

St Leonards Telstra Exchange – State Led Rezoning

Planning Report



‘Gura Bulga’

Liz Belanjee Cameron

‘Gura Bulga’ – translates to Warm Green Country. Representing New South Wales.

By using the green and blue colours to represent NSW, this painting unites the contrasting landscapes. The use of green symbolises tranquillity and health. The colour cyan, a greenish-blue, sparks feelings of calmness and reminds us of the importance of nature, while various shades of blue hues denote emotions of new beginnings and growth. The use of emerald green in this image speaks of place as a fluid moving topography of rhythmical connection, echoed by densely layered patterning and symbolic shapes which project the hypnotic vibrations of the earth, waterways and skies.

Ethos Urban acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and culture.

We acknowledge the Gadigal people, of the Eora Nation, the Traditional Custodians of the land where this document was prepared, and all peoples and nations from lands affected.

We pay our respects to their Elders past, present and emerging.

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Version No.	Date of issue	Prepared By	Approved by
1.0 (DRAFT)	12/09/2022	SP	TG
2.0 (FINAL DRAFT)	03/11/2022	SP	TG
3.0 (FINAL)	01/12/2022	SP	TG
4.0 (FINAL POST TOA)	17/11/2023	AH	MO

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1.0 Introduction

1.1 Overview

The amalgamated site containing the St Leonards Telstra Exchange building and four adjacent retail lots is a unique site, which presents a significant opportunity for renewal due to position at a prominent corner location within a string of rapidly evolving mixed-use sites along the Pacific Highway in the strategic centre, St Leonards.

The significance of St Leonards as a key strategic precinct has been recognised by the NSW Department of Planning and Environment (**DPE**), through the adoption of the St Leonards and Crows Nest 2036 Plan (**2036 Plan**), which presents a vision for the future high-rise and mixed-use development within the precinct that will leverage off NSW Government investment in the new Crows Nest Metro Station. Importantly, the 2036 Plan identifies the site for rezoning to B4 Mixed Use and significant uplift in height and density.

Home Apartments (**Home**) is exploring opportunities to redevelop and revitalise the St Leonards Telstra Exchange site for a mix of uses, including Build-to-Rent housing (**BTR**), key worker housing, serviced apartment accommodation and retail premises, while retaining the existing Telstra Exchange building and the critical telecommunication housed within. A public benefit offer has been agreed with Lane Cove Council for the additional floor space above the 35 storey height control of the 2036 Plan.

The planning controls (land use zone, height, and floor space ratio) for the St Leonards Telstra Exchange site currently reside within the *Lane Cove Local Environmental Plan 2009* (**Lane Cove LEP**). This Draft SEPP report seeks to amend the controls of the Lane Cove LEP as it relates to the St Leonards Telstra Exchange site to facilitate its future reuse and uplift as a mixed-use Build to rent building. The proposed new planning controls are summarised below:

- Rezone the site from E2 Commercial Centre to MU1 Mixed Use;
- Increase the maximum building height from 72m to 155m (with no habitable floor space permitted above 148m); and
- Establish a non-residential floor space ratio of 2.3:1.

The State Led Rezoning does not intend to change the existing 17.1:1 floor space ratio on the site.

Specifically, the proposed new planning controls are intended to facilitate the following, which is sought via a concurrent State Significant Development Application.

- Site preparation and excavation.
- Retention and integration of the existing Telstra Exchange Building.
- Construction of a new 43-storey mixed-use development, comprising:
 - 21,472sqm of build-to-rent housing across 34 storeys, including 272 dwellings.
 - 3,840sqm of non-residential space within an 8-storey podium including ground level retail and short stay accommodation.
 - 721 sqm of Key Worker Housing across 1 level, within the podium, delivering a total 10 dwellings to be managed as part of the build to rent development.
 - 2,014sqm of community amenity facilities throughout the building.
 - Two levels of plant above 148m.
- Residential lobby accessed via Christie Street and separate serviced apartment accommodation lobby accessed via Pacific Highway.
- Podium car parking and loading area with vehicular access via Christie Street, comprising a 48-space car stacker;
- Associated landscaping and public domain works; and
- Augmentation of, and connection to, existing utilities services as required.

1.2 Purpose of this Document

This Draft State Environmental Planning Policy (**SEPP**) report has been prepared to facilitate the proposed rezoning of the St Leonards Telstra Exchange Site, by way of a self-repealing SEPP, in line with Section 3.29 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.

This document outlines the planning pathway to rezone the St Leonards Telstra Exchange site and sets out the strategic and site-specific justification for the rezoning proposal. It provides a review of the proposal against the relevant strategic plans and SEPPs that apply to the site, in addition to carrying out an assessment of the environmental, social and economic benefits and impacts of the proposal.

The Draft SEPP has been prepared in accordance with Part 3, Division 3.3 of the EP&A Act, is supported by an Explanation of Intended Effects (**EIE**) and has been informed by the indicative reference scheme and other supporting technical information appended with this report (see Table of Contents). This Report should be read in conjunction with this material and in the event of any inconsistency between the Draft SEPP Report and the supporting documentation, the Draft SEPP report prevails.

1.3 Land to which this Draft SEPP applies

The site is the Telstra Exchange at 524-542 Pacific Highway, St Leonards within the Lane Cove Local Government Area (LGA). The site comprises eight separate allotments and has total combined area of 1,671m². The legal description of each allotment is identified in **Table 6** below. **Figure 1** below shows the site and its surrounding context.

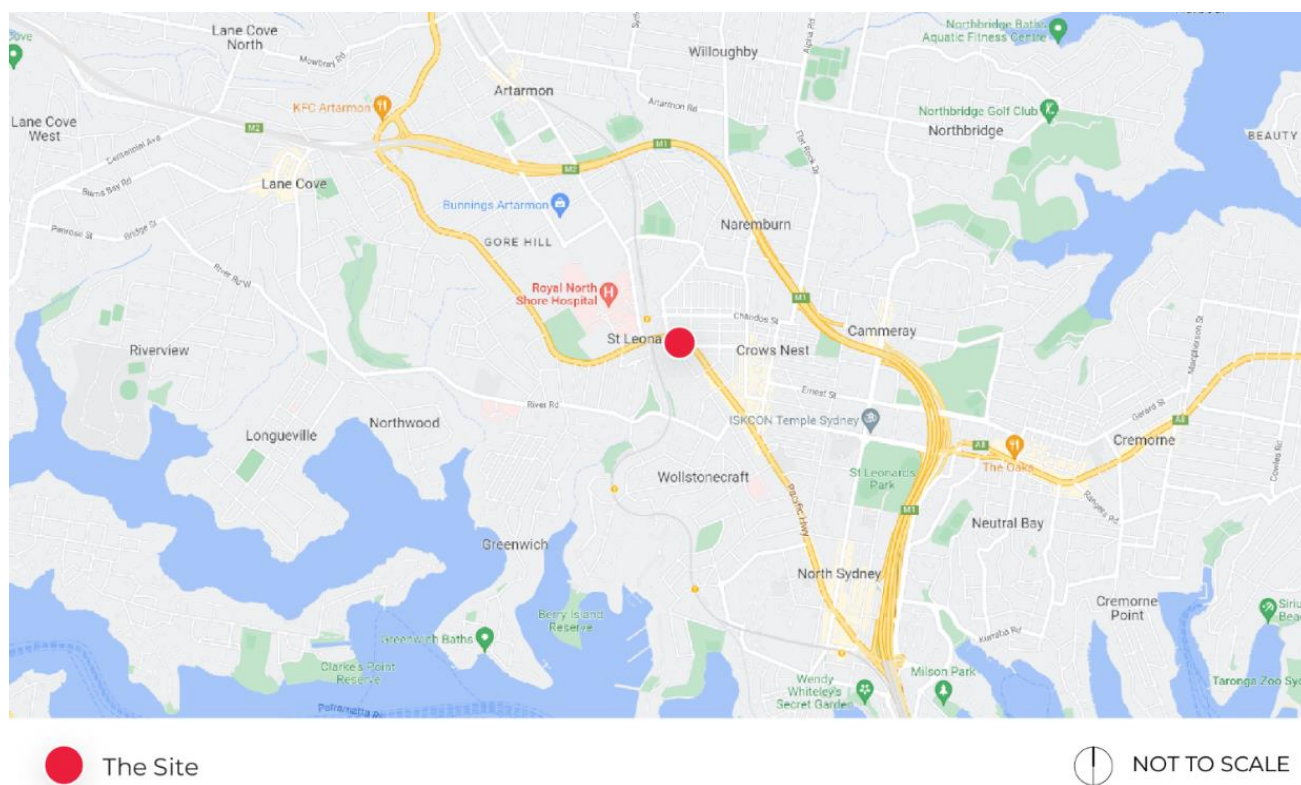


Figure 1 Site Context Map

1.4 State Led Rezoning Study Requirements

DPE in collaboration with the Greater Cities Commission (**GCC**), Government Architect NSW (**GANSW**), Lane Cove Council and other government agencies released Study Requirements in March 2022 to guide preparation of this Draft SEPP. **Appendix T** provides a summary of the Study Requirements and identifies where the relevant requirement is addressed.

2.0 Background to the Development

2.1 The Proponent: Home Apartments

Home is Australia’s leading developer in build-to-rent housing, creating high-quality apartments that are purposefully designed and constructed for the rental market. Each Home property focuses on providing a holistic resident experience, featuring professionally managed services. Home will provide residents the opportunity to personalise their homes and will focus on creating a sense of community within the development.

Home properties are held in a portfolio as a long-term investment, allowing residents greater length and security of tenancy, providing contemporary, long-term, high-quality housing options that are designed to meet the needs of the one-third of Australians who rent their homes.

Home currently has a diverse portfolio of six fully funded projects underway in Australia, within both Sydney and Melbourne.

2.2 Priority Acceleration Program

In March 2021, Home requested the project be included under Method 3 of the DPE Priority Assessment Program (**PAP**), which facilitates the preparation and assessment of a concurrent State Led Rezoning and State Significant Development Application. The intention of the PAP process is to facilitate the efficient assessment and determination of strategically significant projects that will have a positive impact on the NSW economy by providing employment and housing in key locations.

Table 1 below outlines the proposed amendments to the Lane Cove LEP submitted with the PAP Submission, in comparison to the amendments proposed under this Draft SEPP. It is noted that the project was formally accepted based on the PAP Application in November 2021, which clearly sought to vary the St Leonards and Crows Nest 2036 Plan with regard to height and minimum non-residential FSR.

Table 1 Priority Assessment Program Application

Control	PAP Application	State Led Rezoning
Zone	B4 Mixed Use	MU1 Mixed Use
Height	155m	155m (* no habitable floor space is to be above 148m)
FSR	21.3:1	17.1:1
Non-residential FSR	1.16:1	3:1

2.2.1 Project History

The site has been subject to a significant amount of planning scrutiny in the recent past. The below provides a summary of the project history:

- In 2016, Home (formerly Grocon) submitted a Planning Proposal to rezone the site to permit a 53-storey mixed use tower. However, the Council’s assessment of the original Planning Proposal was delayed while the DPE prepared the 2036 Plan and Home withdrew the proposal at Council’s request to allow consideration of the 2036 Plan.
- In December 2018, following the release of the draft 2036 Plan, the Planning Proposal was resubmitted and following Council’s failure to endorse the proposal, a Rezoning Review request was sought on 30 January 2020 as the Council had not supported the request to amend the LEP within the 90 day timeframe.
- In May 2020, the Rezoning Review was not supported by the Sydney North Planning Panel. The Panel cited that the 2036 Plan was ‘imminent’ and that it would be premature to consider the Planning Proposal without the directions of the 2036 Plan.
- In March 2021, an application for the project to be accepted as part of the PAP was submitted. The PAP application was submitted as Council made it clear that they do not support a mixed-use development at the site, despite the outcomes of the 2036 Plan.

- In November 2021, the project was accepted under Method 3 of the PAP, which allows the concurrent submission of a State Led Rezoning and State Significant Development Application, led by the DPE with the appointment of the Secretary as the Relevant Planning Authority (RPA) under Section 54(2)(a) of the EP&A Act.
- During 2022, the project team were preparing all documents for the lodgement of the application, as well as undertaking extensive engagement with the Planning Delivery Unit (PDU), Department of Planning and Environment, State Design Review Panel (SDRP), and Lane Cove Council (Council).
- In July 2022, negotiations on the public benefit offer commenced with Council, which were ongoing until May 2023. This process was ultimately required the engagement of a third-party review by HillPDA (engaged by the DPE PDU) to determine the reasonableness of the public benefit offer. This process confirmed that the original public benefit offer made by Home was reasonable and anything more would not be feasible for the project.
- In May 2023, Home revised the public benefit offer to include key worker housing and monetary contributions to satisfy Council's needs. This was presented to Council at a Lane Cove Council meeting on 20 September 2023 and accepted in principle.

This State Led Rezoning achieves the vision, objective and actions of the 2036 Plan, which is further discussed throughout this report. The key milestones and correspondence between the proponent and Lane Cove Council is provided in **Table 2** below.

Table 2 *Project Timeline*

Submission	Date
Original planning proposal lodged with Lane Cove Council (215m height limit).	December 2016
Amended planning proposal lodged with Lane Cove Council (195m height limit)	December 2018
Applicant met with Council officers to discuss key issues and obtain feedback on planning proposal.	October 2019
Supplementary package of information submitted to Lane Cove Council addressing a range of matters raised in the meeting in October 2019.	November 2019
Applicant met with DPE officers (with Lane Cove Council officers present) to discuss planning proposal.	November 2019
Amendment to planning proposal lodged with Lane Cove Council (182m height limit).	December 2019
Supplementary planning letter and letter regarding Telstra's interest in tenanting building lodged with Lane Cove Council	December 2019
Applicant met with Council officers to discuss and obtain feedback on information lodged in late December 2019	January 2020
Request for rezoning review.	January 2020
Sydney North Planning Panel determined to refuse the rezoning review.	May 2020
Applicant met with DP&E officers to discuss the Priority Assessment Program process	December 2020
Application submitted to DPE requesting the project be accepted under Method 3 of the Priority Assessment Program for a concurrent State Led Rezoning and State Significant Development Application for a new build-to-rent development. The following was proposed:	March 2021
State Led Rezoning:	
<ul style="list-style-type: none"> • Rezone the site from E2 Commercial Centre to MU1 Mixed Use; • Increase the maximum building height from 72m to 155m; • Maintain FSR of 17.1:1; and • Establish a minimum floor space ratio of 1.16:1. 	
State Significant Development Application:	
<ul style="list-style-type: none"> • 320 build-to-rent apartments; • 1,939sqm commercial office space; • 120sqm retail space • Podium car parking, comprising 160 spaces within a car stacker 	
Project accepted under Method 3 of the Priority Assessment Program, to facilitate a concurrent State Led Rezoning and State Significant Development Application as per the above	November 2021
Request for Industry specific SEARs for Build-to-Rent State Significant Development Application	November 2021

Submission	Date
DPE requested clarification on submission relating to building height, FSR and project ownership	December 2021
Confirmation provided to DPE of the project scope being based on a building height of 42 storeys (155m), total FSR of 17:1 with minimum non-residential of 1.16:1, and 320 BTR apartments.	January 2022
Industry specific SEARs received for Build-to-Rent development	January 2022
Study Requirements for State Led Rezoning received	March 2022
First SDRP Meeting (155m height limit and 1.16:1 non-residential FSR)	March 2022
Appointment of new architectural team following internal Design Competition: DKO Architects	March 2022
Second SDRP Meeting (155m height limit and 3:1 FSR)	April 2022
Third SDRP Meeting (155m height limit and 3:1 FSR)	June 2022
First meeting held with Council on the subject of the public benefit offer.	July 2022
Fourth SDRP Meeting (155m height limit and 3:1 FSR)	August 2022
Initial public benefit offer was submitted to Council, which included the embellishment of Nicholson Lane, BTR extended lease tenure, coworking space, key worker housing, and the payment of contributions.	August 2022
Meeting with Council in relation to the public benefit offer where Council confirmed that 5% of affordable housing equates to 2 apartments	September 2022
Revised Public Benefit Offer submitted to Council, which included the Homes for Homes Agreement. Valuation of the offer was also submitted to Council.	September 2022
Third meeting with Council where Council reneged on their position and stated that 5% of affordable housing is based on the total development GFA.	September 2022
Weekly meetings with Council relating to the public benefit negotiations were undertaken in October where no progress on the negotiations were made.	October 2022
Due to difficulties in the negotiations, HillPDA was engaged as an independent reviewer to determine the reasonableness of the public benefit offer. As instructed by DPE, the assessment of the public benefit was undertaken on the basis that the amendments were made to the Lane Cove LEP and not the 2036 Plan.	December 2022
HillPDA undertook a second analysis of the public benefit offer, which confirmed that the offer, which included \$1.1 million monetary contribution for affordable housing, as well as the payment of the SIC and 7.11 contributions, was the maximum the project could withstand feasibly and was considered reasonable	May 2023
Home amended the offer to include 6 key worker / affordable housing units.	May 2023
Home further amended the offer to include \$3.6 million monetary contribution and the delivery of 10 key worker / affordable housing units despite there being no statutory requirement to provide it. It is noted that Lane Cove Council does not have a published Affordable Housing Policy, nor does their Local Housing Strategy require a certain amount for new development.	July 2023
The public benefit offer was presented to a Council Meeting on 20 September 2023, whereby the offer was accepted in principle.	September 2023

2.3 Build-to-Rent Housing

'Build-to-rent' is a new asset class in Australia that improves housing diversity and quality for both renters and institutional investors. Build-to-rent schemes are defined as housing that is purpose designed and built for renting, offering longer rental terms and onsite support, with leases centrally and professionally managed by a single entity. It is a major contributor to housing supply globally, with widespread adoption in the US and Europe.

Build to rent differs from 'market housing' in that it is a long-term asset, owned in one line and not simply strata titled and sold off. The owner is a long-term landowner in the precinct.

The introduction of build-to-rent housing into the NSW planning system in February 2021 reflects the NSW Government's policy response to addressing rising supply and affordability issues in NSW and a move to increase housing diversity, security and housing supply. This is reflected by build-to-rent being recognised as being 'state significant' development.

There is an increasing understanding that the delivery of build-to-rent can help act as a counterbalance to dwindling housing supply and help counter rising rents in a time where, in the most recent Census of Population and Housing conducted in 2021, there were 915,000 households spending more than 30% of their income on rental payments. This compares to 469,000 households spending more than 30% of their income on mortgage payments. That is, there are almost twice as many people under rental stress than there are in mortgage stress.

Build-to-rent provides an alternative choice of housing for the growing number of renters in Australia, improving housing diversity by providing a secure rental home for those saving to buy their home or for those who choose to rent long term. Key characteristics of 'build-to-rent' projects typically include the following:

- Purpose built: Build-to-rent housing projects are constructed explicitly for providing residential rental accommodation, with a focus on shared communal amenities and services.
- Scale: Build-to-rent projects typically contain a minimum of at least 100 dwellings.
- Centralised ownership: All the dwellings within a build-to-rent project are held as a whole asset under singular ownership and are not subdivided.
- On-site management: Build-to-rent schemes typically include dedicated onsite management staff to support residents and day-to-day site operations.

The *State Environmental Planning Policy (Housing) 2021* (Housing SEPP) sets parameters that define build-to-rent housing and establishes the relevant non-discretionary development standards for designing and assessing build-to-rent housing. It is noted that the Housing SEPP enables flexible application of certain provisions of the NSW Apartment Design Guide (ADG) to reflect the more communal nature and management of build-to-rent housing. A detailed assessment of the proposal against the Housing SEPP will be provided within the concurrent SSDA.

As owner and long-term manager of both the commercial and residential components of the proposed development, Home has a strong long-term interest in maximising positive outcomes for the site and will maintain a high degree of control over the operation of the project to maximise environmental impacts on surrounding receivers, whilst enabling the creation of a truly mixed-use building.

2.4 Housing Supply

Lane Cove Council is part of the Sydney North District, which sets a strategic housing target of 92,000 in the 20 years between 2016-2036. According to NSW Government Data¹, in the last 12 months to March 2023, the Lane Cove LGA delivered:

- 764 new completions, which is 75.6% above the previous 5 years average (owing to the recent completions of the New Hope, JQZ and Mirvac buildings within the immediate precinct).
- 119 approvals, which is 75.4% below the previous 5 years' average.
- 1,450 medium growth over the five year housing supply forecast (2022/23 – 2026/27), which is 46.2% below the previous 5 years' completions,

As can be seen from **Figure 2** below the dwelling completions and approvals has fluctuated over the years, with approvals remaining below the average target, while the forecasted supply and growth of dwellings is significantly below the average required to meet the State Government's targets.

¹ Greater Sydney Urban Development Program Dashboard

Rolling annual activity and forecast

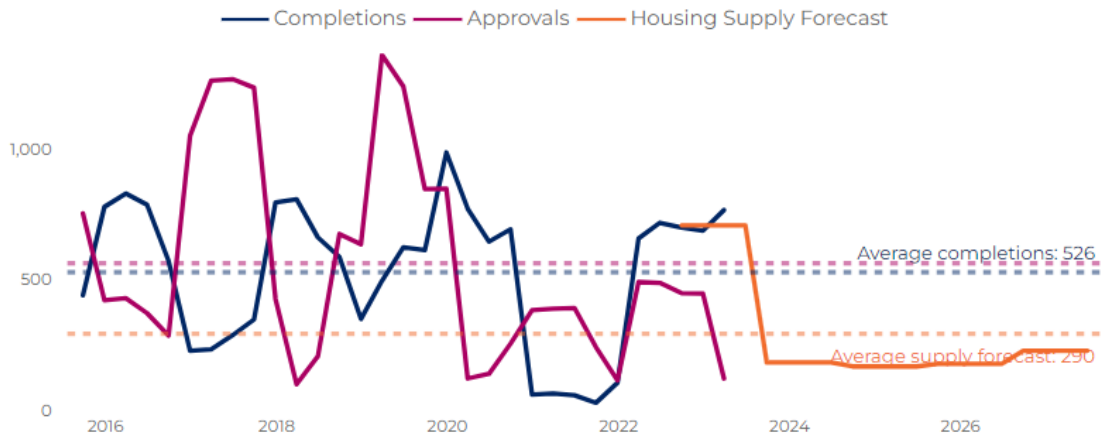


Figure 2 DPE Annual Housing Activity and Forecast
 Source: NSW Government Urban Development Program Dashboard

Figure 3 shows the approvals by dwelling type and density mix for 2021-22 and the high proportion of low-density housing making up almost half of the new housing delivery. This will have a knock-on effect on housing affordability as medium / high density apartments are considerably cheaper to rent in Lane Cove, with property data showing that the weekly media advertised rent in the LGA is \$875 for houses and \$550 for units. Build to rent can provide a more affordable and secure form of housing for the growing population of the Lane Cove LGA – particularly when (according to NSW Population data) the growing age cohorts are younger age groups (30-39) and older cohorts (80+) who are more likely to require smaller household types.

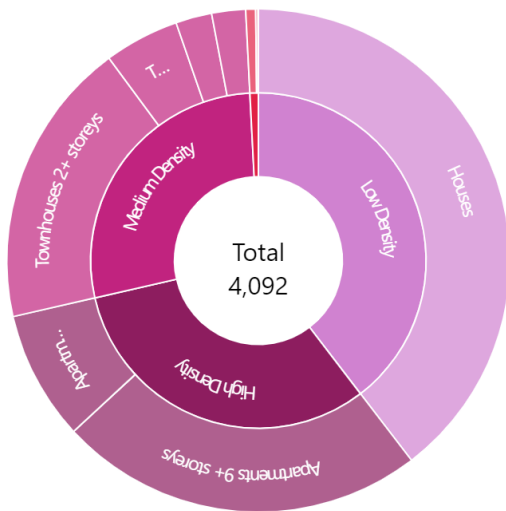


Figure 3 Approved Dwellings by type and density 2021-22
 Source: NSW Government Urban Development Program Dashboard

The slowdown in housing delivery has resulted in pressure on affordability, however the short term impacts of COVID-19 that slowed population growth in NSW has lessened the impacts somewhat. This is set to change as the federal government has increased the forecasted number of migrants settling in Australia by an additional 186,000 in 3 years. In 5 years, there will be 900,000 new migrants living in Australia. **Figure 4** shows the Net Overseas Migrations forecasts from the two Federal Budgets.

This will increase demand on the struggling housing market, particularly the rental market which will be hardest hit as new migrants find a home. This will force renters into an ever-rising, demand led price rise cycle that will further increase the level of mortgage stress in NSW.

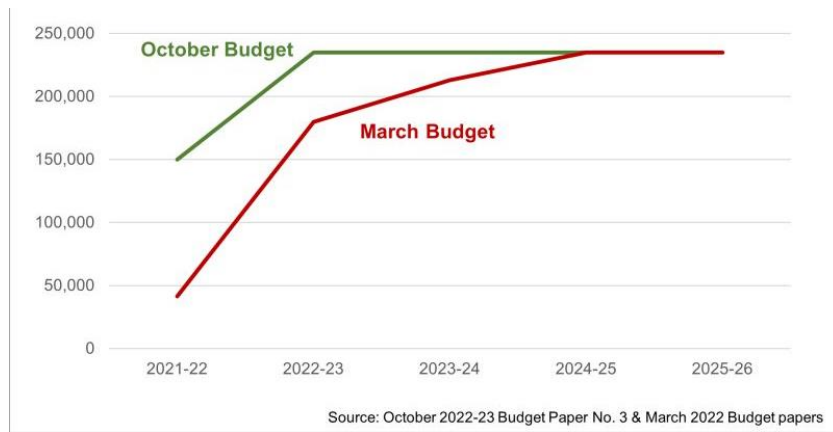


Figure 4 Net Overseas Migrations forecasts

Source: October 2022-23 Federal Budget Paper

Further, this proposal aligns to the NSW Housing Strategy: Housing 2041 which supports the provision new housing stock in NSW and Build-to-rent is identified as a housing typology to support the diversity and affordability of the private rental market. This helps to meet two of the four key pillars of the NSW housing system (refer to **Figure 5**).



Figure 5 NSW Housing Strategy Key Pillars

Source: Housing 2041, DPE

2.5 St Leonards and Crows Nest 2036 Plan

In September 2020, the renewal of the St Leonards Crows Nest Strategic Centre was endorsed and finalised with the release of the St Leonards Crows Nest Plan 2036. Broadly, the key tenets of the plan in terms of built form and planning controls are:

- Changes to zoning that saw a general increase in more B4 Mixed Use zones.
- Increased building heights focussed on the Pacific Highway corridor and main train station nodes.
- Expanded FSR and inclusion of non-residential FSRs on B4 Mixed Use sites.
- Street wall heights and setback requirements.
- Special Infrastructure Contribution of \$15,100 per additional dwelling.

2.5.1 2018 Draft Plan

The key moves of the Plan, changed from the 2018 draft, included:

- The abolition of proposed significant sites; replaced with site specific controls.
- A marked reduction in the scale of many planned mixed-use residential towers.
- A doubling of the employment floorspace to 119,979sqm to deliver capacity for an additional 16,500 jobs in the precinct by 2036.
- Introduction of maximum Floor Space Ratios (FSR) by site.

The subject site was designated as a ‘Significant Site’ that was intended to be subject to a further design-led approach to determine the appropriate bulk and scale of these sites that “*may be appropriate for additional height, subject to further assessment and community consultation*”. Key considerations of the Significant Sites were:

- Significant sites will be subject to a rigorous design excellence process to determine the appropriate height, floor space ratio and other design details. This approach has been followed through the detailed State Design Review Panel process followed for the project.
- Significant sites are expected to meet the highest design standards and provide additional community benefits to ensure their overall impact is a positive one.
- Proposals for significant sites would need to demonstrate consistency with the vision, design criteria and area wide design principles in this Plan (page 4, 10& 11) and significant site design principles (insert (sic.)). These are provided below at **Figure 6** which importantly notes the key determinant of height being the protection of solar height planes and acknowledgement of key views and vistas, as well as transitioning height from high rise areas to existing lower scale areas.

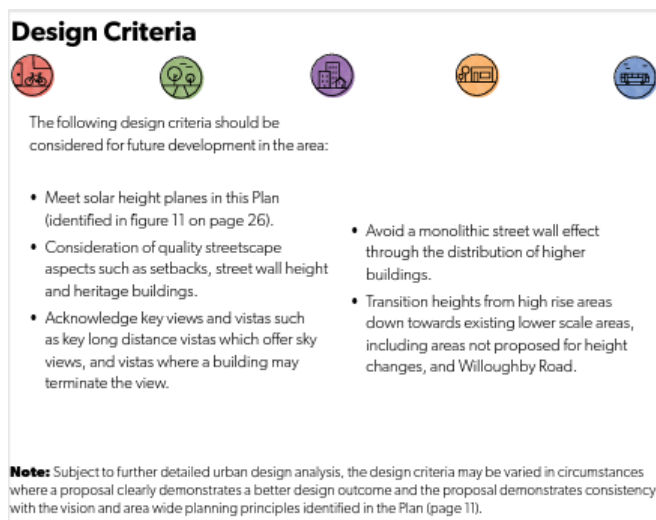


Figure 6 Draft St Leonards Crows Nest Plan – Design Criteria

Source: DPE

In terms of the ‘Area Wide Design Principles – Built Form’, there was clear direction to “*Contain taller buildings between St Leonards Station and Crows Nest Station and on nominated significant sites along the Pacific Highway.*”

2.5.2 2020 Final Plan

The Department finalised the planning package for the St Leonards and Crows Nest 2036 Plan in August 2020. Relevant to the subject site, it included the following key provisions:

- B4 Mixed Use zone
- 35 storeys
- FSR of 14:1 and non-residential of 4:1
- Street wall height of 6 storeys and 0 setback

- New development in the area does not produce substantial additional overshadowing of Newlands Park between 10:00am and 3:00pm.
- Councils are encouraged to explore build-to-rent opportunities within the precinct.

The proponent was not made aware of the final provisions of the Plan prior to its finalisation, nor was detail provided for the justification of the final provisions.

2.5.3 Consistency with the Plan's vision, objectives and actions

Key to the assessment of any proposal are the provisions of the s9.1 Ministerial Directions which state, in relation to considering the St Leonards and Crows Nest 2036 Plan:

'A planning proposal authority must ensure that a planning proposal is consistent with the St Leonards and Crows Nest 2036 Plan, approved by the Minister for Planning and published on the Department of Planning and environment website on 29 August 2020.'

The Direction also states:

'A planning proposal may be inconsistent with the terms of this direction only if the planning proposal authority can satisfy the Planning Secretary (or their nominee), that:

(a) The provisions of the planning proposal that are inconsistent are of minor significance, and

(b) The planning proposal achieves the overall intent of the plan and does not undermine the achievement of the Plan's vision, objectives and actions.

Section 3 of the 2036 Plan provides the key Built Form principles, which includes a number of supporting actions, urban design principles and statements on density, transitions and interfaces, height and solar access. Relevant to the subject rezoning are:

- Built Form – Deliver a transit-oriented development at the Crows Nest Metro Station sites: The proposal between the Metro Station and St Leonards Station will deliver substantially reduced parking rates than both a commercial development at the site, or a market residential project.
- Built Form – Apply design principles for solar amenity, configuration, and interface between areas of transition: whilst the site is not located within a transition area, it has been designed with careful consideration for solar amenity to Newlands Park.
- Built Form – New development should be sympathetic to existing buildings with appropriate setbacks and street wall height: An eight storey street wall height is proposed, two levels higher than that sought in the 2036 Plan. This has been provided in response to the SDRP feedback to provide additional non-residential floor space at the site. A compliant six-level street wall height would result in a lesser non-residential GFA than that sought in the 2036 Plan, due in part to the existence of the Telstra Exchange and encroach setbacks of the neighbouring Landmark Development.

Consideration also needs to be given to the NSW Government policy position that seeks to deliver build-to-rent housing in many Business Zones where residential development is not expressly permitted.

- Built Form – Minimise overshadowing of key open spaces, public places and adjoining residential areas. Solar height planes should be adhered to as indicated within the Solar Access Map (page 38): The development concept comprises a 43-storey mixed use building that has been sculptured at its upper floors to ensure that it will not result in any additional overshadowing to Newlands Park.
- Built Form – Adopt objectives from the Government Architect NSW's Evaluating Good Design Policy in the drafting of new planning provisions: The GANSW State Design Review Panel have reviewed the project on four occasions.

In terms of the Urban Design Principles, the following key considerations apply:

- Proximity to Stations – Epicentre: the site is located close to both rail and metro transport hubs, hence the increased density.
- Centre and Height Transition – the proposed height (and that above the 35 storeys identified for the site) is part of a cluster of tall buildings that reinforces St Leonards as the predominant centre. As can be seen from **Figure 7** below,

increasing the building height from 35 to 43 will be imperceptible in the context of the tall building cluster, particularly with taller buildings to the site’s north (50 storeys), west (48 storeys) and east (45 storeys).

- Expand Open Space Network and Protect Amenity: the proposed development has been carefully designed (and top levels chamfered) to not cause any additional overshadowing to any key existing or proposed public open spaces.
- Fine Grain Approach: the proposal responds to its surrounding context and adds to the local urban grain, improving accessibility through appropriate frontage treatment and provision of Nicholson Lane and an enhanced public domain.



Figure 7 2036 Plan Building Height – Recommended Changes

Source: DPE

Importantly, in terms of the numerical recommended changes outlined in the 2036 Plan – under the section titled ‘A Planned Approach to the Future of St Leonards’ – the Plan clearly recognises itself as a strategic document, noting:

- *The identified changes are indicative, and*
- *Final planning controls will be developed as part of any future rezoning process.”*

Consideration is therefore given to the flexible application of the numerical ‘recommended changes’ and the detailed process to prove up building heights based on impact and suitability, as well as consistency with the relevant vision, objectives and actions of the 2036 Plan.

From the analysis above, the planning proposal achieves the overall intent of the plan and does not undermine the achievement of the Plan’s vision, objectives and actions. The variation, in the context of the site and its surrounds, is of minor significance that has been offset by the public benefit offer agreed with Council.

2.6 Consultation

Home have engaged with a range of key stakeholder and the public, including Lane Cove Council, other relevant State and Federal government agencies, non-government groups and community members.

Home and the broader consultant team developed and implemented an engagement strategy, providing accessible opportunities for the community and stakeholders to provide feedback prior to the lodgement of the concurrent State Led Rezoning and State Significant Development Application. The strategy and outcomes of consultation undertaken to date is further described in the Consultation Outcomes Report prepared by Ethos Urban at **Appendix O**.

2.6.1 Community Engagement

Table 3 provides a summary of the engagement activities and outcomes for the community consultation.

Table 3 Overview of engagement activities with general public

Activity	Purpose
Letterbox drops	Invite letters to notify nearby residents and businesses about upcoming community consultation opportunities.
1800 phone line	A direct phone number established to receive any community enquiries and to be answered during business hours (8am-5pm). Community members have the option to leave messages to receive a return phone call when phoning out of hours.
Consultation email address	The consultation email address (consultation@ethosurban.com) is used to provide a method of communication that is available to community and stakeholders 24/7/
Online community information session	To provide an opportunity to meet with the project team, learn about the development application, ask questions, and learn about what to expect in the coming stages.

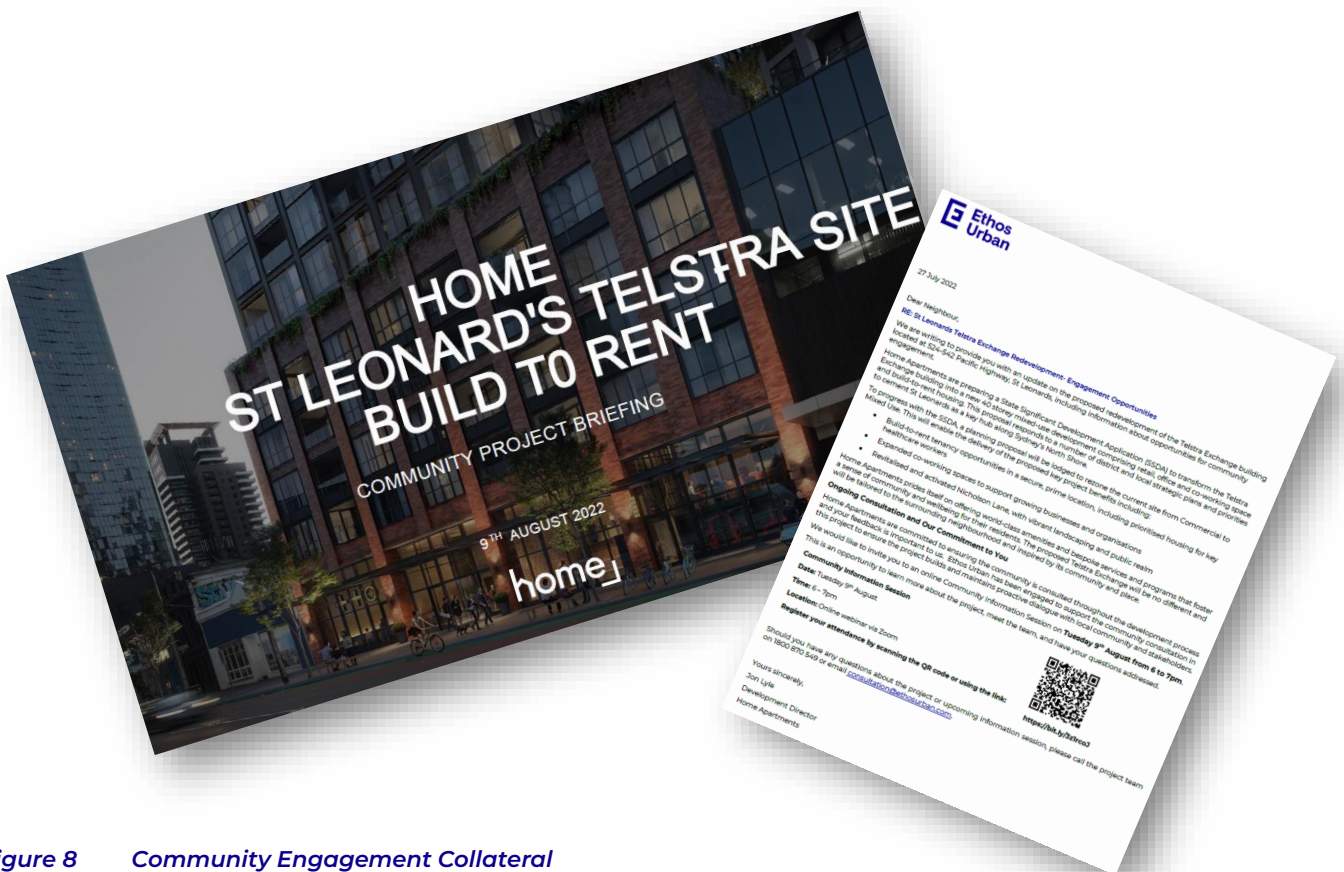


Figure 8 Community Engagement Collateral
Source: Ethos Urban

2.6.2 Aboriginal Community Consultation

Consultation was undertaken with Aboriginal groups during the preparation of the Aboriginal Cultural Heritage Assessment Report (ACHAR) in accordance with the 'Aboriginal Cultural Heritage Requirements for Proponents 2010' and the requirements of Clause 60 of the National Parks and Wildlife Regulation 2019.

The aim of the consultation process was to integrate cultural and archaeological knowledge and ensure registered Aboriginal stakeholders have been informed to make decisions on Aboriginal cultural heritage. The Aboriginal consultation process and outcomes are summarised in **Table 4** below.

Table 4 Overview of consultation activities and outcomes with Registered Aboriginal Parties (RAP's)

Task Requirement	Action and Date	Outcome
Identify the native title exists in relation to the project area	On 7 June 2022, Comber wrote to National Native Title Tribunal and registered Indigenous Land Use Agreements	No registered Native Title claimants or land use agreements
<p>Ascertain, from reasonable sources of information, the names of Aboriginal people who may hold cultural knowledge relevant to determining the significance of Aboriginal objects and/or places.</p> <p>Compile a list of Aboriginal people who may have an interest for the proposed project area and hold knowledge relevant to determining the cultural significance of Aboriginal objects and/or places.</p>	<p>Comber wrote to the following organisations on 7 June 2022, seeking the names of any Aboriginal people or organisations who may hold cultural knowledge:</p> <ul style="list-style-type: none"> Metropolitan Local Aboriginal Land Council Lane Cove Council Greater Sydney Local Land Services (GSLLS) Heritage NSW Office of Registrar, Aboriginal Land Rights Act 1983 NTS Corporation 	<p>Responses were received from:</p> <ul style="list-style-type: none"> GSLLS who advised that it is not a primary source of contact for First Nations (Aboriginal) communities or persons that may inform or provide comment on development or planning issues. Heritage NSW responded with list of people/organisations who have an interest in the area. Office of Registrar advised that the proposed development and study area falls within the boundaries of Metropolitan Local Aboriginal Land Council (MLALC) and suggest contacted MLALC. No response received from Lane Cove Council, MLALC, or NTS Corporation.
<p>Write to the Aboriginal people whose names were obtained in the previous step and the relevant LALC(s) to notify them of the proposed project,</p> <p>Place a notice in the local newspaper circulating in the general location of the proposed project, explaining the project and its exact location.</p>	Comber wrote the organisations and people identified from the above action on 15 June 2022.	Responses were received by 10 people.
A minimum of 14 days from the date the letter was sent, or notice published in the newspaper to register an interest.	Closing date for registration of interest included in the notification letters and notice in the newspaper was at least 14 days from the date the letters were sent, and notices appeared in the newspapers.	Closing date for registration of interest on 21 June 2022 for advertisements and 1 July 2022 for written notification.
Must advise Aboriginal people who are registering an interest that their details will be forwarded to DPC and the LALC unless they specify that they do not want their details released.	RAP's informed by letter/email on 15 June 2022 and by advertisement dated 7 June 2022.	One organisation advised that their name could be included but they did not want their correspondence included in the ACHAR.
<p>Make a record of the names of each Aboriginal person who registered an interest.</p> <p>Provide a copy of that record and copy of the notification to Heritage NSW and LALC within 28 days of closing date for registration of interest.</p>	List of RAP's compiled and forwarded to the MLALC and Heritage NSW on 4 July 2022.	N/A

Task Requirement	Action and Date	Outcome
LALCs holding cultural knowledge relevant to determining the significance of Aboriginal objects and places in the proposed project area who wish to register an interest to be involved in consultation must register their interest as an Aboriginal organisation rather than individuals.	MLALC is a registered party to be involved in consultation	MLALC is a Registered Aboriginal Party
Where an Aboriginal organisation representing Aboriginal people, who hold cultural knowledge has registered an interest, a contact person for that organisation must be nominated. Aboriginal cultural knowledge holders who have registered an interest may indicate they have appointed a representative to act on their behalf. Where this occurs, the registered Aboriginal party must provide written confirmation and contact details of those individuals to act on their behalf.	N/A	A contact person was nominated for all RAPs.
Presentation of Information about the proposed project.	<p>On 7 August 2022, the archaeological assessment which contained details of the project was sent to the RAPs with the methodology.</p> <p>On 11 August 2022, an onsite meeting was held to present information about the proposal, provide RAPs with an opportunity to visit the site, discuss the methodology, ascertain significance, artefact management and any other issues of concern.</p>	N/A
Notification of proposed assessment methodology	Methodology sent to all RAPS on 7 August 2022 and discussed at the Connecting with Country meeting on 11 August 2022.	Four RAP's responded and agreed with the methodology.
Gathering information about cultural significance.	Opportunities to provide cultural information was provided in writing on 15 June 2022 and again on 7 August 2022.	Cultural information provided in the significance assessment
Review of draft cultural heritage assessment report	Draft Aboriginal Cultural Heritage Assessment Report was forwarded to all RAPs for review on 26 August 2022 with responses due on 23 September 2022.	Four RAPs responded advising that they agreed with the ACHAR.

2.6.3 Key Stakeholder Consultation

Table 5 below provides an overview of the engagement activities with key stakeholders.

Table 5 Overview of engagement activities with key stakeholders

Stakeholder	Activity and meeting date	Purpose and Outcome
DPE	<ul style="list-style-type: none"> Weekly meetings with Project Delivery Unit (PDU) to discuss project progress and assistance required. Arranged meetings with LCC, TfNSW, Assessment Unit. 	<ul style="list-style-type: none"> Programme Tracking and Adjustments Post SDRP feedback Summary of internal DPE advice
Infrastructure Assessment Unit	<ul style="list-style-type: none"> Meetings on 4 July 2022 and 15 August 2022 post SDRP 3 and 4 meeting to discuss and understand operations of car stacker. 	<ul style="list-style-type: none"> Conducted a tour of operating car stacker on 27 July 2022. Co-ordinating delivery of consultant reports.
Planning Assessment Unit	<ul style="list-style-type: none"> Study Requirements scoping undertaken on 3 March 2022. Meeting on 12 May 2022 to align considerations of Rezoning and SSD application. 	<ul style="list-style-type: none"> Discussed reporting required to deliver the State-Led Rezoning.
Lane Cove Council (Technical Staff)	<ul style="list-style-type: none"> Meeting undertaken on 1 June 2022 to brief Council Staff on the project. Several meetings undertaken on the following dates to discuss public benefit and proposed terms of VPA: <ul style="list-style-type: none"> 5 July 2022 23 August 2022 20 September 2022 27 September 2022 4 October 2022 19 October 2022. 	<ul style="list-style-type: none"> Discussed matters relating to public benefit offer and intended VPA.
Government Architects NSW	<ul style="list-style-type: none"> Four meetings with the State Design Review Panel undertaken on the following dates: <ul style="list-style-type: none"> 10 March 2022 21 April 2022 2 June 2022 11 August 2022 	<ul style="list-style-type: none"> Comments and feedback received by the SDRP relating to design excellence and the State Significant Development Application. A response to the feedback will be submitted with the concurrent SSDA.
Greater Cities Commission (GCC)	<ul style="list-style-type: none"> Meeting on 26 May 2022 to brief GCC on the proposed planning controls and current reference scheme, and strategic planning framework for the site. 	<ul style="list-style-type: none"> No major concerns were raised regarding the scheme. Queries regarding non-residential floor space delivery
Transport for NSW	<ul style="list-style-type: none"> Meeting on 27 April 2022 to brief TfNSW on the proposed planning controls and current reference scheme, and strategic planning framework for the site. 	<ul style="list-style-type: none"> TfNSW supportive of the scheme. Support vehicular access via Christie Street rather than Pacific Highway.
Telstra	<ul style="list-style-type: none"> Ongoing design and construction program meetings to ensure the Telstra Exchange building will remain in operation. 	<ul style="list-style-type: none"> Design resolution.
AMA House (Southern Neighbour)	<ul style="list-style-type: none"> Several meetings to discuss the proposed amalgamation of sites. Meeting on 30 May to discuss proposed Nicholson Lane embellishment Site access for surveys and BDAR waiver. Correspondence on 3 August 2022 to the Strata Management for proposed presentation of the scheme and delivery program 	<ul style="list-style-type: none"> Access provided to the site for relevant inspections. Amalgamation not supported. Willing to progress discussion on construction impacts No response to DA presentation.
HillPDA (Independent Reviewer)	<ul style="list-style-type: none"> Hill PDA engaged to undertake an independent peer review of the reasonableness of the public benefit offer. Meetings held on 20 December 2022 and 18 January 2023 with HillPDA, LCC, Home and DPE. 	<ul style="list-style-type: none"> HillPDA concluded that the offer is reasonable and anything more would be unfeasible for the project.
Lane Cove Council (Councillors)	<ul style="list-style-type: none"> Public benefit presented at Council meeting on 21 September 2023. 	<ul style="list-style-type: none"> Public benefit offer accepted in principle.

3.0 The Subject Site

3.1 Site Location and Context

The Telstra Exchange site is situated within the Lane Cove Local Government Area (LGA), close to the boundary of both North Sydney and Willoughby LGAs (see **Figure 9**). Located just 6km north of the Sydney CBD, within Sydney’s Lower North Shore, St Leonards has a key role to play in the provision of housing and employment, given its proximity to the commercial centres of the Sydney CBD, North Sydney, Chatswood, and Macquarie Park.

The St Leonards centre is transitioning from smaller, aging commercial buildings to new multi-storey, mixed use development. The area immediately surrounding the site is undergoing wholesale renewal. To the north, 'The Forum', the foundation of the urban renewal at St Leonards, now acts as its commercial, retail and transport hub.

The site sits as part of a string of recent (and undergoing) urban renewal facilitated as part of Council rezoning over the years, including JQZ (west) and New Hope and Mirvac (east).

St Leonards is growing rapidly in stature as a hub for healthcare, medical research, and educational establishments. Specifically, these include services at or allied to the expanded, multi-billion-dollar Royal North Shore Hospital, the North Sydney Medical College and North Sydney TAFE (St Leonards Campus). This proposal supports St Leonard’s Strategic Centre status through the provision of a mixed-use development providing employment and housing diversity.

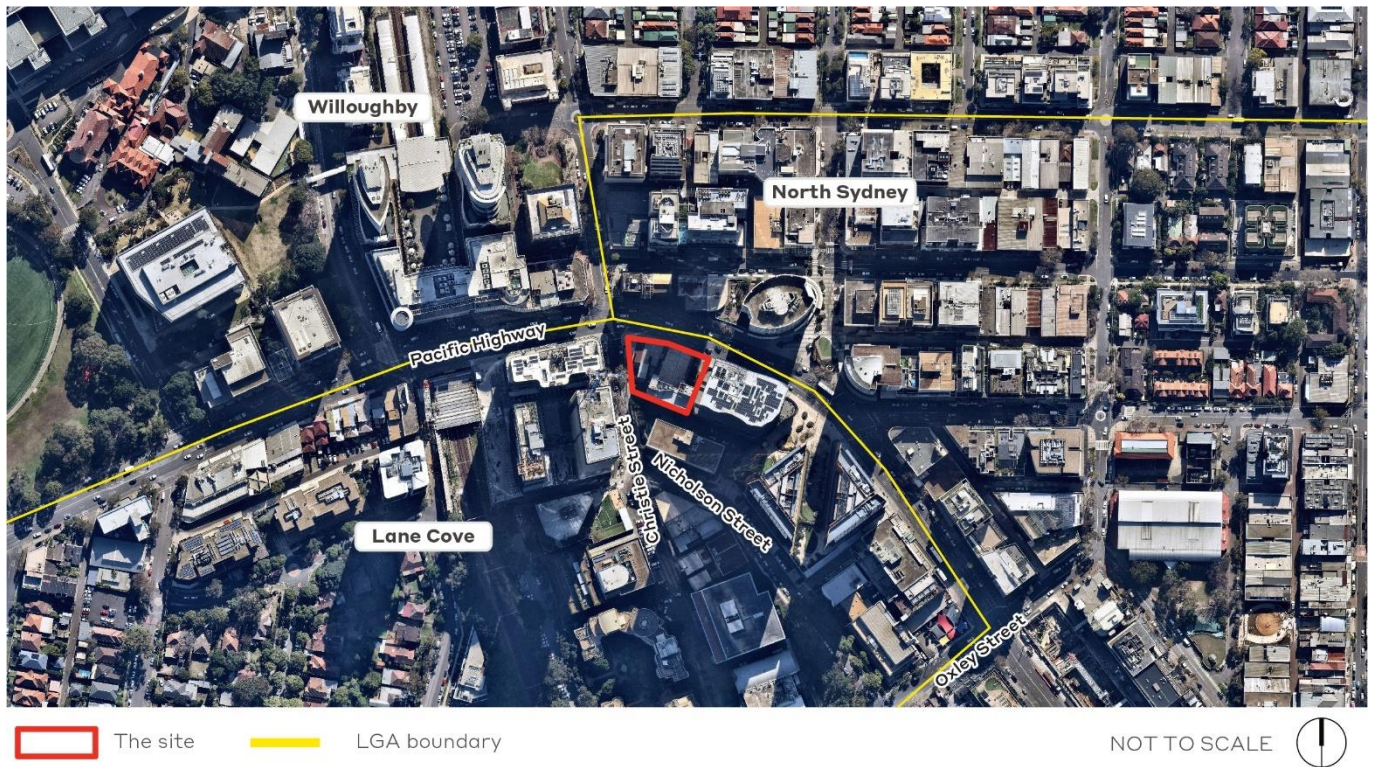


Figure 9 Locational Context

Source: Nearmap / Ethos Urban

3.2 Site Description

The Telstra Exchange site (the site) comprises eight separate allotments and is located on the corner of the Pacific Highway and Christie Street. The site adjoins the existing AMA commercial building to the south, and The Landmark by New Hope residential building to the east.

The various allotments conglomerated as part of this proposal have fragmented ownership, however, are all under the control of Home Apartments (formerly Grocon Developments). Their legal description is detailed in **Table 6** below. The lots have a combined area of 1,671m², forming an irregular, consolidated development parcel (refer to **Figure 9**).

Table 6 Legal Property Description

Address	Legal Description	Owner
524-530 Pacific Highway	Lot 7 Section 17 DP 3175	Telstra Corporation
	Lot 8 Section 17 DP 3175	Telstra Corporation
	Lot 9 Section 17 DP 3175	Telstra Corporation
	Lot 1 DP 433297	Telstra Corporation
536 Pacific Highway	Lot D DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its capacity as trustee of GFM Home Trust Subtrust No. 2
538 Pacific Highway	Lot C DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its capacity as trustee of GFM Home Trust Subtrust No. 2
540 Pacific Highway	Lot B DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its capacity as trustee of GFM Home Trust Subtrust No. 2
542-542A Pacific Highway	Lot A DP 377423	Perpetual Corporate Trust Limited ACN 000 341 533 as custodian for GFM Investment Group Pty Limited ACN 609 143 035 in its capacity as trustee of GFM Home Trust Subtrust No. 2

3.3 Existing development on the site

The eastern portion of the site is currently occupied by the St Leonards Telstra Telephone Exchange. This critical piece of telecommunications infrastructure is the nodal point for Sydney's North Shore, ranking as the second-highest order of significance within the Telstra network. The Exchange also serves a key role in the Federal Government's NBN rollout, housing NBN networking equipment and employees. The Telephone Exchange therefore, cannot be demolished, relocated or used for support in the construction of any new structure. The Telephone Exchange Building is a three-storey red brick building fronting the Pacific Highway with six storeys to the south of the site.

The amalgamated site is built to the eastern and western site boundaries and includes at-grade vehicle parking, accessed from the Pacific Highway. It is noted that the critical infrastructure associated with the Telephone Exchange is housed within the three-storey component of the structure, with an underground cabling network of up to two storeys below, both of which must remain untouched during construction.

The western portion of the site is currently occupied by four attached two-storey buildings, which contain small-scale mixed commercial tenancies. These buildings are now ageing and beyond their used by date and no longer reflecting the character of St Leonards, which is now evolving and growing to support an increased density and diversity of land-uses. Redevelopment at the site provides an opportunity for revitalisation in what is currently a substantial 'gap' in the contemporary built form along the Pacific Highway in this evolving precinct.

Importantly, none of the buildings on the site are listed as heritage items and the site is not located within a heritage conservation area. Photographs of the existing development on site are provided at **Figure 10** and **Figure 11** below.



Figure 10 Existing Telstra Exchange Building from Pacific Highway to the north

Source: Ethos Urban



Figure 11 Existing retail/commercial buildings from Pacific Highway to the north

Source: Ethos Urban

3.4 Site Access and Transport Infrastructure

3.4.1 Surrounding road network

The surrounding street network is summarised below:

- The Pacific Highway is a six lane arterial road that runs from the Warringah Freeway, through Sydney's northern suburbs.
- Christie Street is a two-lane road with a cul-de-sac at its southern end. The road provides a one-way carriageway from the Pacific Highway and widens to a two-way road on the southern side of Christie Lane.
- Christie Lane is a one-way lane that runs east-west from Lithgow Street to Christie Street. The lane has no on-street parking, but carries a large quantity of pedestrians moving between St Leonards Station and The Forum (via the underground tunnel) and the commercial and residential developments along both Christie Street and Nicholson Street.

3.4.2 Rail

The site's rail connectivity is exceptional, being within 350m of two major railway stations – including the soon to be opened Metro Northwest.

St Leonards Railway Station

The site is located 100m to the south-east of St Leonards Railway Station. St Leonards Station is located on the T1 North Shore Line which provides comprehensive local rail services and onward connections to regional services. St Leonards Station is a major interchange, having one of the highest levels of rail and bus accessibility in the Sydney Metro Area. The site is connected to the station via the underground pedestrian tunnel that is approved and shortly to commence beneath the Pacific Highway from the JQZ development to the west.

Crows Nest Metro Station

The Sydney Metro Rail project, which is currently under construction, will only add to connectivity for future commuters. The new Crows Nest Metro Station will be located within 350m from the site, at the corner of Oxley Street and Pacific Highway in Crows Nest, providing easy walking access to another public transport rail line. The new Sydney Metro line will further increase public transport accessibility to the site.

3.4.3 Bus

The site is also close to a number of high-frequency bus services that travel to the Sydney CBD, greater North Shore, Northern Beaches and Western Suburbs. The bus services with stops located close to the site are outlined below in **Table 7**.

Table 7 Bus Services with bus stops located along Pacific Highway

Route Number	Route Description
144	Chatswood to Manley via St Leonards
200	Gore Hill to Bondi Junction
252	City King Street Wharf to Gladesville via North Sydney
254	McMahons Point to Riverview
286	Milsons Point to Denistone East via North Sydney & St Leonards
287	Milsons Point to Tyde via North Sydney & St Leonards
290	Epping to City Erskine St via Macquarie University & North Sydney
291	Epping to McMahons Point
320	Green Square to Gore Hill
578N	Queenwood to Lane Cove Shops
591N	Mosman HS to Lane Cove
602X	Bellavista Station to North Sydney (Express Service)
612X	North Sydney to Castle Hill (Express Service)
622	Dural to Milsons Point via Cherrybrook
646W	Denistone East to North Sydney Boys High
647W	Epping Station to North Sydney Boys High
648W	Fitzroy St, Milsons Pt to Epping Station
649W	Epping Station to North Sydney Girls High and North Sydney Boys High to Epping Station
651W	North Sydney Girls High to Lane Cove West
653W	Lane Cove Shops to North Sydney Boys High
689W	St. Ignatius, Riverview to Crows Nest
775W	Lane Cove West to Milsons Point
778W	Fitzroy St, Milsons Pt to Lane Cove West
793W	Lane Cove West to Miller & Falcon St

The proposed upgrade to the St Leonards Bus Interchange as part of the new St Leonards Plaza will further increase accessibility to the precinct via bus and provide commuters with a more complete service, including easy modal shifts between bus and rail.

The site's proximity to significant public transport will facilitate the realisation of Transit Oriented Development (TOD) – a planning concept that promotes high quality, medium to high density mixed-use development, thereby locating residents and workers within a comfortable walk of public transport infrastructure (typically measured at a radius of 800 metres).

The proposed development is consistent with recent government initiatives to increase housing around transport hubs with the potential release of a Transport Oriented Development State Environmental Planning Policy (TOD SEPP), which will provide a mechanism for Government to release greater uplift around transport stations across Greater Sydney.

3.4.4 Pedestrian Connectivity

Pedestrian movements in the vicinity of the site are facilitated by the paved footpaths and traffic signal-controlled pedestrian crossings at intersections. The existing pedestrian tunnel under the Pacific Highway provides access to the site from St Leonards Station and The Forum, however this is to be augmented by a second underground access via the JQZ development. At grade access to St Leonards Station is also achieved via signalised pedestrian crossings over the Pacific Highway. It is anticipated that new development at the Telstra Exchange site will improve pedestrian access north-south across Pacific Highway.

As part of the Metro Station redevelopment at Hume Street and Pacific Highway, it is anticipated that pedestrian connections south of the Telstra Exchange site to the Metro Station will also be greatly improved.

As illustrated in **Figure 12** below, the proposal aims to enhance these attributes and improve connectivity from the southern side of Pacific Highway to both stations, as well as facilitate local pedestrian access to the high-amenity community and retail offerings of the neighbouring developments.

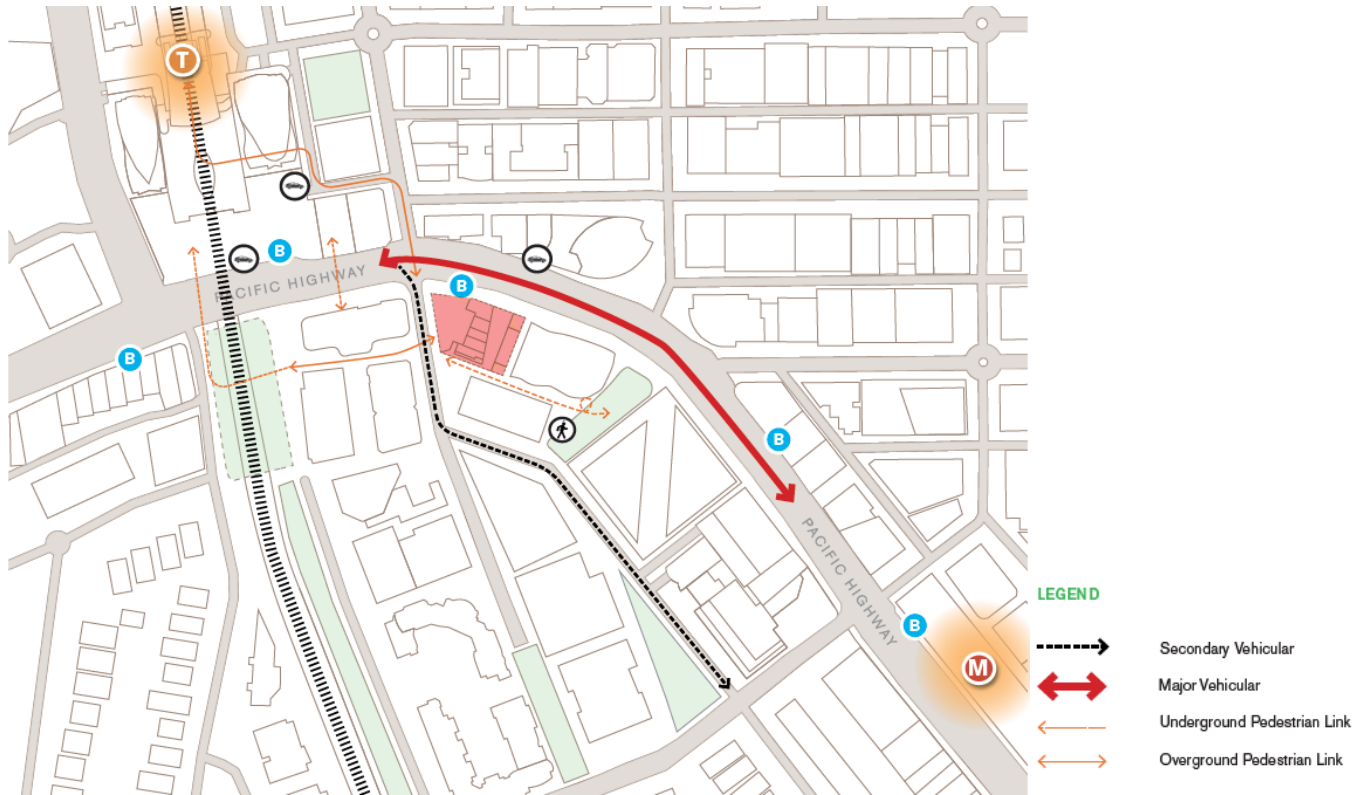


Figure 12 Vehicular and Pedestrian movement around the site

Source: DKO Architects

3.4.5 Bicycle

Cyclists movements are facilitated by the existing on and off road bike routes outlined with the Transport Impact Statement at **Appendix D**. It is noted that there are several cycle paths proposed for the St Leonards area, including a dedicated cycle path along the Pacific Highway in a northerly direction and an on-road marked cycleway on Herbert Street. The St Leonards and Crows Nest Plan also allocates \$13.8million towards pedestrian and cycling upgrades, which will be part funded by this site’s redevelopment.

The Telstra Exchange Redevelopment will provide bike storage and end of trip facilities within the podium carpark, which will aim to promote active transport within St Leonards.

3.5 Surrounding Development

The Telstra Exchange site is located in the heart of St Leonards at a significant corner along Pacific Highway. The St Leonards Centre is undergoing a transition from an ageing, second-tier commercial precinct, to a vibrant active mixed-use area incorporating a mix of commercial and residential land uses. The transition is being supported by recently completed construction and development, recent approvals, and future planned development in accordance with the St Leonards and Crows Nest 2036 Plan. The immediate surrounds are transforming to high-rise commercial and multi-storey, mixed-use residential buildings.

The locational context diagram shown in **Figure 13** illustrates how the subject site relates to a multitude of tall buildings within the precinct and is part of a broader renewal of the centre.

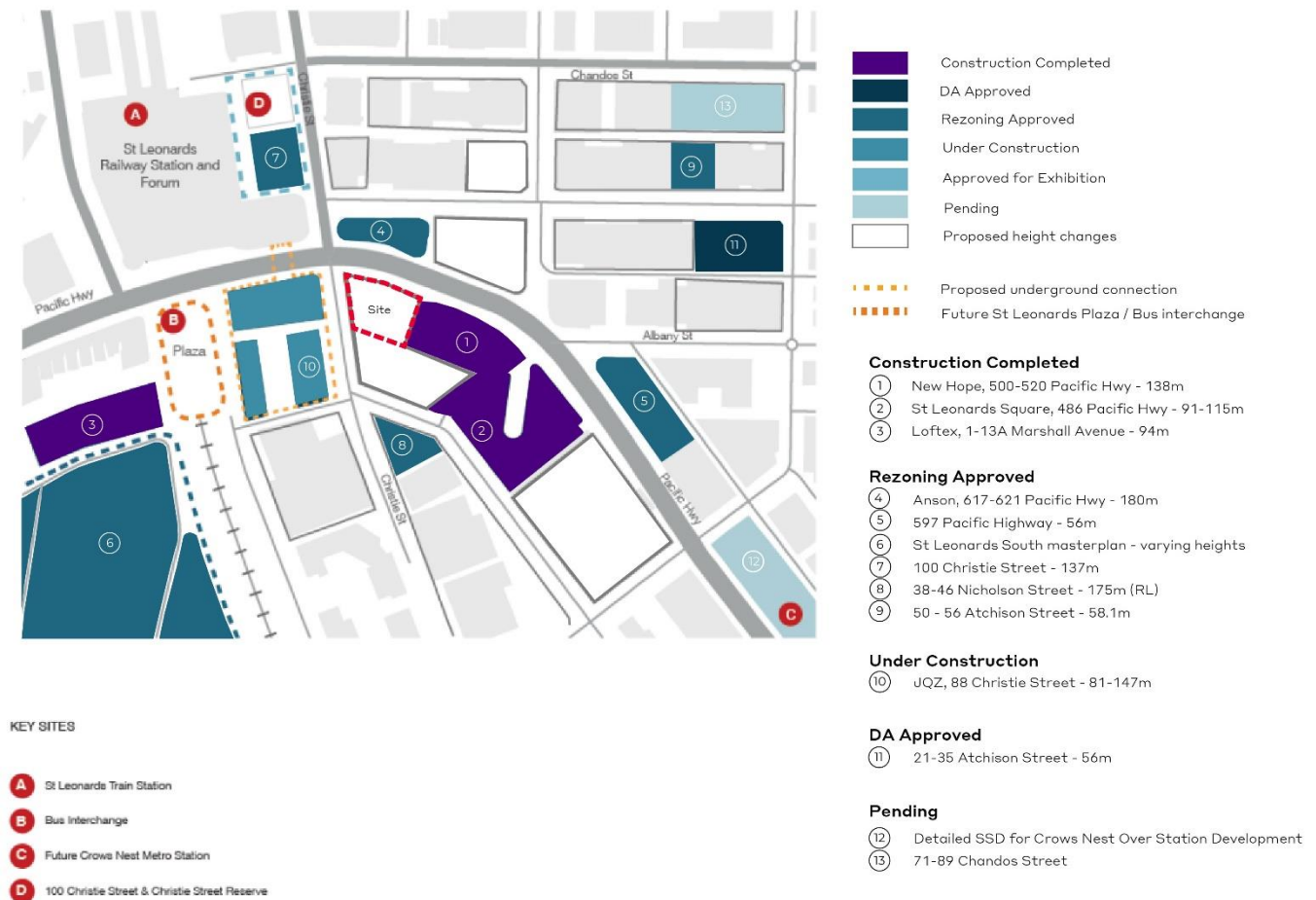


Figure 13 Map of St Leonards current and future developments

Source: Ethos Urban

The Telstra Exchange site is also less than 500m south-east of the Royal North Shore Hospital, a \$2 billion health facility that services northern metropolitan Sydney and is currently undergoing significant expansion. The redevelopment of the medical and clinical uses of the hospital will be complemented by the development of a 10,000sqm “support zone” which will include staff accommodation, childcare facilities, administrative buildings, car parking and commercial/retail uses. This is a very significant factor in the viability and redevelopment of mixed-use facilities in St Leonards. The Hospital facilities will generate both employment and the need for residential accommodation in its immediate surrounds. The immediate surrounding development is detailed below.

- The site is bound to the north by the Pacific Highway. On the northern side of the Pacific Highway is the IBM Centre, a commercial tower approximately 17 storeys, and two smaller aging commercial buildings ranging in height from 7-12 storeys. The IBM Centre site supports a through-site link between the Pacific Highway and Atchison Street, including pedestrian forecourt areas at the base of the round tower. Importantly, the site has been identified as potential ‘tall tower’ development site.
- To the east is the New Hope development at 496-498 and 504-520 Pacific Highway, St Leonards, also known as ‘The Landmark’ (Site 2 in **Figure 14**). New Hope is a mixed-use development, comprising 458 apartments across 44 storeys. The site concluded construction in late 2019.
- To the south of the site is the seven storey ‘Ava House’ (also known as the AMA Building), a strata titled commercial building and Nicholson Street which contains more than 40 commercial tenancies.
- The subject site is bound to the west by Christie Street. Further west is the 88 Christie Street (JQZ site) currently under construction for the purposes of a mixed-use development up to 144m.

Photographs of the surrounding development are provided at **Figure 14** to **Figure 17**.



Figure 14 *New Hope Development (The Landmark) to the east of the site*

Source: Ethos Urban

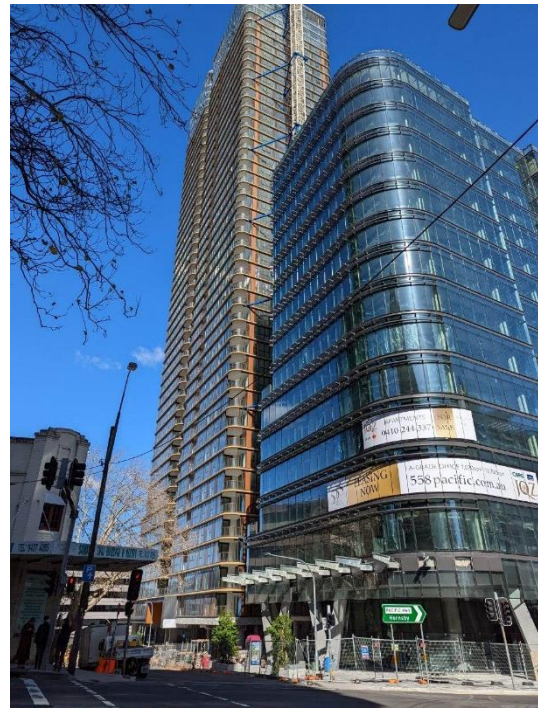


Figure 15 *Development under construction to the west, including 88 Christie Street*

Source: Ethos Urban



Figure 16 *Existing Development to the north of the site*

Source: Ethos Urban



Figure 17 *AMA House to the south of the site*

Source: Ethos Urban

Considering the existing and future context, this Proposal is considered to be complimentary to and befitting of the Strategic Centre that is growing and evolving at St Leonards.

3.6 Site Specific Constraints

The unique nature of the site presents considerable physical and technical constraints to its development in accordance with the site's current LEP controls, which allow only for commercial land uses.

Due to its regional significance, the Telstra Exchange building cannot be demolished or relocated. However, as highlighted above, redevelopment is essential to revitalise the low quality and ageing building stock that currently occupies the site.

The continuing operational presence of the Telstra Exchange necessitates significant structural repositioning and redesign to enable the construction of floors above it. The associated network of cabling means that no basement excavation is possible in any form underneath the Exchange, further complicating the technical requirements at the site. As such, redevelopment here must be undertaken in consideration of the following site-specific constraints:

1. Provision of an alternate car parking solution, as basement car parking cannot be accommodated on the site;
2. Consideration of the level of complexity and increased cost associated with the structural requirements necessary to facilitate a commercially viable development; and
3. The incorporation of the Exchange structure and operation itself into the design of the building façade, to achieve a high-quality architectural outcome.

The redevelopment of the retail tenancies, with a total combined site area of only 663m², for commercial uses is not commercially viable as a stand-alone proposition. A site of this size is simply too small to be feasible for construction of a commercial office building. The logistics of construction, commerciality of narrow 400sqm floorplates and therefore, overall viability of the project, all dictate that such a building is unlikely to ever be built.

Therefore, the 'loss of employment generating land' argument does not apply to this site as its maximum employment potential is unlikely to ever be achieved under its existing E2 Commercial Centre zone controls. Instead, only its existing employment generation capacity should be considered; the site currently generates 14 jobs.

Amalgamation of the Retail Shops and the Telstra Exchange (to form the subject site) therefore, creates an opportunity for a new economically viable development, through more site configuration and the use of the podium for serviced apartment accommodation. It is the only way to provide any opportunity for employment generation through the current consolidation to renew this prominent location.

In the context of the St Leonards Strategic Centre, the chance to rejuvenate what is otherwise an un-developable site presents a significant opportunity. In isolation, none of these sites are developable.

4.0 Existing Planning Framework

4.1 Lane Cove Local Environmental Plan 2009

4.1.1 Zoning

Under the *Lane Cove Local Environmental Plan 2009* (Lane Cove LEP), the Telstra Exchange site is zoned E2 Commercial Centre (formerly B3 Commercial Core) with commercial premises and other employment-generating uses permitted (refer to **Figure 18** below). Residential uses are currently prohibited on the site under the E2 zone, with the exception of build to rent, which is permissible within E2 zone under Section 72, Clause 2(a) of the Housing SEPP.

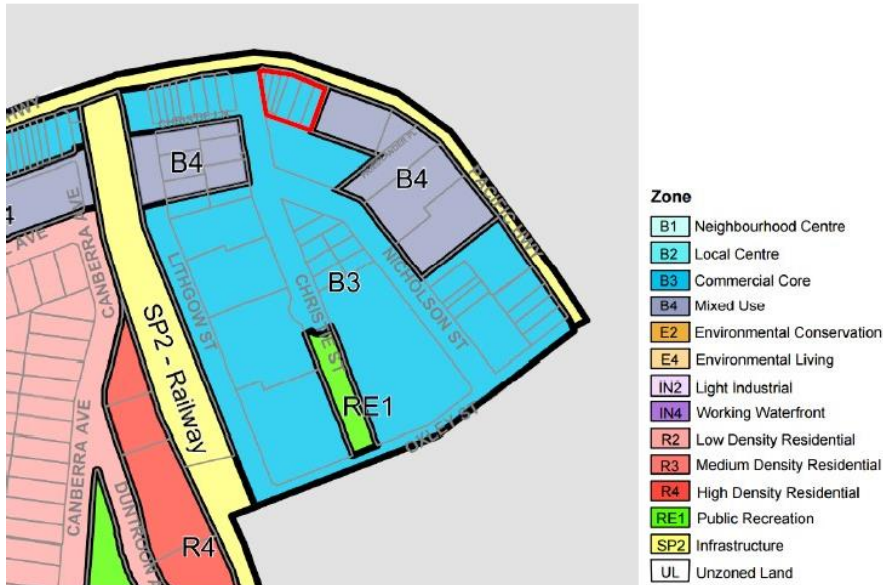


Figure 18 Current zoning map

Source: Lane Cove LEP 2009

Note, the above LEP map has not been updated to reflect the recent change in zoning from B3 Commercial Core to E2 Commercial Centre as a result of the employment zone reforms.

4.1.2 Building height and floor space ratio controls

The site has a maximum building height of 72m under the Lane Cove LEP (refer to **Figure 19** below). The maximum Floor Space Ratio (FSR) for the site is 17.1:1, which equates to a permissible total gross floor area of approximately 28,578sqm (refer to **Figure 20** below).

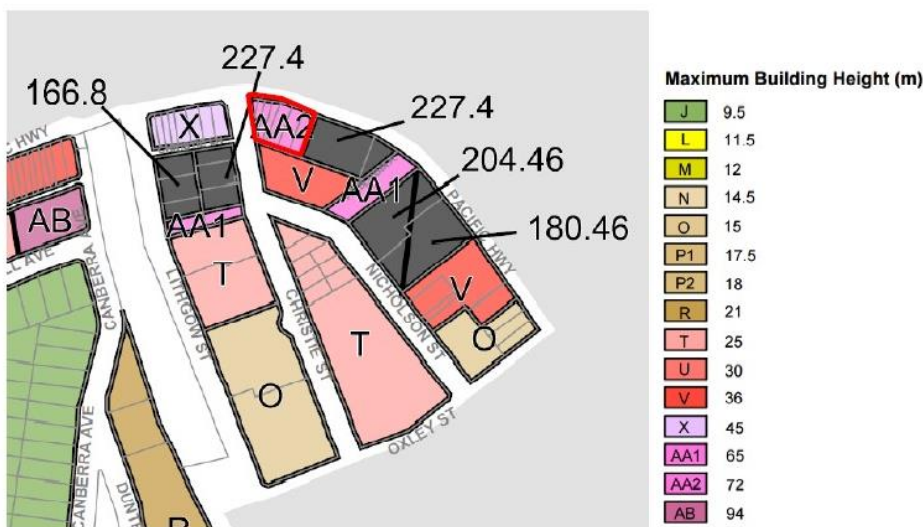


Figure 19 Current maximum building height

Source: Lane Cove LEP 2009

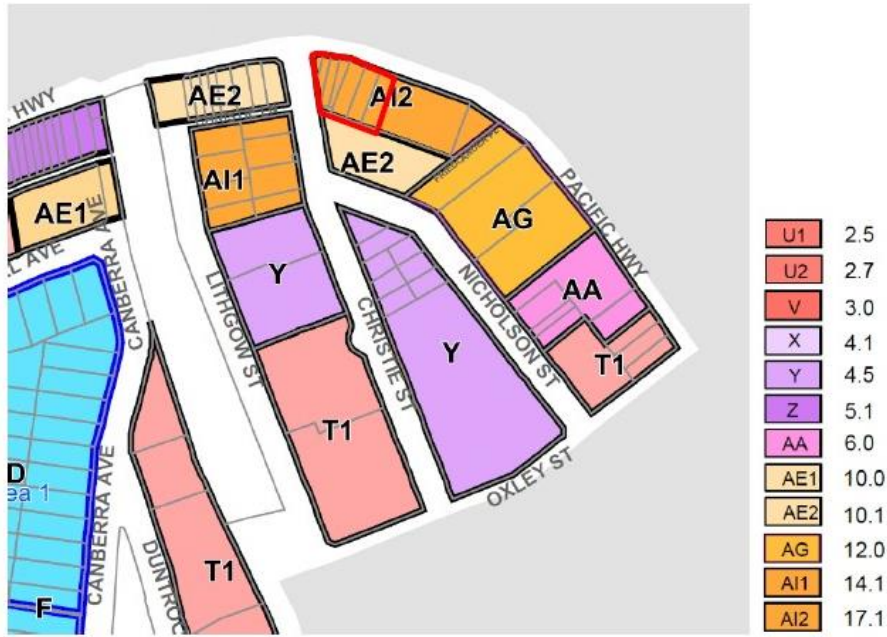


Figure 20 Current floor space ratio

Source: Lane Cove LEP 2009

5.0 The Proposal

This section of the report outlines the key features of the concept scheme prepared by DKO Architects to demonstrate an indicative built form that could be achieved under the proposed State Led Rezoning to amend the Lane Cove LEP.

5.1 Project Overview and Outcomes

The intended outcomes of this State Led Rezoning are to enable the development of the site to accommodate a high-density mixed use development comprising build-to-rent and key worker housing, serviced apartment accommodation and retail land uses. Residential facilities and communal open space and podium carparking will also be provided on the site. The architectural drawings prepared by DKO Architects is attached at **Appendix A** and is summarised in **Table 8** below.

Table 8 Concept Design - Key Features

Element	Detail
Proposed Land Use	Build-to-Rent Housing Key worker housing Short term accommodation Retail
Building Height	155m (RL 235.75) No habitable floor space is above 148m
Storeys	43 storeys (with 2 levels of plant above 148m).
Gross Floor Area	Residential – approximately 24,207sqm Non-residential – approximately 3,840sqm Total – 28,047m ²
Floor Space Ratio	16.78:1
Non-residential Floor Space Ratio	2.3:1
Northern Setback (Pacific Highway)	<ul style="list-style-type: none"> 0 metres from Ground Level to Level 43 3.5m setback on the north western corner at the ground level of Pacific Highway to create a colonnade along the streetscape
Southern Setback	<ul style="list-style-type: none"> Ground level: 0 metres Level 11: 1.2 metres Level 37: 2.7 metres Level 38: 8.2 metres Level 39: 14.7 metres Level 40: 21.7 metres
Eastern Setback	<ul style="list-style-type: none"> Ground Level: 0 metres Level 7 to Level 10: 6 metres Level 11 and above: Varying setback between 12 to 20 metres due to the pivot of elevation.
Western Setback	<ul style="list-style-type: none"> 0 metres from Ground Level to Level 43.
Dwellings	272 BTR apartments (mix of studio, 1, 2 and 3 bedrooms) 10 key worker housing apartments
Residential Amenities	Internal: 1,347.76m ² External: 965.11m ² Total: 2,312.87m ²
Vehicular Access	Access is via Christie Street
Parking	48 space car stacker 112 bicycle spaces 4 motorcycle spaces.
Jobs (direct and indirect)	Operational – 70 new full time equivalent Constructional – 1,090 new full time equivalent

5.2 Project Description

5.2.1 Built Form and Massing

The building comprises a 43-storey development consisting of a podium and a tower form. Overall, the proposed building will comprise approximately 28,047sqm of GFA, with a corresponding FSR of 16.78:1.

Podium

The proposed new building has been designed to ensure a sense of transition along the Pacific Highway streetscape by creating a podium, which comprises a mix of ground level retail, serviced apartment, key worker housing, communal amenities, car parking, and the existing Telstra Exchange telecommunication infrastructure. Specifically, the following uses are proposed:

- 159sqm retail at the ground level
- 3,681sqm short term accommodation (84 serviced apartments) across the podium
- 468sqm residential gross floor area providing 10 key worker housing units.

The podium adopts a zero-metre setback to all boundaries at the ground level. From Level 7 to Level 9, the podium is setback 6m from the eastern boundary. Through the adoption of these setbacks and appropriate selection of materials, the podium presents as an eight-storey element as illustrated in **Figure 21**.

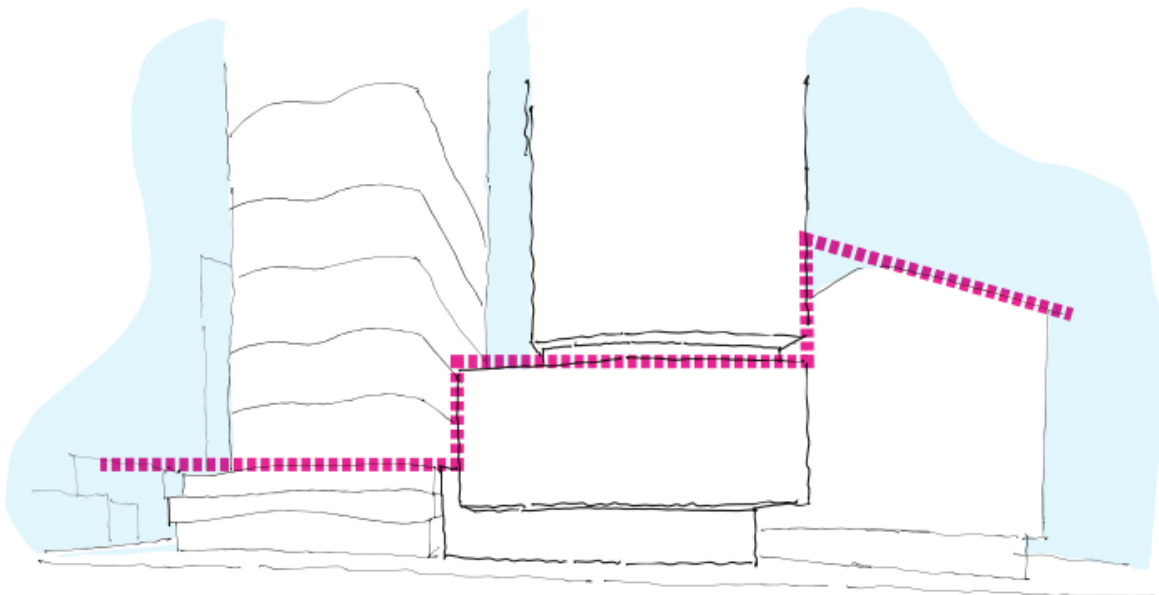


Figure 21 Transitional Street wall height for proposal podium

Source: DKO Architects

Tower

Above the podium, a slender 34 storey residential tower is proposed, which has been appropriately designed and scaled in the context of the character of the site and surrounds. The typical residential floor plate is approximately 732sqm and will comprise nine apartments.

The development proposes a total of 272 build-to-rent dwellings, including the following mix:

- Studio: 42
- One Bedroom: 98
- Two Bedroom: 121
- Three Bedroom: 11

Key design initiatives implemented to break down and shift the perceived bulk and massing, include the following:

- The tower form will be chamfered to provide increased permeability between buildings.
- The continuous vertical recess is proposed on the northern and southern façade, which further minimises the perception of the podium and tower mass by breaking the tower envelope into two distinct forms, including the eastern and western side.
- The massing of the two primary tower forms is further emphasised by lifting the corner element to increase its verticality.
- The eastern tower form is stepped to the south to maintain solar access to Newlands Park.
- Three articulated ‘vertical villages’ are interspersed up the tower. They are recessed and carried around the perimeter of each level and will be identifiable at the city scale from the ground plane. The vertical villages further break down the tower massing into legible components.
- The facades are detailed with vertical and horizontal articulation, which provides a human scale to the design.

Figure 22 below provides diagrams by DKO architects, illustrating the design approach to bulk and scale.

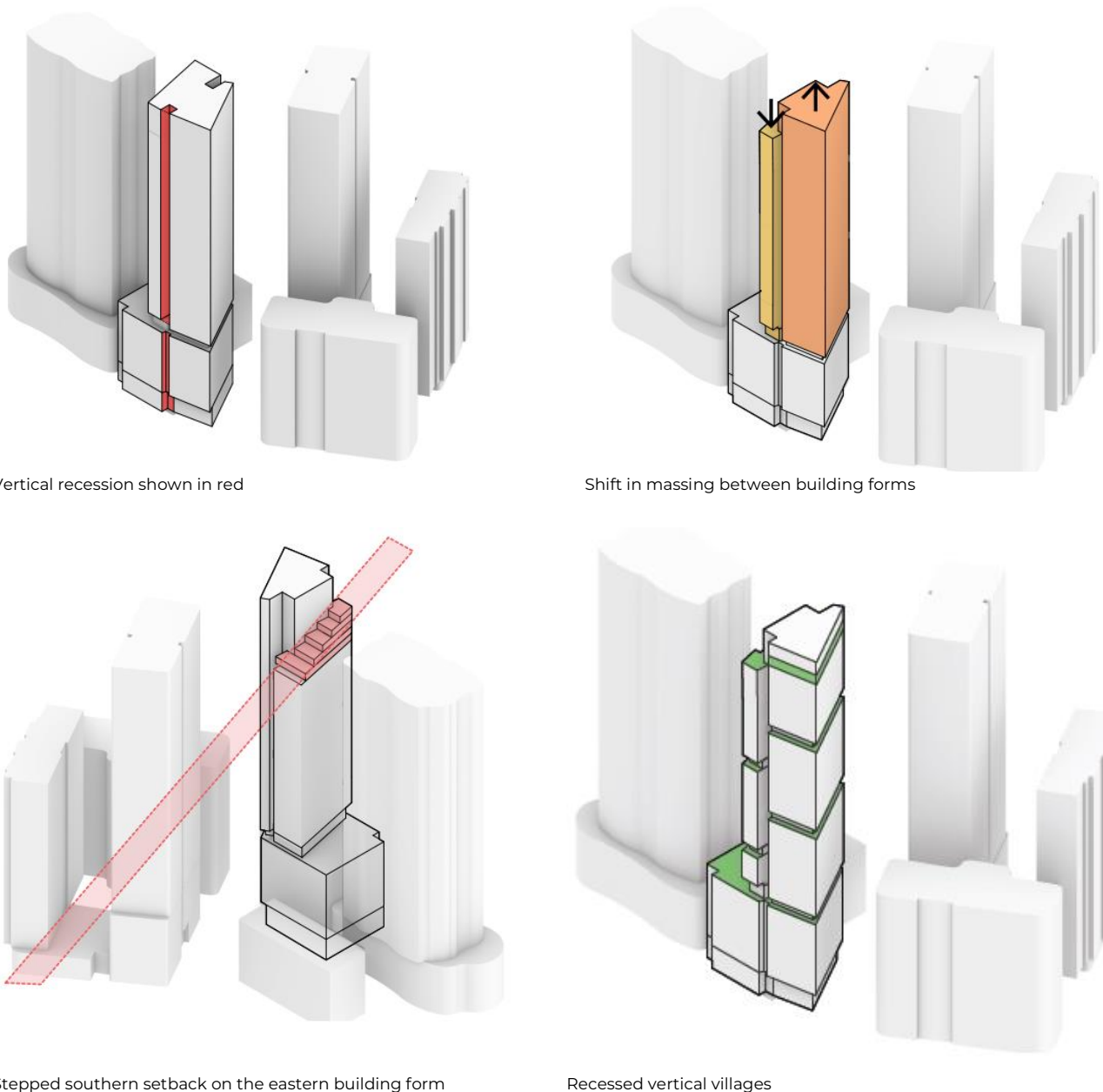


Figure 22 Proposed Design Approach to Bulk and Scale

Source: DKO Architects

The tower is built to the boundary along the Pacific Highway and Christie Street frontage and adopts an average setback of approximately 16.4m along the eastern boundary fronting the New Hope building. The tower is setback 1.2m from the southern boundary. From Level 36 and above, the eastern portion of the building adopts a stepped setback ranging between 2m to 21.7 metres to ensure no additional overshadowing to Newlands Park is proposed.

5.2.2 Public Domain and Amenities

Ground Plane and Streetscape

The site is bounded by three streets and therefore, the ground plane is a key design pillar to the proposal. Each street interface has been designed to add visual interest to the public domain and contribute to the completion of the missing piece of St Leonards key corner between Pacific Highway and Christie Street. The key considerations in the design of the ground plane will be usability, activation, and fine grain architectural detail.

Through the implementation of ground level retail tenancies, as well as grand residential and commercial lobbies, the proposed development will contribute to activation and surveillance to the surrounding public domain. Additionally, street planting and landscaping will also enhance the aesthetics of the ground plane, while also contributing to mitigating urban heat island effect.

Communal Residential Amenities

Being a build-to-rent housing development, the proposal comprises a total of 2,312.87sqm of residential amenities, including 965.11sqm of outdoor open space and 1,347.87sqm of indoor communal spaces. Each of the spaces have been strategically located and designed throughout the building to create a series of vertical villages, which is a key concept of both the social and built form aspect of the development.

The vertical villages are articulated through high quality landscaping design and the Connecting with Country thematic framework of the endemic seasons, which will provide identity to each village. The proposed landscaping and plant palette for each level and communal amenity space is outlined in the Landscape and Public Domain Strategy at

Appendix C.

The northern vertical villages have access to daylight and have views to the northern coves, while the southern vertical villages have access to views of the Sydney Harbour. The proposed communal amenities have been carefully selected to accommodate for a diverse residential population group, and indicatively will comprise the following:

- Gym and wellness centre;
- Pool;
- Kids play area;
- Gaming room
- Cinema;
- Library;
- Business centre;
- Lounge and dining areas;
- Pet spa;
- Communal laundry;
- External BBQ areas and worm farm;
- External lounge areas;
- Bike and car shares;
- Communal workshop station.

Figure 23 below provides a breakdown of the proposed communal open spaces.



Figure 23 Location and Calculation of Communal Open Space

Source: DKO Architects

5.2.3 Site Access and Parking

Pedestrian access to the site is via Christie Street for the residential lobby and Pacific Highway for the retail and short-term accommodation is via the colonnade along Pacific Highway.

Vehicular access is via a driveway on Christie Street, which provides access to the Telstra loading dock and exchange infrastructure, as well as the proposed development’s loading dock and car lift serving podium parking levels across the stacker between level 3 and 5.

The development concept proposes approximately approx. 48 vehicle spaces, 112 bicycle spaces, and 4 motorcycle spaces.

5.3 Public Benefits

The proponent acknowledges that there is a nexus between new development uplift beyond the recommended built form controls provided under the 2036 Plan and the need for infrastructure contributions to fund local public infrastructure and facilities.

Importantly, the proposal has been developed in accordance with the aims, objectives and actions of the St Leonards and Crows Nest 2036 Plan that recognises the potential of the site for a mixed use development to 35 storeys.

The proposal intends to deliver a 43-level building, including an additional c. 3,692sqm of GFA above the 2036 Plan height control proposed. A such, a public benefit offer has been made and agreed with Lane Cove Council for the following:

- Section 7.11 Contributions: c. \$6.2 million that will be used to fund local infrastructure in the Lane Cove LGA, for items such as public open space, roads as well as both hard and soft / social infrastructure.
- Housing and Productivity Contributions: c. \$3 million. The Housing and Productivity Contribution can contribute towards the following growth-enabling types of infrastructure:
 - Active transport

- Transport
 - Education
 - Health
 - Emergency
 - Justice
 - Open Space
 - Conservation
- Monetary contribution to Lane Cove Council of \$3.6m towards the delivery of local infrastructure at their discretion.
 - The provision of 10 key worker housing units for a period of 15 years (minimum).

The public benefit offering is based on the additional yield of the proposal above 35 storeys as per the 2036 Plan that states that “*there may be opportunities for specific sites to accommodate additional density and height where the public benefits proposed to be delivered as part of a development proposal is of exceptional value, beyond what could be secured under a standard practice approach that should be considered within the precinct. In these instances, the proposal would still need to be consistent with the vision, objectives, and actions, including solar access controls, in this Plan*”.

In addition, correspondence provided to the Proponent from the DPE noted the following principles around public benefit established by the Department adapted from an initial methodology prepared by the Department to objectively assess the impact of different land use decisions in relation to public value. An analysis of these principles against the public benefit offer is provided in the table below:

Table 9 Analysis against DPE Public Benefit principles

DPE Principal	Response
<i>Social benefit and need – whether the offer improves access to health, public and active transport, education, social and affordable housing, open space and local amenity.</i>	<ul style="list-style-type: none"> • The proposal delivers much needed housing near both transport (heavy rail and metro rail) as well as housing near the health and education precinct centred on the RNSH • The 203 Plan acknowledged the benefit that BTR can bring to an urban centre, providing much needed diversity and housing choice to the precinct. • The public benefit offer includes the provision of 10 units for key worker housing proximate the RNSH hospital. It is noted that there is no requirement for the delivery of affordable or key worker housing in either the 2036 Plan or any Council policy. It is considered therefore that this offer is ‘exceptional’.
<i>Economic – whether the offer improves access to employment, creates sustainable and productive businesses and communities.</i>	<ul style="list-style-type: none"> • Council have acknowledged the difficulty in delivering commercial floor space in St Leonards and the difficulty of delivering viable commercial floor plates at this site. This has been a key driver in accepting short stay accommodation at the site and the delivery of 12 units as key worker housing within the proposal. • The BTR product also delivers a level of employment not delivered in straight ‘build to sell’ strata residential – particularly in terms of the management of the building. • A monetary contribution is offered to be used by Council towards the provision of local infrastructure
<i>Environmental – whether the offer increases access to public space, improves resource use, creates a resilient and sustainable environment.</i>	<ul style="list-style-type: none"> • The site provides the orderly and economic best use of land in a strategic location in the middle of a key urban renewal precinct within the Strategic Centre of St Leonards. • The project proposes to meet 5 Star GreenStar rating and NABERS Energy, as well as being net carbon neutral in operation. • The concurrent SSDA EIS demonstrates that the proposal is supportable on environmental grounds, delivering a building form that is equal to or better than a fully 2036 Plan compliant scheme.
<i>Intergenerational – whether the offer delivers a benefit for future generations.</i>	<ul style="list-style-type: none"> • Whilst there are provisions in the SEPP Housing for BTR to be delivered on site for a minimum 15 years, Home are a BTR provider for the long term. • The project proposes to deliver safe and secure long term tenure to renters in the location. Considering 1 in 2 urban dwellers are renters, and the current housing crisis faced nationally, this is a key benefit of this proposal.

The 2036 Plan seeks, for proposals that might exceed the anticipated controls to “*deliver exceptional public benefit, beyond what could be secured under a standard practice approach*”. Whilst not defined, the standard practice would be the payment of the State Infrastructure Contributions (now Housing and Productivity Contribution) and Council’s s7.11 contributions.

The delivery of 721sqm of ARH floorspace is c. 20% of the additional floor space sought above the 35 storey height limit—totalling c. 3,692sqm of GFA. This is in addition to additional s7.11 and SIC payments for the addition dwellings delivered in the floor space above the 35 storeys and the monetary contribution made to Council's local infrastructure. The 20% dedication to key worker housing is well in excess of any District or other Strategic Plan requirements which are ordinarily a maximum of 10%.

Also of note is that the 2036 Plan recognises build-to rent housing as an emerging use within St Leonards and encourages opportunities for this development to be explored.

The public benefit offer has been subject to extensive consultation with Council and DPE and has undergone an independent review by HillPDA, which confirmed that the public benefit is reasonable and feasible in the context of the development .

It is intended that this offer will be formalised into a VPA with Council for exhibition with the State Led Rezoning following the gazettal of the amendments to the Lane Cove LEP being made in accordance with this State Led Rezoning. A letter of offer is provided at **Appendix Q** which details the full public benefit offered and accepted in principle by Council at the Council meeting on 21 September 2023.

5.3.1 Build to Rent as a Public Benefit

As discussed, the St Leonards Crows Nest 2036 Plan states that:

“Built-to-rent housing has the potential to deliver key public benefits for the community, including greater housing choice in a stable-rental environment which can result in more established residents actively participating in the community. Councils are encouraged to explore build-to-rent opportunities within the precinct”.

This is in the context of the current economic climate whereby there are almost twice as many people under rental stress than there is mortgage stress (defined as spending more than 30% of household income on rental or mortgage payments). Over the past year, advertised rents in Australia have risen 17.1% (the biggest jump ever recorded) and 915,000 households are spending more than 30% of their income on rental payments – in comparison to 469,000 households spending more than 30% of their income on mortgage payments².

Fundamentally, there is a rental housing shortage whereby there are too few homes in places where people want to, or need to, live. This is reflected in the December 2021 Ministerial Media Release by the then Treasurer, Dominic Perrottet and then Minister for Planning and Public Spaces Rob Stokes, which stated:

“We’re leading the way in Australia when it comes to build-to-rent housing, making it easier for more people to have access to housing that suits their needs” and “Minister Stokes said it was crucial to remove barriers and allow the build-to-rent market to grow, supporting jobs and ensuring more people had access to a variety of housing options.”

Consideration is given, therefore, of the public benefit that is being provided through the provision of Build to Rent at this site.

This is further supported by the recent Government initiative, delivering Government owned land with a minimum 30% of all dwellings to be deemed affordable or social housing (15%) under the draft plans with another 15% earmarked for diverse housing ranging from student to build-to-rent accommodation.

² ABS Census of Population and Housing, 2021

6.0 Objectives and Intended Outcomes

This Section is an explanation of intended effects, outlining the objectives and intended outcomes of the State-led Rezoning. **Section 7.0** provides an explanation of provisions to achieve those outcomes, including relevant mapping. The justification and evaluation of impacts is set out in **Section 8.0** and **9.0** of this report.

The objective of this State-led Rezoning is to provide a high-density building containing both short term residential, key worker housing, and build to rent residential uses at 524-542 Pacific Highway, St Leonards.

The proposal seeks to deliver on the State Government's preferred outcome for St Leonards as a Strategic Centre with increased employment opportunities and mixed-use activities as identified in the St Leonards and Crows Nest Plan 2036.

The proposal intends to facilitate the delivery of a high-quality, mixed-use redevelopment for an isolated and constrained site, that will complement the evolution of the St Leonards Strategic Centre towards a high-density mixed-use character. More specifically, the proposal will:

- facilitate the renewal of a constrained and otherwise underutilised and undevelopable parcel of land at a critical location in St Leonards. Importantly, the redevelopment of the Telstra Exchange site will not encumber or hinder the development potential of the adjoining sites, particularly the Australian Medical Associated (AMA) site. In this case, the proposed scheme achieves a superior built form, design, and environmental amenity outcome without consolidating with the adjoining AMA site.
- integrate with the contemporary urban landscape of the Pacific Highway frontage established by Mirvac, New Hope and JQZ.
- provide an integrated mixed-use build-to-Rent building in an evolving mixed-use precinct.
- create a viable development with retail and serviced apartment on the site, provided at a scale that will assist in meeting the future needs of permanent new jobs..
- deliver new build to rent apartments to take advantage of this accessible location, proximity to services and existing and planned rail networks with direct connections to major employment destinations.
- provide affordable housing to support the medical and key worker roles in St Leonards.

7.0 Explanation of Provisions

The Lane Cove LEP sets out the local planning controls across the Lane Cove LGA. This State Led Rezoning seeks to amend the Lane Cove LEP to facilitate the mixed-use development outlined in this report.

The existing and proposed LEP controls, as well as the recommended amendments are outlined below.

Table 10 Existing and proposed LEP controls

Provision	Existing LEP Control	Proposed LEP Control
Zoning	E2 Commercial Centre	MU1 Mixed Use
Building Height	72m	155m * no habitable floor space is to be above 148m
Floor Space Ratio	17.1:1	No change
Non-residential floor space ratio	N/A	2.3:1

Zoning

To facilitate the development of the site, it is proposed to rezone the site from E2 Commercial Centre to MU1 Mixed Use (see proposed zoning map at **Appendix S**).

Although build-to-rent is permitted within the E2 Commercial Centre zone under the Housing SEPP, the MU1 Mixed Use Zone is considered the most appropriate zone given the mix of uses proposed and the need to provide both employment and residential accommodation in the precinct. It is also emphasised that the MU1 Mixed Use zone is the recommended zone for the site under the 2036 Plan.

Building Height

It is proposed to increase the maximum building height from 72m to 155m by amending the Height of Buildings Map (see proposed Height of Buildings Map in **Appendix S**) with an additional clause that requires that no habitable floor space is to be above 148m.

Floor Space Ratio

It is proposed to retain the maximum floor space ratio (FSR) control of 17.1:1 and therefore, there is no change to the Floor Space Ratio Map.

It is also proposed to introduce a site-specific minimum non-residential FSR control of 2.3:1.

8.0 Planning Assessment

8.1 Strategic Planning

8.1.1 Greater Sydney Region Plan: A Metropolis of Three Cities



The Greater Sydney Region Plan – A Metropolis of Three Cities (Region Plan) prepared by the then Greater Sydney Commission (GSC) and adopted in March 2018, is the overarching strategic plan to manage change and growth in the Greater Sydney Region. It sets a 40-year vision where most residents live within 30-minutes of their jobs, education and health facilities, services and great places.

The proposed redevelopment of the site will support the vision of boosting Greater Sydney's liveability, productivity and sustainability. Specifically, the proposal will closely align with the key priorities outlined in the Region Plan by:

- Integrating and targeting delivery of dwellings and infrastructure to support a growing population and response to the needs of this demographic.
- Increase housing supply and more diverse and affordable housing; and
- Integrating a diverse range of services on site.

A detailed assessment against each of the directions is provided below in **Table 11**.

Table 11 Summary of alignment with GSRP

Objective	Alignment
A city for people 	<p>Objective 6: Services and infrastructure meet communities' changing needs</p> <p>The State Led Rezoning seeks to leverage the site's strategic location within the St Leonards Centre to deliver a high-amenity development outcome that utilises surrounding services and infrastructure, including the adjacent St Leonards health precinct,</p> <hr/> <p>Objective 7: Communities are healthy, resilient and socially connected</p> <p>Under the Plan, the significance of well-planned and socially cohesive neighbourhoods is emphasised for their contribution to people's health as well as adaptability to change. The BTR product provides the opportunity to house people in a stable and secure, institutionally owned asset that provides length of tenure to its residents.</p> <p>The State Led Rezoning seeks to facilitate a development outcome that fosters a socially cohesive community, principally, by virtue of the Build-to-Rent housing model, which centralises the idea of community focused living. To this end, the proposal delivers a significant provision of communal amenities to foster social cohesiveness and by extension, a healthy and resilient community.</p> <p>Further, the site's location in a predominantly mixed-use precinct incentivises people to walk and cycle to work, school and surrounding services.</p>
Housing the City 	<p>Objective 10: Greater Housing Supply</p> <p>The NSW Government forecasts that an additional 725,000 homes will be needed by 2036 to meet demand based on current population projections. This strong need is forecast to continue, and by 2056 it is anticipated that significant further housing supply will be required to meet Greater Sydney's continued strong population growth.</p> <p>To facilitate greater housing supply, the Plan sets housing targets for each District. The North District, which includes St Leonards, is required to deliver a minimum of 25,950 homes in the five years between 2016 and 2021. Beyond this, the Plan sets a 20-year strategic housing target of 92,000 homes for the North District.</p> <p>Given Sydney's sustained population growth, the primary intent is to pursue opportunities for additional housing over the next 20 years. The Plan states that developers play an important role in supporting housing outcomes:</p> <p style="text-align: center;"><i>'The development industry needs to continually provide new housing and translate the development capacity created by the planning system into approvals and supply'</i></p>

Objective

Alignment

As it will facilitate delivery of additional dwellings on a site that under current planning controls cannot feasibly deliver additional homes, this State Led Rezoning promotes this objective against the backdrop of lower than expected housing delivery, as per the Greater Sydney Urban Development Program Dashboard which identifies:

- Completions are 25.5% below the previous 5 years' average with approvals being 17.6% below the previous 5 years' average.
- Projections show that the 5-year housing supply forecast (2022-23 to 2026-27) are 25.1% below the previous 5 years' completions.
- Annual average supply forecast is projected at 25,692, well below the 42,500 outlined by current GCC targets.

Objective 11: Housing is more diverse and affordable

Greater Sydney has been measured as being one of the least affordable housing markets globally and is the least affordable Australian city. Factors that contribute to rental and purchasing affordability challenges include the limited availability of smaller dwellings to meet both the growing proportion of small households, as well as the growing distance between areas where housing is affordable and employment and education.

This State Led Rezoning will deliver smaller domiciles in the form of apartments, in a Strategic Centre (St Leonards) that provides job opportunities and access via public transport to other major employment nodes, such as North Sydney, the Sydney CBD and Macquarie Park.

Critically, the proposal seeks to deliver build to rent housing in a time when almost twice as many people under rental stress than there is mortgage stress. This is a key priority of the St Leonards Crows Nest 2036 Plan, as well as a strong push from the federal and state government to deliver more diverse housing.

Although not a requirement under the St Leonards Crows Nest 2036 Plan, the proposal seeks the delivery of 10 key worker housing apartments within the podium of the building. These apartments have been designed at a high-quality standard and are located in a prime position adjacent to the Royal North Shore Hospital and two major transport hubs.

A city of great places

Objective 12: Great places that bring people together



Under the Plan, one of the key attributes of a great place is walkability. By enabling a critical mass of new residents within walking distance of two major rail stations, the proposal promotes walkability and greater patronage of public transport and the surrounding street network and public domain. This in turn helps to create a more vibrant and active St Leonards.

In addition to this, the site's relatively constrained size preserves the current fine-grain fabric of the St Leonards Centre.

The architectural concept scheme developed by DKO proposes a high-quality built form response to its context, including the ability to:

- allow the continuation of the contemporary urban fabric of the area by filling a significant gap in the built environment in the centre; and
- provide a sculptural and slender built form that is intended to be accessible, rich, and compelling when experienced as a pedestrian.

A well-connected city

Objective 14: A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities



Under the Plan, accommodating homes needs to be linked to local infrastructure – both to optimise existing infrastructure and to maximise investment in new infrastructure.

In established parts of Greater Sydney such as St Leonards, urban renewal opportunities exist around regional transport and strategic centres, where links for walking and cycling promote a healthy lifestyle and contribute to liveability.

Being in a Strategic Centre that is also identified as a Planned Precinct within walking distance of two rail stations benefitting major government investment, the proposal is consistent with this objective.

The proposal also provides a significant public benefit in terms of local and state infrastructure that is well beyond that anticipated in the 2036 Plan.

Objective

Alignment

Jobs and skills for the city



Objective 21: Internationally competitive health, education, research and innovation precincts

The proposal provides much needed housing that is BTR, thus providing housing diversity sought in the St Leonards Crows Nest 2036 Plan. There is also a component of Key Worker Housing that may support the health of education precinct of the Royal North Shore Hospital and surrounding social infrastructure.

Objective 22: Investment and business activity in centres

The plan notes that centres continue to be a key organising element in the urban structure of Greater Sydney, something that is grounded by the 'hierarchy of centres.' The Plan designates St Leonards as a Strategic Centre. The Plan emphasises that:

'Strategic centres are expected to accommodate high levels of private sector investment, enabling them to grow and evolve. They will become increasingly important parts of the region's structure.'

Consistent with this intent, the Plan further identifies St Leonards for urban renewal to grow jobs, housing and infrastructure as a result of the construction of major enabling infrastructure in the form of the Sydney Metro City & Southwest.

This proposal supports the achievement of these strategic directions through the provision of mixed-use development that supports ongoing jobs targets for the St Leonards Centre, as well as providing housing opportunities near a strategic job location.

A city in its landscape



Objective 30: Urban tree canopy cover is increased

The Plan notes a key target of expanding urban tree canopy in the public realm, noting the benefits associated with reducing the urban heat island effect, protecting environmental amenity, as well as mental wellbeing.

Mindful of a highly constrained, urban site, the State Led Rezoning will afford the site an opportunity to deliver a landscaping outcome throughout the building that considers the aforementioned benefits, whilst remaining commensurate with the site's strategic positioning in the St Leonards Strategic Centre.

Objective 31: Public open space is accessible, protected enhanced

The State Led Rezoning does not provide opportunity for public spaces to be delivered on site. Notwithstanding, local and state level monetary contributions can be utilised for the purposes of embellishing existing or providing new public spaces elsewhere in the site's surrounds.

An efficient city



Objective 33: A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change

One of the key objectives to creating an efficient city is the reduction of carbon emissions and the efficient management of energy, water and waste. As such, the future proposal will seek to integrate principles of Ecologically Sustainable Development (ESD) throughout the development. This includes achieving a 5 Star Green Buildings rating, as well as numerous initiatives to ensure the efficient use of resources including gas, electricity and water.

Objective 35: More waste is re-used and recycled to support the development of a circular economy

The State Led Rezoning will facilitate the future construction and operation of a mixed-use BTR development, which will seek to integrate waste recycling practices during construction and operation wherever practicable.

8.1.2 North District Plan

The North District Plan (the 'District Plan') is a matter for consideration in this State Led Rezoning as it applies to the St Leonards Centre and the subject site. The District Plan sets a target of 25,950 dwellings (minimum) for the North District in the 5 years between 2016 to 2021, and a strategic housing target of 92,000 in the 20 years between 2016-2036.

Reinforcing the directions of the Greater Sydney Region Plan, the District Plan's planning priorities generally replicate those of the Greater Sydney Region Plan, including the following:

- **Priority N3:** Providing services and social infrastructure to meet people's changing needs.
- **Priority N4:** Fostering healthy, creative, culturally rich and socially connected communities.
- **Priority N6:** Creating and renewing great places and local centres, and respecting the District's heritage.
- **Priority N8:** Eastern Economic Corridor is better connected and more competitive.
- **Priority N10:** Growing investment, business opportunities and jobs in strategic centres.
- **Priority N12:** Delivering integrated land use and transport planning and a 30-minute city.
- **Priority N13:** Supporting growth of targeted industry sectors.
- **Priority N19:** Increasing urban tree canopy cover and delivering Green Grid connections.
- **Priority N20:** Delivering high quality open space.
- **Priority N21:** Reducing carbon emissions and managing energy, water and waste efficiently.

For the above planning priorities, the alignment descriptions provided in **Table 11** remain applicable.

Of particular relevance to the State Led Rezoning, the District Plan seeks to align new housing in the form of urban renewal or infill with infrastructure. Three major housing themes identified in the District Plan include:

- Greater housing supply;
- More diverse and affordable housing; and
- Better located and designed housing.

This is reflected in Planning **Priority N5**, '*providing housing supply, choice and affordability, with access to jobs, services and public transport*'.

The North District Plan requires the Lane Cove LGA to deliver a minimum 1,900 homes in the five years between 2016 and 2021. Unlike other North District LGA's, scope for additional housing supply in Lane Cove is heavily constrained by factors such as topography, low density and heritage areas, as well as accessibility. The key opportunity to provide for additional homes through transit-focused renewal in accordance with the Greater Sydney Region Plan is in St Leonards. This is reflected in the District Plan (page 39) which identifies St Leonards as a location for additional capacity for housing supply.

In terms of housing diversity and affordability, planning for housing needs to consider the type of dwellings required to respond to expected changes in both household size and age. The District Plan states that this requires more smaller homes, group homes, adaptable homes of universal design and aged care facilities.

New housing should also be provided in the right locations and of the right design. The District Plan states that:

'New housing must be in the right places to meet demand for different housing types, tenure, price points, preferred locations and design. Housing supply must be coordinated with local infrastructure to create liveable, walkable neighbourhoods with direct, safe and universally designed pedestrian and cycling connections to shops, services and public transport.'

In response, this proposal:

- provides additional housing on a site that under current planning controls is not feasible for new homes;
- provides a greater diversity of housing in the form of build to rent apartments and key worker housing;
- is located in a Strategic Centre that is also identified as a Planned Precinct within walking distance of a rail station benefiting major government investment; and
- is accompanied by a reference scheme that is well designed and will contribute to the viability and activity of the St Leonards centre.

Additionally, the District Plan also further promotes business and economic growth, with a strong focus on St Leonards as a strategic centre and commercial hub within the Eastern Economic Corridor. Specific actions are identified,

particularly Action 34 which is to strengthen St Leonards as an internationally competitive health, education, research and innovation precinct, which include:

- leverage off the new Sydney Metro station at Crows Nest to deliver additional employment capacity;
- grows jobs in the centre;
- reduce the impact of vehicle movements on pedestrian and cyclist accessibility;
- deliver new high-quality open space, upgrade public areas, and establish collaborative place-making initiatives; and
- promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health.

This State-led Rezoning closely aligns with the directions of the District Plan, particularly Action 34 as it seeks to facilitate an increase in density close to transport infrastructure, including the Metro Station, deliver additional employment floor space that synergises with the Royal North Shore Hospital and will facilitate a contribution towards important social initiatives such as key worker housing. Furthermore, the proposal also comprises serviced apartment, which will complement the mix of uses within the strategic centre.

Leverage off the new Sydney Metro station at Crows Nest to deliver additional residential and employment capacity

This State Led Rezoning will facilitate the delivery of approximately 282 dwellings in the immediate vicinity of both St Leonards and the future Crows Nest Station, which include a mix of BTR apartments and key worker housing units. It will also provide approximately 3,681sqm of serviced apartment GFA over five storeys within the podium, which is estimated to deliver approximately 40 direct operational jobs to the area. The construction phase of the project will create an additional 250 direct jobs. Further discussion of the potential provision of employment associated with this proposal is set out in **Appendix P**.

Reduce the impact of vehicle movements on pedestrian and cyclist accessibility

The site is uniquely positioned to contribute to the reduction of vehicle movements in the area. The site's proximity to both St Leonards Railway Station and the future Crows Nest Metro Station provides an excellent opportunity to create genuine Transit Oriented Development.

The proponent has supported this concept with the provision of only 48 total car spaces. The indicative parking breakdown is 28 spaces for residential and 19 for serviced apartment, and 1 car share space. This means that majority of residents within the building will be without on-site car parking. These residents will use either public transport or ride-share services as their primary means of transportation, lessening the impact of potential future vehicle movements in the area. It is important to note that the rezoning of this site from E2 Commercial Centre Zone to MU1 Mixed Used zone means that the proposed parking spaces is significantly lower than that specified in the Lane Cove DCP for a commercial or purely build to sell development. Further, the parking strategy will promote and encourage active transport within the precinct and will also help to mitigate traffic and congestion.

From early community engagement, traffic was a key concern of residents – hence, the decision to propose less carparking on the site than required under both the Housing SEPP and the Lane Cove DCP.

On this basis, the proposal achieves the District Plan's objective of reducing vehicle impacts in the Centre and promotes walking and cycling more than a development consistent with the site's current planning controls.

Deliver new high-quality open space, upgrade public areas, and establish collaborative public-making initiatives

Due to the significant site constraints, the State Led Rezoning will not propose any new public open spaces. However, through the delivery of ground level retail and food and beverage premises, the proposed development will enhance and activate the public domain, which will significantly improve the streetscape and pedestrian experience on and around the site.

Identify actions to grow jobs in the centre and promote synergies between the Royal North Shore Hospital and other health and education-related activities, in partnership with NSW Health

While the proposed development does not propose any commercial development, serviced apartment is proposed, along with key worker housing, which is anticipated to service the workers, visitors, and students of the surrounding health and education precinct particularly the Royal North Shore Hospital.

It is acknowledged that the proposed rezoning seeks a building height in excess of the 35 storeys identified for the site in the 2036 Plan. In total, the proposal is for 43 levels (not including 7m of plant) – however it is for a chamfered built form to respond to the sun access plane to Newlands Park, St Leonards South. As a result, it results in the delivery of some 3,692sqm of gross floor area above the 35 levels. It is proposed that c. 721sqm of key worker / affordable rental housing floorspace be provided by way of public benefit which results in c. 28% of the additional floor space sought above the 35 storey height limit. This is well in excess of District and other Strategic Plan requirements.

8.1.3 Lane Cove Local Strategic Planning Statement

In March 2020, Lane Cove Council adopted their Local Strategic Planning Statement (LSPS) which guides strategic land use decision making in the Lane Cove LGA to 2036. The LSPS outlines Council's strategic vision for the St Leonards Strategic Centre, including plans to further develop the precinct as a mixed use residential and commercial hub. The following discussion demonstrates that this State Led Rezoning is consistent with the Council's LSPS.

Planning Priority 5 – Plan for the growth of housing that creates a diverse range of housing types and encourages housing that is sustainable, liveable, accessible and affordable

This Rezoning is consistent with the below principles for location of additional housing that are identified under Planning Priority 5, which include:

- *Consolidate housing around Strategic (St Leonards train station) and Local (Lane Cove Village/Plaza) centres to achieve transit oriented development.*
- *Locate higher density housing types within a 5 minute walk (400 metre radius) of the St Leonards Strategic Centre (train station) and Crows Nest Metro Station but not at the expense of the attraction and growth of jobs, retailing and services in existing B3 Commercial Core zoned land.*

The proposal is consistent with the principles for location of additional housing, as it is situated within a rapidly evolving precinct that is in proximity to an abundance of transport services and infrastructure. Furthermore, the housing typology is predominantly for build to rent which, at present, is the only build to rent proposal in the St Leonards Crows Nest Precinct despite its encouragement in the 2036 Plan. The proposal also seeks approval for key worker housing in the podium, which will assist in alleviating the housing affordability crisis in Greater Sydney and support the workers of the surrounding health and education precinct.

Although rezoning is proposed, the State Led Rezoning will not be at the expense of the attraction and growth of jobs, retailing or services. The new MU1 Mixed Use zone will retain all employment land uses that are currently permissible under the E2 Commercial Centre zone. The proposed serviced apartment proposed under the new MU1 Mixed Use zone will attract and be suited towards visitors of the future residents, visitors of the Royal North Shore Hospital, students and workers of the precinct, which will contribute in further activating and enhancing St Leonards as a growing business and mixed use, strategic centre.

As discussed in **Section 3.6**, the site-specific constraints of the Telstra Exchange site significantly undermine the potential to generate employment opportunities on the existing and undeveloped site. Therefore, any redevelopment of the site that provides non-residential floor space over the existing employment uses will result in an overall increase in employment generation.

Overall, the proposal will provide a total of 282 dwellings and 40 new direct operational jobs, which will assist in achieving the long-term targets for Lane Cove LGA.

Planning Priority 6 – Create and renew public spaces and facilities to improve our community's quality of life

The proposal includes a public benefit offer for the delivery of local infrastructure at the discretion of Council, as well as state and local infrastructure contributions that will be focused on new and improved public open space and social infrastructure.

Planning Priority 7 – Facilitate location of a diverse range of retail, commercial and industrial businesses in Lane Cove

Being located within a strategic location in proximity to key infrastructure and services, the proposal comprises retail premises and serviced apartments, which will support the growing and evolving commercial precinct in the area, particularly targeting visitors, workers and students of the Royal North Shore Hospital to the north. .

The LSPS specifies that an increase of 16,400 new jobs will be required to accommodate the job target of 63,500 jobs by 2036. The State Led Rezoning proposes 3,840sqm of non-residential floor space, which will create 40 new direct operational jobs, which is a substantial increase in the number of existing jobs on the site, being 14.

Planning Priority 8 - Implement transport upgrades and fresh approaches to public transport route design to facilitate time-efficient, people-friendly transport within Lane Cove and from Lane Cove to strategic centres, to improve access to employment and services.

The proposal is located in an area that is well served by public transport infrastructure, but also strategically located proximate employment, health and education services.

Planning Priority 10 – Enhance our urban tree canopy, bushland and waterways

As discussed above in relation to the Greater Sydney Region Plan and North District Plan, the State Led Rezoning will accommodate a development outcome that comprises a considered landscaping outcome, including the provision of street trees along Pacific Highway, green roofs and terrace gardens, whilst remaining commensurate with the site's strategic positioning in supporting a high density mixed-use development.

Planning Priority 11 – Improve the management of energy, water and waste resources

As discussed above in relation to the Greater Sydney Region Plan and North District Plan, the State Led Rezoning provides the opportunity for delivering a development outcome that will seek to integrate waste recycling practices during construction and operation wherever practicable.

8.1.4 Lane Cove Local Housing Strategy

In September 2021, Lane Cove Council adopted their Local Housing Strategy (LHS), which will guide the delivery of housing within the LGA. To support the overall vision for the LGA, the LHS establishes three themes to address the specific needs for housing, which include:

- ***Sustainability*** – provide housing that is increasingly sustainable. New housing will incorporate responsive solutions to the environmental challenges of today and tomorrow. Existing housing will integrate adaptive technologies and design solutions to ensure a long lifespan that reduces consumption over time.
- ***Affordability*** – increase its supply of affordable housing and opportunities for those that have close connections to the area. The delivery and management of affordable housing will recognise that it can be difficult for those without significant means to secure housing.
- ***Liveability*** – delivery housing where supporting infrastructure is planned or present. Infrastructure will be improved over time to meet the evolving needs of existing and future Lane Cove LGA residents.

The proposal meets these themes as it will provide both build-to-rent housing and key worker housing, thus assisting with housing diversity and affordability within in an area that is well supported by infrastructure.

The proposed development will ensure a residential development that is environmentally sustainable, as well as achieving a high-quality residential amenity. Being a build-to-rent development, the building will be purpose built specifically for renters, with an abundance of residential communal facilities spread across the development. The development will accommodate for a diverse community group as well as cater to the growing rental market within the precinct.

Additionally, the proposal also comprises 10 key worker housing units, which will be owned and operated by Home. These units are located within the podium of the building and have been designed accordingly with a high level of residential amenity. It is important to note that while the LHS aims to increase the supply of affordable housing, it does not specify a target for each development to meet and therefore, it is not an enforceable or legislative requirement,

Despite this, the proposal has included an affordable housing contribution, which will serve as a significant benefit to the community, particularly given its strategic location.

The LHS also outlines a medium-term target to deliver 3,000 to 3,500 additional dwellings between 2021 to 2026. The proposal will assist in achieving this target through a diverse housing product, being build-to-rent, which is encouraged in the St Leonards and Crow's Nest precinct under the 2036 Plan and will be the first of its kind within the precinct.

It is noted that in the Department's response to the LHS of 14 September 2021, that Council was to consider "*The direction and strategic planning approaches endorsed in any State-led strategies or plans are to prevail in the event of any inconsistency with this approval and/or the Council's LHS (as revised and current)*".

8.1.5 St Leonards and Crows Nest 2036 Plan

In August 2020, the Department of Planning and Environment finalised the St Leonards and Crows Nest 2036 Plan, a State-endorsed strategic plan that sets out a vision for the precinct and provides a framework for future planning proposals to amend zoning and density controls. The Plan will facilitate the urban renewal of the precinct for an expanding employment centre and growing residential community.

The proposal's consistency with the vision, design priorities and objectives of the Plan is detailed below in **Table 12**.

Table 12 Consistency with the 2036 Plan

2036 Plan	Consistency of State Led Rezoning	Consistency
Precinct Objectives		
<i>Ensure new development retains and enhances important heritage elements by using sympathetic building materials and preserving key viewing and vistas.</i>	The proposed development will not affect any existing heritage items or heritage conservation areas. Refer to Section 9.9 for an assessment against the heritage impacts on the site.	✓
<i>Apply casual surveillance and universal access principles to new development to create a safe inclusive and comfortable environment.</i>	The concurrent SSDA on the site will incorporate active frontages along Pacific Highway and Christie Street that will provide casual surveillance and activation of the public domain as well as contribute to the creation of a safe environment in St Leonards and in the vicinity of the site.	✓
<i>New development should have consideration to wind impacts demonstrated through a wind assessment.</i>	The concept scheme has been designed to consider the wind impacts to the surrounding development. A Wind Assessment has been prepared for this State Led Rezoning. Refer to Appendix H and Section 9.10 for further information.	✓
<i>Consider cumulative impacts of new developments on existing areas, including overshadowing, wind impacts and view loss.</i>	The proposal has been developed with careful consideration of the cumulative overshadowing, wind and view impacts on the surrounding area. These key issues are further discussed in Section 9.0 of this report.	✓
<i>Contain taller buildings between St Leonards Station and Crows Nest Metro Station.</i>	The State Led Rezoning facilitates an uplift in height and is situated along the Pacific Highway and is within 400m of both the St Leonards Station and Crows Nest Metro Station. As such, the development concept is consistent with this objective as it will locate a tall building, amongst other tall buildings within the 'height knuckle' as further discussed in Section 8.4.2 of this report.	✓
<i>New building design should provide high on-site amenity and consider street width and character by providing ground and upper level setbacks and awnings to achieve a human scale at street level.</i>	Through the implementation of a number of design initiatives and solutions that contribute to shifting the massing and built form of the building, the development concept will be appropriately perceived at a human scale from the ground plane and public domain. It will adopt appropriate setbacks and demonstrate strong design excellence, which will be further analysed within the SSDA.	✓
<i>Ensure new development contributes to a range of dwelling types in the area to cater for all lifecycles.</i>	The proposed development is for build-to-rent housing and will provide a range of dwelling types that will cater to a diverse range of future residential population groups. Indicatively, the development will accommodate the following dwelling mix: <ul style="list-style-type: none"> • 17% studio • 36% 1 bedroom. • 43% 2 bedroom. 	✓

- 4% 3 bedroom.

Of the 282 dwellings proposed, 10 units are dedicated to key worker housing, which will meet the 'moderate income household' definition of affordable housing under the Housing SEPP. The BTR apartments, together with the key worker housing will ensure a diverse range of housing typology that is suitable for the demographic of the region.

An assessment against the key data analysis for housing supply within the precinct is provided in **Section 2.4** of this report, which clearly emphasizes that the proposal will appropriately contribute to the housing demand in St Leonards. This is further reinforced in the Economic Impact Assessment provided at **Appendix P**

Ensure new employment sites in the area cater to a range of business types and sizes.

The proposal will include provision for 2.3:1 non-residential FSR that will predominantly be used for retail premises at the ground level and short-term accommodation throughout the podium. The development will generate a total of 40 direct operational jobs, which is almost 3.4 times the amount that currently exists on the site.

✓

As detailed in the Economic Impact Assessment at **Appendix P**, there is an increasing demand for serviced apartment within the St Leonards and Crows Nest precinct as a result of the growing and future role of the precinct as a strategic health and education precinct. This demand is reflected by the rate of both domestic and international visitor nights, which has significantly increased by 114% over a 10 year period.

While the proposal does not intend on providing commercial spaces due to the site-specific constraints of the Telstra Exchange building that prohibit high quality office space, the serviced apartment will support the surrounding commercial and retail businesses, and health services.

The positive economic and social benefits of the proposed non-residential spaces is provided in **Appendix P**.

New development in mixed-use areas should contribute to the delivery of active streets by providing a range of uses at ground floor.

The development concept will activate street frontages along Pacific Highway and Christie Street by providing retail and commercial tenancies, grand entrances and lobbies, street tree planting, awnings and colonnades. This public domain approach is further described in the Public Place Strategy prepared by Oculus (**Appendix C**), which emphasises the positive contribution of the development to the streetscape and public domain.

✓

Protect large commercial core zoned sites to ensure employment uses are protected into the future.

The proposal includes the rezoning of the site from E2Commercial Centre to MU1 Mixed Use, in line with the recommended zoning identified under the 2036 Plan.

✓

However, it is critical to note that the proposal for a build-to-rent housing development is permissible with consent regardless of whether the site is zoned E2 or MU1 zone. Therefore, the proposal will preserve and protect the commerciality of the site by continuing to provide an employment generating land use that will contribute to both the housing supply and need for employment area. Specifically, the proposal will generate a total of 40 direct operational jobs, which is a significant increase to the existing jobs on the site.

Ensure no additional overshadowing of public open spaces and important places in accordance with solar access controls identified on page 38 of the Plan.

The proposed development will not result in any "substantial additional overshadowing during specific hours" on any public open spaces or places of high value and significance. A shadow analysis has been undertaken by DKO Architects (**Appendix B**), which shows that the development concept will not result in any additional overshadowing to Newlands Park. Further detail is provided in **Section 9.1** of this report.

✓

2036 Plan	Consistency of State Led Rezoning	Consistency
<i>New development adjoining the increased setbacks and landscaped areas should contribute to its landscape character. For example, by providing planter boxes, lighting, green walls, deep planting, landscaped setbacks and forecourts.</i>	<p>At ground level, the proposed development comprises a zero-metre setback.</p> <p>The development concept includes the planting of new street trees, planter boxes, and lighting elements, which will all assist in enhancing the streetscape and contributing to the local character of the site.</p>	✓
<i>New development in nominated areas along the Pacific Highway should be setback 3 metres and incorporate elements such as avenue planting, below ground setbacks for deep soil planting.</i>	The proposed development adopts a zero metre setback to Pacific Highway, which is consistent with the recommended setbacks outlined on the map provided on Page 70 of the 2036 Plan.	✓
<i>Incorporate new street trees to realise the tree canopy targets identified on Page 3 and increase the overall tree coverage in the area.</i>	<p>Indicatively, the development concept comprises the planting of 6 street trees as well as smaller vegetation planter boxes at ground level and throughout the vertical villages located within the building.</p> <p>As such, the development considers the landscaping targets and has been designed to assist with mitigating urban heat island effect. The proposed landscaping concept is further described in Appendix C.</p>	✓
Priorities and Actions		
<i>Place – Investigate opportunities for improved connections to the health and education precinct.</i>	<p>Given the sites location at a prominent corner within an evolving mixed-use, and health and education precinct, the development concept will improve connections to the broader uses by providing greater housing and employment opportunities for surrounding key workers.</p> <p>Through the provision of key worker housing, there is opportunity to develop a relationship with the RNSH to enable key workers to have priority of available dwellings prior to going on the market. This is a significant public benefit that will contribute to the connections with the surrounding health and education precinct.</p> <p>Additionally, the proposed serviced apartment will support the surrounding health and education uses by facilitating visitor nights for medical reasons, whereby data shows an increase by 114% over a 10 year period. As detailed in the Economic Impact Assessment at Appendix P, visitor accommodation is an important ancillary service within a health precinct, and can provide patients, medical professionals and visitors with access to serviced apartment.</p>	✓
<i>Place – Retain the current heritage status in existing planning controls</i>	<p>Not relevant</p> <p>The site is not identified as having heritage value or significance. Despite this, a Statement of Heritage Impact has been prepared by Comber and is provided at Appendix J. The report concludes that the development concept will not have any adverse impacts to the surrounding heritage.</p>	N/A
<i>Place – Transition heights from new development to surrounding Heritage Conservation Areas.</i>	<p>Not relevant</p> <p>The site is not located in proximity to a Heritage Conservation Area, nor is it located within a transition area.</p>	N/A
<i>Place – New development should adopt the street wall height consistent with existing heritage shopfronts for new buildings in the same street.</i>	<p>Not relevant</p> <p>The existing shopfronts of the four retail buildings currently located on site are not of heritage significance. It is also noted that due to the recent redevelopment of the surrounding area, there are no heritage shopfronts immediately adjacent to the site.</p> <p>Despite this, the development concept aims to tie in the existing fabric of the historical building stock through the selection of materiality on the podium, being brick. This concept will be further explored within the concurrent SSDA and will have a major benefit to the streetscape of Pacific Highway.</p>	N/A

2036 Plan	Consistency of State Led Rezoning	Consistency
Place – Maintain current planning controls along Willoughby Road to retain its village feel and character.	Not relevant The site is not located along Willoughby Road.	N/A
Place – Improve the public domain by introducing 'green streets' along Oxley, Mitchell, and Chandos Streets to allow for setbacks with grass and canopy trees.	Not relevant The site is not located along Oxley, Mitchell, or Chandos Street.	N/A
Place – Investigate inclusion of shared zones along Clarke Lane including the provision of traffic calming measures.	Not relevant The site is not located along Clarke Lane.	N/A
Place – New development should consider its place within country, including Aboriginal heritage by (at least) consulting with the Metropolitan Local Aboriginal Land Council.	Consistent The development concept has been designed with careful consideration of Country. Engagement with the Local Aboriginal Land Council has been undertaken. Further detail is provided in Section 2.6.2 above and in Appendix K .	✓
Place – Widen key streets (including Atchison Street) to support more active uses and allow for green elements e.g. planter boxes	Not relevant The site is not located along Atchison Street.	N/A
Landscape – Leverage the improved amenity and connectivity opportunities from Lane Cove Council's proposed St Leonards Plaza, through: <ul style="list-style-type: none"> Investigate improvements for pedestrian crossings of Pacific Highway. New/improved connections to the regional pedestrian cycling link. Support for investigation of an indented bus stop as part of the plaza. Support for links to recent and proposed development either side of Council's future St Leonards Plaza. 	Consistent The site is located within a Strategic Centre and is within 400m of the St Leonards Plaza and Railway Station. The redevelopment of the Telstra Exchange site will enhance and activate the streetscape by locating retail and commercial premises and grand lobbies at the ground level, providing a more pleasant and enjoyable experience for pedestrians and cyclists. While landscaping is limited on the site given its size and location within a highly dense and urban precinct, the concept comprises street tree planting along Christie Street, along with several planter boxes along Pacific Highway and throughout the amenity spaces and rooftop terraces of the building. This will embellish the streetscape and contribute to providing a higher quality public domain within the precinct.	✓
Landscape – Protect and enhance natural links through the area. Refer to final Green Plan	Not relevant Currently, the site does not include any significant biodiversity or landscaping. Additionally, there are no natural green links or connections within the immediate vicinity of the site.	N/A
Landscape – Work with North Sydney Council to redevelop Holtermann Street carpark by bringing forward development contributions.	Not relevant The site does not include the Haltermann Street Carpark.	N/A
Landscape – Investigate opportunities to upgrade Hume Street Park consistent with North Sydney Council Policy.	Not relevant The site is located within the Lane Cove LGA and is not in proximity to the Hume Street Park.	N/A
Landscape – Introduce landscaped street setbacks along Oxley, Mitchell, and Chandos Streets to allow for additional street trees.	Not relevant The site is not located along Oxley, Mitchell, and Chandos Street.	N/A

2036 Plan	Consistency of State Led Rezoning	Consistency
Landscape – Maintain and expand tree canopy in St Leonards South to meet tree canopy target for the area identified at page 3. Investigate opportunities to expand Newlands Park and new public park in St Leonards South.	Not relevant The site is not located within St Leonards South.	N/A
Built Form – Deliver a transit-oriented development at the Crows Nest Metro Station sites.	Consistent Although not located at the Crows Nest Metro Station site, the proposal is located within 400m of the Metro Station and St Leonards Station, the State Led Rezoning will deliver a transit-oriented development. The State Led Rezoning proposes a substantially reduced parking rate from the permissible rate under the Lane Cove DCP and therefore, the development will not result in any significant traffic impacts. Additionally, the proposal will accommodate bicycle spaces and end of trip facilities, which will encourage and promote active transport. Refer to Section 9.6 for a detailed discussion on transport and access.	✓
Built Form – Apply design principles for solar amenity, configuration, and interface between areas of transition.	Consistent The site is directly located within the 'height knuckle' of the precinct and as per the objectives of the 2036 Plan, taller buildings are recommended between the two stations. As such, the site is not located within a transition area. Despite this, the development concept will be designed with careful consideration for solar amenity, configuration and street interface. The redevelopment and configuration of the Telstra Exchange site will significantly enhance the streetscape of Pacific Highway.	✓
Built Form – New development should be sympathetic to existing buildings with appropriate setbacks and street wall height (pages 69 and 70).	Consistent The development concept has been carefully considered to give respect to the surrounding building context. An eight-storey street wall height is proposed, which will ensure an appropriate transition between the New Hope Building to the east and the commercial building to the west along Christie Street. Further discussion on the transitional podium height is provided in Appendix B .	✓
Built Form – Adopt reverse setbacks and active street frontages to improve the interface between new buildings and the public domain along Atchison Street and Clarke Lane.	Not relevant The site is not located along Atchison Street or Clarke Lane.	N/A
Built Form – Provide stepped setbacks for properties on the south side of Henry Lane to provide a sympathetic interface with Naremburn Heritage Conservation Area.	Not relevant The site is not located along Henry Lane, nor is it in proximity to the Naremburn Heritage Conservation Area.	N/A
Built Form – Provide appropriate transitions to adjoining low scale residential areas.	Not relevant The site is not located in proximity to low scale residential areas.	N/A
Built Form – Minimise overshadowing of key open spaces, public places and adjoining residential areas. Solar height planes should be adhered to as indicated within the Solar Access Map (page 38).	Consistent The development concept comprises a 43-storey mixed use building, which will <u>not result in any additional overshadowing to Newlands Park</u> . Further discussion on overshadowing is provided in Section 9.1 as well as the shadow analysis undertaken by DKO Architects at Appendix B	✓
Built Form – Provide transitions in height from the lower scale development at Willoughby Road,	Consistent As identified above, the site is located within the centre of St Leonards and the identified 'height knuckle' of the precinct. It is surrounded by taller buildings and recommended height controls for the	✓

2036 Plan	Consistency of State Led Rezoning	Consistency
<p><i>Crows Nest, to tall buildings in the St Leonards Core.</i></p>	<p>neighbouring sites, are significantly higher than the proposed 43 storeys.</p> <p>As such, the development concept is consistent and commensurate with the surrounding built form and envelope immediately adjoining the site. It will be appropriately perceived at the street level and the detailed design under the concurrent SSDA will incorporate design initiatives to help reduce the bulk and scale of the development.</p>	
<p>Built Form – Adopt objectives from the Government Architect NSW’s Evaluating Good Design Policy in the drafting of new planning provisions.</p>	<p>Consistent</p> <p>The GANSW State Design Review Panel have reviewed the project 4 times. The SDRP have supported a number of elements of the project, including, but not limited to the following:</p> <ul style="list-style-type: none"> • Connection to Country strategy and principles; • Commitment to a 100% electrical facility, including provision of EV charging capability for all car parking spaces; • Retention and addition of street trees along Pacific Highway and Christie Street. • Application of a new façade to the Telstra Exchange building; • Façade articulation across the podium and tower through different; • Delivery of diverse housing typology; and • Provision of a variety of communal spaces and amenity areas that will cater to a diverse range of household types. <p>It is noted that the SDRP have supported several additional aspects of the proposal, which will be further detailed in the Environmental Impact Statement prepared for the concurrent State Significant Development Application.</p>	<p>✓</p>
<p>Built Form – Provide a landscaped front setback to Oxley Street between Clarke and Chandos Street to encourage a sensitive interface to areas east of Oxley Street.</p>	<p>Not relevant</p> <p>The site is not located along Oxley Street.</p>	<p>N/A</p>
<p>Land Use – Investigate further opportunities to strengthen the health and education precinct including the identification of education pathways through TAFE and other institutions, physical connection to support collaboration and identify opportunities to share new and existing facilities.</p>	<p>Not relevant</p> <p>The site is not located within the health and education precinct.</p>	<p>N/A</p>
<p>Land Use – Commit SIC funding to provide infrastructure that caters for all age demographics including pedestrian and cycle links and parks.</p>	<p>Consistent</p> <p>As identified in the Public Benefit Letter of Offer at Appendix Q, Home recognise and are committed to the Section 7.11 development contributions, as well as the Housing and Productivity Contribution, which replaces the SIC.</p> <p>In addition to the payment of the State and Local Infrastructure Contributions, Home also propose to offer a number of public benefits, including the delivery of 10 key worker housing units to be owned and operated by Home, and monetary contribution of up to \$3.6 for Council to use at their own discretion.</p> <p>It should also be emphasised that the redevelopment will revitalise and enhance the public domain and streetscape, as well as facilitate a build-to-rent housing development, which is a significant public benefit in itself.</p>	<p>✓</p>
<p>Land Use – Include opportunities through amendments to planning controls to encourage a range of dwelling typologies to cater for the diverse community in St Leonards and Crows Nest.</p>	<p>Consistent</p> <p>The State Led Rezoning provides build-to-rent housing, which is beneficial for a diverse community group, in that it will be purpose built for renters, with an abundance of residential facilities that will accommodate for all age groups and household types. Of the total 282 apartments proposed, 10 will be dedicated to key worker housing,</p>	<p>✓</p>

2036 Plan	Consistency of State Led Rezoning	Consistency
	<p>which will contribute to the housing affordability crisis within Greater Sydney.</p> <p>An assessment against the housing supply within the precinct is provided in Section 2.4 of this report, which clearly identifies that the proposal will contribute to meeting the housing demand for the general demographic of the area. The benefits of proposing build-to-rent housing is further described in Section 8.4.1.</p>	
Land Use – Concentrate higher density housing along the Pacific Highway between the St Leonards Station and Crows Nest Metro Station and transition to lower density living options in the surrounding area.	<p>Consistent</p> <p>The site is located along Pacific Highway between the St Leonards Railway Station and the future Crows Nest Metro Station, thus, the development concept for a 43 storey mixed use development is consistent with the vision and objectives for higher density housing within the precinct. It is emphasised that the proposed built form and envelope is commensurate to the surrounding development.</p>	✓
Land Use – Encourage a mixture of densities in St Leonards South.	<p>Not relevant</p> <p>The site is not located within St Leonards South.</p>	N/A
Land Use – Undertake investigations to identify an appropriate target for affordable housing in the area, consistent with each Councils affordable rental housing target schemes.	<p>Not relevant</p> <p>While the provision of affordable housing has been noted within the 2036 Plan, it is emphasised that Lane Cove Council were responsible in undertaking this action.</p> <p>To date, Lane Cove Council have not prepared or adopted an Affordable Housing Strategy that identifies any specific targets and therefore, there is no legislative requirement to provide affordable housing.</p> <p>Notwithstanding, the proposal comprises key worker housing at Level 8 of the development, which will assist with the housing affordability and is provided as a bonus public benefit of the project, which already represents a positive outcome through the delivery of build-to-rent housing – a diverse housing product that is the first of its kind within St Leonards despite there being a strong push for it from the Federal and State government.</p>	✓
Land Use – Explore build-to-rent opportunities within the precinct.	<p>Consistent</p> <p>The development concept is for the provision of a mixed use, build-to-rent development, which will provide 282 purpose-built dwellings, specifically for rental accommodation, with a certain amount dedicated to key worker housing.</p> <p>Entirely consistent with the actions of the 2036 Plan, the proposal will offer significant advantages and benefits to residents within the area. It is also emphasised that the subject development is the first application to have considered build-to-rent housing within the precinct.</p>	✓
Land Use – Encourage a balance of commercial and residential uses within the St Leonards Core with a minimum non-residential floor space requirement for the B4 Mixed Use zone to meet North District Plan high jobs target.	<p>Consistent</p> <p>The proposal provides an appropriate balance of commercial and residential uses. Indicatively, the development will provide 282 dwellings and 40 direct operational jobs, which will assist in meeting the target for the precinct itself as well as the target specified in the North District Plan.</p>	✓
Land Use – Permit mixed-use development on key sites to encourage the renewal of St Leonards through the delivery of new A-grade commercial floor space (page 65).	<p>Consistent</p> <p>The proposal will facilitate a mixed-use development, which will comprise ground level retail uses and short-term accommodation within the podium, which will act as an ancillary use to the health and education services, and the commercial businesses that surrounding the site.</p> <p>The site-specific constraints associated with the Telstra Exchange would prevent the development from achieving A-grade commercial offering due to the small floor plate. This would be detrimental to the</p>	✓

2036 Plan	Consistency of State Led Rezoning	Consistency
	<p>feasibility of the project in that the space would not be competitive in a declining and underperforming commercial market.</p> <p>Despite this, the proposal will facilitate a mixed-use development, which will comprise ground level retail uses and short-term accommodation within the podium, which will act as an ancillary use to the existing health and education services, as well as the commercial businesses that surround the site. As detailed in Appendix P, there is an increasing demand for serviced apartment which is evidenced through the increase in visitor nights by 114% over a 10-year period.</p> <p>On this basis, the proposal is considered to provide better use of a space that is well serviced and connected to jobs, public transport and health and education facilities – therefore, achieving the visions and objectives of the 2036 Plan.</p>	
Land Use – Retain B3 Commercial Core zone on appropriate sites to maintain future viability of the St Leonards Core (page 65).	Not relevant Although build to rent housing is permissible within the E2 Commercial Centre zone, the site is recommended to be rezoned for MU1 Mixed Use in the St Leonards and Crows Nest 2036 Plan.	✓
Land Use – Protect and manage the Artarmon Employment Area.	Not relevant The site is not located within the Artarmon Employment area.	N/A
Land Use – Enable flexibility in planning controls to consider innovative and complementary health and education related uses on a site by site basis within the Artarmon Employment Area and health and education precinct.	Not relevant The site is not located within the Artarmon Employment Area. Despite this, the non-residential floor space proposed within the podium will still attract health and education related uses.	N/A
Land Use – Investigate new early childhood, schools and tertiary education facilities in the Precinct, supported via SIC funding.	Noted. The proposal does not comprise a new early childhood, school or tertiary education facility within the building. However, the development generates a significant amount of state and local contributions, which can be allocated to education facilities at the discretion of Council if found that these uses were needed within the area.	✓
Land Use – Investigate introduction of Complying Development Provisions for cafes, restaurants and retail with extended trading hours.	Not relevant The primary stakeholder for this action is State and Local Government and as such, the Home as the proponent, is not responsible for achieving this action.	✓
Land Use – Ensure land is available at Royal North Shore Hospital for future expansion of health uses	Not relevant The site is not located within the Royal North Shore Hospital.	N/A
Land Use – Encourage the location of additional retail in the St Leonards Core and Crows Nest Village rather than the Artarmon Employment Area.	Consistent The development concept proposes two retail spaces at the ground level, which will provide economic benefit, as well as help to activate the streetscape.	✓
Land Use – Support investigations into the Herbert Street Precinct to provide new health services, affordable and key worker housing and additional education facilities.	Not relevant The site is not located within the Herbert Street precinct.	N/A
Movement – Provide clear, continuous and direct pedestrian and cycle routes to priority destinations such as St Leonards Station and surrounding commercial core, the future Crows Nest Sydney Metro Station, Royal	Consistent The proposal will not obstruct or delineate from existing pedestrian and cycle routes to priority destinations. The development concept has been designed accordingly to improve the streetscape and thus, will enhance the pedestrian experience along both Pacific Highway and Christie Street,	✓

2036 Plan	Consistency of State Led Rezoning	Consistency
<i>North Shore Hospital and St Leonards TAFE.</i>		
Movement – Investigate footpath improvements:	Not relevant The site is not located along Clarke Lane, Sergeants Lane or Atchison Street.	N/A
Movement – Investigate cycle path improvements:	Not relevant The proposal does not include cycle path improvements.	N/A
Movement – Deliver a regional pedestrian and cycling link to connect the area and regional open space.	Not relevant	N/A
Movement – Improve pedestrian crossings:	Not relevant	N/A
Movement – Undertake road network improvements:	Not relevant	N/A
Movement – Provide a pedestrian and cyclist extension from the Herbert Street bridge to improve east west connectivity.	Not relevant	N/A
Movement – Limit the amount of car parking provided for new developments.	Consistent Given the sites location within 400m of two major railway stations, the development concept will provide a limited amount of on-site parking. Indicatively, 48 car spaces are proposed for the development, which is a significant reduction for the permissible parking rates under the Lane Cove DCP for a build-to-sell development. As such, the proposal will encourage and promote active transport, while also mitigating traffic generation impacts as outlined in Appendix D .	✓
Movement – Subject to further investigations, provide funding of a right hand turn only movement from the Pacific Highway to Oxley Street for south bound traffic to reduce traffic in St Leonards Core created by the current limitation on this movement.	Not relevant	N/A
Movement – Improve pedestrian and cyclist comfort with tree lined streets along Reserve Road, Westbourne, Herbert, and Frederick Streets.	Not relevant	N/A
Movement – Promote the provision of end of trip facilities to support cycling.	Consistent The development concept comprises of bicycle parking and end of trip facilities for both commercial and resident uses, which will promote and active transport and increase walkability within the precinct.	✓
Movement – Encourage the use and implementation of car share facilities.	Noted and capable of complying. The concurrent SSDA will address car share facilities.	N/A
Built Form Recommendations		
Zoning – B4 Mixed Use	Consistent The proposal includes the rezoning of the site from E2 Commercial Centre to MU1 Mixed Use (formerly B4 zone), which is entirely consistent with the recommended zoning for the site.	✓
Building Height – 35 storeys (note: land use not defined)	Variation	✓

2036 Plan	Consistency of State Led Rezoning	Consistency
	<p>The development concept proposes a 43 storey mixed use building, which is a variation to the recommended 35 storeys.</p> <p>Despite the variation in the recommended height, the proposal will not result in any additional impacts in relation to overshadowing to Newlands Park, views, and privacy to and from surrounding residential dwellings as per the key drivers of establishing heights in the Plan.</p> <p>Further justification on the height variation is provided in Section 8.4.2</p>	Justified under Section 8.4.2
Floor Space Ratio – 14:1	<p>Not relevant</p> <p>The proposal will retain the existing maximum Lane Cove LEP floor space ratio for the site, which is 17.1:1.</p>	N/A
Minimum Non-Residential FSR – 4:1	<p>Variation</p> <p>The existing Telstra Exchange building accounts for a large portion of the site, specifically equating to 1.4:1 of the total FSR. Due to this and the number of significant constraints on the site, the proposal seeks to establish a non-residential FSR of 2.3:1, which will be located across the eight-level podium. The 2.3:1 non-residential FSR does not include the 1.4:1 FSR for the Telstra Exchange.</p> <p>Despite the variation, it is emphasised that the build-to-rent housing is an employment generating land use. Under the current E2 Commercial Centre zoning of the site, the entire building envelope can be allocated to the build-to-rent land use as per Section 74(2)(b) of the Housing SEPP. As such, consideration should be given to the positive employment and economic benefits of the build-to-rent housing, which will outweigh the minuscule variation to the non-residential FSR.</p> <p>The proposal as a whole will provide approximately 40 new direct operational jobs, which will contribute to achieving the precinct target and meet the employment demand within the area. Most importantly, it will increase the number of existing jobs on the site.</p> <p>Furthermore, it should also be emphasised that the provision of key worker housing within the podium has been provided at the request of Council, which has resulted the decrease in non-residential FSR. Detailed discussion on the variation to minimum non-residential FSR is provided in Section 0.</p>	<p>✓</p> <p>Justified under Section 0</p>
Street Wall Height – 6 storeys	<p>Variation</p> <p>The development concept proposes a street wall height of 8 storeys, which directly responds to the adjacent buildings to the east and west. The development concept will ensure an appropriate relationship and transition to the buildings along the streetscape, while still responding to the human scale at street level.</p> <p>It is noted that the SDRP is supportive of the proposed podium strategy and an eight-storey podium is considered more suitable in the context of the surrounding development.</p>	<p>✓</p> <p>Justified under Section 8.4.5</p>
Setbacks – 0m setback to Pacific Highway and Christie Street	<p>Consistent</p> <p>The development concept proposes a 0m setback to both Pacific Highway and Christie Street.</p>	<p>✓</p>

Despite the variations from the recommended built form standards, the 2036 Plan specifically states on page 76 of the document that:

'planning proposals may be inconsistent with the Plan if it can be demonstrated to the Secretary to the Department of Planning, Industry and Environment that the inconsistency is of a minor significance while still achieving the vision, objectives and actions identified within the Plan'

On the basis of the above, it is evident that the proposal is consistent with the intent of the 2036 Plan as it will achieve the vision, objectives and actions as highlighted in **Table 12**. Specifically, it is noted that the proposal is consistent with

all of the objectives and actions, with the exception of a few that are not relevant to the subject site and development. This is clearly iterated in the 'consistency' column of the table above.

Additionally, page 63 of the 2036 Plan clearly states that the recommended changes are indicative only and therefore, it is argued that they are subject to change as long as they continue to achieve the key urban design principles, particularly, relating to the overshadowing to Newlands Park.

Further discussion on the consistency of the proposal with the vision, objective and actions of the 2036 Plan is provided in **Section 8.2.2** of this report.

8.2 Statutory Planning Assessment

8.2.1 State Environmental Planning Policies

The State Led Rezoning is consistent with the relevant State Environmental Planning Policies (SEPP's).

An assessment of this State Led Rezoning against the relevant SEPPs is set out in **Table 13** below.

Table 13 Consistency with State Environmental Planning Policies

SEPP	Consistency			Comment
	Yes	No	N/A	
Planning Systems SEPP			✓	A State Significant Development Application is being prepared and lodged concurrently with this State Led Rezoning.
Housing SEPP	✓			<p>The proposed development is for the purposes of build-to-rent housing, which is permissible with consent under Clause 72(2)(a) of the Housing SEPP.</p> <p>The development concept has been designed to achieve all the non-discretionary development standards under Clause 74 of the Housing SEPP.</p> <p>As noted above, under the current E2 zoning of the site, the entire non-residential FSR can be allocated to the build to rent land use as per s74(2)(b) of the SEPP (Housing) 2021. Consideration should be given, therefore, to the development potential of the site for build to rent under the E2 Commercial Centre zoning and existing 17.1:1 FSR.</p>
Resilience and Hazard SEPP	✓			<p>A Preliminary Site Investigation has been undertaken by Douglas Partners (Appendix F) to determine the potential contamination on site.</p> <p>Based on the findings of the assessment, the report concludes that remediation is not required at this stage. Notwithstanding, contamination is further discussed and addressed in the SSD Application being concurrently lodged with this State Led Rezoning.</p> <p>As such, the development is consistent with the Resilience and Hazard SEPP.</p>
Transport and Infrastructure SEPP	✓			<p>Consultation with RMS and Transport for NSW have been undertaken throughout the progression of this State Led Rezoning.</p> <p>The RMS expressed no objection to the reduced car parking numbers or vehicular access from Christie Street.</p> <p>Consultation will continue to occur during public exhibition.</p>
Industry and Employment SEPP			✓	This State Led Rezoning is not located within the Western Sydney Employment Area and does not propose signage or advertisement and therefore, the Industry and Employment SEPP is not applicable.
Sustainable Building SEPP	✓			The Sustainable Building SEPP sets sustainability standards as well as initiate the process of measuring and reporting on the embodied emissions of construction materials.

SEPP	Consistency			Comment
	Yes	No	N/A	
				The concurrent SSDA will address sustainability targets in accordance with the SEPP and will be accompanied by an ESD Report.
SEPP No. 65 Design Quality of Residential Apartment Development	✓			The development on the site facilitated by the rezoning is capable of achieving compliance with the relevant design principles contained within SEPP 65 of the ADG. A detailed assessment has been undertaken as part of the SSD Application. Further detail on the consistency with SEPP 65 and ADG are outlined in Section 9.5 below.
SEPP (BASIX) 2004	✓			Detailed compliance with SEPP (BASIX) is demonstrated throughout the concurrent SSD Application.

8.2.2 Section 9.1 Ministerial Directions

An assessment of the State Led Rezoning against applicable Section 9.1 Ministerial Directions is set out in **Table 14** below.

Table 14 Consistency with Section 9.1 Ministerial Directions

Direction	Consistency			Comment
	Yes	No	N/A	
1. Planning Systems				
1.1 Implementation of Regional Plans	✓			The State Led Rezoning is consistent with the Greater Sydney Region Plan, as the proposal provides for additional dwellings and employment generating floor space in proximity to public transport and a strategic centre.
1.2 Development of Aboriginal Land Council Lane	✓			The site is not subject to a Development Delivery Plan under Chapter 3 of the Planning Systems SEPP. Notwithstanding, the development concept has been designed accordingly with consideration to Connection with Country.
1.3 Approval and Referral Requirements	✓			This State Led Rezoning is consistent with this Direction in that it does not introduce any provisions that require any additional concurrence, consultation, or referral.
1.4 Site Specific Provisions	✓			This State Led Rezoning seeks to rezone the site to an existing zone already in the Lane Cove LEP (MU1 Mixed Use), without imposing any additional requirements for that zone. The proposal seeks to impose a site-specific provision requiring a portion of non-residential GFA. However, this control is common in LEP's and is consistent with existing provisions in the Lane Cove LEP.
1. Planning Systems – Place Based				
1.5 Parramatta Road Corridor Urban Transformation Strategy			✓	Not applicable.
1.6 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation plan			✓	Not applicable.
1.7 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan			✓	Not applicable.
1.8 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan			✓	Not applicable.
1.9 Implementation of Glenfield to Macarthur Urban Renewal Corridor			✓	Not applicable.

Direction	Consistency			Comment
1.10 Implementation of the Western Sydney Aerotropolis Plan			✓	Not applicable.
1.11 Implementation of Bayside West Precincts 2036 Plan			✓	Not applicable.
1.12 Implementation of Planning Principles for the Cooks Cove Precinct			✓	Not applicable.
1.13 Implementation of St Leonards and Crows Nest 2036 Plan	✓			<p>The State Led Rezoning is generally consistent with the Plan. The assessment provided in Table 12 above demonstrates that overall State-led Rezoning will achieve the Plan's vision, objectives, and actions.</p> <p>The proposed height variation has no environmental impacts and is offset by the offer of public benefits above and beyond the monetary contributions required by the State Government Housing and Productivity Contribution and Council s7.11, in addition to the housing diversity provided through the delivery of build-to-rent housing and key worker housing.</p> <p>The proposed variation to the minimum non-residential floor space is minor and is a response to the physical constraints of the existing and permanent telecommunications infrastructure on-site. The State Led Rezoning will facilitate more jobs on site than are currently accommodated within the existing buildings. As it stands, the site could deliver 100% build-to-rent housing under the current E2 zoning.</p> <p>Further discussion is provided below.</p>
1.14 Implementation of Greater Macarthur 2040			✓	Not applicable.
1.15 Implementation of the Pyrmont Peninsula Place Strategy			✓	Not applicable.
1.16 North West Rail Link Corridor Strategy			✓	Not applicable.
1.17 Implementation of the Bays West Place Strategy			✓	Not applicable.
3. Biodiversity and Conservation				
3.1 Conservation Zones			✓	Not applicable.
3.2 Heritage Conservation			✓	Not applicable.
3.3 Sydney Drinking Water Catchments			✓	Not applicable.
3.5 Recreation Vehicle Areas			✓	Not applicable.
4. Resilience and Hazards				
4.1 Flooding			✓	Not applicable.
4.2 Coastal Management			✓	Not applicable.
4.3 Planning for Bushfire Protection			✓	Not applicable.
4.4 Remediation of Contaminated Land	✓			A Preliminary Site Investigation has been prepared which concludes that contamination on the site is low and remediation is not required. Refer to Appendix F for further detail.
4.5 Acid Sulfate Soils	✓			Lane Cove LEP contains acid sulfate soils provisions, and this proposal does not seek to amend them. Acid sulfate soils investigations and analysis have been undertaken as part of the SSD Application and

Direction	Consistency			Comment
				development is in accordance with the requirements of the Lane Cove LEP.
4.6 Mine Subsidence and Unstable Land			✓	The site is not identified as being exposed mine subsidence or as unstable land.
5. Transport and Infrastructure				
5.1 Integrating Land Use and Transport	✓			The State Led Rezoning will facilitate a mixed-use development that increases the site's utilisation of the significant public transport investment of the Crows Nest Metro Station (approximately 350m from the site) and the existing St Leonards Station (approximately 100m from the site). The LEP amendment will unlock the development potential of the site, will concentrate critical mass to support public transport, and improve access to housing and jobs and services by walking, cycling and public transport. Considering this, the proposal will facilitate better use of public transport, being one of only a few key sites outside of the CBD that is located within 400m of a metro station and an existing rail station.
5.2 Reserving Land for Public Purposes			✓	Not applicable.
5.3 Development Near Regulated Airports and Defence Airfields	✓			As is discussed further in Section 9.11 , the State Led Rezoning is supportable on aviation grounds, given that the building will not penetrate the Procedures for Air Navigation Services – Aircraft Operations (PANS-OPS) or the Radar Terrain Clearance Chart (RTCC) and therefore, will not penetrate any defined flight operational surfaces and will not adversely affect the safety, efficiency, or regularity of operations at Sydney Airport. Further discussion is also provided in the Aeronautical Impact Assessment prepared by AVLAW (Appendix N).
5.4 Shooting Ranges			✓	Not applicable.
6. Housing				
6.1 Residential Zones	✓			The proposed amendment to the Lane Cove LEP would see the delivery of new dwellings located close to significant public transport, employment opportunities and day to day services. The proposal will therefore make more efficient use of this infrastructure and will reduce the consumption of land for housing and associated urban development on the urban fringe.
6.1 Caravan Parks and Manufactured Home Estates			✓	Not applicable.
7. Industry and Employment				
7.1 Business and Industrial Zones	✓			While the proposal seeks a rezoning to facilitate a mixed-use development, it is nevertheless consistent with this direction in that it retains a zoning that permits all types of commercial premises with consent. Refer to further discussion below.
7.2 Reduction in non-hosted short-term rental accommodation period			✓	Not applicable.
7.3 Commercial and Retail Development along the Pacific Highway, North Coast			✓	Not applicable.
8. Resources and Energy				
8.1 Mining, Petroleum Protection and Extractive Industries			✓	Not applicable.
9. Primary Production				
9.1 Rural Zones			✓	Not applicable.

Direction	Consistency			Comment
9.2 Rural Lands			✓	Not applicable.
9.3 Oyster Agriculture			✓	Not applicable.
9.4 Farmland of State and Regional Significance on the NSW Far North Coast			✓	Not applicable.

Consistency with Ministerial Direction 7.1 – Business and Industrial Zones

Direction 7.1 applies when a planning proposal will affect land within an existing or proposed business or industrial zone. The site is currently zoned E2 Commercial Centre and is proposed to be rezoned to MU1 Mixed Use.

Although the proposed change to a MU1 Mixed Use zone will facilitate residential development as a permitted use, the new zone will retain all employment uses permitted on the site. In this regard, the State Led Rezoning remains consistent with Direction 7.1 (1)(d) which requires that a planning proposal must *'not reduce the total potential floor space area for employment uses and related public services in business zones'*.

Additionally, it is worth noting that the Housing SEPP permits build-to-rent housing within the E2 Commercial Centre. Therefore, regardless of whether the site is rezoned to MU1 Mixed Use, the proposed development for build-to-rent housing would still be permissible as it is an employment generating land use. On this basis, it is evidently clear that the proposed development will protect employment land in business zones and support the viability of the St Leonards Centre. Furthermore, the proposal is consistent with the objectives of Direction 7.1, as outlined below:

a) encourage employment growth in suitable locations.

The proposal will facilitate an increase in the amount of non-residential floor space on the site through the provision of retail and short-term accommodation, which will encourage employment growth in the St Leonards Centre. Specifically, the proposal will generate a total of 40 direct operational jobs, which is a significant increase to the existing jobs on the site. In addition, the delivery of the development will see a total of 250 direct construction jobs, which is a significant public benefit for the precinct.

Furthermore, the Centre is a specialised health services and education precinct, as prescribed by strategic planning objectives. As such, the proposed short-term accommodation will act as an ancillary use to the surrounding health, education and commercial uses as it will enable overnight stays for workers and visitors of the precinct, which research shows there is an increasing demand for. Additionally, and as detailed in **Appendix P**, the serviced apartment will support and cater to visiting medical professionals, locums, students, and other key workers who may be required to work within a specific medical facility on a short term or temporary basis and therefore, indirectly contributing to employment generation within the precinct.

On this basis, the proposal will directly facilitate the achievement of this objective as it will provide a significant quantum of high-quality non-residential floor space on a site that is otherwise unable to generate any meaningful employment density.

b) protect employment land in business and industrial zones, and

While the proposal seeks to amend the site's zoning MU1 Mixed Use, the range of permitted employment and business uses remain the same as they would be under the E2 Commercial Centre zone, including build-to-rent housing. As such, the proposal will not erode employment land on the site. The unique site-specific constraints require an amendment to the LEP controls to facilitate the delivery of any increase in commercial floor space.

c) support the viability of identified strategic centres

The proposal will support the viability of the St Leonards Strategic Centre by facilitating the delivery of increased non-residential floor space that is in line with demand in the area. The St Leonards Centre is a specialised health services and education precinct that will be strongly supported by this Proposal. The introduction of residential uses on the site will also greatly support the viability of the future mixed-use development. These uses will benefit from the significant investment in transport infrastructure, community spaces and retail offerings in the Centre, all of which will encourage and foster new growth in a highly functional and well-integrated mixed-use precinct.

Consistency with Direction 1.13 - Implementation of St Leonards and Crow's Nest 2036 Plan

It has been demonstrated in **Table 12** and **Table 14** that the State Led Rezoning will facilitate a development that is generally consistent with the 2036 Plan. Notwithstanding and for completeness, the following discussion addresses the requirements to satisfy the Planning Secretary in the circumstance that the State Led Rezoning is considered to be inconsistent with the 2036 Plan.

Direction 1.13 requires the following:

'A planning proposal authority must ensure that a planning proposal is consistent with the St Leonards and Crows Nest 2036 Plan, approved by the Minister for Planning and published on the Department of Planning and environment website on 29 August 2020.'

It is reiterated that **Table 12** and **Table 14** demonstrate the State Led Rezoning will be consistent with the overwhelming majority of the relevant considerations in the 2036 Plan. The Direction also states:

*'A planning proposal **may be inconsistent** with the terms of this direction only if the planning proposal authority can satisfy the Planning Secretary (or their nominee), that:*

- (a) The provisions of the planning proposal that are inconsistent are of minor significance, and*
- (b) The planning proposal achieves the overall intent of the plan and does not undermine the **achievement of the Plan's vision, objectives and actions**.*

The two considerations are addressed in turn below.

The provisions of the rezoning that are inconsistent:

Table 15 provides a comparison of the recommended changes with the proposed development controls.

Table 15 2036 Plan vs Proposed

Component	Existing	2036 Plan	Proposed Development
Zoning	E2 Commercial Centre	MU1Mixed Use	MU1Mixed Use
Building height	72 metres	35 storeys	43 storeys
FSR	17.1:1	14:1	17.1:1
Non-residential FSR	N/A	4:1	2.3:1
Street wall height	N/A	6 storeys	8 storeys

As identified above, the proposal will result in variations to the building height, non-residential floor space ratio and street wall height. However, these variations are justified and it is argued that the proposal will result in an outcome in terms of built form and envelope that is equal to, or better than, a fully compliant envelope. **Section 8.4** of this report provides a detailed justification against each of the development standards.

Additionally, page 63 of the 2036 Plan, relating to 'A Planned Approach to the Future of St Leonards and Crows Nest', specifically states the following:

'This Section outlines the proposed changes to existing planning controls to support the objectives and actions within this plan.

*The **identified changes are indicative** and demonstrate the planning and other interventions which would give effect to the changes described in earlier sections of this Plan. These **potential built form** parameters have been **developed to achieve the key urban design principles** envisaged by the Plan.*

Final planning controls will be developed as part of any future rezoning process.'

On the basis of the above, it is clear that the recommended planning controls under the 2036 Plan are indicative only and are subject to change so long as the proposal is developed to achieve the key urban design principles. A detailed assessment on the consistency with the relevant principles is provided in **Section 8.1.5**.

Furthermore, it should be emphasised that the Section 9.1 Ministerial Directions do not give legislative weight to the 'recommended changes' to built form controls and allows inconsistencies with the 2036 Plan. For this reason, the proposed development, which is generally consistent with the vision, objectives and actions of the 2036 Plan is considered an appropriate and positive outcome for the site, with significant public benefit given the proposed build-to-rent housing and now agreed Public Benefit Offer to Council.

The planning proposal achieves the overall intent of the plan and does not undermine the achievement of the Plan's vision, objectives and actions.

Vision:

The overall vision for the St Leonards and Crows Nest precinct is provided in **Figure 24** below, which includes an excerpt from page 5 of the 2036 Plan.



Figure 24 Vision of the St Leonards and Crows Nest 2036 Plan

Source: Department of Planning and Environment

Specifically, it is clear that the State Led Rezoning achieves, and is consistent with, the overall vision of the 2036 Plan in that it will:

- Facilitate a mixed-use development, comprising build-to-rent housing, key worker housing, serviced apartment and retail land uses, which will offer workers, residents, and visitors a variety of homes, jobs and activities with increased accessibility by leveraging off the new Crows Nest Metro Station.
- Provide employment generating land uses through the delivery of build-to-rent housing, and non-residential floor space within the podium, which will create a total of 40 new direct operational jobs within St Leonards, which is an increase from the existing development and will, contribute to the vision of 16,500 additional jobs over the next 20 years.
- Improve pedestrian accessibility and movement by providing housing close to the St Leonards Rail Station and the future Crow's Nest Metro Station.
- Contribute to the revitalisation of the St Leonards Core by providing a balance of residential and non-residential development that will meet the housing supply demand within the precinct based, as well as activate the streetscape and provide safe and secure spaces within the public domain.
- Increase vibrancy and lift around, and within St Leonards by replacing ageing, poor quality commercial buildings with a contemporary mixed-use development that will address the significant gap in the streetscape along Pacific Highway.

- Facilitate a built form outcome that will respect the existing character of the local area. DKO Architecture have prepared a reference design that is conscious of, and responds to, the surrounding development.
- Enhancing the public domain and activating the streetscape through the provision of street planter boxes, retail spaces and open lobby access.
- Facilitate the provision of approximately 282 new dwellings, 272 of which are build-to-rent apartments that have been designed accordingly to cater for a range of the community groups including, singles, couples and families at all stages of the lifecycle.

Overall, the inconsistencies are considered to be minor and do not undermine the achievement of the vision, objectives and actions of the 2036 Plan and thus, the proposal to amend the Lane Cove LEP should be progressed in order to facilitate the appropriate redevelopment of the Telstra Exchange site.

Objectives:

The 2036 Plan is driven by key precinct objectives, which have been informed by the planning priorities and directions in the North District Plan around infrastructure and collaboration, liveability, productivity, and sustainability. The below summarises the detailed assessment of the project's consistency with the relevant objectives of the 2036 plan provided in **Table 12** of this report:

- **Infrastructure and Collaboration:**

- The proposed development will deliver a key piece of State and regional development through the ongoing collaboration and coordination with between NSW Government and Lane Cove Council.
- The proposed development will assist in enhancing the quality of life by retaining a critical piece of telecommunication infrastructure for Greater Sydney, which is a positive outcome.
- The proposed development will leverage off the NSW Government funded infrastructure surrounding the site, which will ensure the site is adequately serviced and accessed.

- **Liveability:**

- The proposed development has been designed with key consideration of cumulative impacts and environmental impacts to surrounding development, particularly in relation to overshadowing, wind impacts, view loss, safety and surveillance, and heritage impacts.
- The proposed development comprises an appropriate built form and urban design that will deliver on the objective to provide and contain taller buildings between St Leonards Station and Crows Nest Metro Station.
- Through the provision of build to rent housing and key worker housing, the proposed development will contribute to providing a range of dwelling types in the area to cater to the demographic of population within the precinct.

- **Productivity:**

- The proposed development provides non-residential floor space within the eight-storey podium, which will comprise of two retail spaces and short-term accommodation that will support the surrounding health, education and commercial uses to the site.
- The redevelopment of the site, together with the strategic placement of the ground level retail spaces and lobby entrances will assist in activating the surrounding streetscapes on Pacific Highway and Christie Street.

- **Sustainability:**

- The proposed development has been carefully designed to ensure that the new building will not result in any additional overshadowing of public open spaces and important places in accordance with solar access controls.
- The proposed development comprises the planting of 5 new street trees along Pacific Highway and 1 new tree on Christie Street. Additionally, smaller planter boxes are proposed throughout the residential amenity facilities distributed throughout the building.

As emphasised above and in **Table 12**, the proposed development is consistent with the precinct objectives under the 2036 Plan, notwithstanding the minor variation to certain specific development standards.

Actions:

Building on the precinct objectives, the 2036 Plan also outlines a number of key priorities and actions. As identified above in **Table 12**, the proposed development is generally consistent with these actions, provided below:

• Place:

- The proposed development investigates opportunities for improved connections to the health and education precinct through the provision of greater housing supply and employment opportunities for key workers.
- Through the community consultation with the Metropolitan Local Aboriginal Land Council and other Registered Aboriginal Parties, the development has carefully considered and been designed accordingly to consider Aboriginal Cultural Heritage and connection to place and Country.

• Landscape:

- The redevelopment of the site will leverage off the significant investment within the precinct and the improve amenity and connectivity opportunities. Particularly, it will enhance and activate the streetscape, providing a more pleasant and enjoyable experience for pedestrians and cyclists through the provision of ground level retail and street planting.
- The proposal comprises a range of residential amenities, with approximately 965.11sqm of outdoor space proposed, which will be designed to a high-quality standard.

• Built Form:

- Given the site's location within approximately 400m from both the St Leonards Rail Station and the future Crows Nest metro Station, the State Led Rezoning will deliver a transit-oriented development. Additionally, the proposal seeks to substantially reduce the parking rate from the Lane Cove DCP and therefore, the development will not result in any significant traffic impacts.
- The proposed development has been appropriately designed in respect to the surrounding building context. It has given careful consideration to solar amenity, configuration, street interface and transitional development.
- The proposed development will not result in any additional overshadowing to Newlands Park, which is a key determining factor of the proposed building envelope.
- The proposed development will facilitate the construction of a new 43 storey mixed use building, which will sit appropriately within the 'height knuckle area' at the core of the St Leonards Centre and will ensure appropriate transition to the surrounding areas.
- Through extensive consultation and collaboration with the GANSW State Design Review Panel, the proposed development will demonstrate design excellence through the adoption of the objectives under the Evaluating Good Design policy.

• Land Use:

- The proposed development will facilitate the provision of a new build-to-rent development, which is the first one of its kind in the precinct and directly consistent with the actions under the 2036 Plan that specifically encourage the exploration of build-to-rent housing opportunities,
- The provision of build-to-rent housing will contribute to housing supply within the precinct and will be beneficial for a diverse community group, in that it will be purpose built for renters, with an abundance of residential facilities that will accommodate for all age groups and household types.
- The delivery of key worker housing within the podium will represent a significant public benefit for the project in that it will provide reduced rent to key workers within a strategic centre that is located within proximity of key pieces of state infrastructure.
- The proposed development will provide high density living along the Pacific Highway and in between the two stations, which is consistent with the action of the 2036 Plan.
- The proposed development will ensure an appropriate balance of non-residential and residential uses. Specifically, the proposal will facilitate 282 dwellings and will provide a total of 40 new direct operational jobs, which will assist in meeting the target for the precinct itself as well as the target specified in the North District Plan.
- The proposed development will provide serviced apartment within the podium, as well as build-to-rent housing within the tower, which are both employment generating land uses. As such, the development will maintain and protect the non-residential uses within the precinct and enhance viability of the St Leonards Core.
- The proposed development comprises two retail spaces at the ground level, which will result in a positive economic outcome, as well as contribute to activating the streetscape and pedestrian network within St Leonards.

- **Movement:**

- Through the activation of the streetscape , the proposed development will enhance the pedestrian network and experience along Pacific Highway and Christie Street
- The proposed development will significantly restrict the amount of car parking provided on site to a total of 48 car parking spaces. This is a substantial reduction in comparison to the permissible parking rates under the Lane Cove DCP for a regular build-to-sell development.
- As a result of the reduced parking numbers and streetscape activation, the development will promote and encourage active transport through the provision of end of trip facilities and cycling amenities for both commercial and residential uses.

The proposed development is clearly consistent with the vision, objectives and actions of the 2036 Plan and therefore, any variation to the recommended building controls is justified on multiple planning grounds.

8.3 State and Regional Planning Significance

St Leonards is undergoing significant transformation as the Governments investment in the new Crows Nest Metro Station provides a catalyst for urban renewal. Ultimately, this supports and encourages opportunities for transit-oriented development to deliver jobs, homes, new and upgraded public spaces and public infrastructure. As such, the proposed development leverages off the location of the site within proximity to both the St Leonards Rail Station and the future Crow’s Nest Metro Station.

Although the subject site is not explicitly identified as being a ‘State Significant Site’, the St Leonards Precinct as highlighted in **Section 8.1.5** above, is identified as a Strategic Centre under the Greater Sydney Region Plan, the North District Plan and the 2036 Plan. As such, the site is considered to be of high significance in both state and regional planning. The intervention of the State Government to deliver a strategic vision for the Centre indicates a level of significance reserved only for a number of key, strategic centres.

The significance of the proposal was further reinforced upon its acceptance under the Priority Assessment Program (PAP) in November 2021, which recognises the social and economic benefit of the project. **Table 16** below provides an outline of the project’s consistency with the criteria of acceptance under the PAP pathway.

Table 16 *Priority Assessment Program Participant Criteria*

Criteria	Response
<p>Strategic Alignment: Major projects that align with, or act as a catalyst for existing State Policies/Strategies and Land Use Strategies.</p>	<p>The project will make a significant contribution to the delivery of key government plans and strategies and is directly aligned with the vision, objectives and actions of the relevant land use strategy, being the 2036 Plan.</p> <p>As iterated throughout this report, the project is located within St Leonards, which is identified as a Strategic Centre under a state, regional, and district strategic plan. Therefore, the development is strongly aligned with the strategic planning framework and is considered to be of a high state and regional significance.</p>
<p>Economic Benefit: Major projects that are going to make fast capital investment and create or protect jobs is essential to responding to the economic effects of the pandemic.</p>	<p>The project, for the purposes of build-to-rent housing, serviced apartment and retail land use, is an employment generating land use that will contribute to meeting the housing and commercial supply within the precinct.</p> <p>Specifically, the project will create a total of 40 new direct operational jobs and 250 construction jobs, which is a substantial increase to what currently exists on the site.</p> <p>The economic benefits of the project are outlined in detail within the Economic Impact Assessment prepared by Ethos Urban and provided at Appendix P.</p>
<p>Public Benefit: Major projects that provide significant public benefit such as homes, improving open or public space and/or identify specific social and environmental benefits.</p>	<p>In addition to the Housing and Productivity Contribution and the Section 7.11 development contributions, the project is accompanied by a public benefit offer, which is intended to be finalised through an executed Voluntary Planning Agreement with Lane Cove Council. Throughout the extensive consultation with Lane Cove Council on the VPA, an in principle agreement has been granted on the following public benefit offer:</p> <ul style="list-style-type: none"> • Monetary contribution of \$3.6 million to be paid to Council and used at their discretion. • 10 key worker housing units to be owned and operated by Home for 15 years. <p>One of the key public benefits to meet the criteria under the PAP is the contribution of homes. As emphasised throughout this report, the provision of build-to-rent housing and</p>

Criteria	Response
	<p>key worker housing is considered a major public benefit as it will contribute 282 new dwellings to an area in high demand for housing, particularly rental accommodation. This is emphasised and further articulated in Section 2.4 of this report, which highlights the demand for housing supply within the precinct.</p> <p>Further detail on the proposed public benefit offer is provided in Section 5.3 of this report as well as the Letter of Offer provided at Appendix Q</p>
<p>Design Excellence & Existing Infrastructure: Major projects that leverage existing infrastructure or improve designs of neighbourhoods are more likely to have better community benefits.</p>	<p>This State Led Rezoning is submitted concurrently with a State Significant Development Application for a new 43-storey mixed use development, predominantly comprising build-to-rent housing, serviced apartment. and retail land uses.</p> <p>Ultimately, the proposed development will revitalise and enhance an underutilised and aged site within a prominent corner of St Leonards and appropriately redevelopment it with a new building that is of high-quality design and architecture. This will have increasingly large community benefits as it will significantly enhance the streetscape and complete the missing gap in development along Pacific Highway.</p> <p>Through extensive consultation with the GANSW State Design Review Panel, the project will demonstrate design excellence, which is further discussed in the concurrent SSD application.</p>
<p>High Likelihood of Delivery: Proponents are committed to delivering the planned benefits to the economy and community.</p>	<p>As part of the PAP submission, several matters relating to delivery was considered, including proponent experience, capacity, commitment, schedule, and risks.</p> <p>The proponent, Home, is one of the largest build-to-rent providers within Australia and is well placed to deliver the proposed development. This was recognised during the PAP, hence the acceptance of the application.</p>

Overall, the project was accepted under the PAP on the basis of the above criteria, and therefore, is considered to be of high state significance, hence, the concurrent State Led Rezoning and State Significant Development Application.

8.4 Justification of Proposed Development Standards

8.4.1 Land Use

The State Led Rezoning will comprise a mixed-use development, comprising build-to-rent housing, key worker housing, serviced apartment, and retail land use. As such, the proposed development is entirely consistent with the intent and aim of the 2036 Plan in relation to the proposed land use as it not only delivers a mixed used development, but it also provides BTR housing.

Residential

The proposed development comprises 22,193sqm of residential GFA, which includes 272 build-to-rent dwellings and 10 key worker housing apartments. As outlined above in **Section 8.1.5**, the 2036 Plan encourages Council's to explore the opportunity for BTR housing as it has the potential to deliver public benefits. The proposed development is the first development within the precinct to date to respond and address this priority action and therefore, should be considered a positive outcome for the site.

The subject site presents an ideal location for BTR housing and will support the growth and evolution of St Leonards as a key mixed-use precinct for living, work and recreation. When considering the strategic location of St Leonards, the subject site is considered appropriate to provide high density BTR residential development due to the following factors:

- Dwelling sale prices for all housing types in St Leonards and Crows Nest have significantly increased over the past decade and the area has continued to maintain higher sales differentials compared to the Greater Sydney median over this period
- There is a rental premium for all housing types in the Lane Cove LGA, by comparison to Greater Sydney median prices;
- Based on the ABS 2021 Census results, almost 60% of dwellings in St Leonards and Crows Nest are rented, and units are the primary housing type;
- The subject site has excellent proximity to public transport (bus, train and metro),

- The subject site is within walking distance to existing and future retail, open space, sports facilities and the RNSH and associated health facilities.
- There is a significant workforce surrounding the subject site, including key health workers;
- The proposed development is a short train journey to major centres (North Sydney and Sydney CBD);
- Development of the subject site for BTR accommodation aligns to existing high density residential development already completed and planned in the surrounding area; and
- The proposed development has strong policy support, being located within an area designated under the St Leonards and Crows Nest 2036 Plan for higher density development.

The delivery of BTR accommodation is well suited to the subject site due to its strong locational attributes. Importantly, BTR will provide a diverse accommodation option in the area. It will contribute to greater housing diversity and choice and will appeal to key workers, young professionals, and downsizers. BTR developments generate higher levels of employment compared to build-to-sell, and will contribute to employment growth.

This is reflected in the submission of Shelter NSW to the Lane Cove Local Strategic Planning Statement which recommended Council adopt one of its core priorities being *"Giving renters secure homes - so that they have security of tenure and can put down their roots in a community without fear of unfair evictions."* By doing this, it would provide greater security of tenures to the many households who rent in Lane Cove LGA.

Further, the provision of key worker housing will represent a significant public benefit to the project in that it will assist in alleviating the housing affordability crisis within Greater Sydney. Specifically, it will offer reduced market rent to workers of the surrounding health and education precinct that are eligible to be considered for affordable housing as defined under the Housing SEPP. The apartments are located on Level 8 of the building and all residents will have access to the residential amenities located within the podium of the development, which include the co-working space, pool, gym, wellness centre, etc.

As such, the proposal comprises a diverse range of housing supply and typology that can accommodate a wide variety of residents and community groups.

Serviced apartment Accommodation

Additionally, the development proposes to deliver serviced apartment within the podium of the development, including 84 rooms across 3,681sqm of GFA. It will be designed at a high-quality standard that is modern and contemporary compared to the current and existing accommodation stock within the precinct, which is found to be outdated. Therefore, the proposal will fill a gap in the market for better quality accommodation facilities in the local area.

As detailed within **Appendix P**, visitor accommodation is critical in growing a strategic centre and supporting a successful health and education precinct. The availability of short-term accommodation space is a key consideration for many customer segments, including businesses and visitors in the future. Furthermore, short term stay accommodation is an important ancillary use for the build-to-rent development itself as well as in supporting successful health precincts, including the adjacent RNSH by providing patients and visiting medical professionals who do not live nearby high-quality spaces to temporarily stay.

Overall, the proposed development is not expected to impact on the ongoing viability or continued operation of any existing visitor accommodation uses. Instead, the proposal will provide a new offer in the local area, while supporting the planned growth of St Leonards as a key health and education precinct and active mixed-use community in the future. Further detail on the benefits of short-term accommodation is provided in **Appendix L and P**.

Retail

The proposed development comprises two retail spaces, equating to a total of 159sqm GFA at the ground level. While the retail space proposed is a very minor component of the overall project, it is considered to be highly complementary to the nature of the development.

The provision of ground level retail space will improve amenity in St Leonards and activate the street level frontages along the Pacific Highway. Ultimately, this will revitalise the public domain through encouraging pedestrian movement and activity, which is of particular significance in this location given the site is located on a prominent corner. Further, the provision of these active frontages also provides additional retail facilities at a highly central and accessible location,

as well as further enhancing the connectivity between St Leonards Square and the JQZ development, and therefore, assists in promoting and encouraging active transport and walkability. Considering the highly constrained nature of the site, this is considered to be a suitable and beneficial response of the proposal.

The Christie Street frontage will be occupied predominantly by the residential lobby, given that this frontage is less visible and prominent in comparison to the Pacific Highway. Further, given that the site only has two (2) direct street frontages, lobby entrances are required to be provided and it is most appropriate for them to occupy the less prominent street frontage.

Overall, the proposed development for a mixed-use development is directly aligned with the strategic planning framework applying to the site and will positively contribute to the provision of diverse land uses within the precinct. Specifically, the proposed build-to-rent housing will deliver a key public benefit at a district and precinct level and will outweigh the variations to the building height and non-residential FSR controls as outlined below.

8.4.2 Height

The proposed development represents the culmination of a rigorous and comprehensive planning and design process, that demonstrates the ideal built form to be developed on the site. As such, the development proposes a 43-storey mixed use building, which equates to a building height of circa. 155 metres (RL 235.75) with no habitable floor space above 148m, as the plant is double stacked to the western part of the building so as not to overshadow Newlands Park.

While the 2036 Plan recommends a height of 35 storeys for the site, the proposed building height of 43 storeys is considered to be the most appropriate design outcome for the following reasons, which are also elaborated on further below:

- the Plan does not specify a building height in metres, a floor to ceiling height, nor does it specify a specific land use for the site. To this end, a 35-storey target building height is a somewhat ambiguous benchmark and implies that flexibility in terms of height in metres can be applied, dependent on the development typology proposed.
- Most importantly, the 2036 Plan stipulates that any development must not result in any additional overshadowing to Newlands Park, which is the key criteria in determining building height within the precinct. For absolute clarity, the proposed building height does not result in any additional overshadowing to this key public open space.
- A 35-storey development outcome is not inconsistent than surrounding development, including prominent buildings such as the Landmark (45 storeys), 88 by JQZ (48 storeys), and St Leonards Square (40 storeys). A 43-storey development outcome more closely integrates with the surrounding built form and therefore completes the skyline of the 'Knuckle Area' surrounding St Leonards station (refer **Figure 26** to **Figure 28** below).

Overshadowing

DKO Architects have undertaken rigorous and extensive testing to model the proposed building to ensure that development does not result in any net additional overshadowing to Newlands Park. This has ultimately shaped the design of the building, hence, the stepped setback to the southern boundary and the reduction in floor plate from Level 35 and above decreasing upper floor plates from Level 35 and above.

Despite the building proposing a variation to the 2036 Plan, it is emphasised that the proposed development is strongly aligned with vision and aim of the 2036 Plan in that it will preserve solar amenity for a key (and rare) piece of public open space within St Leonards. Further detail on the shadow impacts is provided in **Section 9.1**.

Neighbouring Development

Of key importance is the setting in which it occurs, surrounded to its east and west with significant mixed use developments as part of Lane Cove Council's 'Mixed Use Rezoning Pilot'. As detailed in the below **Figure 25**, the proposed building height will not be out of context.

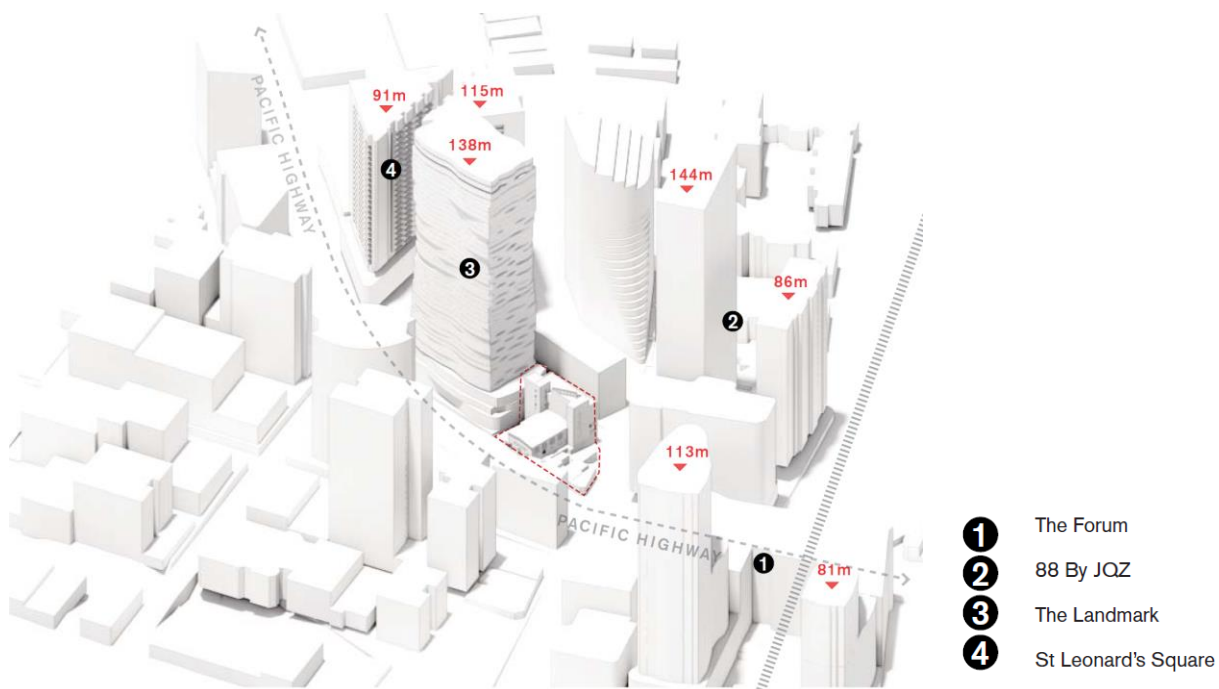


Figure 25 *Adjoining Development*

Source: DKO

Integration with surrounding built form

Additionally, it is emphasised that the 2036 Plan identifies a focus on height and taller buildings around the 'height knuckle area' between the St Leonards Rail Station and the future Crows Nest Metro Station. Given the site's central position within this area and its prominent corner position, it is strongly argued that the proposed building height is well suited for the site and will complete the envisioned skyline of St Leonards.

The 2036 Plan recommended heights of the surrounding sites – most of which have been approved and completed are outlined below:

- 621 Pacific Highway (immediately north): 50 storeys
- New Hope (immediately east): 45 storeys
- 88 Christie Street (immediately south-west): 48 storeys
- St Leonards Square (south-east): 40 storeys

As illustrated in **Figure 26** and **Figure 27** below, the proposed building height is commensurate with the surrounding built form and is supportable on the basis that the development does not pose any adverse environmental impacts to the surrounding development and key places, particularly in relation to overshadowing to Newlands Park.

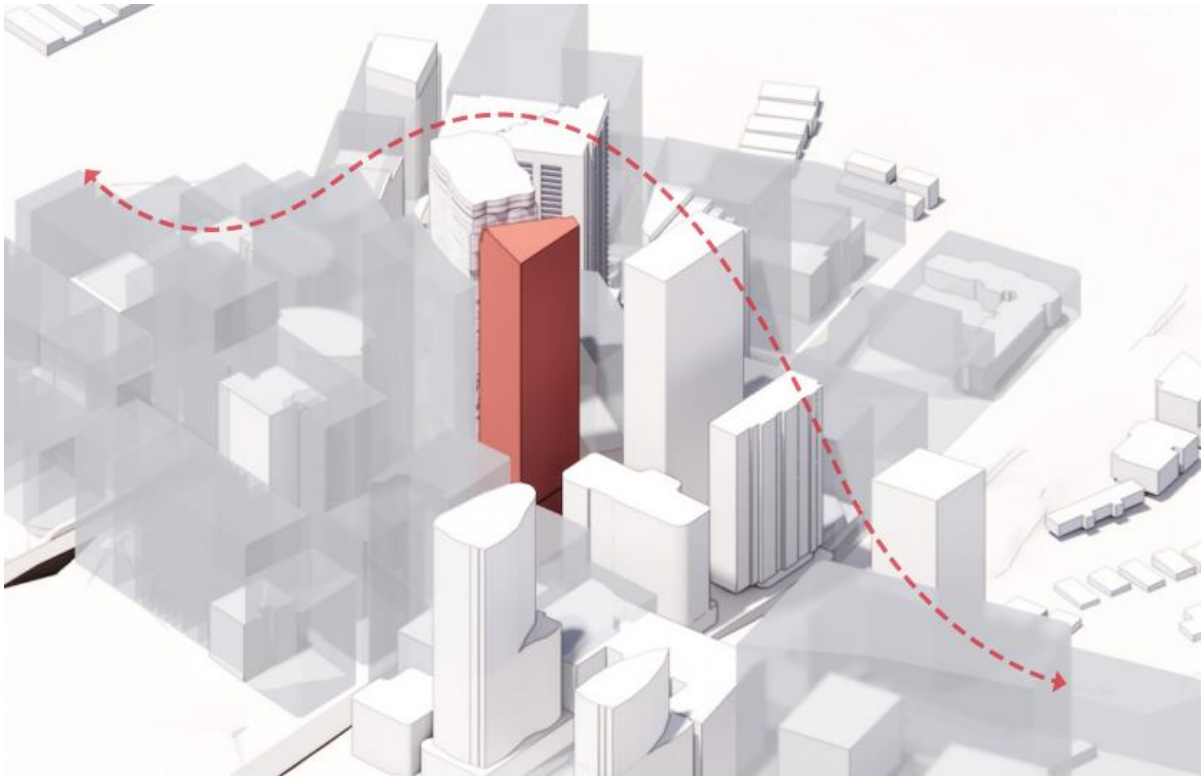


Figure 26 Proposed building height within the 'Knuckle Area'
 Source: DKO Architects

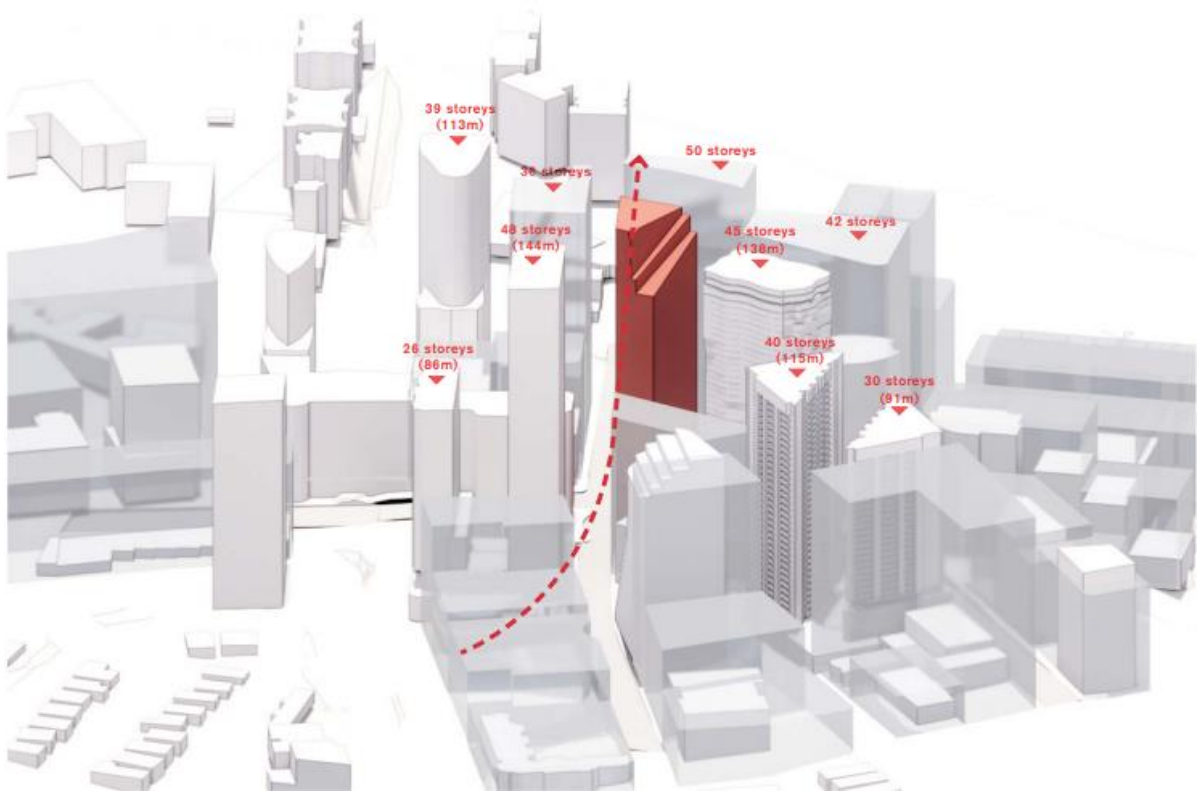


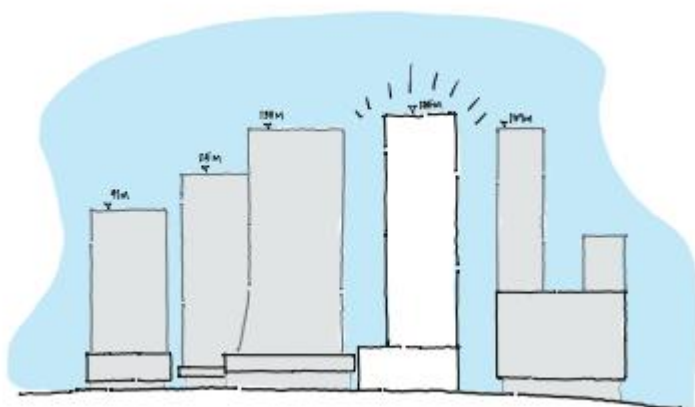
Figure 27 Skyline diagram of the 'Knuckle Area'
 Source: DKO Architects

A height comparison analysis of the existing controls, the 2036 Plan controls and the proposed development is provided in **Figure 28** below, which clearly illustrates a more slender, taller tower is more appropriate for the site and that the proposal in its scale, proportion and form will compliment the St Leonards 'CBD' building cluster.

Overall, the proposal fits neatly within the largely approved height profile of the St Leonards skyline and completes the height peak envisaged by the 2036 Plan. Given the site's location at a key corner within the precinct and its proximity to the rail and metro stations, the proposal in its scale, proportion and form will complete the urban composition and skyline for the development within the area.



Comparison between existing, 2036 Plan and proposed planning controls



Broader section of proposed building height in relation to surrounding development

Figure 28 Height Comparison Analysis

Source: DKO Architects

Precedent

The height increase over that of the 2036 Plan is supportable on this particular site, as opposed to others, and will not set an unacceptable precedent for future development in the precinct includes:

- The subject site was identified by the DPE as a 'Significant Site' in the initial Draft of the 2036 Plan. It was clearly identified as one that was unique and requiring a 'design led approach' to determine an appropriate height, bulk and scale. As a result of opposition by the community and local Councils, development controls were then apportioned to the site without any testing or engagement with the affected landowners.
- The site is small and considerably constrained. As indicated throughout the SDRP process and shown in the resulting envelope, to provide the 2.3:1 non-residential FSR resulted in a breach (30%) of the street wall control as requested by the SDRP.
- The site is located within a cluster of tall buildings and even at 43 levels, remains below the heights of buildings to its north, east and west.

- This is a unique site in terms of its location in a string of recent urban renewal.

Impact

The site meets the key guidance established by the s9.1 Ministerial Directions and does not create undue impacts, particularly in terms of view loss when compared to a compliant scheme, or shadow impacts.

In terms of view impacts, the Visual Impact Assessment (**Appendix I**) finds that:

- The additional height proposed by the SSDA is not perceptible within the frame of viewing from the north and does not contribute to the loss of distant built form and water views generated by the 2036 Plan and SSDA envelopes.
- From the north west, there is a moderate extent of impact however there is no loss of iconic views (Harbour Bridge and Opera House).

Shadow impacts are discussed at length in **Section 9.1** below, however the key determinant of the end form – being a chamfered top four floors, has been adopted to mitigate the shadow impacts to Newlands Park.

Public Benefit

An offer has been made to Lane Cove Council as detailed in **Section 5.3**. This has been based on the following key considerations:

- The St Leonards and Crows Nest 2036 Plan (2036 Plan) is the key strategic document relating to the development. It is not a statutory document other than its enforcement via the s9.1 Ministerial Directions.
 - These Directions will apply to Council in their consideration of any future LEPs. In effect, Council will in turn be required to enforce the 2036 Plan controls within its 5 yearly LEP update (s. 3.21 EP&A Act).
- This state-led rezoning seeks to amend the Lane Cove LEP 2009 Height of Buildings control and Land Use zone to reflect the 2036 Plan.
- Under the heading of 'Density' (Page 36, 2036 Plan) it states *"There may be opportunities for specific sites to accommodate additional density and height where the public benefits proposed to be delivered as part of a development proposal is of exceptional value, beyond what could be secured under a standard practice approach that should be considered within the precinct. In these instances, the proposal would still need to be consistent with the vision, objectives and actions, including solar access controls, in this Plan."*
- The 'standard practice approach' is the implementation of the 2036 Plan identified controls and the payment of the State Infrastructure Contribution of \$15,000 per dwelling, which has now been replaced by the Housing and Productivity Contribution. This is, in effect, the 'public benefit' of the 2036 Plan uplift as well as local s7.11 contributions.
- The 2036 Plan also recognises (at P47) the importance of build to rent development, noting *"Built-to-rent housing has the potential to deliver key public benefits for the community, including greater housing choice in a stable-rental environment which can result in more established residents actively participating in the community."* It also notes that "Councils are encouraged to explore build-to-rent opportunities within the precinct".
 - This is an objective of the 2036 Plan and as such, has weight as required by the s.9.1 Ministerial Directions. Indeed, it could be argued that it carries as much weight as the 35 storey 'control' – which is not referenced as neither of vision, objectives and actions.
 - The proposed controls are referenced under 'A Planned Approach to the Future of St Leonards' which then goes on to say: *"This section outlines the proposed changes to existing planning controls to support the objectives and actions within this Plan. The identified changes are indicative and demonstrate the planning and other interventions which would give effect to the changes described in earlier sections of this Plan. These potential built form parameters have been developed to achieve the key urban design principles envisaged by the Plan. Final planning controls will be developed as part of any future rezoning process."*
 - Notwithstanding that, and upon review of the relevant DA trackers, this development is one of the first build to rent developments in St Leonards where a VPA offer has been made.
- Therefore, the VPA offer is made on the proposed development above that identified in the 2036 Plan strategic plan – that is – the total floor space above the 35-storey control of the 2036 Plan and includes:
 - Monetary offer up to \$3.6M paid to Council and used at their discretion.
 - 10 dwellings dedicated to key worker housing.

- This is a similar approach to that agreed by Council in the Loftex, Charter Hall, Leightons as part of Council's Pilot Rezoning program.

This Rezoning Report considers that the offer made to Council is appropriate to offset the building height increase. This has been confirmed by HillPDA, an independent reviewer engaged by both Home and Lane Cove Council to determine and assess the reasonableness of the offer.

8.4.3 Floor Space Ratio

The proposed development comprises a total gross floor area of 28,047m². The below provides a breakdown of the GFA distribution per use within the building:

- Residential: 22,193m²
- Residential amenities; 2,014m²
- Serviced apartment: 3,681m²
- Retail: 159sqm

As per the above, the residential FSR is 14.48:1 and the non-residential FSR is 2.3:1. As such, the overall FSR proposed for the development is 16.78:1, which is compliant with the maximum FSR of 17.1:1 permissible under the Lane Cove LEP for the site. As such, this State Led Rezoning will not amend the current existing permissible FSR applied to the site.

8.4.4 Non-residential Floor Space Ratio

The 2036 Plan recommends a minimum non-residential floor space ratio of 4:1 for the site. The proposed development will provide a total of 3,840sqm non-residential GFA, which equates to a non-residential FSR of 2.3:1 (not including the Telstra Exchange). As such, the State Led Rezoning presents a variation to the recommended minimum non-residential FSR control under the 2036 Plan, however, it is justified on several grounds as described below.

Particularly, the significant constraints imposed by the Telstra Exchange building, preventing a basement, and requiring a cantilever over the existing structure, are an impediment to any redevelopment at the site for commercial uses. This is in addition to the Telstra Exchange itself taking up the equivalent of 1.4:1 FSR in terms of its own volume.

The site's practical constraints means that if a non-residential FSR of 4:1 was provided, it would not be able to achieve A-Grade office floor plates, resulting in a suboptimal tenancy offering. The most recent approval (JQZ) for a commercial floor plate within the St Leonards Centre is c. 1,000 – 1,200m², which is significantly larger than what the Telstra Exchange site could ever offer.

Further exacerbating the site's viability as a location for commercial development, demand for office space in St Leonards has significantly declined relative to other Sydney Office Markets over the years. Market analysis suggests that this is a result of stronger market interest in more desirable locations such as Macquarie Park and Chatswood. These locations offer more affordable rents, greater amenity and proximity to larger retail centres. Additionally, larger floor plate offerings are available, which are more desirable to large organisations, allowing them to accommodate more staff on a single level, providing for greater connectivity and efficiency.

Additionally, the demand for office and commercial floor spaces has further declined as a result of the COVID-19 pandemic and the increasing rate of flexible working arrangements, such as co-working spaces.

On the basis of the above, the requirement of 4:1 minimum non-residential FSR is considered to be unreasonable and unnecessary in that it was nominated prior to the market decline resulting from the pandemic. As such, the development concept is committed to providing 84 rooms of short-term accommodation across 3,681sqm gross floor area within the podium. While this presents a non-compliance, it is emphasised that it is a substantial increase from the non-residential FSR of 1.16:1 submitted and supported under the Priority Assessment Program (PAP) submission.

It is also considered to better align with the market demand for high quality and premium short-term accommodation within the St Leonards Centre. Specifically, statistics show that the number of visitor nights in the local area across both international and domestic travellers has increased significantly by a total of 114% over a 10 year period between 2009 to 2019 (excluding the COVID-19 pandemic years). As provided within the Economic Impact Assessment, serviced apartment accommodation is an important ancillary service for any health and education precinct as it can support patient recovery, while also catering to visiting medical professionals, locums and other key workers who may be required to work within a specific medical facility temporarily.

Additionally, the proposal will provide an approximate total of 40 direct operational jobs, which is a substantial increase to what is on the site currently and will also assist in achieving the target specified under the 2036 Plan. It will also allow for additional residential GFA, which is considered to be a higher and better use and much more of a priority for both the State and Federal government considering the major housing supply and affordability crisis across Greater Sydney.

Therefore, the proposed variation is minor as the proposal is consistent with the overall vision and intent of the Plan. It should also be emphasised that the redevelopment of the site will increase the amount of non-residential floor space currently available on the site based on the existing controls. If the site remains undeveloped, as it is today, increased employment generation is not possible.

8.4.5 Street Wall Height

The development concept has undergone extensive modelling and analysis and proposes a street wall height of 8 storeys, which exceeds the 2036 Plan provisions requiring a 6-storey street wall height.

Despite this minor variation, led in part by the State Design Review Process, the proposal will ensure a better design outcome as it directly responds to the adjacent buildings to the east and west and will provide an appropriate transitional height at street level.

Further, it will allow a greater amount of non-residential floor space within the podium, ensuring greater efficiencies in building and lift services. Overall, it is believed that it should be supported as the benefit outweighs any potential minor impact.

9.0 Environmental Assessment

9.1 Overshadowing

One of the key determination factors in the proposed building envelope has been the shadow impacts to the surrounding development and significant public places. The 2036 Plan particularly focuses on retaining solar access to public open space, valued streetscapes, and residential areas.

Newlands Park

The Plan requires that new development within the area does not produce substantial additional overshadowing during specific hours in mid-winter (21 June). Of particular relevance to the Telstra Exchange site is Newlands Parks, located approximately 600m south-west of the site.

Detailed overshadowing analysis shows that 10:05am on June 21 is the critical solar plane that will overshadow Newlands Park. Through rigorous testing and extensive modelling, the proposed development is found to have no additional overshadowing impacts to Newlands Park, even on the critical solar plane. This is due to the angled edge on the eastern boundary and the stepped setback to the south.

Surrounding Residential Areas

Additionally, DKO Architects have also undertaken an overshadowing analysis on the surrounding residential properties. As illustrated in **Figure 29** below, the overshadowing impacts are less than an hour and a half on the existing residential properties, particularly along Lithgow Street.

Whilst the shadow is greater than that of the 2036 Plan anticipated 35 level mixed use scheme, the built form has been sculpted to ensure there is no net additional overshadowing of the Newlands Park.

Given the location of the site within a highly urban context, and the prevalence of other tall towers surrounding the site, most areas to the south of the site are already overshadowed, including the northern portion of Newlands Park. Therefore, any additional overshadowing to the south as a result of the proposed development is inevitable and partly envisaged by the 2036 Plan.



Figure 29 Overshadowing analysis on surrounding residential properties

Source: DKO Architects

9.2 Interface with AMA House

69 Christie Street is an existing commercial building, comprising the AMA House and is currently built to a height of seven storeys. The current height limit is 36 metres for this building.

New Hope was approved with a nominal setback to 69 Christie Street (0-3m, varying due to the wavy architectural form of the building). To address the interface issues with 69 Christie Street, the applicant put forward the following points:

- 69 Christie Street is already setback 12m from the boundary to New Hope.
- The maximum height of 69 Christie Street is 36m, and the proposed development cannot be expected to speculate on what the future height limit may be.
- Non-residential uses were provided to a height of 36m, eliminating any possible interface issues should 69 Christie Street be redeveloped to the current height limit.
- The existing Telstra Exchange façade contains critical infrastructure, which cannot be modified.

In approving New Hope, the Sydney North Planning Panel noted the following (taken from the Statement of Reasons):

“The Panel also considered the objection of the owners of 69 Christie Street, the main of which was that the proposed building will reduce the residential potential of the site. The Panel notes that the current zoning of 69 Christie Street prohibits residential development and that the site is in the commercial core. The Panel cannot speculate what future planning controls might be and must be guided by the current controls. Moreover, in order to address the concerns of 69 Christie Street, the subject development would have to substantially increase its setback from the rear boundary, which would result in a significant reduction of its own development potential as permitted by the current controls”.

Taking into consideration the above, as well as the genuine impediment from the Telstra Exchange building, which cannot be modified, the proposed development mirrors the approach taken by New Hope by providing a zero setback to 69 Christie Street at the ground level, and providing residential uses above the current maximum height of 69 Christie Street (36 metres). 69 Christie Street is already limited by the approach taken by the approved New Hope

development. That is, 69 Christie Street cannot reasonably redevelop to a height above 36 metres without resulting in unacceptable impacts to New Hope.

As such, a zero setback to the south at the ground level would not further reduce the future redevelopment potential of 69 Christie Street, which is a continuance of the existing, approved, position of the determining authorities. Further, it is again reiterated that setting back from 69 Christie Street is not possible due to the Telstra Exchange building. It would also significantly limit the development potential of the Telstra Exchange site, and combined with the other constraints on the tower floor plate, would prevent a viable floor plate from being achieved – thus completely sterilising the development potential of a site already significantly constrained by other factors.

Overall, the proposed zero-metre setback to 69 Christie Street with podium non-residential uses is considered appropriate. It is noted, however, that the tower will be setback from the podium to ensure an adequate building separation for the residential apartments from Level 9 and above. Where non-compliances are proposed, adequate screening measures will be adopted to ensure visual privacy is maintained.

9.3 Integration with the Telstra Exchange Building

The Telstra Exchange building is a critical piece of telecommunications infrastructure that must remain fully operational. As such, the Telstra Exchange infrastructure and equipment will be retained and untouched as part of the project.

In response, the structural solution for the proposed development involves the incorporation of full level trusses that will transfer the load from the proposed tower to edge columns on either side of the Telstra Exchange. This will minimise disruption to the Telstra Exchange and allow it to remain in operation throughout the construction and operation of the new development.

It is noted that minor demolition works to the building fabric and internal partitions of the existing Telstra Exchange building are proposed to facilitate the new car stacker and car parking and allow for the appropriate integration within the new building. These works will not impact the ongoing operation of the exchange.

Figure 30 below illustrates the proposed structural solution implemented into the design of the proposed development.

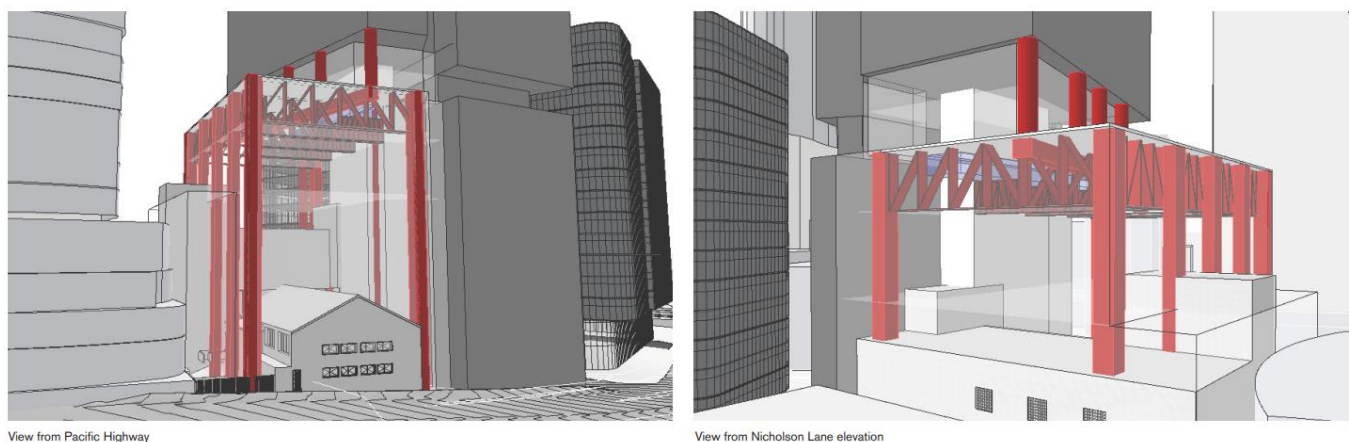


Figure 30 Integration with the Telstra Exchange Building

Source: DKO Architects

9.4 Visual and View Impact

A Visual Impact Assessment (VIA) has been prepared by Ethos Urban (**Appendix I**), to identify, describe and assess the significant and appropriateness of the potential visual impacts of the proposed building envelope. The intent of the VIA is to confirm that the proposed development is appropriate in terms of the site context. Visual impacts, while significant (as inevitable of a development of such bulk and scale), are considered to be reasonable given the project's strategic merit, and the high standard of architectural design exhibited by the proposed building and the built form parameters the proposal has been designed to.

To gain an understanding of the existing visual experience and potential impacts, 3 viewpoints in the private domain were selected to represent the pattern of viewing available from residential properties. The methodology used by this VIA is derived from the international standard 'Guidelines for Landscape and Visual Impact Assessment' version 3 (GLVIA3), the NSW Land and Environment Court (LEC) planning principle for 'Views – general principles' established by Tenacity Consulting v Warringah Council [2004] NSWLEC 140.

Private views

The VIA has considered the established principles for view sharing and confirms that the impact to views experienced by residents at 2 Atchison Road, 10 Atchison Road and 1 Sergeants Lane is reasonable on the following grounds:

- The properties are in the core of St Leonards, a strategic centre that has been endorsed for significant built form and density uplift in the DPE's St Leonards and Crow's Nest 2036 Plan.
- Strategic and Statutory Plans, including the 2036 Plan noted above, are clear in their intent to promote St Leonards as a Strategic Centre for job growth and housing diversity. This is reinforced by significant public investment in the locality, most notably the Crows Nest Metro Station, approximately 300m southeast of the site.
- Consistent with this, significant recent development has occurred following consent authority approval that fundamentally changes the visual context of the assessed apartment buildings. This includes both "The Landmark" and "88 by JQZ" towers, positioned on either side of the site, which are comparable in scale and density to the proposed development.
- The 2036 Plan proposes that future buildings between 42 storeys and 50 storeys are located between the affected properties and the subject site. Future height compliance buildings on land between the affected properties and the subject site will either block or significantly reduce views towards and across the subject site.
- The volume of the 2036 Plan envelope, being an articulation of the 2036 Plan, results in greater occlusion of viewing from the Atchison Road apartments than the proposed SSDA envelope, which is consistent with the built form controls facilitated by the State Led Rezoning. Further, the additional height proposed by the SSDA is not perceptible within the frame of viewing from the Atchison Road apartments and does not contribute to the loss of distant built form and water views generated by the 2036 Plan and SSDA envelopes.
- The Sergeants Lane apartments are qualitatively assessed as having a moderate extent of impact. The reduced impact results in their wider viewing extent to either side of the subject site (increased distance from the site) and there is no loss of views to icons (Harbour Bridge and Opera House).

Consideration of 617-621 Pacific Highway

The Visual Impact Assessment notes that without 617-621 Pacific Highway being subject to an active and approved development application, an assessment against the NSW Land and Environment Court planning principle: Tenacity Consulting v Warringah [2004] NSWLEC 140 (Tenacity) planning principles cannot be undertaken.

Although the key building envelope parameters are prescribed in the relevant Local Environmental Plan and Development Control Plan, these envelopes do not contain sufficient information for provision of assessment of impact. It is noted that this detail can only be derived from a development application, which proposes the nature and arrangement of dwellings on the site.

Specifically, 617-621 Pacific Highway cannot be assessed properly against Steps 2 and 3 of the Tenacity planning principles, which are outlined below.

- (27) determination of the affected parts of the property from which views are obtained. This step also requests consideration of standing and sitting positions. Understanding of affected parts of the property must follow a proposed layout and positioning of windows, balconies, terraces, etc.
- (28) assessing the extent of impact. This step requests consideration of viewing impact from specific rooms (living rooms, bedrooms, etc) in order to make a qualitative assessment.

It is noted that 617-621 Pacific Highway is located north of the proposed development, with a future development on the site having potential future views to the south across the subject site. Pursuant to the exclusion described above, viewing impact from this possible future development has not been assessed. Further, it is likely that any future development application on this site will follow submission of the subject application, and thus must consider this application as comprising part of the built context for the purpose of design and impact assessment for that future development application.

On this basis, it is the conclusion of this view loss assessment that the extent of view loss is insufficient to warrant redesign or refusal of the proposal on merit grounds.

9.5 Residential Amenity

The proposed development seeks to provide a high standard of residential amenity to its tenants. Home, as the long-term owners and operators of the site, have a strong interest in tenant retention and the ongoing quality and desirability of their residential product.

As outlined in the Design Report provided at **Appendix B**, the proposal has been designed with consideration of the nine principles of the *State Environmental Planning Policy No. 65 – Design Quality of Residential Development* (SEPP 65) and its accompanying Apartment Design Guide.

While the proposed development generally satisfies the relevant guidelines, it is emphasised that Section 76 of the Housing SEPP states that certain elements of the ADG should be applied flexibly in build-to-rent housing to reflect the community-oriented nature of such developments.

An assessment of the proposal's consistency with the ADG objectives and design criteria below:

- The proposed development provides a total of 2,319sqm of communal open space and amenity, equating to approximately 139% of the site, and therefore significantly exceeding the ADG requirement of 25%.
- Majority of the proposed communal open space and amenities achieve a minimum of 2 hours of direct sunlight between 9am and 3pm, exceeding the minimum of 50%.
- 70% of the apartments receive a minimum of 2 hours of direct sunlight in mid-winter between 9am and 3pm, which is compliant with the ADG requirement.
- Approximately 10% of apartments achieve no direct sun, which is significantly less than the maximum of 15%.
- 62% of the apartments are naturally cross ventilated, which exceeds the ADG criteria of 60%.
- Apartment sizes meet or exceed the minimum requirement.
- Private open space is provided for each unit in the form of balconies or terraces with minimum areas and depths in accordance with the ADG.

In terms of considering the possible impact as a result of potential development of 617 Pacific Highway, there is no active development application for that site, only a planning framework (i.e. LEP amendment). In terms of the shadow cast from that building there is no concept upon which to base any assessment. Further, the burden would be on that site to demonstrate impact at such a time that a development application is determined (as per s4.15 of the EP&A Act).

A detailed assessment against the Apartment Design Guide (ADG) is provided with the concurrent State Significant Development Application.

9.6 Apartment Mix

The proposal's apartment mix comprises the following:

- Studio – 48 (17%)
- 1 bedroom – 102 (36%)
- 2 bedroom – 121 (43%)
- 3 bedroom – 11 (4%)

Whilst it is acknowledged that the Lane Cove DCP requires that a minimum 10% of each dwelling type be provided, the proposal's nature as a BTR development means that it is afforded additional flexibility. The DPE's Fact Sheet: *Build-to-Rent Housing and flexible design* stipulates the following in relation to apartment mix:

*Build-to-rent development allows people to live in long-term rental housing, often within areas with easy access to services and transport. **Build-to-rent developments and building features should be tailored to the area's demographics.** Although a tailored mix is important for the feasibility of such development, the mix should include a variety of apartments. This allows residents to move to other apartments in the building if their housing needs change.*

An analysis of each location and its demographics should accompany any proposed build-to-rent development or modification (changes) to it. This must justify the proposed mix of apartments.

This is also supported by the provisions of the Housing SEPP, where it is noted that Section 75 requires the consent authority to be flexible in applying the design criteria set out in the Apartment Design Guide, including the criteria of Part 4K relating to apartment mix.

The proposal has been informed by a detailed analysis of current and future surrounding demographics of the St Leonards area, and is therefore considered to represent the most appropriate apartment mix to meet anticipated demand. As detailed in Appendix M, the social impact analysis demonstrates that St Leonards has the following critical demographic traits that support the lower 3-bed mix:

- **Age Structure:** The SSA is age diverse but younger, with a median age of 35.9 which is below the Greater Sydney median of 37.3. In particular, the SSA has a high share of residents aged 25-34 years (28.6%), when compared to Greater Sydney for the same age group at 15.6%.
- **Non-family households:** Family households account for only 56.2% of occupied dwellings, which is significantly lower than Greater Sydney at 72.6%. Of these family households, only a small share at 18.8% are couple families with children. Most notably, some 37.8% of dwellings are occupied by lone persons, which compares significantly higher than the Greater Sydney average at 23.3%.

Further to the above, it is also noted that providing a greater number of smaller apartments (i.e. studios to 2-bedroom apartments) assists in providing a more affordable product, one that is more targeted at the future demographic of St Leonards.

9.7 Traffic and Parking

TTPA have undertaken a Traffic and Parking Impact Assessment for the State Led Rezoning (**Appendix D**). The assessment considered the future development of the site as per the concept design scheme. The key findings of the assessment are as follows:

- Vehicle access will be provided off Christie Street to minimise conflicts with pedestrians and general traffic along the Pacific Highway.
- A total of three loading bays are proposed on the lower ground level. The bays are designed to accommodate trucks up to 8m in length and will appropriately be able to enter and exit the site in a forward direction.
- The proposal includes an automated car stacking system across five storeys within the podium, which will accommodate the standard car parking spaces, accessible parking spaces, and electric vehicle charging stations. The car ingress model will be programmed to automatically return and dwell on the Lower Ground level to facilitate the ingress of cars while the egress lift module will automatically return to the stack to facilitate the egress of cars.
- The proposal will provide 48 car parking spaces, which is significantly less when compared to the permissible parking rate for mixed use development under the Lane Cove DCP.
- The proposal will facilitate 112 bicycle spaces and 4 motorcycle spaces, which will assist in promoting and encouraging active transport within the area.
- The potential increase in traffic from the rezoning application is an additional 14 vehicles in the AM and PM peak hour, which is less than the peak traffic generation outcome resulting if the development provided on-site parking in compliance with the Lane Cove DCP.
- The report concludes that the envisaged development will not present any unsatisfactory traffic capacity, safety or environmental related implications. It will incorporate suitable vehicle access, internal circulation, serving arrangements and parking.

As such, the State Led Rezoning is considered suitable on traffic and parking grounds.

9.7.1 Green Travel Plan

A Green Travel Plan has been prepared by TTPA and is included at **Appendix E**. The GTP provides a series of measures aimed at promoting sustainable travel and reducing reliance on the private car. The following measures and initiatives are proposed to encourage more sustainable travel modes:

- The GTP provides a series of measures aimed at promoting sustainable travel and reducing reliance on the private car. The following measures and initiatives are proposed to encourage more sustainable travel modes:
- Appoint a Travel Plan Coordinator (TPC) to ensure the successful implementation and monitoring of the GTP.
- Create a site-specific GTP website and an introduction to the GTP, setting out its purpose and objectives.
- Encourage the use of shared cars. · Implement a bicycle share membership plan such as Lime, Mobike and oBike.
- Maintain the bicycle spaces for residents, tenants and visitors in good order.
- Provide toolkits, including puncture repair equipment and bicycle pumps and a bicycle repair station.
- Promote bicycle-friendly shops in St Leonards. A loyalty card program could be organised between staff who cycle and cafes/shops.
- Provide good quality, accurate and useful directional signage to promote walking and cycling is essential and it is proposed that this is provided stating times to destination in minutes taken as well as distances in half kilometres.
- Provide a newsletter or email service with links to public transport travel information and car share sites, Live NSW traffic and public transport conditions to ensure that travel information is always up to date.
- Provide interactive timetables on-site to promote public transport usage.
- Provide a Transport Access Guide (TAG) to every residential staff and regular visitors. The TAG should include public transport timetables, stop/station locations, walking times/distances, etc.
- Implement a rideshare system, which could include encouraging residents and staff to participate in a peak-hour carpooling club to drive to a nearby station (with higher train frequencies) or common work location during the peak hours. This may be coordinated by a 'transport champion,' an appointed worker, building manager, or formally appointed TPC.
- Provide an access pack to all new residents/tenants/staff, including the transport access guide, the free opal cards, free car share membership, and information on sustainable travel facilities and initiatives. The welcome pack will not only include the TAG and brochure, which would give detailed information about how to travel to and from the site by means other than the car but also an information sheet explaining how to use the facilities/incentives provided.
- All apartments will be provided with high-quality NBN telecommunication points, which will provide residents with the opportunity to "work from home" or "study from home," thus reducing the need to travel.
- A half-yearly newsletter could be provided for up to two years after occupation bringing the latest news on sustainable travel initiatives in the area.

9.8 Aboriginal Cultural Heritage and Archaeology

An Aboriginal Cultural Heritage Assessment Report (ACHAR) has been prepared by COMBER and is included at **Appendix K**. The ACHAR documents the process of investigation, Aboriginal community consultation and assessment with regards to Aboriginal cultural heritage.

The assessment has been prepared in accordance with the *Guide to Investigating, Assessing and Reporting on Aboriginal Cultural Heritage in NSW* (OEH [now DPE], 2010), the *Code of Practice for Archaeological Investigation of Aboriginal Objects in New South Wales* (DECCW [now DPE], 2010), and the *Aboriginal Cultural Heritage Consultation Requirements for Proponents 2010* (DECCW [now DPE], 2010).

Consultation with Aboriginal stakeholders and interested parties was undertaken in 2022, which included a four-stage process. A total of 11 Registered Aboriginal Parties (RAP's) expressed their interest in being involved in the consultation process for the site. Based on the consultation, a draft ACHAR report was prepared and provided to all RAP's for feedback and comment on 26 August 2022. The draft report received four responses from the RAP's, which were all supportive of the recommendations made and as such, no amendments were required.

It should be noted that no specific cultural significance was identified on the study area by any of the RAP's for the project. All archaeological and intangible cultural heritage sites are considered highly significant to Aboriginal people, but the study area is not considered to hold any specific cultural significance.

The report concludes that no surface artefacts were identified within the study area and that the site is not considered to have potential for subsurface deposits due to the high level of disturbance across the site. Therefore, on this basis, it is not considered likely that the proposed works would impact on Aboriginal cultural heritage values within the site.

Based on the results of the Aboriginal cultural heritage assessment, COMBER recommended a number of mitigation measures, which are detailed in **Appendix K**.

9.9 Non-Aboriginal Heritage

A Statement of Heritage Impact (SoHI) has been prepared by COMBER and is included at **Appendix J**. The SoHI has been prepared to assess the potential for direct or indirect impacts on heritage significance located on the site and within the vicinity of the site.

The report concludes that the subject site does not contain any heritage significance, nor does it contain any archaeological potential. It is also confirmed that the proposal will not have an adverse impact on the heritage of the site or the surrounding area.

Overall, the proposed development is considered a positive addition to the streetscape of the Pacific Highway, St Leonards and therefore, no mitigation measures are provided within the report.

9.10 Wind Impacts

A Pedestrian Wind Environment Assessment has been prepared by RWDI and is included at **Appendix H**. The purpose of this assessment was to determine the impact of the proposal on pedestrian level wind conditions for comfort and safety at the ground plane, the podium and rooftop terraces, and the amenity levels.

The report notes that the proposed development has implemented several positive design elements that significantly improve the wind conditions within and around the site, particularly, the use and location of awnings, podium and tower articulations and the strategic setback at the north-western corner. On this basis, the wind conditions on the ground level of Pacific Highway and Nicholson Lane are found to be suitable for passive amenity throughout the year.

It is noted, however, that high wind will occur along Christie Street during summers due to winds redirected by the neighbouring tower and the podium of the proposed building. Despite this, the proposed landscaping elements at the southwest corner of the building will help to further improve the wind conditions along Christie Street.

Overall, the report notes that the design development of the proposed development has significantly evolved in response to wind mitigation throughout the various SDRP meetings and project phase.

9.11 Aviation Impacts

An Aeronautical Impact Assessment has been prepared by AVLAW (**Appendix N**) to support the proposed development and as well as applications to Sydney Airport Corporation Limited (SACL) for controlled activity approvals. The proposed development seeks the construction of a high rise building to a maximum height of 235.75m AHD, with all plant and ancillary features captured within this envelope. Temporary crane activity will reach a height of 241.75 AHD.

As such, AVLAW confirms that the both the permanent structure and temporary crane will penetrate the Obstacle Limitation Surfaces (OLS) and therefore, will trigger activation safety assessment by Sydney Airport Corporation Limited (SACL), Civil Aviation Safety Authority (CASA), and Airservices Australia.

The report notes that the building should receive approval as it will not penetrate the Procedures for Air Navigation Services – Aircraft Operations (PANS-OPS) or the Radar Terrain Clearance Chart (RTCC) and therefore, will not penetrate any defined flight operational surfaces and will not adversely affect the safety, efficiency, or regularity of operations at Sydney Airport.

Furthermore, it is noted that the helicopter operations in the vicinity of the site will also not be impacted by the permanent structure as the “North Shore” access lane is higher than the top of the proposed crane at a height of 304.8m AHD. As such, neither the building nor the crane should have an adverse effect on safety of helicopter operations. Notwithstanding, AVLAW notes that a response should be sought from the RNSH and will need to be considered.

Overall, the report concludes that the proposal can be supported on aviation grounds.

9.12 Contamination

A Preliminary Site Investigation (PSI) was undertaken by EI Australia (**Appendix F**) to determine the potential risk for land contamination from past and current activities in accordance with the requirements of *State Environmental Planning Policy (Resilience and Hazard) 2021*.

The PSI confirms that the current Telstra Exchange building and retail buildings have occupied the site since at least 1960s and 1920s respectively. EI have provided an assessment of these land uses as well as a site inspection to determine any signs of contaminated materials or potentially contaminated activities.

Based on the findings of the assessment and with consideration of the Statement of Limitations, EI conclude that site contamination is unlikely to prevent the site from being redeveloped in the future, including to any residential, commercial or retail uses that may be placed on the site in the future.

9.13 Geotechnical

A Geotechnical Investigation has been prepared by Douglas Partners (refer **Appendix G**) which provides an assessment of the subterranean conditions of the site and determines the suitability of the proposed building envelope.

This report confirms that the site is generally characterised by the following:

- **Fill** – comprising slightly sandy clay with charcoal, shells, bricks, steel, etc. to a depth of about 1.2m underlying the concrete driveway slabs;
- **Shale and Laminate** – dark grey and grey, very low and low strength shale and laminate was encountered from about 1.2m to a depth of about 8.4m. The rock comprised fractured, highly fractured and fragmented domains with three typical sets of joints;
- **Sandstone** – the borehole encountered fine grained, pale grey sandstone with carbonaceous laminations, highly weathered and of low to medium strength from a depth of about 8.4m to about 10.65m. High strength, slightly weathered to fresh sandstone, slightly fractured with some laminations, was encountered from about 10.65m to the depth of investigation at 13.73m; and
- **Groundwater** – no seepage was noted while augering to a depth of 2m. The use of water as a drilling fluid during diamond coring precluding measurement of the groundwater level during the core drilling of the boreholes. Long term groundwater level monitoring was not included in the geotechnical investigation.

Based on the analysis, it was concluded that bulk excavation and the proposed basement will not have a significant impact on the groundwater system in the area.

9.14 Social Impact

A Social Impact Assessment (SIA) has been prepared by Ethos Urban and included at **Appendix L**. This SIA has been prepared in accordance with the *Social Impact Assessment Guideline for State Significant Projects (2021)*.

The purpose of the SIA is to assess the impacts of the development, both positive and negative, for all stages of the project lifecycle for key stakeholders and the broader affected community. The assessment methodology includes:

- A baseline analysis of the existing socio-economic environment, involving:
 - Study area definition, including primary and secondary geographic areas likely to be impacted.
 - Demographic analysis, including socio-economic characteristics of current communities and population forecast.
 - Review of relevant background information, along with relevant local and state policy frameworks.
- Stakeholder and community engagement: Findings of stakeholder and community consultation undertaken by Home have been reviewed to identify community and stakeholder aspirations and values.
- Scoping of issues: Analysis of potential impacts during and post-construction, with each of the directly affected communities and other stakeholders identified in relation to the way they may be affected. Both positive and negative potential issues are identified.
- Identification of impacts: The assessment ultimately appraises the significance of each identified impact based on its duration, extent and sensitivity of impact “receivers”.
- Identification of mitigation strategies to manage impacts and enhance benefits of the development.

Based on the assessment and results, the SIA identifies the following key challenges of the proposal:

- Managing and responding to any temporary construction impacts as they arise, noting the position of the site in the St Leonards town centre and adjacent to social infrastructure and pedestrian activity.
- Managing the social impacts of any potential wind impacts and overshadowing on Christie Street, in the context of surrounding development. It is understood that this impact is being actively mitigated through extensive streetscape improvements and careful consideration through leading practice urban design.
- Considering cumulative impacts of the densification and urban renewal of St Leonards. Enhancing social benefits and ensuring that density is accompanied by an increase of liveability, and designed sympathetically to social needs and community cohesion, will be key to managing St Leonards' transition. While this development in isolation does not bear the onus of addressing this cumulative impact, considering its role in the broader social context of St Leonards and Crows Nest will be important to ensure that outcomes on this site support the broader precinct's social sustainability.

The following highlights the significant social benefits that the proposal will deliver:

- Increased amenity and improvements to the daily way of life for residents of the site and the broader St Leonards Community. This has the potential to contribute to strategic policy goals encouraging the development of vibrant, liveable, and cohesive communities in transit-oriented development. This benefit is enhanced by the social infrastructure offerings for future residents of the site, and the wider community.
- Improving health and wellbeing outcomes for future residents of the site and the broader community, associated with leisure and recreation opportunities on-site and positive contributions to St Leonards urban amenity.
- Creating opportunities for community gathering, interactions, and the generation of cultural capital, associated with the delivery of coworking space and high-quality vertical neighbourhoods which encourage neighbours to meet and connect.
- Increased livelihood outcomes associated with the construction and operation phase. This has the potential to positively support livelihoods not just directly through job creation, but also extending to local businesses and the overall improvement to St Leonards as a social and economic node.
- Improved livelihood and way of life outcomes for future residents of the key worker units. This has the potential to provide 10 key workers and their household members with affordable housing near to their places of employment, reducing rental stress and/or long commute times.

Overall, the SIA concludes that the outcome, subject to appropriate mitigation of construction and operational impacts, will be positive. Temporary impacts during construction can be managed accordingly through implementation of relevant technical report recommendations, communications strategies, legislative requirements, and conditions of consent. Engagement with the local community and stakeholders during construction is strongly recommended to minimise impacts on accessibility, surroundings, health and wellbeing, and way of life.

Overall, it is considered that with a range of mitigation measures to manage any risks as well as enhance the positive benefits, the project is anticipated to bring significant public social benefits to the future residents of the site, as well as the broader community of St Leonards.

9.15 Community Infrastructure

A Community Infrastructure Needs Assessment has been prepared by Ethos Urban (refer **Appendix M**) which has been prepared to determine the community infrastructure needs and opportunities for the St Leonards Crows Nest Planning Area.

Of particular note, the assessment provides the following recommendations for infrastructure to be provided on-site, which draw on the preceding analysis of surrounding demographics and change, current and future supply and demand of community infrastructure, and the unique characteristics of the site:

- Housing equity opportunities, including through build-to-rent and key worker affordable housing.
- Coworking space and incubator hub.
- Preschool of at least 30 places.
- 400sqm of community space, accessible for the local community. This could include a combination of bookable meeting spaces, a local community room, small cultural spaces for artistic creation and casual community lounge

type spaces (including consideration of a quiet room and/or multi-faith prayer room to meet the needs of the diverse local community).

The development envisioned for the site seeks to deliver each of the abovementioned pieces of infrastructure, with the exception of a preschool and 400sqm of community space. Principally, this is a result of the site's inherent constraints which undermine its ability to support such facilities. The site's tight dimensions, as well as its frontages only to Pacific Highway (a major thoroughfare) and Christie Street, mean that the complex servicing arrangements of a preschool could not be accommodated without significant redesign of the basement and Ground level. In relation to the community space, it is noted that Lane Cove Council decided that this should not be included in the proposal. Notwithstanding, the Community Infrastructure Needs Assessment also notes the following:

Where delivery on-site is not possible, this infrastructure and other identified needs (such as schools, and sport and recreation) should be prioritised by Council through the provision of contributions associated with this development to meet the needs of future residents on-site and the surrounding community.

In light of this, it is reiterated that the State Led Rezoning involves both local and state monetary contributions which can be used for the delivery of such a facility in a more appropriate location. It is understood that two (2) child care centres are proposed to be dedicated within the St Leonards South precinct, of which the proposal's local contributions can support the delivery of.

9.16 Economic Impact

Ethos Urban has prepared an Economic Impact Assessment (EIA) (**Appendix P**) in accordance with the Study Requirements. In order to address the potential economic impacts likely to result from the proposed development, the assessment considers the overall impact of the project, construction and ongoing employment generation (direct and multiplier), increased value-added output, additional expenditure generated by the project, and improved benefits to the surrounding community.

The proposed development will result in the creation of employment opportunities during both the construction and operational phases. Specifically, the project forecasted 1,090 new jobs during construction (250 direct and 840 indirect) and 70 new jobs during operation (40 direct and 30 indirect). The methodology for confirming employment opportunities is confirmed in the EIA.

As outlined within the assessment, the proposed development will deliver an array of economic benefits to the local community which are summarised in **Appendix P**. In particular, the proposal will deliver a high amenity mixed use building that responds to the evolving needs of both residents and workers in St Leonards and the surrounding areas

10.0 Conclusion

This State Led Rezoning seeks amendments to Lane Cove LEP 2009 zoning, floor space ratio, maximum building height and non-residential floor space development standards for the St Leonards Telstra Exchange site.

This Draft SEPP and supporting specialist studies have demonstrated that the proposal would be in the public interest for the following reasons:

- The future development facilitated by the proposal will be consistent with State, Regional and District planning strategies for St Leonards.
- The proposal is consistent with the vision, objectives and actions of the St Leonards and Crows Nest 2036 Plan.
- The building height will not generate any unacceptable environmental impacts in relation to built form, view loss or overshadowing.
- The proposal will not generate any adverse impacts on the operation of the surrounding road network.
- The development will provide significant public domain improvements, enhancing pedestrian connectivity along the Pacific Highway and Christie Street, and encouraging use of the public transport infrastructure.
- The proposal will facilitate the optimal employment outcome for the site, given that it is considered undevelopable under the current planning controls.
- The proposal will deliver much needed and sought-after diversity of housing product proximate public transport.
- The proposal will contribute towards the revitalisation of a technically difficult, physically constrained and isolated site located on a prominent corner within the St Leonards Strategic Centre.

Through strong collaboration and consultation with key stakeholder agencies, particularly the Government Architects State Design Review Panel, the proposed scheme has been carefully designed and located to respect and maintain the amenity of its neighbours and will respond to its location on the Pacific Highway and the technical challenges that lie within. Its prominence and composition (with the tall tower proposed for 655 Pacific Highway, diagonally opposite) will create a gateway to the St Leonards CBD, its sculptural form and aspirational design will create an iconic landmark for the Centre. Without amendment, the site's controls simply maintain the status quo, impeding opportunities for redevelopment and preserving the substantial 'gap' in towers along the Pacific Highway.

With the above in mind, we believe the proposed amendments to the Lane Cove LEP are appropriate and well-considered, and that the State Led Rezoning should be supported by the relevant planning authority, being the Department of Planning and Environment.

11.0 Next Steps

11.1 Minister's considerations

Following exhibition of the Draft SEPP, the Department of Planning and Environment will consider all relevant planning matters as part of its assessment. Once finalised, a recommendation on the proposal will be forwarded to the Minister for Planning and Homes for decision.

Following any approval by the Minister, amendments would need to be made to the *Lane Cove Local Environmental Plan 2009*.

As a State Significant Development Application is being lodged and exhibited concurrently with the proposed controls, the subsequent application will also be assessed by the Department of Planning and Environment and determined by the Minister for Planning or the Independent Planning Commission.

11.2 Key Actions and Timeframe

Since the project was accepted under the Priority Assessment Program, the project timeline is rather condensed, and gazettal of the project is anticipated for March/April 2024. The below provides a breakdown of the project timeframe:

- The State Led Rezoning will be exhibited within 6 weeks from the date of the test of adequacy submission, which will allow the DPE to provide initial comments, prepare the Explanation of Intended Effects (EIE) and seek internal approval.
- The State Led Rezoning must be exhibited concurrently with the State Significant Development Application.
- The analysis and response to submissions must be complete within 6 weeks after the exhibition period.
- DPE must finalise their assessment report, prepare the SEPP and associated planning controls and maps within 8 weeks after the exhibition period.
- Once the above has been complete, approvals, minister determination and referrals, and notification must be complete within 6-8 weeks.