

18 November 2014

Our Ref: P-13027

General Manager,
North Sydney Council
200 Miller Street,
NORTH SYDNEY, NSW, 2060

Attn. Joseph Hill Director of Planning

Dear Sir,

**RE: OFFER OF A PUBLIC BENEFIT OFFER IN RELATION TO THE S75W MODIFICATION
TO NOS. 6-16 ATCHISON STREET, ST LEONARDS - MP09_0187 MOD 2**

I refer to Council's letter received 11 August 2014 and wish to comment on behalf of the proponent. Each of the items raised in Council's correspondence is addressed as follows:

Background

As Council would be aware, we met with Council staff and Councillors at a briefing on 17 September 2013 to explain the intention to submit this proposal. The outcome of this meeting did not result in specific concerns or issues being raised from the staff or Councillors, and although the proponent has been waiting for the St Leonards / Crows Nest Study for this Precinct to be undertaken, due to its delay and the Proponent's current build program, it was essential to act quickly and therefore, this s75W application was lodged with the Department of Planning and Environment.

1. Building Height and Form

The proposal seeks to modify the height of the approved mixed use building. The overall height sought is that same as in the original PPR, being RL181.3 or 30 storeys. The proposal is for 4 additional storeys which is not discernible as viewed from the public domain and therefore presents as the same building bulk as approved. When considered in light of the current planning regime, the proposed height is in keeping with the overall building heights in this precinct, and is in fact equivalent to 9 storeys lower than the existing Forum development to the west of the site, and 8 storeys lower than the highest tower which will result from a recently accepted Planning Proposal within the Lane Cove Council LGA at 472-520 Pacific Highway and 95 Nicholson Street to the south-west of the site.

The proposed 30 storey building height is complemented by an architectural design which delivers a high level of amenity for the future occupants of the dwellings, and protects the

privacy and amenity of current residents on neighbouring sites, as well as future residents should the neighbouring sites also be redeveloped. The increased height offers additional opportunities for further individuals to reside in this area which benefits from public transport, employment opportunities and general services in accordance with State Government Policy. The Draft PBO which accompanies this application also offers a direct monetary contribution to enhance the public domain in the immediate vicinity. Overall, the proposal actively promotes the development of St Leonards in a holistic and strategic in a timely manner.

2. Non-residential Floor Space

The provision of non-residential floor space as approved in the Project Application (MP08_0187 92) totals 4,365sqm and provides a FSR of 2.5:1. This application maintains the amount of non-residential FSR as approved. It is noted that the non-residential FSR is not a ratio of the residential floor space, and therefore the non-residential FSR is a fixed amount as approved. Given this, this proposal seeks to increase the residential floor space only, and does not relate to an increase in the non-residential FSR.

3. Car Parking

The proposal is for a total of 202 car parking spaces. We acknowledge Council's direction to restrict car parking and therefore car ownership and commuting by car in the busy CBD/retail areas close to good public transport. Should Council feel it absolutely necessary, we accept that the total provision of car parking spaces is reduced to 183 basement car parking spaces.

4. Amenity

The internal unit layout of the development as approved includes a floor plan layout which is generally open plan and fosters an internal living area which flows through to the balcony areas. The design of the balcony areas are in the form of winter gardens, being an outdoor private open space area in which the occupants can manually modify the internal and/or external doors to suit their needs and the varying weather conditions. This design intent is maintained for this proposal.

Although the balconies do not meet the numerical requirements of the Residential Flat Design Code (RFDC), the proposal satisfies the objectives of the RFDC and provides well-organised, functional and high quality apartment layouts.

5. Public Benefit Offer

This s75W Modification Application is accompanied by an offer of a Public Benefit Offer (PBO).

By way of background, since the approval of the original Project Approval in May 2012 and our recent meeting discussed above, a series of development approvals have been granted in the immediate vicinity of this site and the built form of the St Leonards area is continuing to transform. Most notably being the approved Planning Proposal at Nos. 472-520 Pacific Highway and 95 Nicholson Street, St Leonards which is within the Lane Cove LGA on the southern side of the Pacific Highway. This PP approved the rezoning of the sites to enable a mixed use development in the form of three towers with building heights at 91, 115 to 138 metres. In comparison the main tower form will be 8 storeys higher than our subject proposal. Similarly, The Forum development to the west of our site is also 9 storeys higher than our

subject proposal. Therefore the proposed increase to building height for Nos. 6-16 Atchison Street is now even more appropriate.

In recognition of the marginal impact on the local services which the additional GFA and resulting dwellings will create this proposal is accompanied by a Draft Public Benefit Offer (PBO) from Holdmark Property Group Pty Ltd to North Sydney Council.

The subject Draft PBO has been prepared in line with the approach developed by the existing St Leonards / Crows Nest Planning Study (Precinct 1). The Draft PBO comprises a monetary contribution for the additional GFA (approximately 3,199sqm) relating to Levels 24 to 28 (inclusive). The offer also includes a monetary allowance to take into account an affordable housing contribution. Based on this, the rate per additional square which is offered by the applicant is \$600, which equates to a total of approximately \$1,919,400 (final figures to be agreed by Council) for the purpose of public domain improvements.

The value of the VPA offer is considered to be commensurate with the dollar rate per square metre when compared to recent contributions via VPAs for additional floorspace in North Sydney for 545-553 Pacific Highway Crows Nest (the 'Ralan' development) and 7-19 Albany Street St Leonards (see draft VPAs attached at Attachment A). Accordingly, the PP will have a positive and long term effect on the local economy and community.

This Public Benefit Offer is considered appropriate as it secures a monetary contribution for the purpose of public domain improvements in the St Leonards locality and therefore has a direct correlation with public benefits to the benefit of the community. This proposal and accompanying Draft PBO therefore warrants endorsement from the Legal and Planning Committee.

However, it is noted that Council considers the monetary offer to be inadequate. In the circumstances the proponent is willing to liaise with Council to increase the monetary contribution.

6. Section 94 Contributions

The relevant Section 94 contributions will be paid in accordance with Council's Section 94 Development Contribution Plan, and Condition B11 will be amended accordingly.

7. Levels and Structures Adjacent to Eastern Boundary

Council's comment with regard to the relationship between the subject site and the adjoining eastern property at No. 20 Atchison Street is acknowledged. It is noted that the revised public domain treatment approved in MP09_0187 Mod 2 was designed to minimise the extent of structures along the eastern boundary. The Proponent agrees to liaise with the adjoining property owner at No. 20 Atchison Street to ensure that the levels relate.

8. Height Comparison

For the purpose of assisting with a comparative analysis, the Environmental Assessment Report provides a comparison of the proposal and buildings in the precinct in the form of storeys, RLs and metres. Further to this additional information has been prepared and forwarded to the Department to address this issue See Attachments prepared by R+M Architects.

9. Obstacle Limitation Surface of 156 AHD

We understand that the Department of Planning and Environment will make a copy of the advice from the Civil Aviation Safety Authority publically available. CASA have issued their approval terms in this respect.

In light of the proponents desire to liaise regarding the monetary offer, the offer to provide the 4% affordable housing provisions for the total residential GFA, and the acceptance of the parking numbers desired by Council, I would be pleased if you would advise, at your earliest convenience, suitable times when you would be available to further discuss the monetary contribution.

Please do not hesitate to contact me directly.

Regards,

A handwritten signature in black ink, appearing to read 'Susan E Francis', with a stylized flourish at the end.

Susan E Francis
Executive Director

10. Attachments

- A.** 7-19 Albany Street, St Leonards Draft VPA & 545-553 Pacific Highway, St Leonards Draft VPA.
- B.** Skyline Response Diagram prepared by Robertson + Marks Architects.
- C.** 'Photomontage' prepared by Robertson + Marks Architects.
- D.** Elevation Plan reference PA-300-3/6 prepared by Robertson + Marks Architects.