor Space Ratio
    - which allows for a maximum FSR of 9.3:1 for 275 Alfred Street, subject to achieving design excellence; and
  - o Clause 6.15 Design Excellence
    - which outlines considerations for design excellence and provides a height trigger for a design competition.
- No change to the FSR controls for 283, 271-273, 263-269 Alfred Street and 4 little Alfred Street.

The proposed amendments seek to enable approximately  $14,499m^2$  of residential gross floor area (GFA) (156 residential units) and  $10,127m^2$  of commercial (retail and office) GFA, which totals to a GFA of  $24,626m^2$ .

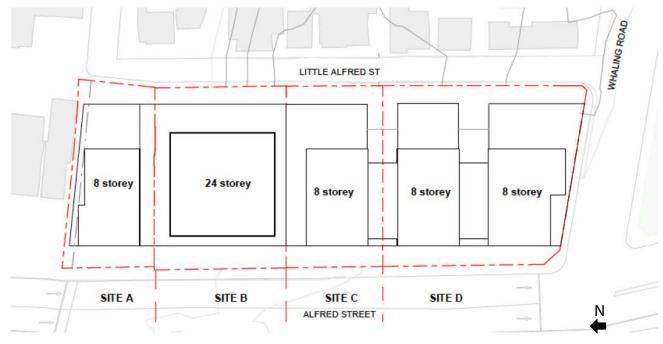


Figure 9: Proposed heights (Mecone)



Figure 10: Concept design – Alfred Street view from west (Grimshaw)



Figure 11: Concept design - Little Alfred Street view from east (Grimshaw)

# **2. INFORMATION ASSESSMENT**

Does the proposal seek to amend a zone or planning control that is less than five years old? No. The proposal seeks to amend the North Sydney LEP 2013, which commenced on 2 August 2013.

## 2.1 Strategic merit test

Consistency with the relevant regional plan outside the Greater Sydney region, 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.

Proponents will not be able to depend on a draft regional, district or corridor/precinct plan when the Minister for Planning and Public Spaces or the Department of Planning, Industry and Environment have announced that such a plan will be updated before being able to be relied on.

## North District Plan

The rezoning review application states that the proposed amendment is consistent with the following planning priorities of the North District Plan.

| Planning Priority                | Proponent Commont   |
|----------------------------------|---|
| Planning Priority                | Proponent Comment   |
| N1                               | It aligns with city-shaping infrastructure investment of the Sydney               |
| Planning for a city supported by | Metro City and South West line which will support increased demand                |
| infrastructure                   | for transport services resulting from renewal of the site.                        |
| N5                               | The North District Plan identifies a housing supply target of 3,000               |
| Providing housing supply,        | additional dwellings by 2021 in the North Sydney LGA. The site is                 |
| choice and affordability with    | within walking distance to jobs, health and education, retail and other           |
| access to jobs, services and     | services as well as a number of public transport services. The rezoning           |
| public transport                 | of the site to B4 Mixed Use will allow for residential accommodation to           |
|                                  | be provided in the site.  |
| N7                               | The site is outside of the North Sydney CBD as defined by the North               |
| Growing a stronger and more      | District Plan. The concept design will provide approximately 10,127m <sup>2</sup> |
| competitive Harbour CBD          | of commercial floor space within the site, equivalent to 510 direct jobs.         |
|                                  |   |
| N10                              | The site is located outside of the North Sydney CBD and is not within a           |
|                                  |   |
| Growing investment, business     | strategic centre therefore it is not suitable for employment growth given         |
| opportunities and jobs in        | it is isolated and dislocated from the CBD.                                       |
| strategic centres                |   |
| N12                              | The proposal will capitalise on the investment and planned investments            |
| Delivering integrated land use   | of the Sydney Metro City and South West, the Western Harbour Tunnel               |
| and transport planning and a 30- | and Beaches Link.   |
| minute city                      |   |
| N19                              | The proposed concept will provide additional mature landscaping along             |
| Increasing urban tree canopy     | Little Alfred Street and Alfred Street to increase the urban tree canopy          |
| and delivering Green Grid        | and allow for further Green Grid connections.                                     |
| connections                      |   |
|                                  |   |

Table 2: North District Plan Consistency

## Consistency with a relevant local strategy that has been endorsed by the Department.

There is no local strategy endorsed by the Department that applies to the site. However, the planning proposal discusses the following strategies:

## Draft Alfred Street Precinct Planning Study

On 20 February 2017, Council resolved to prepare a planning study for the precinct in response to planning proposal lodged for the Bayer Building in 2015. The purpose of the study was to guide the preparation of any future planning proposals for the site. Council staff prepared the draft Alfred Street Planning Study, which was adopted by Council for public exhibition at its meeting on 26 March 2018.

The draft planning study was exhibited from Thursday 26 April 2018 until Friday 8 June 2018. The draft planning study recommended a preferred option which envisaged the amalgamation of sites to create two development blocks Site A and Site B (Figure 12):

- Site A comprised of 275-283 Alfred Street; and
- Site B comprised of 263-273 Alfred Street and 4 Little Alfred Street.

A comparison between the draft Planning Study's preferred option and the planning proposal is outlined in table 3 and 4.

| Alfred Street Precinct Planning Study Preferred Option    |                 |                |  |  |  |          |
|---|-----------------|----------------|--|--|--|----------|
| Site Address  | Land Zone       | Maximum<br>FSR | Non-residential<br>FSR   | Total FSR  | Maximum building<br>height   | Building |
| 283 Alfred<br>Street                                      |                 |                |  | Total FSR of<br>3.93:1–4.49:1<br>across the<br>precinct. | 3 storey<br>commercial   | A        |
| 275 Alfred<br>Street:                                     | B4 Mixed<br>Use | 6.5:1–7.4:1    | 6.5:1–7.4:1       Non-residential         FSR of 0.8:1 –       0.9:1 distributed         across the       precinct.         2.1:1–2.4:1       Image: state |  | podium with 21<br>storey tower<br>above. The study<br>does not indicate<br>height in metres. |          |
| 271 Alfred<br>Street                                      |                 |                |  |  | Single storey<br>commercial<br>podium with 8   |          |
| 273 Alfred<br>Street                                      | B4 Mixed<br>Use | 2.1:1–2.4:1    |  |  | storeys above at<br>the corner of<br>Whaling Road  | В        |
| 263-269 Alfred<br>Street and 4<br>Little Alfred<br>Street |                 |                |  |  | 3 storeys of<br>residential on the<br>eastern half along<br>Little Alfred Street             |          |

Table 3: Alfred Street Precinct Planning Study preferred option

|   | Planning Proposal |   |   |                             |                               |          |
|---|-------------------|---|---|-----------------------------|-------------------------------|----------|
| Site Address  | Land Zone         | Existing<br>building FSR                            | LEP Maximum<br>FSR                                      | LEP Non-<br>residential FSR | Maximum<br>building<br>height | Building |
| 283 Alfred<br>Street                                      | B4 Mixed<br>Use   | Non-<br>Residential<br>2.5:1                        | No change<br>Existing LEP<br>control 3.5:1              | No change                   | 31m (8 storey)                | A        |
| 275 Alfred<br>Street:                                     | B4 Mixed<br>Use   | Non-<br>Residential<br>7.2:1                        | 7.3:1<br>Bonus 2.1:1<br>subject to design<br>excellence | No change                   | 80m (24<br>storey)            | В        |
| 271 Alfred<br>Street<br>273 Alfred<br>Street              | B4 Mixed<br>Use   | Non-<br>Residential<br>2.2:1                        | No change<br>Existing LEP<br>control 3.5:1              | No change                   | 28m (8 storey)                | с        |
| 263-269 Alfred<br>Street and 4<br>Little Alfred<br>Street | B4 Mixed<br>Use   | Non<br>Residential<br>0.9:1<br>Residential<br>1.3:1 | No change<br>Existing LEP<br>control 3.5:1              | No change                   | 29m (8 storey)                | D        |

Table 4: Planning proposal controls

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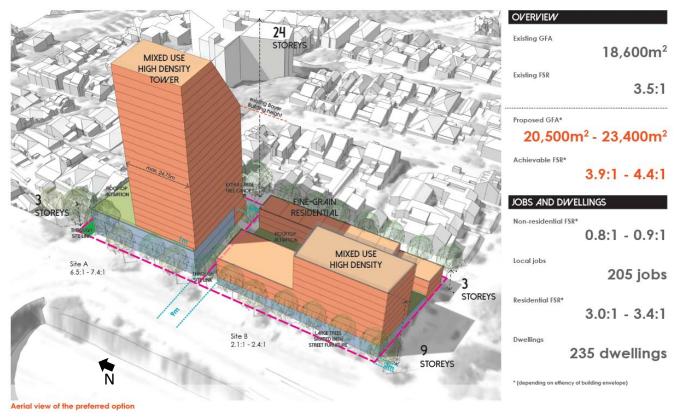


Figure 12: Alfred Street Precinct Planning Study preferred built form (North Sydney Council)

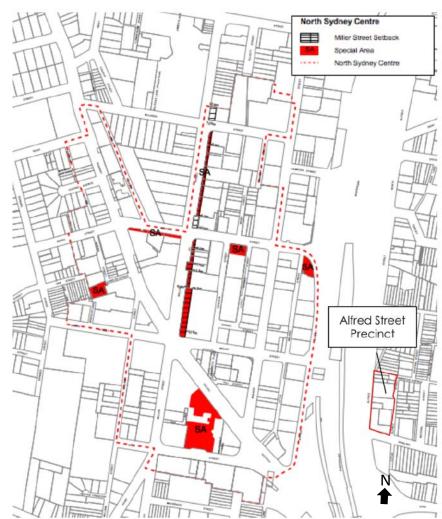
# North Sydney Centre Review - Capacity and Land Use Study and Planning Proposal

Council adopted the Capacity and Land Use Strategy at its meeting on 1 May 2017. The focus of the Capacity and Land Use Strategy was to unlock additional commercial floor space capacity within the North Sydney Centre. The site is outside of the North Sydney Centre and is not identified for change within the Strategy, however the proposal states it is consistent with the following objectives of the Strategy:

- identify residential development opportunities in mixed use periphery; and
- identify and facilitate specific land uses to contribute to the Centre's diversity, amenity and commercial sustainability.

The amendment to North Sydney LEP 2013 which gave effect to the recommended actions of the Strategy was made on 24 October 2018. These included policy amendments and increases to building height for selected sites in North Sydney Centre and B3 Commercial Core zoned land. No change was proposed for the Alfred Street Precinct, except removal of serviced apartments as permissible form of development under the North Sydney LEP 2013.

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### Figure 13: North Sydney Centre (Mecone)

Responding to a change in circumstances, such as investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.

The rezoning review documentation states the site is located between North Sydney CBD and the low scale Whaling Road Heritage Conservation Area (HCA) and the existing commercial floor space is in need of upgrading given it is coming to the end of its economic useful life. The rezoning review documentation states the proposed uplift in density will encourage the future redevelopment of the site, while the provision of residential accommodation will provide a more efficient floor plate.

# 2.2 Site-specific merit test

The natural environment (including known significant environmental values, resources or hazards).

## <u>Heritage</u>

The site adjoins the Whaling Road HCA which comprises of low scale residential development, 1-2 storeys in height and a number of local heritage items. The planning proposal is not accompanied by a heritage impact study.

The rezoning review states the proposed development will create a transition between the Heritage Conservation Area to the CBD in terms of heights, scale, use and connectivity.

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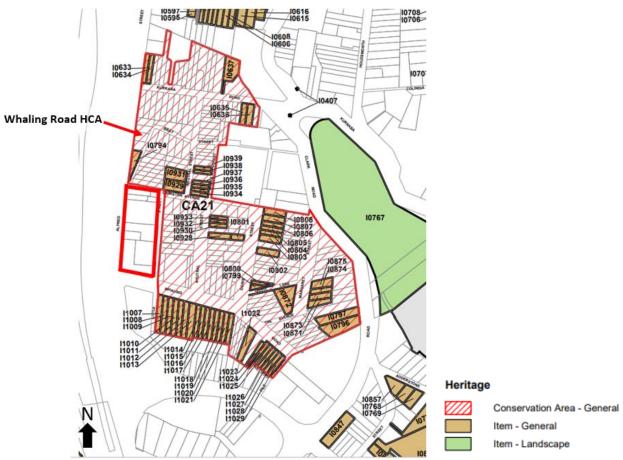


Figure 14: Heritage map NSLEP 2013

# **Overshadowing**

A shadow analysis was undertaken as part of the Urban Design Report prepared by Grimshaw (**Attachment F4**). The shadow analysis modelled at mid-winter, 21<sup>st</sup> June between 9:00am and 3:00pm. The shadow analysis concludes:

- all residential properties to the east maintain existing solar access conditions on the 21<sup>st</sup> June prior to 12:00pm;
- the public open space to the south of the site bound by Little Alfred Street and Alfred Street will have additional over shadowing between 11:00-2:00 PM;
- dwellings located in the adjacent residential block between Little Alfred Street and Neutral Street would receive similar conditions in the afternoon prior to 2:00pm to currently experienced; and
- dwellings along Little Alfred Street may have minor afternoon solar impact pending actual living space locations although also receive 3 hours of morning solar access to their north and east facades as per existing conditions.

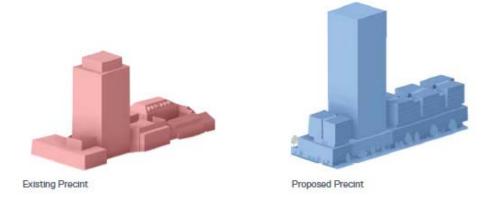


Figure 15: Existing development and proposed development (Grimshaw)

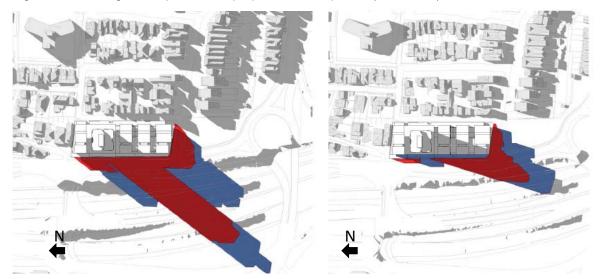


Figure 16: 21st June - 9:00am (left) 10:30am (right) proposed shadows (Grimshaw)

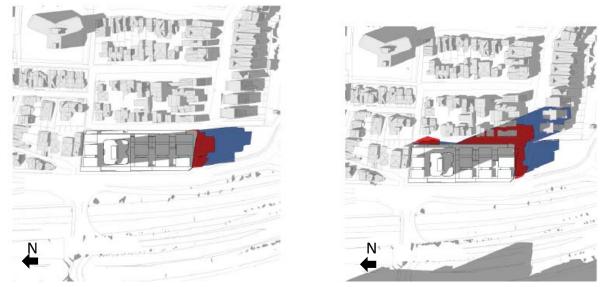


Figure 17: 21st June - 12:00pm (left) 1:00pm (right) proposed shadows (Grimshaw)

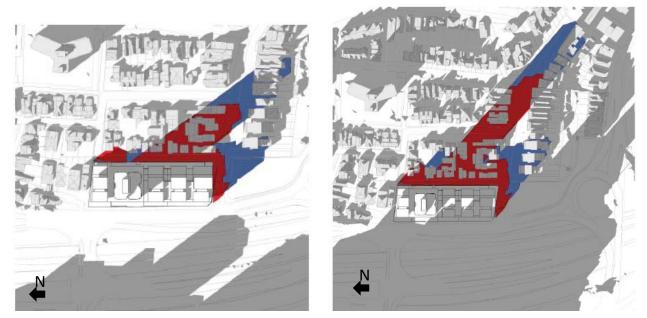


Figure 18: 21st June - 2:00 pm (left) 3:00pm (right) proposed shadows (Grimshaw)

# The existing uses, approved uses and likely future uses of land in the vicinity of the proposal.

The rezoning review documentation states that the site is currently zoned B3 Commercial Core and the site is primarily used for commercial purposes, except for 263-269 Alfred Street and 4 Little Alfred Street which includes residential accommodation permitted under additional permitted uses in Schedule 1 of North Sydney LEP 2013.

The rezoning review documentation states that a mixed use site will incorporate residential accommodation and ensure a more appropriate transition between North Sydney Centre and the residential Whaling Road HCA.

The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.

The rezoning review documentation states that the site has a number of public transport services in proximity and will be able to meet the demands of the mixed-use site being:

- 400m to North Sydney Station;
- 500m to Victoria Cross Metro Station; and
- 500m to Bus Services along Pacific Highway.

# Traffic and Transport

The planning proposal is accompanied with a Transport Impact Assessment prepared by TTPP consultants (**Attachment F5**). The traffic study concludes the following:

- the proposed development will result in a net reduction in traffic when compared to the existing traffic generation of the site. This is a result of the proposed development significantly reducing the commercial floor area onsite that typically generates a higher rate of traffic than high density residential (Table 5); and
- the traffic modelling results indicate there would be a minor increase in average delays and queues to the Little Alfred Street-Whaling Road and Neutral Street-Whaling Road intersections as a result of the proposed development.

|  | Vehicle trips per hour |         |  |
|--|------------------------|---------|--|
| Traffic Generation   | AM Peak                | PM Peak |  |
| Existing traffic generation                                      | 233                    | 175     |  |
| Future traffic generation as a result<br>of proposed development | 192                    | 145     |  |
| Net Change   | -41                    | -30     |  |

Table 5: Net Traffic Generation

## **3. COUNCIL VIEWS**

The Department wrote to Council on 1 July 2019 advising of the rezoning review request. Council responded on 11 July 2019 and 1 August 2019 (Attachment D1-D2).

Council's independent planning consultant, Ingham Planning raised the following issues:

- The concept fails to demonstrate how the site could be acceptably developed to the requested heights, insofar that it does not adequately respond to the site's attributes and context and is likely to result in a significant level of public and private amenity impacts;
- The proposed heights appear to be contrary to satisfying several of the objectives to the Height of Buildings controls under North Sydney LEP 2013;
- The proposed densities appear to be contrary to satisfying several of the objectives to the floor space ratio controls under North Sydney LEP 2013;
- The proposal has the potential to be inconsistent with a number of objectives and actions under the relevant Regional and District Strategies applying to the land;
- The proposal is likely to have an adverse impact on the adjoining Whaling Road heritage conservation area;
- The proposal heights are likely to results in excessive overshadowing of adjoining residential properties and neighbouring Alfred Street North Park;
- The proposal is likely to have an adverse visual impact and detract from the existing and desired future character of the area;
- The proposal does not encourage the amalgamation of lots, which would:
  - allow adequate flexibility in the manner in which built form is distributed on the site to minimise impacts;
  - minimise vehicular access points and parking related structure on little Alfred street and;
  - o allow an appropriate and efficient basement parking arrangement;
- The proposal provides minimal public benefit, in that the publicly accessible areas within the site are mainly thoroughfares that provide access to commercial uses and have limited potential for use as open space and limited amenity; and
- There is no justification for the proposed FSR bonus provision of 2:1 if a proposal is made subject to a design excellence competition and likely to result in a building of excessive height and/or bulk.

Council staff reported the planning proposal to its Local Planning Panel on 14 August 2019. The Panel recommended deferral of the planning proposal to allow the proponent the opportunity to address outstanding matters and undertake further assessment. A copy of its report and recommendation is provided in **Attachment D2**.

# **ATTACHMENTS**

- Attachment A Locality Map
- Attachment B Site Map
- Attachment C Current LEP Maps
- Attachment D1 Council Comments
- Attachment D2 NSLPP Report and Minutes 14 August 2019
- Attachment E Sydney North Planning Panel Pre-Gateway Review Recommendation
- Attachment F Rezoning Review Package
- F1 Application form
- F2 Cover letter rezoning review request
- F3 Planning proposal
- F4 Urban Design Report
- F5 Traffic Impact Assessment
- F6 Economic Impact Report
- F7 Economic Feasibility Analysis
- F8 Site Specific Development Control Plan
- F9 Council report January 2019
- F10 Letter of offer to purchase adjoining site

Assessment officer: Mary Su Title, Region: Senior Planner, North District Contact: 9373 2807



Mr Kenneth Gouldthorp General Manager North Sydney Council council@northsydney.nsw.gov.au

Attn: Marcelo Occhiuzzi (Manager Strategic Planning)

18 November 2019

Dear Mr Gouldthorp,

#### Request for a Rezoning Review – 2019SNH034 - RR\_2019\_NORTH\_003\_00

I refer to your request for a Rezoning Review for a proposal at 283, 275, 271, 273, 263-269 Alfred Street and 4 Little Alfred Street North Sydney amend the North Sydney Local Environmental Plan 2013 to rezone the site from B3 Commercial Core to B4 Mixed Use and increase the maximum building height and floor space ratio.

The Sydney North Planning Panel has recommended that the proposal should be submitted for a Gateway determination. In making this decision, the Planning Panel considered the request and advice provided by Council. A copy of the panel's decision is attached.

Consequently, Council is invited to be the Planning Proposal Authority (PPA) for this proposal and to advise the Planning Panels Secretariat within 42 days of the date of this letter whether it will undertake the role of PPA for this proposal. Should Council agree to be the PPA, it will need to prepare a planning proposal under section 3.33 (formerly section 55) of the *Environmental Planning and Assessment Act 1979* and submit it for a Gateway determination within 42 days after accepting this role.

If Council does not wish to progress this matter, the panel will be appointed to prepare the planning proposal.

If you have any queries on this matter, please contact Stuart Withington, Manager, Planning Panels Secretariat on (02) 8217 2062 or via email to stuart.withington@planning.nsw.gov.au

Yours sincerely

Peter Debnam Chair, Sydney North Planning Panel

encl. Rezoning Review Record of Decision encl. Rezoning Review Record of Decision



# REZONING REVIEW RECORD OF DECISION SYDNEY NORTH PLANNING PANEL

| DATE OF DECISION         | 5 November 2019   |
|--------------------------|---|
| PANEL MEMBERS            | Peter Debnam (Chair), John Roseth, Sue Francis, Michel Reymond,<br>Stephen Barbour  |
| APOLOGIES                | Veronique Marchandeau   |
| DECLARATIONS OF INTEREST | Peter Debnam declared that he has known several of the representatives of the proponent for some time but has not been in contact with them in the last ten years. This is not considered a conflict of interest. |

### **REZONING REVIEW**

2019SNH034 – North Sydney - RR\_2019\_NORTH\_003\_00 at 283, 275, 271, 273, 263-269 Alfred Street and 4 Little Alfred Street North Sydney (AS DESCRIBED IN SCHEDULE 1)

Reason for Review:

- The council has notified the proponent that the request to prepare a planning proposal has not been supported
- The council has failed to indicate its support 90 days after the proponent submitted a request to prepare a planning proposal or took too long to submit the proposal after indicating its support

### PANEL CONSIDERATION AND DECISION

The Panel considered: the material listed at item 4 and the matters raised and/or observed at meetings and site inspections listed at item 5 in Schedule 1.

Based on this review, the Panel determined that the proposed instrument:

- should be submitted for a Gateway determination because the proposal has demonstrated strategic and site specific merit
- **should not** be submitted for a Gateway determination because the proposal has

not demonstrated strategic merit

has demonstrated strategic merit but not site specific merit

The decision was unanimous.

#### **REASONS FOR THE DECISION**

- 1) The Panel considers that the proposal has strategic merit. The site is well-located to public transport and services; therefore additional development potential is appropriate. In addition, the Panel sees strategic merit in the change of the site's visual impact. The existing Bayer Building is highly visible to anyone driving south on the Harbour Bridge and it presents an unattractive view. While the proposal would still present a prominent building towards the Bridge, it is likely to be slimmer and of more attractive design.
- 2) The Panel considers that the proposal also has site-specific merit. It provides the potential for redeveloping a block on which the existing development is ripe for replacement without major adverse impact on its surroundings.
- 3) In recommending that the proposal proceed to Gateway, the Panel suggests that any Gateway contain the following conditions which should be addressed prior to the exhibition of the proposal:

- a) The proposal should be accompanied by a site specific DCP with special attention to be given to the amalgamation pattern, built form, width of footpaths and public domain, and the provision of publicly accessible spaces on the site.
- b) The proposal should establish a methodology for the protection and embellishment of nearby public parks, which may be achieved as a public benefit offer
- c) The proposal should provide a more detailed review of the shadow impact of the proposal on surrounding public open space and residential properties so as to minimise overshadowing.
- d) There needs to be clarification of the provision of affordable housing in the project which may be achieved as a public benefit.
- 4) While Michel Raymond agreed with the decision to recommend that the proposal should proceed to Gateway, he considers that the height on the Bayer building site should be restricted to a maximum of 70m.

| PANEL MEMBERS        |                 |  |  |  |  |
|----------------------|-----------------|--|--|--|--|
| Peter Debnam (Chair) | Jel Roseth      |  |  |  |  |
| fue fri              | hund<br>Reyment |  |  |  |  |
| Sue Francis          | Michel Reymond  |  |  |  |  |
| Stephen Barbour      |                 |  |  |  |  |

|   | SCHEDULE 1  |  |  |  |  |
|---|---|--|--|--|--|
| 1 | PANEL REF – LGA –<br>DEPARTMENT REF -<br>ADDRESS                                      | 2019SNH034 – North Sydney - RR_2019_NORTH_003_00 at 283, 275, 271, 273, 263-269 Alfred Street and 4 Little Alfred Street North Sydney  |  |  |  |
| 2 | LEP TO BE AMENDED   | North Sydney Local Environmental Plan 2013   |  |  |  |
| 3 | PROPOSED INSTRUMENT   | The rezoning review request seeks to amend the North Sydney Local<br>Environmental Plan 2013 to rezone the site from B3 Commercial Core to<br>B4 Mixed Use and increase the maximum building height and floor space<br>ratio.  |  |  |  |
| 4 | MATERIAL CONSIDERED BY<br>THE PANEL   | <ul> <li>Rezoning review request documentation</li> <li>Briefing report from Department of Planning, Industry and<br/>Environment</li> </ul>   |  |  |  |
| 5 | BRIEFINGS AND SITE<br>INSPECTIONS BY THE<br>PANEL/PAPERS CIRCULATED<br>ELECTRONICALLY | <ul> <li>Briefing with Department of Planning, Industry and Environment<br/>(DPIE): 31 October 2019 at 1.30pm</li> <li>Panel members in attendance: Peter Debnam (Chair), Sue Francis,<br/>John Roseth, Michel Reymond, Stephen Barbour</li> <li>DPIE staff in attendance: Nick Armstrong, Stewart Doran</li> <li>Briefing with Council and Proponent: 31 October 2019 at 2pm</li> <li>Panel members in attendance: Peter Debnam (Chair), Sue Francis,<br/>John Roseth, Michel Reymond, Stephen Barbour</li> <li>Danel members in attendance: Peter Debnam (Chair), Sue Francis,<br/>John Roseth, Michel Reymond, Stephen Barbour</li> <li>DPIE staff in attendance: Nick Armstrong, Stewart Doran</li> <li>Council representatives in attendance: Marcelo Occhiuzzi, Ben<br/>Boyd, Liam Roger, Brett Brown (consultant planner for Council)</li> <li>Proponent representatives in attendance: Kate Bartlett, Anthony<br/>Boskovitz, Stephen Davies, Andrew Cortese</li> </ul> |  |  |  |