

1 May 2012

## **Determination of the Atchison St Mixed Use Development Proposal, St Leonards, North Sydney LGA**

### **Project Application**

The proponent is seeking to demolish the three existing three and four storey commercial buildings and replace them with a 28 storey mixed use building (plus plant). The building includes:

- a six level basement, including 168 car parking spaces, storage cages, garbage storage and associated services;
- a ground floor café, public plaza, public thoroughfare and residential and hotel lobbies;
- four stories of serviced apartment accommodation with a gross floor area of 4,445 m<sup>2</sup>, including 76 serviced apartments, conference room and gymnasium;
- 21 stories of residential apartments, including 173 apartments comprised of 30 studio apartments, 64 one bedroom apartments and 66 two bedroom apartments;
- a gross floor area of 20,819 m<sup>2</sup> and a floor space ratio of 12:1; and
- a level of rooftop plant.

### **Delegation to the Planning Assessment Commission**

North Sydney Council and over 25 public submissions objected to the project. Consequently the Director-General of the Department of Planning and Infrastructure referred the application to the Planning Assessment Commission for determination under the Minister's delegation, dated 14 September 2011.

Ms Gabrielle Kibble AO nominated Ms Donna Campbell to chair the Commission for the project and Mr Lindsay Kelly to be the other member to constitute the Commission for the project.

### **Director-General's Environmental Assessment Report**

The Director-General's Environmental Assessment Report considered the following key issues:

- Built form – including building height, floor space ratio, building setback and separation and streetscape and podium;
- Non residential floor space;
- Traffic and parking;
- Public benefit; and
- Amenity impacts.

The Department concluded that:

- the proposed 96.5 m high building is considered excessive and that the height should be reduced by 14 m, as recommended in the conditions;
- the non-compliance setbacks are supported as the amenity impacts are considered acceptable and there would be sufficient space between buildings;
- the proposed hotel would support businesses in St Leonards, by providing their accommodation needs and would provide 41 full time jobs; and
- the public benefits are appropriate for the development.

The Department also found the project site is well located and capable of accommodating a building of greater height and density than permitted in the North Sydney Council controls

and that the project has a high quality design and, as amended by the recommended conditions, would be consistent with Council's character statement for St Leonards.

### **Site visit and Meetings**

On 16 April 2012 the Commission visited the site and surrounds. The Commission then met with representatives from North Sydney Council. Council agreed there are unique opportunities with the site, in terms of minimal overshadowing impacts on surrounding residential dwellings, but noted the site would be best considered as part of their future strategic planning work. Council also indicated there may be opportunities for the proponent to amalgamate with the 2 properties to the east of the site. Other issues discussed at the meeting included height; setbacks; the extent of the non-compliances; the impact of cumulative breaches of the controls; the need for additional developer contributions should the proposal proceed, the capacity of the loading dock and the location of the garbage chute.

Following the meeting with Council, the Commission met with representatives for the proponent. The proponent noted the changes to the height of the proposal and indicated that it had sought to purchase the 2 properties to the east of the site without success. The Commission questioned the proponent in relation to the setback encroachments and the proponent advised that it believed that development of properties to the north of the site would be constrained as a result of overshadowing impacts, rather than any encroachment of setbacks. The Commission also questioned the FSR of the proposal. The proponent advised that with the four storey reduction to the building, as recommended by the Department, the floor space ratio of the building would now be 10.28:1. The proponent also confirmed the site and loading dock would be able to accommodate medium ridged vehicles.

The Commission's public meeting commenced at 2 pm on Monday 16 April 2012. Seven people spoke at the meeting, including representatives from Council, the Holtermann Precinct and the St Leonards High Rise District. A list of speakers is attached in Appendix A. The issues raised included:

- Height, including views that:
  - The building's height is excessive and that it should be required to fit in with the surrounding buildings, particularly the Abode and IBM building which are approximately 65 m high;
  - A taller slimmer building could have some benefit, but that a smaller floor plate should be required;
  - The Department has not justified its recommended 14 m height reduction;
- Setbacks are considered unacceptable and borrowed setbacks may impact on the development potential of other sites;
- Wind impacts;
- Traffic and Parking, including:
  - Concerns that service vehicles may not be accommodated on site;
  - Traffic impacts on the local road network and concerns regarding the accuracy of the proponents traffic study;
  - Inadequate provision of parking.
- Strategic issues, including:
  - The proposal is not considered state significant.
  - Undermines Council's strategic planning and resident's expectations;
  - Dwellings able to be accommodated elsewhere in St Leonards at this stage;
  - Need for additional public open space;
  - Minimal public benefit;
  - Loss of employment capacity – the proposed 46 jobs generated by the hotel will not replace the site's existing 200 jobs;

- The precedent set by the development and the potential cumulative impacts on parking, traffic, transport and public open space requirements.

## **Commission Comments**

### Built form

The Commission has considered the site in the context of the Draft Inner Subregional Strategy and the St Leonards Strategy. These documents indicate that the area is strategically important within the Sydney metropolitan area. Employment and housing growth in St Leonards will be important given its location as a strategic centre within the global economic corridor and with its close proximity to St Leonards Railway Station, the Pacific Highway and other important services such as the Royal North Shore Hospital.

Within St Leonards, the Commission understands that the site is one of a limited number which can afford a significantly tall development with minimal overshadowing impacts. Notwithstanding this the Commission acknowledges that a number of concerns and objections were raised at the public meeting, particularly in relation to the building's height, limited setbacks, traffic generation and management and impacts on wind.

Given its central location and minimal overshadowing impacts the Commission agrees with the Department's recommended height.

The Commission acknowledges that the development does not comply with the rules of thumb under the building setback guidelines in the Residential Flat Design Code (RFDC). These design rules are a guide to providing appropriate levels of both privacy and solar access and apply across the entire Sydney Metropolitan Area. In relation to the setbacks to the east and west, the Commission is satisfied that living spaces will generally include outlooks to the north or south and that screening to the eastern and western outlooks will adequately minimise privacy concerns.

The Council has expressed concern about the impact that the residential tower may have on the future development potential on the neighbouring properties, and in particular, the property on the northern side of Atchison Lane. Whilst the proposed tower complies with North Sydney Council's DCP setback requirements from Atchison Lane, it does not comply with the guidelines of the RFDC which recommend separation distances between residential towers of the scale being proposed.

The Commission acknowledges the building setback would not represent an equal share of the RFDC recommended separation distances, should the site to the north be developed for residential purposes and the Commission would not generally support such setback encroachments.

In this instance, however, the area has strategic importance for the Sydney metropolitan area and the site has been identified as having an unusually high development potential, due to its limited overshadowing impacts. The proposal has a central location, high density setting and quality design in relation to most other RFDC requirements.

On balance, the Commission considers the proposed setback of the residential tower from Atchison Lane is acceptable and will not unreasonably reduce the development potential on the neighbouring properties.

### Use of the building

Whilst North Sydney Council argued for a more commercially focussed development, the Commission notes that the St Leonards Strategy identifies a shortage of hotels in the area. In particular, the proposed hotel has the potential to provide much needed accommodation for visiting staff and families of patients of the Royal North Shore Hospital.

### Traffic

In relation to traffic, the Commission acknowledges that the proposal will generate traffic in a busy part of the city in close proximity to the Pacific Highway. The Commission notes that the availability of public transport should help to minimise traffic impacts and that the Department has recommended conditions to ensure potential queuing impacts on Christie Street are minimised.

In regards to service and delivery vehicles on Atchison Lane, the proponent confirmed the site would be able to accommodate medium ridged vehicles, as requested by the Council. Consequently the Commission has added an additional condition to require that medium ridged vehicles can be accommodated on site. The Commission is satisfied this will minimise the impacts from service vehicles and removalists.

### Developer Contributions

Council has raised concerns about the minimal public benefit of the proposal and has requested an additional \$3 million contribution. The Commission notes that Section 94 Contributions are currently levied based on the number of bedrooms per unit, consequently the contributions payable increase as the number and size of the units increase. Four percent of dwelling space is also required to be dedicated for affordable housing. The Department has recommended conditions to require these contributions to be made. The Commission is satisfied these existing contribution requirements are adequate.

### **Commission's Determination**

The Commission has carefully considered the Department's Assessment Report including agency and public submissions, as well as the issues raised at the public meeting.

The Commission is satisfied with the Department's assessment and accepts the recommendations of the Department in regard to the use, height and density of the proposed development. Consequently the Commission has determined to approve the project, subject to conditions.



Ms Donna Campbell  
Member of the Commission



Mr Lindsay Kelly  
Member of the Commission

## Appendix A

| <b>Organisation</b>                   | <b>Speakers</b>  |
|---------------------------------------|--|
| <b>North Sydney Council</b>           | <ul style="list-style-type: none"><li>- Mr Ian Pickles, Executive Planner</li><li>- Mr Alex Williams, Senior Strategic Planner</li></ul>   |
| <b>Holtermann Precinct</b>            | <ul style="list-style-type: none"><li>- Ms Laura Tilsed</li></ul>  |
| <b>St Leonards High Rise District</b> | <ul style="list-style-type: none"><li>- Mr David Carter, Linea Building Chair</li><li>- Ms Pat Quirke-Parry, Abode Building Chair</li><li>- Mr Rodney Rodwell, Abode Building Owner</li><li>- Prof Cres Eastman, Linea Building Deputy Chair</li></ul> |