

22 July 2024

Planning Secretary
Department of Planning, Housing and Infrastructure
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To Whom It May Concern,

### SSD 59805958: Novus Build to Rent – 763-769 Pacific Highway, Chatswood

This submission has been prepared by Savills Project Management Pty Ltd on behalf of the Owners of Strata Plan No. 40795 (the Owners) located at 781 Pacific Highway, Chatswood in response to the exhibition of the SSD 59805958 for the Novus Build to Rent development proposed on 763-769 Pacific Highway, Chatswood.

781 Pacific Highway, Chatswood, also known as St Thomas House, is a 6 level commercial strata building, constructed in the 1970's. Approximately 45 individual businesses are tenanted in the building including electronic product design and engineering, accountancy, financial planning, legal and dentistry services. The high occupancy rates and low tenant turnover are reflective of the building's good Chatswood CBD fringe location and demand for important service based employment that contribute to the Chatswood CBD's city centre function.

The building's southern façade benefits from an active lease held by JC Decaux Australia Trading Pty Ltd for a 12.65m x 4.50m illuminated sign and associated fascia. The sign has excellent exposure to northbound Pacific Highway traffic.

781 Pacific Highway is surrounded by a towering skyline of The Citadel Towers A grade Commercial Office towers and Meriton's serviced apartment towers, Centrium. Access and servicing to 781 Pacific Highway and these surrounding buildings is from Albert Lane.

This submission highlights the matters that the DPHI should consider as part of its assessment of SSD 59805958 to ensure orderly coordination of the Novus development occurs while minimising construction impacts and operational disruption to 781 Pacific Highway and surrounding properties. The matters raised in this submission and detailed below are:

- Building mass on the southern boundary interface
- Increased Risk of Weather and Structural Damage
- Loss of revenue due to extinction of the existing signage lease
- Air rights
- Construction impacts
- Business disruption

# **Building Mass on the Southern Boundary Interface**

781 Pacific Highway and the proposed development site are jointly located on one of the busiest stretches of the Pacific Highway in Chatswood. The Owners acknowledge that the proposed development has been the subject of a design competition and will continue to evolve as the detailed design process progresses. However the proposed construction of a 90m high blank wall to the shared common boundary is of concern to the Owners.

781 Pacific Highway enjoys the same land use zoning and key development controls as the proposed development site. Accordingly, it is reasonable that 781 Pacific Highway could also be developed as a future Build to Rent or other residential typology under the Housing SEPP provisions. While the proposed northern façade has undoubtedly been designed to serve a crucial core function, as currently designed, it pre-empts any future redevelopment opportunity of 781 Pacific Highway by effecting preventing any south-oriented development, or forcing an appropriate setback to be wholly accommodated on 781 Pacific Highway as part of any future redevelopment. The proposed development would arguably significantly compromise the development potential of 781 Pacific Highway, and its achievement of similar design excellence outcomes.

In the event that a setback or redesign cannot be accommodated, a public art installation or an articulation of the proposed development's northern façade should be sought at a minimum to provide visual interest. A 90m blank wall (whether temporary or permanent) is surely not the design outcomes the DPHI is seeking to secure through its pre-eminent Housing Policy.

## Increased Risk of Weather and Structural Damage

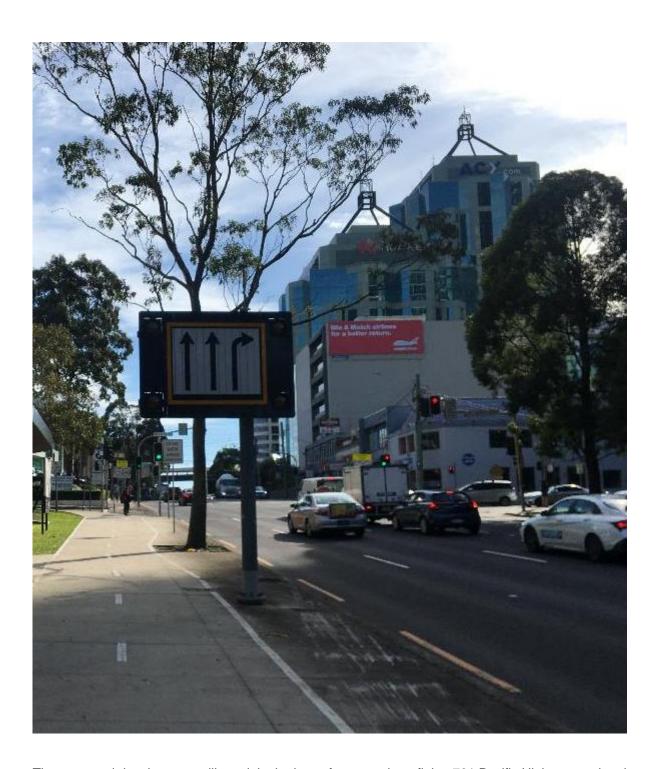
The Owners are concerned that a 90m vertical wall directly adjacent to the common property boundary could cause damage to 781 Pacific Highway which should be mitigated by the developer in the design, construction and management of the proposed development.

For example inclement weather could be expected to cause a significant amount of rain water to be deposited on 781 Pacific Highway. The roof design of 781 Pacific Highway has not need designed to withstand the potential for increased pooling of water resulting from the downwash off the adjacent 90 metre structure. In addition, there appears to be no mention of how the gap between the two buildings will be addressed.

The proposed development must address the potential impacts of any adverse water flows/drainage flows and potential leaks on the south side of 781 Pacific Highway. If approved, the proposed development should be subject to appropriately worded conditions that will ensure appropriate protection to the Owners of 781 Pacific Building and the asset they own pre, during and post construction. This should include conditions that require an appropriate and reasonable level of due diligence and physical investigations to be undertaken to assess the state of existing built structures which can then form a suitable basis upon which any future compensation or corrective works can be negotiated.

# Loss of Revenue

As outlined above, 781 Pacific Highway currently benefits from leasing revenue as a result of a JC Decaux illuminated sign installed on the building's southern façade.



The proposed development will result in the loss of revenue benefitting 781 Pacific Highway as the signage will need to be removed to facilitate the proposed development's zero setback.

The signage generates \$200,000 of revenue per annum (CPI'd annually) for the Owners and is subject to a 5 plus 5 year lease. The lease is due to commence its second and final 5 year term in January 2025. The extinction of the lease to make way for the proposed development will forego the Owners in excess of \$1 million, representing a significant financial impact.

The proponent should be required to:

- Compensate the owners corporation for loss of revenue; and
- Pay for the relocation of the sign on another suitable façade of the building and other contractual obligations and costs that the Owners would be burdened by should the lease be terminated or extinguished.

#### Air Rights

We have been advised that JC Decaux owns the air rights over the proposed development site to provide on-going access for the signage structure & lights. The Department should satisfy itself that the proponent may need landowners access to the JC Decaux owned zone to construct the property. Air rights may also need to be extinguished.

# Construction and Operational Access, Servicing and Loading

The proposed development site's dual frontage to the Pacific Highway and Albert Avenue will significantly influence construction and operational access and servicing/loading logistics. It is evident that construction vehicles will need to access and egress the site from Albert Lane to minimise impacts to the arterial road network (Pacific Highway) and a key vehicular tributary to the Chatswood CBD (Albert Avenue).

The Transport and Accessibility Impact Assessment (TAIA) indicates the flow of construction vehicles is anticipated to be northbound along Albert Lane and that the construction vehicle size will be determined once a contractor is appointed. The TAIA concedes that large construction vehicles may interrupt traffic flows around the site during construction. The TAIA also acknowledges that loading and access activities will be managed by appropriate traffic management procedures when these activities cannot be accommodated on site. The Owners firmly contest the TAIA downplays the likely impacts to businesses and property owners reliant on the Lane for access and vehicles using Albert Lane to access the regional road network. Thomas Street and Albert Avenue already experience long waiting queues, which are only expected to be exacerbated with construction activities.

The Owners also contend that the proposed loading, unloading, deliveries, servicing and waste collection of the development from Albert Lane will further intensify an already heavily congested zone. Without diligent management, there is a significant risk that loading, servicing and delivery vehicles will choose to park in the in-bay and straddle the road reserve thereby blocking travel paths along Albert Lane rather than accessing the basement.

The DPHI is requested to impose stringent operational conditions of consent on any future approval which collectively:

- require all loading/unloading and servicing of the proposed development to be undertaken wholly within the site
- restrict loading/unloading and deliveries to periods of the day outside the AM and PM peak travel periods
- preparation of an operational loading dock and servicing management plan to be prepared in consultation with Council, the Owners and adjoining properties/businesses, which requires quarterly monitoring and reporting to the DPHI for an initial 12 month period following occupation to evaluate the effectiveness of any operational management measures.

### **Business Disruption**

The proposed development downplays the impacts and disruption to properties and businesses that rely on Albert Avenue.

The TAIA advises that construction will require an average of 15 trucks per day to access the site, however this will increase to 50 trucks per day during peak activities (concrete pours). Several of the more sensitive

and public facing businesses are located on the ground and lower levels of 781 Pacific Highway, including dentists and doctors.

It is noted that the Noise and Vibration Assessment proposes a long term monitoring station on the corner of the Pacific Highway and Albert Avenue. The rationale for the proposed location is unclear and arguably is compromised given existing background noise levels of the Pacific Highway. The Owners request a long term monitoring station be installed on Albert Lane at the rear of 781 Pacific Highway to enable the monitoring of construction noise impacts on business owners. An Albert Lane location would also aide monitor construction noise impacts for the properties identified as RC1 (mixed use development) and RC4 (multi storey commercial) and therefore would provide the DPHI with a more valuable data set that could be used to validate amenity impacts.

### Conclusion

The Owners request the above matters be addressed through the Response to Submissions process and in any future revision to minimise the disruption and impacts to the owners and tenants of 781 Pacific Highway.

The Owners would welcome the opportunity to discuss SSD 59805958 and matters outlined above with DPHI and/or Novus. Please contact either Simon Buchwald (Chairman of the SP40795 - Strata Committee) or Stephanie Ballango (National Director, Property Consultancy – Savills) should you have any questions.

Kind regards,

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