



New South Wales Government
Independent Planning Commission

ipcn.nsw.gov.au

146 Arthur Street, North Sydney – Build-to-Rent SSD-61000021

Statement of Reasons for Decision

Clare Sykes (Chair)
Suellen Fitzgerald

9 October 2025

1. Introduction

1. On 18 August 2025, the NSW Department of Planning, Housing and Infrastructure (**Department**) referred the State significant development (**SSD**) application SSD-61000021 (the **Application**) from Trustee for JW Argyle Trust (the **Applicant**) to the NSW Independent Planning Commission (**Commission**) for determination.
2. The Application seeks approval for the demolition of existing buildings and the construction of a shop top housing development consisting of build-to-rent (**BTR**) housing units (the **Project**) under section 4.38 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**). The Project is located in the North Sydney Local Government Area (**LGA**).
3. In accordance with section 4.5(a) of the EP&A Act and section 2.7(1)(a) of the *State Environmental Planning Policy (Planning Systems) 2021* (**SEPP Planning Systems**), the Commission is the consent authority because North Sydney Council (**Council**) made a submission by way of objection to the Application.
4. Andrew Mills, Chair of the Commission, determined that Clare Sykes (Chair) and Suellen Fitzgerald would constitute the Commission for the purpose of exercising its functions with respect to the Application.
5. The Department concluded in its Assessment Report (**AR**) that the Application is in the public interest and is approvable, subject to its recommended conditions.

2. The Application

6. The site is located at 146 Arthur Street, North Sydney (Lot 1 DP 788579) (the **Site**), and is currently occupied by a 12-storey commercial office building. The Site is surrounded by commercial buildings and roadways, including Arthur Street and the Warringah Freeway to the east. It is located 550 metres from North Sydney Train Station and 500 metres from Sydney Metro Victoria Cross Station.
7. The Application seeks approval to demolish the existing buildings and construct a 46 storey shop top housing development comprising:
 - 390 BTR housing units;
 - retail premises and a pedestrian through-site link;
 - four levels of basement parking;
 - residential area lobbies, residential amenities, co-working facilities and communal spaces; and
 - landscaping and associated works.
8. The key aspects of the Project are provided in detail at Table 2 of the Department's AR.

3. Material Considered by the Commission

9. In determining the Application, the Commission has given consideration to the:
 - matters raised in public submissions received by the Commission as set out in [Appendix A – Public Consultation Report](#);
 - material and planning framework as set out in [Appendix B – the Commission's Considerations](#); and
 - the Department's whole-of-government assessment as set out in [Appendix C – Department's Assessment Report](#).

4. Reasons for the Decision

10. The Project will deliver 390 purpose-built BTR housing units designed to provide long-term tenancies in a highly accessible location. The Project supports the National Housing Accord, which sets a national target of delivering 1.2 million new homes over 5 years from mid-2024, with NSW's share being 377,000 well-located homes, while also providing retail floor space within the North Sydney Central Business District (**CBD**).
11. A whole-of-government assessment of the Project has been undertaken by the Department, including consultation with nine government agencies, including Transport for NSW (**TfNSW**), NSW Department of Climate Change, Energy, the Environment and Water (**DCCEEW**), NSW State Emergency Service (**SES**) and Ausgrid. None of the agencies consulted objected to the Project. Council's submission to the Commission reaffirmed its previous objection to the Application, citing concerns relating to the Project's strategic context and associated economic impacts, built form and visual impact.
12. The Commission examined the concerns raised by Council regarding BTR as a land use within the North Sydney commercial core, including its view that the Project will likely have adverse economic impacts and undermine North Sydney's commercial role in the North District, as identified by relevant strategic plans. Regarding these concerns, the Commission finds that – in addition to the Application being permissible with consent – the Project will:
 - provide well-located housing in an area serviced by high-volume public transport and within walking distance of jobs and services;
 - deliver rental accommodation that caters for diverse household types and provides for the needs of the North Sydney community at different stages of life;
 - deliver housing in support of the NSW Government's housing target of 377,000 well-located homes over 5 years from mid-2024;
 - be located on the eastern fringe of the North Sydney CBD and continue a pattern of mixed commercial and residential land uses adjoining the Warringah Freeway, thereby not adversely impacting the commercial land use hierarchy of the North Sydney CBD; and
 - provide activated street frontages with retail uses on the ground floor contributing to a vibrant and functional public domain (Doris Fitton Park and Little Walker Street).
13. The Project will contribute to economic activity within the North Sydney CBD through the inclusion of retail premises, increased demand for goods and services generated by residents, and the provision of shared meeting rooms and co-working facilities that enable residents to work from the Site.
14. The Commission's consideration of the Project's built form, including its height and setbacks, is set out at **Appendix B, Table 4**. The Commission finds that the Project will deliver a high-quality urban outcome with an improved and activated public domain. The Commission finds that the proposed building's height, bulk and scale do not warrant refusal of the Application because the Project:
 - will not result in additional overshadowing of land identified as 'Special Areas' or land zoned RE1 Public Recreation during specified times and is therefore compliant with the building heights and massing provisions under clause 6.3 of the *North Sydney Local Environmental Plan 2013 (NSLEP 2013)*;
 - is consistent with the established built form scale and character of the North Sydney CBD; and

- has been designed in manner informed by the Site's topography, opportunities and constraints, and the building will integrate appropriately within the North Sydney skyline, without adversely impacting views from public places.
15. The Project will deliver high levels of amenity for future residents and pedestrians in the public domain. The Commission is satisfied that potential adverse impacts of the Project are minimal and can be appropriately mitigated through sound design principles and the imposed conditions of consent. The Commission acknowledges that the Project will cause view loss to some surrounding developments, including residential buildings. The Applicant's assessment of view impacts found that impacts from existing residential buildings will mostly be minor and/or minor-moderate, except for 171 Walker Street, North Sydney, which was assessed to be a moderate-severe view loss impact. View loss from 171 Walker Street will include views considered to be 'iconic' by the Tenacity Planning Principles, and will include views of Sydney Harbour, the Sydney Opera House and parts of the Sydney Harbour Bridge.
16. The Commission notes that residents of 171 Walker Street were notified about the Project as part of the Department's exhibition process, but no submissions by way of objection, comment or support were received.
17. The Commission agrees with the Applicant and Department's assessment of view loss and finds that although there will be view loss, the extent of view loss does not warrant refusal of the Application because:
- the Project's building height and massing is compliant with relevant planning controls;
 - the scale of the Project is consistent with the established built form scale and character of the North Sydney CBD; and
 - view loss in a dynamic CBD environment characterised by a range of building types is not unexpected or unreasonable.
18. The Commission has considered the number of car parking spaces proposed by the Project. Car parking standards for BTR developments are specified under Section 74(2)(d)(i) of *State Environmental Planning Policy (Housing) 2021 (SEPP Housing)*, which sets a non-discretionary development standard (**NDDS**) requiring 0.2 car parking spaces per dwelling. As such, the Project would be required to provide 78 car parking spaces to meet the NDDS for its 390 dwellings. As only 66 car parking spaces are proposed by the Application, a shortfall of 12 car parking spaces exists. The Commission has considered the Applicant's request to vary the NDDS (Clause 4.6 Variation Request, dated 24 September 2025), and agrees with the request for the reasons put forward by the Applicant. The Project:
- has excellent connectivity to public transport, including Sydney Metro Victoria Cross Metro Station, North Sydney Train Station and frequent bus services;
 - facilitates active transport by providing 390 secured bicycle spaces, and is located close to car share services;
 - includes opportunities for residents to work from the Site through the provision of shared meeting rooms and co-working facilities;
 - is in close proximity to employment, services and retail; and
 - will encourage sustainable transport and reduce traffic within the North Sydney CBD, consistent with strategic planning objectives, including objectives within the North Sydney Development Control Plan (**DCP**) 2013 (**NSDCP**).

19. The Commission is satisfied that the Project will not result in unacceptable or unjustified impacts on the surrounding natural and/or built environment. The Commission finds that the Project will make a positive contribution to the locality through the provision of dedicated rental accommodation, retail premises and high-quality urban design outcomes. Additionally, the Site is well-located with high-volume public transport connectivity, and proximity to jobs and social services.
20. The Commission finds the Project represents an orderly and economic use of the land. The Commission is satisfied that the Project will not result in adverse impacts on the socio-economic character of North Sydney or undermine the existing commercial hierarchy of the North Sydney CBD.
21. The Commission finds that the Project meets legal requirements, is consistent with NSW Government policies and that approval of the Application is in the public interest. The Commission has therefore determined to approve the Project subject to conditions of consent in [Appendix D – Instrument of Consent](#) requiring the Applicant to:
- meet statutory requirements;
 - protect the amenity of the locality; and
 - ensure amenity for future residents.
22. The reasons for the Decision are given in the Statement of Reasons for Decision dated 9 October 2025.



Clare Sykes (Chair)
Member of the Commission



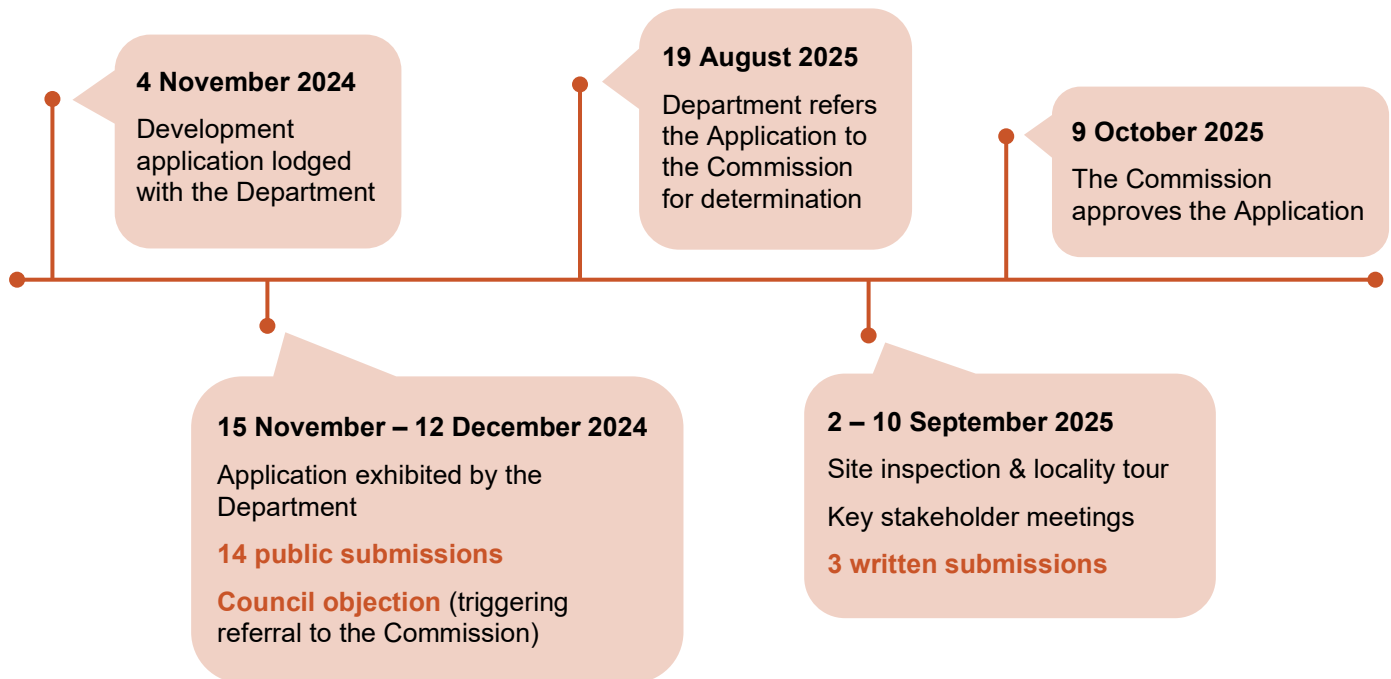
Suellen Fitzgerald
Member of the Commission

Appendix A – Public Consultation Report

Public consultation overview

A summary of the SSD application timeline and key engagement milestones is outlined below.

Appendix A – Figure 1: Engagement timeline



Department's public exhibition of the Project

During its assessment of the Project the Department exhibited the Application and received 14 submissions comprised of 12 objections, one comment and one supporting submission. The Department also consulted with key government agencies and Council. Chapter 4 of the Department's Assessment Report outlines how these submissions were taken into account in the assessment.

The Commission's public consultation

The Commission's meetings

The Commission held meetings with the Department, the Applicant, and Council on the dates shown in *Appendix B – Material Considered by the Commission*. Transcripts from these meetings were made publicly available on the Commission's website.

Site inspection and locality tour

The Commission carried out a site inspection and locality tour on 2 September 2025. Notes from this visit, including photographs and location details, were made publicly available on the Commission's website.

Written submissions

The Commission invited written submissions from the public between 21 August and 12 September 2025 and received three objecting submissions, including an objection from Council.

Consideration of submissions

Submissions are part of the material the Commission considers and they play a key role in the Commission's decision-making process. The Commission appreciates the time and effort the public put into their submissions and reviews each submission it receives.

Table 1 below provides a summary of the main concerns raised in submissions and how the Commission has considered them in its decision. To view all submissions, please see the submissions tab on the Commission's website: <https://www.ipcn.nsw.gov.au/cases/146-arthur-street-north-sydney-build-rent>

Appendix A – Table 1: Key matters raised in submissions

Themes raised in submissions	Commission's consideration
Height of building <ul style="list-style-type: none"> The maximum height limit for the Site was set to provide increased commercial floor space to meet State Government job targets – it was never intended to apply to BTR or a residential tower. The proposed height is in exceedance of the maximum height control and does not align with the desired emerging character of the North Sydney CBD. The height variation will impact high value harbour and district views for neighbouring sites – it will impact the ability to fill commercial tenancies. The Project has not considered the impact of view loss on the potential attraction of high-profile commercial office tenants, which are essential to the function of the North Sydney CBD. 	<p>The Commission notes that clause 6.3 of the NSLEP 2013 permits exceedance of the height control in the North Sydney Centre, providing the consent authority is satisfied the proposal satisfies specific criteria relating to overshadowing, bulk and scale, views and streetscape character.</p> <p>The Commission agrees with the Department's assessment that the proposed height of the Project has been demonstrated to be a compliant built form outcome.</p> <p>See further discussion at <i>Appendix B – Table 4</i> below.</p>
Building form and separation <ul style="list-style-type: none"> The proposed building separation and setbacks do not comply with the Apartment Design Guide and will impact amenity and privacy. Suggestion for the installation of angles vertical fins on the western facade and integrated balconies to improve privacy. 	<p>Although the Project departs from the building separation guidelines set out in the ADG, the Commission agrees with the Department's view that the proposed building separation is acceptable and provides reasonable levels of visual privacy for future residents and adjoining properties.</p> <p>See further discussion at <i>Appendix B – Table 4</i>.</p>
Economic impacts <ul style="list-style-type: none"> The proposal would have significant adverse impact on the local and regional economy – the value of the site under both existing and prospective commercial uses far exceeds the value of the proposed BTR tower. The Project undermines North Sydney's role as a major commercial centre in the North District of the Sydney Metropolitan Area. 	<p>The Commission finds that – in addition to the Application being permissible with consent – the Project has strategic merit for the reasons set out in Section 4 of this Statement of Reasons for Decision.</p>

Other

- Pedestrian safety concerns associated with the porte-cochere and the strategic conflict with Little Walker Street being identified as a fine-grained, pedestrian-priority link.
- The Project has an absence of affordable housing.

The Commission notes Council's concerns regarding pedestrian safety, however the Commission finds that vehicular access points have been appropriately designed to minimise potential conflicts between pedestrians and vehicles and will have well-designed landscaping to provide visual interest. The Commission finds the Project will deliver an improved pedestrian environment and public domain outcome along the Little Walker Street.

There is no statutory requirement for affordable housing to be included in BTR developments, and the Project is permissible with consent.

Appendix B – the Commission’s Considerations

Material considered by the Commission

Appendix B – Table 1: Material considered by the Commission

Document	Date
The Planning Secretary’s Environmental Assessment Requirements (SEARs) (Amended Industry Specific SEARs Build-to-Rent Housing)	22 July 2024
Applicant’s EIS and its accompanying appendices	28 October 2024
Government agency advice to the Department	Various
Public submissions made to the Department during exhibition	Various
Applicant’s Response to Submissions Report and its accompanying appendices	4 March 2025
Applicant’s responses to the Department’s requests for further information	Various
Department’s AR and recommended conditions of consent	August 2025
Comments and presentation material from meetings with:	
Applicant	3 September 2025
Department	3 September 2025
Council	10 September 2025
Observations made at the site inspection (as described in the site inspection notes)	2 September
All written submissions made to the Commission during the public submissions period	Various
Correspondence from Council	10 September 2025
Department’s response to the Commission’s Request for Information	17 September 2025
Applicant’s response to the Commission’s Request for Information	24 September 2025
Department’s advice to the Commission regarding the imposition of conditions	3 October 2025

Planning framework

Strategic context

The Commission has considered the NSW Government's strategic framework, policies and guidelines as they apply to the Application and finds that the Project is acceptable for the reasons set out in Section 4 of this Statement of Reasons and detailed further in the following table.

Appendix B – Table 2: Strategic content

Strategic context	Commission's consideration
National Housing Accord, 2022	The National Housing Accord provides a national target of delivering 1.2 million new, well-located homes over 5 years from mid-2024. The NSW Government has a target of 377,000 well-located homes over the next 5 years.
Greater Sydney Regional Plan, 2018 (GSRP)	<p>The GSRP provides a vision for Sydney to 2056 and informs planning across five districts, including the North District. The Commission finds the Project contributes to various Objectives of the GSRP, including:</p> <ul style="list-style-type: none"> • Objective 8 – Greater Sydney's communities are culturally rich with diverse neighbourhoods; • Objective 10 – Greater housing supply; and • Objective 11 – Housing is more diverse and affordable. <p>The Project will deliver rental accommodation that caters for diverse household types and provides for the needs of the North Sydney community at different stages of life.</p> <p>The GSRP also identifies the need for premium-grade commercial office space within the North Sydney CBD – it is one of the well-established economic agglomerations within the Eastern Economic Corridor – however the Commission considers the Project will complement commercial uses in North Sydney for the reasons described in this Statement of Reasons for Decision.</p>
North District Plan, 2018 (NDP)	<p>The NDP is a 20-year plan to manage growth in the context of economic, social and environmental matters to achieve the 40-year vision for Greater Sydney. It is a guide for implementing the GSRP at a district level.</p> <p>The Commission finds the Project gives effect to Planning Priority N5 of the NDP: "Providing housing supply, choice and affordability, with access to jobs, services and public transport".</p> <p>In relation to Planning Priority N5, the NDP states (p 37):</p> <ul style="list-style-type: none"> • "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" • "The number of single-person households is expected to increase by 31,750 to 2036. The number of single parent and couple-only households in particular, is also expected to increase by 2036. This requires more smaller homes, group homes, adaptable homes of universal design and aged care facilities." <p>The Project will increase housing supply and diversity within the North Sydney LGA, making a significant contribution to meet the demands of an increasing population, and the consequent changing demographic and housing typology needs of the North District. With exceptional access to jobs and services, the Project is considered to directly support the intended outcomes of Planning Priority N5.</p>
North Sydney Local Strategic	The LSPS aligns with the NDP and gives effect to its priorities and actions. Housing demand will continue within the North Sydney LGA, with the LSPS noting (p 52):

Planning Statement, 2020 (LSPS)	<ul style="list-style-type: none"> • North Sydney LGA residents will increase by 27% from 2016 to 2036; • more households will be made up of single people or couples without children, with the number of lone person and couple only households predicted to increase by 32% by 2036; and • there are more renters compared to owner-occupiers within the LGA (53% of total households are either private or state rentals), with this trend likely to continue in the LGA. <p>The LSPS identifies Local Planning Priority L1, “<i>Diverse housing options that meet the needs of the North Sydney community</i>” in response to Planning Priority N5 of the NDP. The Project will deliver a diverse range of housing typologies with excellent connectivity to high volume public transport, jobs, goods and social services. In addition to assisting in meeting the LGA’s increasing population, as a dedicated BTR development the Project will contribute to meeting increasing demand for rental properties. The Commission finds the Project to be consistent with the objectives of the LSPS, in particular Local Planning Priority L1.</p>
North Sydney Community Strategic Plan 2025-2035 (CSP)	<p>The CSP sets the community’s vision for the North Sydney LGA up to 2035. The CSP provides for outcomes wanted by the North Sydney LGA community.</p> <p>The CSP states there will be an estimated 15,220 additional residents within the LGA by 2035. Of the 38,990 existing private dwellings in the LGA, just 25% are 0-1 bedroom (p 48). Outcome 7 of the CSP, “<i>Housing that meets the needs of a growing population</i>” notes the following strategic directions (p 49):</p> <ul style="list-style-type: none"> • Support the delivery of affordable and diverse housing • Support the delivery of additional dwellings to meeting housing targets • Protect the amenity of our LGA through design excellence and provision of appropriate infrastructure in growth areas <p>The Project directly supports the delivery of diverse housing within the LGA to meets its predicted population growth. The delivery of 178 additional 1-bedroom dwellings will also assist in accommodating the predicted single person and couple only household typologies demand within the LGA.</p> <p>The Commission finds that the Project is representative of a high-quality architecture and urban design outcome that will make a positive contribution to the area.</p>
North Sydney Local Housing Strategy, 2019 (NSLHS) and Draft Housing Strategy Supplement 2024 (DHSS)	<p>The NSLHS is a 20-year plan that outlines the strategic direction for housing within the North Sydney LGA. The NSLHS aligns with the GSRP, NDP and CSP directions, objectives and actions for housing in metropolitan Sydney.</p> <p>The Vision for North Sydney, as identified in the CSP, is to shape “a <i>progressive, vibrant and diverse North Sydney community</i>”. The Vision is to be achieved through a series of directions, including Direction 3: “<i>North Sydney is distinctive with a sense of place and quality design</i>”. The Commission finds that the Project is consistent with Direction 3.</p>
North Sydney CBD Public Domain Strategy, 2020	<p>The <i>North Sydney CBD Public Domain Strategy</i> sets the following vision for North Sydney:</p> <p><i>“The North Sydney CBD will support a safe, active and connected network of urban spaces that promote city life.</i></p> <p><i>The public domain will connect bustling transport hubs, civic infrastructure and commercial buildings to create a cohesive, attractive and vibrant CBD. It will be a modern urban environment that caters to the growing population of North Sydney.”</i></p> <p>The Commission finds that the Project will activate street frontages with non-residential ground floor uses and contribute to a vibrant and functional streetscape while supporting the mixed-use character of the CBD and is therefore consistent with this vision.</p>

Statutory context

The Commission has considered the statutory context applicable to the Project, as detailed in **Appendix B – Table 3** below.

Appendix B – Table 3: Statutory context

Statutory context	Commission's consideration
Objects of the EP&A Act and Ecologically Sustainable Development (ESD)	The Commission has considered the Objects of the EP&A Act and is satisfied that the Application is consistent with those Objects. The Commission finds that the Project is consistent with the ESD principles and would achieve an acceptable balance between environmental, economic and social considerations.
Permissibility	<p>The Project is characterised as <i>shop top housing</i>, comprising ground floor retail uses (<i>retail premises</i>).</p> <p>In February 2021, BTR housing was introduced into the NSW planning system via new provisions under <i>State Environmental Planning Policy (Housing) 2021 (Housing SEPP)</i> to make BTR housing a permissible land use in E2 commercial centre zones. These provisions were introduced to support BTR housing as a diverse housing type in well located areas, where market residential development may not be permitted (AR para 9). The Project satisfies the criteria under section 27 of the <i>State Environmental Planning Policy (Planning Systems) 2021 (Planning Systems SEPP)</i> for development on E2 zoned land because the primary purpose of the development is BTR housing with an estimated development cost of more than \$50 million (\$289,428,541). As such, the Project is wholly permissible with consent.</p> <p>Permissibility of the Project is summarised below:</p> <ul style="list-style-type: none"> • The Site is zoned E2 Commercial Centre (E2 zone) under the NSLEP 2013. • <i>Shop-top housing</i> is a prohibited land use within the E2 zone. • <i>Commercial premises</i> (a parent term that also includes <i>retail premises</i>) are permissible with consent in the E2 zone. • Pursuant to section 72 '<i>Development for the purposes of built-to-rent housing permitted with consent</i>' of SEPP Housing, development for the purposes of shop-top housing may be granted consent if: <ul style="list-style-type: none"> ○ the development will result in at least 50 dwellings occupied, or intended to be occupied, by individuals under residential tenancy agreements, and ○ all buildings containing the dwellings are located on the same lot of land. <p>The Project is therefore permitted with development consent under SEPP Housing. The Commission further finds the Project is also generally consistent with the objectives of the E2 zone, as detailed below.</p>
<i>To strengthen the role of the commercial centre as the centre of business, retail, community and cultural activity.</i>	The Site is located on the eastern fringe of the North Sydney CBD and adjoining public open space (Doris Fitton Park), and therefore the Commission is of the view that the Project will not adversely impact the commercial role of the North Sydney CBD or its land use hierarchy.

	<i>To strengthen the role of the commercial centre as the centre of business, retail, community and cultural activity.</i>	The Project will stimulate economic activity within the North Sydney CBD through its retail premises, demands for goods and services by residents, and opportunities for residents to work from the Site through the provision of shared meeting rooms and co-working facilities.
	<i>To encourage development that has a high level of accessibility and amenity, particularly for pedestrians.</i>	The Project is highly accessible, with excellent connectivity to public transport and jobs. With a high-quality urban design outcome and direct connectivity to public open space, the Project is considered to result in exceptional levels of amenity for future occupants and pedestrian users of the improved public domain.
	<i>To enable residential development only if it is consistent with the Council's strategic planning for residential development in the area.</i>	As discussed above, the Project is considered by the Commission to align with Council's strategic planning for residential development.
	<i>To ensure that new development provides diverse and active street frontages to attract pedestrian traffic and to contribute to vibrant, diverse and functional streets and public spaces.</i>	The Commission finds the Project will improve street activation in the area, including activated retail frontages along Little Walker Street, which currently has a non-activated wall and low pedestrian traffic. Retail/café/restaurant land uses designed to integrate with the adjoining public open space (Doris Fitton Park) will create a vibrant and functional public domain.
	<i>To minimise the adverse effects of development on residents and occupiers of existing and new development.</i>	The Commission's consideration of potential adverse impacts on residents and occupiers of existing and new development within the area is discussed at Section 4 of this report and further below. The Commission finds the Project's potential adverse effects to be minimal and can be further mitigated by sound design principles.
State significant development (SSD)	<p>The Project is declared SSD under section 4.36 of the EP&A Act as it satisfies the criteria under section 2.6(1) and item 27 of Schedule 1 of SEPP Planning Systems, being BTR housing that:</p> <ul style="list-style-type: none"> • is in the Greater Sydney Region with an estimated development cost (EDC) of more than \$50 million; • has the tenanted component represents more than 60% of the EDC; and • does not involve development that is prohibited under an environmental planning instrument applying to the land, other than development for the purposes of multi dwelling housing, residential flat buildings or shop top housing. 	
Consent authority	The Commission is the declared consent authority under section 4.5(a) of the EP&A Act and section 2.7(1) of SEPP Planning Systems, as North Sydney Council made a submission by way of objection to the Department.	
Integrated development and other approvals	Pursuant to section 4.41 of the EP&A Act, authorisations required under other Acts are not required for SSD and therefore are not required to be separately obtained for the Application. Under section 4.42 of the EP&A Act, further approvals are required but must be substantially consistent with any development consent for the Project.	

Mandatory considerations – EP&A Act	
<i>Relevant environmental planning instruments (EPIs)</i>	<p>Appendix B of the Department's AR identified the relevant EPIs for consideration. The Commission has considered the following EPIs as part of its determination:</p> <ul style="list-style-type: none"> • State Environmental Planning Policy (Planning Systems) 2021 • State Environmental Planning Policy (Transport and Infrastructure) 2021 • State Environmental Planning Policy (Resilience and Hazards) 2021 • State Environmental Planning Policy (Biodiversity and Conservation) 2021 • State Environmental Planning Policy (Sustainable Buildings) 2022 • State Environmental Planning Policy (Housing) 2021 • North Sydney Local Environmental Plan 2013
<i>Relevant development control plans (DCPs)</i>	Under section 2.10 of SEPP Planning Systems, DCPs do not apply to SSD applications.
<i>Any planning agreement or draft planning agreement</i>	Not applicable to the Project.
<i>Likely impacts of the development</i>	The likely impacts of the Application have been considered in Appendix B – Table 4 of this Statement of Reasons for Decision. The Commission finds that the Project – subject to the imposed conditions of consent – will not create significant impacts on the natural and built environment, or significant social and economic impacts that outweigh the positive benefits that would be realised with the grant of development consent.
<i>Suitability of the site for development</i>	<p>The Commission has considered the suitability of the Site for the Project and finds the Site is suitable for the following reasons:</p> <ul style="list-style-type: none"> • it is located in a highly accessible location (550 metres from North Sydney Train Station and 500 metres from Sydney Metro Victoria Cross Station) and has access to the public road network; • it is located within an established urban precinct that is serviced by existing infrastructure; • the Project is generally consistent with the objectives of the E2 zone; • the built form and scale of the Project is compatible with the established character of the North Sydney locality; • impacts on surrounding land uses have been minimised where possible, with some impacts capable of being mitigated through conditions of consent; and • the development of the Site is an orderly and economic use of the land.
<i>The public interest</i>	The Commission has considered the public interest in deciding to grant consent to the Application. In doing so, the Commission has evaluated the likely impacts of the Application and considered the relevant ESD principles. The Commission has concluded that the Project is in the public interest and merits the grant of consent, subject to conditions.

Key issues

Key issues considered by the Commission in its determination are outlined in **Appendix B – Table 4** below. The Commission notes that this is not an exhaustive report of all of the issues pertaining to the Project or as raised in written submissions, however it is illustrative of the Commission's consideration of the key issues in determining this Application.

Appendix B – Table 4: Key issues in the Commission's determination

Issue	Commission's findings
Land use	<p>The Site is currently occupied by a commercial development. Council raised concerns regarding the proposed BTR use of the Site given its location within the North Sydney commercial centre, stating that it plays an important economic role as part of the Eastern Harbour City and Eastern Economic Corridor.</p> <p>The Department acknowledged Council's concerns in its assessment of the Application, however it concluded that BTR housing is a permissible land use in the E2 zone and the Application is consistent with the zone objectives (AR, para 37).</p> <p>The Commission agrees with the Department's assessment that BTR housing is a permissible land use and that it is consistent with the zone objectives. However, the Commission also notes Council's concerns regarding the economic and strategic impact of the proposed BTR housing within the North Sydney commercial core.</p> <p>Council advised in its submission, dated 9 September 2025, that 146 Arthur Street currently supports 13 companies (approximately 600 employees and \$187 million per annum in Gross Value Added). Council noted that a compliant commercial tower would accommodate 2,800 employees with an associated Gross Value Added of \$977 million per annum, and the proposed BTR is estimated to supply 25 permanent direct jobs with an associated Gross Value Added of \$2.3 million per annum.</p> <p>The Applicant provided an Economic Statement which stated that the proposed BTR development is "expected to have a positive economic impact on the longer-term viability and strength of the North Sydney CBD" for reasons including that the North Sydney CBD is the second-lowest performing commercial office market in Sydney in terms of vacancy rates and that it has lost prominence among major commercial office markets in Sydney.</p> <p>Council raised concerns that approval of this Project would set a precedent for other residential developments within the North Sydney commercial core. The Commission is of the view that, given the Project will be located on the eastern fringe of the North Sydney CBD and continue a pattern of mixed commercial and residential land uses adjoining the Warringah Freeway, it will not adversely impact the commercial land use hierarchy of the North Sydney CBD. Additionally, the Project cannot be considered in the same way as general residential development because it is development for the purpose BTR housing only, which is a permissible land use in the E2 zone. The Commission therefore considers that the grant of consent for this Application will not cause significant land use change in the North Sydney commercial core.</p> <p>The Commission is also of the view that the proposed residential land use, with a ground floor retail use, will complement the existing and future commercial uses in the area through creating more street activation, diversity and vibrancy within the commercial centre, including outside of standard office hours.</p> <p>The Commission acknowledges Council's concerns that the Project may have adverse economic impacts and undermine North Sydney's commercial role in the North District, as identified by relevant strategic plans. However, the Commission is of the view that the Project will deliver public benefits and demonstrates strategic merit which outweighs any potential economic impact of the change of land use. The Commission finds the proposed BTR land use to be acceptable because the Project:</p> <ul style="list-style-type: none"> • is wholly permissible with consent; • will provide well-located housing in an area serviced by high-volume public transport and within walking distance of jobs and services;

Issue	Commission's findings
	<ul style="list-style-type: none"> • will delivering rental accommodation that caters for diverse household types and provides for the needs of the North Sydney community at different stages of life; • will deliver housing in support of the National Housing Accord, which sets a national target of delivering 1.2 million new homes over 5 years from mid-2024, with NSW's share being 377,000 well-located homes; • will be located on the eastern fringe of the North Sydney CBD and continue a pattern of mixed commercial and residential land uses adjoining the Warringah Freeway, thereby not adversely impacting the commercial land use hierarchy of the North Sydney CBD; • will activate street frontages with retail uses on the ground floor, and contributing to a vibrant and functional public domain, including at Doris Fitton Park and along Little Walker Street; and • will stimulate economic activity within the North Sydney CBD through its retail premises, demands for goods and services by residents, and opportunities for residents to work from the Site through the provision of shared meeting rooms and co-working facilities.
Built form	<p>Building height</p> <p>Under the NSLEP 2013, the maximum height of building control applicable is to the Site is reduced level (RL) 188m. The Project seeks approval for a height of 207.3m (top of the lift overrun), a 19.3m exceedance above the NSLEP 2013 control (AR, para 39-41).</p> <p>Clause 6.3 of the NSLEP 2013 permits exceedance to the height control in the North Sydney Centre, providing that the consent authority is satisfied the proposal satisfies specific criteria relating to overshadowing of key public open space, identified 'Special Areas' and residentially zoned areas outside the North Sydney centre. Impacts of massing, bulk and scale, views and streetscape character must also be considered. The Department's AR (Table 6) provides an assessment against this specific criterion, confirming the Project's compliance. As such, the additional height as proposed is permitted via clause 6.3 of the NSLEP 2013, and the Commission agrees with the Department's assessment that it has been adequately demonstrated to be an acceptable and compliant built form outcome.</p> <p>The Applicant's EIS included a clause 4.6 variation request to the building height development standard pertaining to the additional building height of 19.3m above RL 188m. The Commission agrees with the Department that the proposed building height variation is permitted via clause 6.3 of the NSLEP 2013. Consequently, agreement to the variation request is not required (AR, para 45), but were the variation request required, the Commission would have agreed to the request for the reasons put forward by the Applicant.</p> <p>Public submissions received by the Department noted the height of the Project as an issue of concern. The Commission agrees with the Department's assessment that the proposed height of the Project does not warrant refusal of the Application (AR, para 44), noting:</p> <ul style="list-style-type: none"> • there will be no overshadowing of key sensitive areas; • solar access to properties outside the North Sydney Centre is not reduced to less than 2 hours; • the Project is consistent with the built form of the North Sydney CBD, including existing nearby developments; • the Site's topography, constraints and opportunities have informed the built form distribution of the Project, and its design locates the highest part of the building on the western side of the Site to integrate with existing buildings of similar height in the CBD;

Issue	Commission's findings
	<ul style="list-style-type: none"> the Project demonstrates high-quality architectural design, and has been subject to review via the NSW Government Architect's (GANSW) State Design Review Panel (SDRP) process (EIS, p 144); the Project has been designed to minimise perceptions of excessive bulk and scale; the proposed building height will positively contribute to, and sit well within, the North Sydney skyline without impacting significant view lines or vistas from public places; and although private view loss will occur to some extent, these impacts are commensurate with a large-scale CBD development and have been found to be acceptable (as discussed further below). <p>Setbacks</p> <p>The Project has a setback from the tower to the Site boundary of between 5.9m to 10.6m from 140 Arthur Street to the south and of between 2.4m to 3m to the west to Little Walker Street (AR, Table 8). The Department, in AR para 86, concluded that the building separation was acceptable for reasons including the following:</p> <ul style="list-style-type: none"> the proposed western boundary tower setback, with an approximately 8m width of Little Walker Street and dense urban character of the site is considered reasonable to allow for acceptable visual privacy outcomes to be achieved to 153-157 Little Walker Street; the proposed southern boundary tower setback to the existing commercial use is considered reasonable; and the proposed privacy mitigation measures, such as the proposed aluminium fins, vertical screening, raised window sills and the omission of balconies, will limit direct overlooking and maintain visual privacy for both future occupants and adjoining developments. <p>In a submission to the Commission, concerns were raised regarding the proposed setback to 153-157 Little Walker Street, including that the proposed vertical fins would be ineffective. The submission noted that 153-157 Little Walker Street has an approved commercial development scheme which is 1m closer to the boundary than the existing development, of which the Department completed its assessment against.</p> <p>Residential amenity</p> <p>The Department assessed the proposal against the Apartment Design Guide (ADG) at Appendix B of the AR and concluded the proposal <i>"has been designed to provide a high level of amenity for future residents, in accordance with the objectives and design guidance of these guidelines while maintaining a reasonable level of amenity to existing adjacent residents"</i> (AR, para 64). Section 75(2)(a) of the Housing SEPP requires a consent authority to be flexible in applying the design criteria set out in the ADG, including the design criteria under Part 4: 4E (private spaces and balconies), 4G (storage) and 4K (apartment mix).</p> <p>The Commission is satisfied with the Department's consideration of applying flexibility to the application of the ADG to extend the solar access timeframe from 8am to 4pm during the winter solstice. The Commission agrees with the Department and finds that the proposed duration of solar access (92.8% of apartments receiving the minimum 2 hours solar access between 8am and 4pm during the winter solstice) is acceptable.</p>

Issue	Commission's findings
	<p>The proposal achieves 40% natural cross ventilation for apartments on levels one to nine (which is below the recommended 60% outlined in the ADG) (AR, para 70). The Applicant's Noise Impact Assessment, dated 21 February 2025, outlines that apartments are required to have doors and windows closed to meet internal noise criteria and therefore the apartments have been designed to allow all windows and doors to remain closed whilst achieving cross ventilation via mechanical ventilation (AR, para 71). The Commission agrees with the Department's assessment that the proposed ventilation strategy represents a considered design response to the Site's acoustic constraints (persistent traffic noise from the Warringah Freeway) by prioritising internal acoustic comfort.</p> <p>The Project does not include any balconies. The Department's <i>Build-to-rent Housing and Flexible Design Factsheet</i> recognises that balconies may not be suitable for some BTR housing due to problems such as privacy, wind or noise (AR, para 75). The Commission agrees with the Department's assessment (AR, para 76) that the exclusion of private balconies is appropriate in this context due to:</p> <ul style="list-style-type: none"> the Site's exposure to high levels of traffic noise and air pollution from the adjacent Warringah Freeway significantly reducing amenity and usability of balconies; the provision of a variety of different communal spaces (which achieve solar access requirements where relevant) throughout the development to compensate for the lack of private balconies, in line with the flexible application of the ADG; and apartments on the northern and southern facades experiencing more favourable wind and acoustic conditions, allowing for greater façade operability, such as full-width sliding doors and balustrades. <p>Visual privacy</p> <p>The Project proposes to include aluminium fins and raised windowsills to its southern and western façades to mitigate potential visual privacy concerns for both future occupants and adjoining developments (including any proposed future developments neighbouring the Site). The Commission agrees with the Department's assessment (AR para 86) that the proposed façade treatments will limit direct overlooking and maintain visual privacy, and that these treatments can achieve the objectives of the ADG's visual privacy provisions without requiring strict compliance with building separation distances from the southern and western boundaries.</p>
View impact	<p>A Visual Impact Assessment (VIA) and View Sharing Report (VSR) were prepared as part of the Application and provide analysis of view loss impacts of the Project on surrounding residential buildings. Utilising principles established in the NSW Land and Environment Court (LEC) case <i>Tenacity Consulting Vs Warringah</i> [2004] NSWLEC 140 (Tenacity) the VIA and VSR assessment found that the majority of impacts arising on existing residential buildings are minor and/or minor to moderate (as detailed below), with the exception of 171 Walker Street, North Sydney (AR, para 53-55 and Table 7):</p> <ul style="list-style-type: none"> 168 Walker Street (Aura Building) – minor to moderate impact; 138 Walker Street – minor to moderate impact; 173-179 Walker Street and 11-17 Hampden Street – minor to moderate impact; and 79-81 Berry Street – minor to moderate impact.

Issue	Commission's findings
	<p>View impacts from 171 Walker Street include views to Sydney Harbour, the Opera House, and parts of Sydney Harbour Bridge. Views to the North Sydney CBD, the Warringah Freeway and parts of Neutral Bay and Kirribilli will also be impacted. The extent of view loss impacts to 171 Walker Street are assessed to be moderate to severe, as views lost include those considered to be 'iconic' per the Tenacity principles (i.e. Sydney Opera House and part of the Sydney Harbour Bridge). However, approximately half of the view impacts for 171 Walker Street are views from bedrooms, which are of lower value than habitable rooms under the Tenacity principles (AR, Table 7).</p> <p>The Department's AR (para 56) states that after careful consideration of the Applicant's VIA and VSR and public concerns regarding view impacts, the conclusions reached in the Applicant's VIA for each assessed building are acceptable. While acknowledging that the Project will affect views, the Department finds the extent of any potential view loss is acceptable, noting (AR, para 60):</p> <ul style="list-style-type: none"> the Project's height, bulk and scale is consistent with the existing built form of the North Sydney CBD; view loss in a high-density CBD environment is not unexpected or unreasonable in this instance; 171 Walker Street will experience the loss of high value views (Opera House and Harbour Bridge), however, given the applicable planning controls, that views affected being largely from bedrooms, and that expansive views remain to the north and east, the impacts are considered acceptable; and view impacts to commercial developments in the CBD are reasonable, noting the Tenacity principles mainly apply to residential development, and commercial buildings are only occupied transiently, and mostly during weekdays. <p>The Commission acknowledges the concerns raised in submissions received about view loss from nearby commercial developments, including loss of high-amenity harbour and district views and the associated potential loss of high-profile commercial office tenants. The Commission notes the Department's comments (AR para 60) that "the <i>Tenacity</i> planning principles primarily apply to residential amenity and are not directly relevant to commercial developments which have different amenity expectations due to their transient use and limited occupation outside business hours" and its assessment that "predicted view impacts to commercial properties are considered acceptable in this context given the site's location within a high-density commercial core". The Commission also acknowledges that concerns were raised regarding view loss impacts on the potential future residential development at 153-157 Walker Street, which is subject to a development application that was formally submitted to the Department on 2 September 2025. The Commission agrees with the Department that the degree of view loss for a potential future building cannot reasonably be assessed within the scope of this assessment.</p> <p>The Commission acknowledges that view loss is likely from a number of locations within the area as a result of the Project's built form. However, given that the Project complies with the prescriptive NSLEP 2013 maximum height limit (RL 188m), and for the reasons provided in this Statement of Reasons, the Commission agrees with the Department's assessment and finds the Project's view impacts do not warrant refusal of the Application.</p>
Car parking	<p>Section 74(2)(d)(i) of SEPP Housing sets a non-discretionary development standard (NDDS) relating to car parking on land in an '<i>accessible area</i>', requiring 0.2 car parking spaces per dwelling provided as part of a BTR development.</p> <p>SEPP Housing defines accessible area as below:</p> <p><i>"[A]ccessible area means land within –</i></p> <p><i>(a) 800m walking distance of –</i></p>

Issue	Commission's findings
	<p>(i) a public entrance to a railway, metro or light rail station, or</p> <p>(ii) for a light rail station with no entrance—a platform of the light rail station, or</p> <p>(iii) a public entrance to a wharf from which a Sydney Ferries ferry service operates, or</p> <p>(b) (Repealed)</p> <p>(c) 400m walking distance of a bus stop used by a regular bus service, within the meaning of the Passenger Transport Act 1990, that has at least 1 bus per hour servicing the bus stop between –</p> <p>(i) 6am and 9pm each day from Monday to Friday, both days inclusive, and</p> <p>(ii) 8am and 6pm on each Saturday and Sunday.”</p> <p>The Site's proximity to the public entrances of the Sydney Metro Victoria Cross Station and North Sydney Train Stations, and several bus services, means it is located within an accessible area and subject to the NDDS for car parking. The Commission notes that a consent authority cannot refuse a development application, or require more onerous standard, if the NDDS is complied with.</p> <p>Under SEPP Housing, the Project would be required to provide 78 car parking spaces to meet the NDDS for its 390 dwellings. Given that 66 car parking spaces are proposed by the Project, there is a shortfall of 12 car parking spaces.</p> <p>Section 4.15(3)(b) of the EP&A Act provides that if a NDDS within an environmental planning instrument (i.e. SEPP Housing) is not complied with by a proposed development “a provision of an environmental planning instrument that allows flexibility in the application of a development standard may be applied to the non-discretionary development standard.”</p> <p>The Commission provided an opportunity for the Applicant to provide a variation request regarding the Project's non-compliance with the NDDS at section 74(2)(d)(i) of SEPP Housing. The Applicant provided a formal request to vary the NDDS titled Clause 4.6 Variation Request, Housing SEPP Section 74(2)(d) (Car Parking) 146 Arthur Street, North Sydney, dated 24 September 2025 (CI 4.6 Request).</p> <p>The Applicant's submission is that strict compliance with the Housing SEPP parking requirement is unreasonable and unnecessary in the circumstances of the Application for the following reasons (CI 4.6 Request, pages 5 to 9):</p> <ul style="list-style-type: none"> • the specific objectives of the standard (in this case, the Housing SEPP Principles) are achieved notwithstanding non-compliance with the standard for reasons including that the minor variation sought: <ul style="list-style-type: none"> ○ will enable the development to provide rental accommodation in an accessible location that responds to the needs of the community; ○ ensures the development remains viable and prioritises housing outcomes; ○ does not prevent a reasonable level of amenity to be achieved, consistent with the Housing SEPP; and ○ is incorporated into a design that minimises environmental impacts. <p>Further, the Applicant states that there are sufficient environmental planning grounds to justify the contravention of the development standard in accordance with clause 4.6(3)(b) of the NSLEP 2013, including that the Project (CI 4.6 Request, p 10-13):</p> <ul style="list-style-type: none"> • promotes the objectives of the Act by: <ul style="list-style-type: none"> ○ facilitating ecologically sustainable development; ○ promoting the orderly and economic use of the land; ○ providing an alternative housing option; ○ protecting and enhancing the environment through the incorporation of compact, resource-efficient living arrangements; and ○ promoting good design and amenity of the built environment;

Issue	Commission's findings
	<ul style="list-style-type: none"> • promotes housing diversity and supply in accordance with the strategic plans and priorities at all levels of government; and • does not result in any unreasonable environmental impacts that result from the proposed variation of the development standard. <p>The Commission has reviewed the Applicant's justification as set out in its CI 4.6 Request and has agreed to the Applicant's CI 4.6 Request for the reasons put forward by the Applicant.</p> <p>The Department is of the view that the number of car parking spaces proposed by Project is appropriate. The Department specifically notes the Site's proximity to public transport, objectives within the applicable strategic planning framework to encourage active transport and reduce traffic congestion in the North Sydney CBD, and the Project's inclusion of accessible parking and service vehicle access to align with the access and operational needs of the development (AR, Table 9).</p> <p>The Commission is satisfied that the proposed car parking spaces are sufficient. The Commission finds:</p> <ul style="list-style-type: none"> • the Site has excellent connectivity to public transport options, including Sydney Metro Victoria Cross Station and North Sydney Train Station; • the Project includes provision of 390 secured bicycle spaces; • the Project includes the integration of co-working facilities to cater for work-from-home arrangements for residents; • the Site has access to alternate transport options, including car share services and bus infrastructure within close proximity; • the Site is in close proximity to employment, services and retail; and • the reduced car parking numbers is consistent with strategic planning objectives, including the objectives within the North Sydney DCP, to encourage sustainable transport and reduce traffic within the North Sydney CBD.
Landscaping and trees	<p>Council raised concerns about five trees located along the Arthur Street frontage of the Site (trees T1-T5 as identified in the Applicant's Arboricultural Impact Assessment Report, dated 17 March 2023). Council is of the view that the trees will be impacted by the development, including potential impacts from the stormwater works, canopy loss or constructed-related disruptions, and recommended the replacement of the trees with five new <i>Platanus x acerifolia</i> (minimum 150L stock) for a better outcome.</p> <p>The Applicant's Arboricultural Report concludes that construction activities are anticipated to pose a low risk to the stability and health of the trees (AR, Table 9).</p> <p>The Commission is satisfied that trees T1-T5 do not warrant replacement if they are adequately protected during construction. However, if the trees are impacted, the Commission finds the Applicant should be required to replace them as per Council's requirements. Therefore, the Commission has imposed a condition of consent requiring the replacement of trees T1-T5 with trees of the same species, in accordance with Council specifications, if any loss of trees occurs during the construction or maintenance periods.</p> <p>The Commission has imposed conditions requiring the Applicant to reconstruct, or pay the full costs associated with repairing/reconstructing, any public infrastructure, including footpaths, in the vicinity of the Development that is damaged by carrying out the Development.</p>
Waste management, loading and servicing	<p>Council raised concerns regarding the proposed waste collection, including the size of the bin storage room, the waste servicing arrangements, the number and sizes of bins throughout the development and the separation of commercial and residential waste.</p>

Issue	Commission's findings
	<p>In its response to the Commission dated 3 October 2025, the Department advised that the recommended condition requiring the preparation and implementation of an Operational Waste Management Plan prior to occupation or commencement of use requires consultation with North Sydney Council to ensure Council has the opportunity to provide input on the proposed waste collection arrangements. The Department advised that the intention of this consultation is to resolve any outstanding concerns and ensure the waste management is consistent with Council's requirements and expectations.</p> <p>The Commission is satisfied that the proposed waste arrangements, subject to finalisation in consultation with Council, are appropriate.</p> <p>The Commission has imposed conditions of consent to ensure appropriate operational waste management including the requirement to prepare and implement an Operational Waste Management Plan which must be prepared in consultation with Council.</p>
All other issues	<p>After consideration of all other issues identified by the Department in its AR, the Commission is satisfied that any potential land use planning impacts arising have been adequately addressed and/or can be mitigated and managed through the imposed conditions of development consent.</p>

Appendix C – Department's Assessment Report

[Link to Department's Assessment Report, dated August 2025](#)

Appendix D – Instrument of Consent

[Link to Instrument of Consent, dated 9 October 2025](#)



New South Wales Government
Independent Planning Commission

ipcn.nsw.gov.au

Phone (02) 9383 2100

Email ipcn@ipcn.nsw.gov.au

Mail Level 15 135 King Street Sydney NSW 2001

Disclaimer

While every reasonable effort has been made to ensure that this document is correct at the time of publication, the State of New South Wales, its agencies and employees, disclaim all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document.

The Independent Planning Commission NSW advises that the maps included in the report are intended to give visual support to the discussion presented within the report. Hence information presented on the maps should be seen as indicative, rather than definite or accurate. The State of New South Wales will not accept responsibility for anything, or the consequences of anything, done or omitted to be done in reliance upon the mapped information.

ABN 38 755 709 681