

PRE-GATEWAY REVIEW - Information Assessment and Recommendation Report

| Local Governmental Area: | Waverley | | |
|---|--|--|--|
| Amended Local Environmental Plan: | Waverley Local Environmental Plan 2012 | | |
| Address: | 194-214 Oxford Street and 2 Nelson St, Bondi Junction | | |
| Reason for review: | ☑ Council notified proponent it will not support proposed amendment | ☐ Council failed to indicate support for proposal within 90 days | |
| Is a disclosure statement relating to reportable political donations under s147 of the Act required and provided? | ☑ Provided ☐ N/A Comment: There are no donations or gifts to be disclosed. | | |
| Assessment Fee: | ☑ Provided & correct | ☐ Not provided / incorrect | |

1. SUMMARY OF THE PROPOSAL

This planning proposal (<u>Tab D</u>) aims to enable the redevelopment of the sites which comprise the western end of the Bondi Junction centre. The subject site, 194-214 Oxford Street (Site 1) and 2 Nelson Street (Site 2), is bounded by Oxford Street, Syd Einfeld Drive, York Road and Nelson Street. The site is at the border of Woollahra and Randwick Councils, and diagonally opposite Centennial Park.



Figure 1: Site. Source: Planning proposal

'Site 1' has a combined area of 1,490 square metres and is proposed to accommodate a podium of commercial, retail and community uses with a residential tower to a height of 38 metres and floor space ratio of 5:1.

'Site 2' has an approximate area of 991 square metres and is proposed to accommodate a residential tower, above one level of commercial, retail and community uses, with a height of 38 metres and FSR of 5:1. This equates to 11,504 square metres of residential floor space and 854 square metres of retail/commercial floor space.

A public plaza and thoroughfares are also proposed. The planning proposal does not seek to change the B4 Mixed Use zone.



Figure 2: Site location. Source: Planning Proposal

The site is located approximately 650 metres west of Bondi Junction railway station and opposite the Waverley bus depot. It is surrounded by main roads on 3 sides, and adjacent to existing retail and commercial uses. It sits at the far north western edge of the B4 Mixed Use zone adjacent to the Bondi Junction B3 Commercial Core zone.

The site has good access to public transport and is in close proximity to the town centre and associated amenities. The site has been identified through Council led strategic planning processes as having the potential for redevelopment beyond the existing planning controls.

1.1 Background

On 15 December 2015, Waverley Council resolved not to support a planning proposal to increase the development capacity for the site. This proposal was subject to revisions made by the proponent in discussions with Council staff (see section 3.1).

On 21 December 2015, City Plan Services, on behalf of STET Pty Ltd, wrote to the Department with a request for a pre-Gateway review of the planning proposal for the site (<u>Tab C</u>). This planning proposal does not include revisions as outlined in section 3.1. The current proposal seeks to amend development controls under Waverley Local Environmental Plan 2012 (Waverley LEP 2012) as follows:

 increase the maximum permissible building height from 15 metres to 38 metres on the sites (see Figure 4);

- increase the maximum permissible floor space ratio from 1.5:1 to 5:1 on the sites (see Figure 5);
 and
- remove the local heritage status in relation to Item 1212 (the four terrace houses) at 194-200
 Oxford Street, Bondi Junction (see Figure 6).

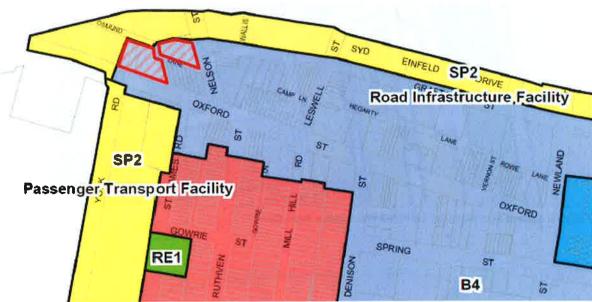


Figure 3: Extract from Waverley LEP 2012 Zoning Map showing the site zoned B4 Mixed Use



Figure 4: Extract from Waverley LEP 2012 Height Map

1.2 Recommendation

The proposal is **recommended** to proceed to the Sydney East Joint Regional Planning Panel (the Panel) for independent review, as it demonstrates broad strategic and site specific merit.

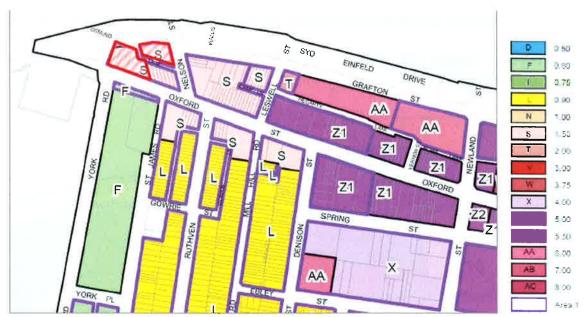


Figure 5: Extract from Waverley LEP 2012 Floor Space Ratio Map



Figure 6: Extract from Waverley LEP 2012 Heritage Map showing heritage item 1212, and landscape item 1506 on the site

2. REQUIREMENTS UNDER SECTION 55 OF THE EP&A ACT

2.1 Objective and intended outcomes

The following objectives and intended outcomes have been put forward by the applicant:

- to bring planning controls in the West Precinct in line with the rest of Bondi Junction, thereby making the revitalisation of this area of Bondi Junction financially feasible;
- to enable improvements to community facilities in the form of a plaza, and improved pedestrian and cycling links; and
- to create a tower as a 'gateway' to Bondi Junction and to balance the western 'bookend' of Bondi Junction with the eastern 'bookend'.

2.2 Explanation of provisions

The planning proposal aims to amend Waverley LEP 2012 as follows:

 amend the WLEP 2012 Height of Buildings Map in relation to 'Site 1' 194-214 Oxford Street, Bondi Junction and 'Site 2' 2 Nelson Street, Bondi Junction to indicate a maximum permissible height of 38 metres on the sites;

- amend the WLEP 2012 Floor Space Ratio Map in relation to 'Site 1' 194-214 Oxford Street, Bondi Junction and 'Site 2' 2 Nelson Street, Bondi Junction to indicate a maximum floor space ratio of 5:1 on the sites; and to
- amend the WLEP 2012 Heritage Map to remove the heritage status of 194-200 Oxford Street, Bondi Junction, and delete Item I212 from Schedule 5 Environmental heritage, Part 1 Heritage items of the WLEP 2012.

2.3 Mapping

The planning proposal contains sufficient mapping to demonstrate current and proposed height and FSR controls and the planning proposal contains images which illustrate the site in context.

2.4 Community consultation (including agencies to be consulted)

Community consultation would be conducted in accordance with any Gateway determination. Should the proposal proceed to Gateway, consultation with the following public agencies is recommended: Woollahra Council, Randwick Council, Heritage Office, Transport for NSW, Roads and Maritime Services, Energy Australia, Sydney Water, Department of Education and Communities and NSW Ministry of Health.

A public exhibition period of 28 days is recommended should the proposal proceed to Gateway.

3. VIEWS OF COUNCIL AND AGENCIES

3.1 Comments from Waverley Council

Ongoing consultation between the proponent and Council staff during the preparation of the initial planning proposal resulted in a revised concept design being submitted to Council staff by City Plan on 13 October 2015 (Tab G). The revised plan includes the following:

- reduction in the height of buildings from 38 metres to 36 metres and reduction in the floor space ratio from 5:1 to 3.5:1;
- reconfiguration of the proposed public plaza on Nelson Street to allow for increased solar access and increased curtilage from the neighbouring heritage items (Norfolk Island Pine and Nelson Hotel);
- reconfiguration of a through site link and proposed vehicular access; and
- creation of a 2 to 3 storey podium level to continue the existing built form pattern along Oxford Street.

In December 2015, Council considered a report from Council staff which recommended approval of the revised concept, subject to a number of further amendments (<u>Tab H</u>). These included:

- reduction in the height of buildings to 25m for 'Site 2' to provide a suitable transition in height between the proposed buildings on the site and the adjacent sites and to respect the presence of the heritage listed Norfolk Island Pine tree;
- reduction in the FSR from the proposed 3.5:1 to 2.4:1 for 'Site 2' to align with the recommended amended height;
- amendments to the design and footprint of the buildings, developed in consultation with Council;
- revision of the Heritage Impact Statement prepared by Urbis to assess the impact upon the visual curtilage & vistas along surrounding streets and Centennial Park;
- revision of the Traffic Study prepared by GTA Consultants to include an assessment of current on street parking demand and capacity in the vicinity of the site as well as the proposal's likely impact on parking demand; and
- a site specific development control plan for the subject site.

Council however refused the planning proposal for the following reasons:

- 1. Overdevelopment of the site and an unacceptable built form scale, particularly to Oxford Street, in an area that borders the Mill Hill Conservation area.
- 2. Unacceptable overshadowing of the public domain and Centennial Park.
- 3. It may set a precedent for adjoining sites seeking additional height and floor space.
- 4. It is not in the public interest of the West Oxford Street Precinct.
- 5. It is in excess of the current LEP height limit of 15m and the FSR of 1.5:1

On 21 December 2015, City Plan lodged the current (and original) planning proposal with the Department for a Pre-Gateway review (Tab D).

On 9 February 2016, Council wrote to the Department providing comments on this proposal (<u>Tab F</u>). These comments reiterate Council's earlier reasons for refusing the proposal (above).

3.2 Strategic merit assessment

3.2.1 A Plan For Growing Sydney

Bondi Junction is within the Central subregion and is classified as a Strategic Centre at the end of an urban renewal corridor along the rail line to the CBD. A priority for Bondi Junction is to retain a commercial core for long-term employment growth and provide capacity for additional mixed use development including offices, retail, services and housing.

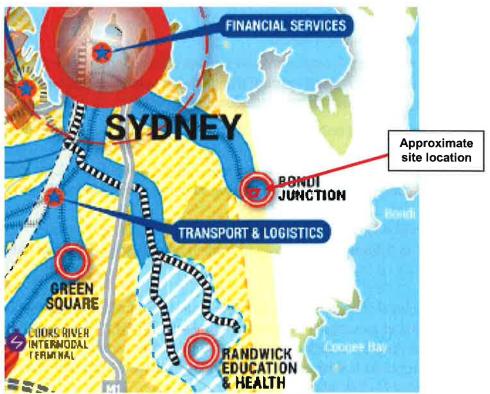


Figure 7: Extract form Central Subregion map, A Plan for Growing Sydney

One of the key priorities for the Central Subregion is to "accelerate housing supply, choice and affordability and build great places to live". To support this key priority the Plan identifies the following action: "Work with Councils to identify suitable locations for housing intensification and urban renewal, including employment agglomerations, particularly around Priority Precincts, established and new centres, and along key public transport corridors…"

The Planning Proposal is consistent with the Plan, as it would:

- deliver more housing through targeted urban renewal near Bondi Junction station;
- assist in revitalising the locality by providing housing and employment uses in or near a centre in an established urban area; and
- respond to increased housing diversity and choice through the provision of housing stock to suit the needs of a changing population.

However consistency with the following objective of the Plan has not been adequately provided:

• to "identify and reuse heritage sites (Goal 3)" (as the proposal does not investigate this option for the four terrace houses at 194-200 Oxford Street, Bondi Junction).

Actions to address this inconsistency are covered under "Heritage" on page 11 of this report.

3.2.2 Sydney Strategic Centres - Barriers to Growth (August 2015)

This study was commissioned by the Department of Planning and Environment to look at barriers to economic growth in Strategic Centres across Sydney as input to the district planning process.

The report identifies a number of barriers to economic growth in Bondi Junction, including fragmented land ownership and high land prices, resulting in the limited availability of larger sites for development.

In contrast, the current proposal represents a key land holding of seven properties fronting Oxford Street and Syd Einfeld Drive. These are the last seven properties on the urban block connected to the western end of the Bondi Junction Mall. The proposal provides the opportunity to activate this block and provide potential for a much needed western gateway to Bondi Junction.

3.2.3 Section 117 Directions

The proposal is consistent most of the relevant S117 Directions. However, consistency with Section 117 Direction 1.1 Business and Industrial zones and Section 117 Direction 2.3 Heritage Conservation is discussed below.

Direction 1.1 Business and Industrial Zones

The planning proposal is consistent with the Direction in that it aims to promote population growth and employment opportunities for retail, commercial and community purposes on site which will, in turn, support the viability of the Bondi Junction town centre.

However, the proposal is not supported by any form of land use viability analysis to assist in assessing the potential impact on the existing retail/ commercial uses in the Bondi Junction centre, or the demand for these uses at this location. The purpose of such an analysis would be to avoid the potential for an unactivated ground floor environment which would not be desirable in terms of residential or streetscape amenity.

If the proposal proceeds to Gateway, it is recommended that a land use viability analysis be undertaken by the proponent to address this concern and specify any commercial floor space above ground level.

Direction 2.3 Heritage Conservation

The planning proposal is inconsistent with the Direction in that it proposes to demolish locally significant heritage items on the site, which consist of four adjoining two storey late Victorian filigree terrace houses. This inconsistency could be permissible if the Secretary agrees that the items are of minor significance and can be removed from the heritage listing under the LEP, as proposed by the planning proposal. A heritage impact statement prepared on behalf of the proponent notes that the historic and aesthetic significance of the heritage items is not rare but representative of the types of housing of the period in Bondi Junction, Queens Park, Woollahra and Paddington. The amenity of the existing terraces in terms

of access, pollution and noise is considered to be very poor, given their location at the intersection of three major roads, with the structures themselves showing the physical effects of significant subsidence. The study concludes that by removing the heritage items on the site and providing a development outcome which respects the heritage significance of the sites in the surrounding area, the site will better contribute to the streetscape and provide new development types which benefit the broader area.

However, the heritage impact statement does not address the opportunity (or lack of) to retain the terraces houses and integrate them into the redevelopment of the site. The need to consider this option was identified in the West Oxford Street Urban Design Review undertaken by City Plan Urban Design.

Actions to address this inconsistency are covered under "Heritage" on page 11 of this report.

3.2.4 State Environmental Planning Policies

The planning proposal is generally consistent with, or can comply at the development application stage, with all relevant SEPPs:

3.2.5 Local strategy

Proponent's West Oxford Street Urban Design Review

In 2013 City Plan Urban Design undertook a review on behalf of the proponent which specifically addresses opportunities for the intensification of planning controls in the western portion of Bondi Junction with a focus on the area between Oxford Street and Syd Einfeld Drive to the west of Leswell Street. Council deferred any decision on the findings and recommendations of this study in order to prepare its own study for this precinct.

Council's West Oxford Street Precinct Plan and Design Charrette

Council has undertaken its own study, by way of a design charrette, in consultation with State and Local Government agencies, including the NSW Department of Planning and Environment, Transport for NSW, NSW Roads and Maritime Services, State Transit Authority, Sydney Water, Randwick City Council and Woollahra Council. The outcomes of the design charrette were publically exhibited in 2014.

Waverley Council's draft report on the design charrette combines elements from three draft design concepts developed by the design charrette teams. Common to each of the three design concepts is the endorsement of the removal of the heritage listing for the four terrace houses on Oxford Street to achieve a better urban form and provide for better public domain spaces as well as traffic/ pedestrian/cycling improvements at ground level.

Further recommendations in the draft report relevant to the current proposal include:

- a continuous six storey edge along Oxford Street with small footprint development up to nine storeys along the Syd Einfeld Drive frontage;
- varied floor space ratios to modulate built form along Oxford Street; and
- public domain improvements in and around the sites.

The draft report also recommends development up to four storeys over the Waverley bus depot opposite the subject site and relocation of the bus entry/exit from Oxford St to York Rd.

Council has deferred adopting a final precinct plan until a decision on this planning proposal has been made.

3.3 Site-Specific merit assessment

3.3.1 Existing use of land

The western most portion of the site consists of four two storey terrace houses. The central portion of the site fronting Oxford Street is currently occupied by a car and truck hire business and consists of an office reception and vehicle display area. At the eastern edge of the site fronting Oxford Street is a shop top house style building which is currently occupied as a commercial premise. 2 Nelson Street contains a residential flat building, two storeys in height, which is located to the north of Osmund Lane.

The site comprises the tail end of the main retail / residential strip at the western end of Oxford Street and has direct laneway access via Osmund Lane. The western precinct has substantially lower controls in terms of height and floor space ratio compared to the rest of Bondi Junction centre. The table in Section 3.3.2 shows the existing and proposed development controls for the site.

3.3.2 Proposed use of land

The proposal seeks to amend the development controls for the subject site to the following:

| Control | Existing | Proposed | |
|---------|--------------|--------------|--|
| Zoning | B4 Mixed Use | B4 Mixed Use | |
| Height | 15m | 38m | |
| FSR | 1.5:1 | 5:1 | |

The B4 Mixed Use zone permits shop top housing and commercial/ retail development.

As mentioned under Section 3.2.2, while retail and commercial development are permissible uses within the zone, the proposal is not supported by any form of land use viability analysis for these uses or other non-residential uses permitted in Zone B4. If the proposal proceeds to Gateway, it is recommended that further analysis addressing this issue be available for public consideration at exhibition.

3.3.3 Urban design and built form outcomes

Design

The proponent's West Oxford Street Urban Design Study describes the area as:

"Long neglected, the western end of Bondi Junction has never received the same attention as it's eastern counterpart. Cut abruptly by the creation of the Syd Einfeld expressway in 1982, the area remains fractured, disjointed and unresolved. Whilst prominent when approaching from the city, the western gateway to Waverley remains dominated by vehicular traffic, hostile to pedestrians and cyclists alike and aesthetically challenged."

The proponent argues that a landmark building is required to establish a gateway at the western entrance to Bondi Junction centre, which provides "a sense of arrival and identity" (see Figure 8). The proposed design includes active street frontages, podiums and articulated elevations - a built form which would provide this sense of a western gateway to Bondi Junction. As outlined in section 3.1, Council officers worked with the applicant to reconfigure the building form and footprint to better meet, amongst other considerations, the heritage and open space objectives for the site.

Height and FSR

The proposal identifies existing building heights across the Bondi Junction area (as illustrated in the diagram at Figure 9), and argues for increased heights on the site to create a 'bookend' effect. However, the proposal does not reflect the heights of buildings at the eastern end of Bondi Junction which are in the order of 60-66m in height and therefore does not achieve a 'bookend' effect.

This notion is also a questionable urban design outcome, as there would be limited views towards Bondi Junction that would capture both "bookends" of the centre.

The proposal argues that the proposed building height of 38m is in keeping with the maximum building height for sites one block to the east of the subject site, bounded by Oxford Street, Leswell Street, Vernon Street and Hegarty Lane (refer to Figure 4 and Figure 9). It is noted that the block to the north of this block has a 60m height limit.

The revised concept design submitted to Council staff by City Plan (see section 3.1) reduced the proposed building height and floor space ratio from 38m to 36m and 5:1 to 3.5:1 respectively. This revised plan appears to be arbitrarily based on one of the three design concepts submitted as part of Council's design charrette process.

Council's staff report sought a further reduction in building height from 25m for 'Site 2' and a reduction in floor space ratio from 3.5:1 to 2.4:1 for this site to align with the revised height. The aim of these reductions was to minimise amenity impacts on both the surrounding area and proposed on-site open space areas (see further discussion under *heritage* below).



Figure 8: Conceptual image of future western entrance to Bondi Junction town centre: Proponent



Figure 9: Extract from proponent's report demonstrating the existing and proposed tower forms in the area

It is recommended that if the proposal proceeds to the Gateway, the urban design analysis be revised to consider building heights and floor space ratios proposed by Council, setbacks and podiums and the impact of the proposal on the built form, heritage and open space values of adjacent sites.

Overshadowing

The shadow analysis shows that there is no additional shadow impact created by the proposed tower forms onto residential properties at any time during the year. The proposal argues that the additional overshadowing of neighbouring non-residential properties will be mitigated through the provision of appropriately sited and orientated tower forms with fast moving shadows. This is arguably a better option than a lower overall building height with a larger floor plate and larger, slower moving shadow impacts.

It is recommended that if the proposal proceeds to the Gateway, a review of the proponent's shadow analysis be required to clarify the extent of overshadowing impacts, particularly over the southern footpath of Oxford Street, Centennial Park and dwellings to the south of Oxford Street.

Heritage

Council's officer report supports the removal of the local heritage listing on the four terrace houses on Oxford Street (Figure 10) and do not raise any concerns about their removal.

The proponent notes the local significance but poor amenity of these terraces and suggests that the public benefit achieved by their removal outweighs the value of their retention.

It is recommended that if the proposal proceeds to Gateway, a peer review of the proponent's heritage assessment be required to clarify whether removal of the terraces is necessary to allow redevelopment of the site. Options for their integration and adaptive reuse as part of a new development have not been considered.

Relationship to nearby heritage items

Site 2 is adjacent to two heritage listed items on Nelson Street: The Nelson Hotel, and a Norfolk Pine tree. Council's officer report proposes a more sympathetic scale for the proposed Site 2 tower to respond to these items. Council staff recommended to Council that the maximum building height for Site 2 be reduced to the height of the existing heritage listed Norfolk Island Pine. The submitted survey shows the tree's height at 25m, as illustrated in Figure 11.



Figure 10: Row of four terrace houses at 194-200 Oxford Street. Source: Proponent





Figure 11: The green line represents the 25m high heritage listed Norfolk Pine.

The proposed 11 storey tower with 36m height limit (now 38m) is at the top, and an 8 storey 25m tower is at the bottom.

Source: Council report

3.4 Services and infrastructure

3.4.1 Public Transport

The site is well serviced by public transport. The site is within the walking catchment of the Bondi Junction rail and bus interchange (approx. 650m), Edgecliff rail and bus interchange (approx. 1.2km), and frequent bus services along Oxford Street.

The proposal aims to improve connectivity with surrounding areas via proposed pedestrian links through the site, upgrading the pedestrian bridge over Syd Einfeld Drive, bicycle lane / traffic improvements and road widening along Oxford Street.

3.4.2 Traffic and car parking

A 50 space public car park on site is proposed as part of the draft VPA accompanying the planning proposal. The traffic study concludes that the road network has capacity to accommodate the additional traffic generated by the proposal.

The Department supports the recommendation made by Council staff that the Traffic Study prepared by GTA Consultants needs revision to include an assessment of current on street parking demand as well as the impact of the proposal on parking demand in the vicinity of the site.

The Department suggests that this revision should consider the outcomes of any land use viability analysis completed for the site in terms of impact on both parking and the surrounding road network.

It is recommended that revisions to GTA's traffic study, as outlined above, be required if the proposal proceeds to the Gateway.

3.4.3 Open Space and Community Facilities

Centennial Park is located directly adjacent to the subject sites which provide diverse opportunities for active and passive recreational activities. The proposal aims to provide a public plaza and pedestrian links within the site.

4. BACKGROUND SUPPORTING INFORMATION

4.1 Adequacy of existing information

The proposal is supported by the following documentation:

- Pre-Gateway Review application form
- Cover Letter, City Plan Services, December 2015
- Planning Proposal, City Plan Services, March 2015
- Urban Design Analysis, City Plan Urban Design
- Architectural modelling and shadow analysis, MHN Design Union
- Traffic Report, GTA Consultants
- Proposed Bicycle and Pedestrian Advice, Sustainable Transport
- · Heritage Analysis, City Plan Heritage,
- Heritage Impact Statement, URBIS
- Survey Plan, Eric Scerri and Associates
- Written advice from Waverley Council, advising Council does not support the planning proposal
- Draft Voluntary Planning Agreement

| Is the supporting information provided more than 2 years old? | Yes 🗌 | No 🗵 |
|--|-------|------|
| If 'yes', explain/detail currency of information | | |
| Is there documented agreement between the proponent and the council regarding the scope/nature of supporting information to be provided? | Yes 🗌 | No 🖂 |
| Is there evidence of agency involvement in the preparation of any supporting information or background studies? | Yes 🗌 | No 🖂 |

4.2 Requirement for further information

No further information is required.

5. CONCLUSION

It is recommended the proposal be referred to the Sydney East Joint Regional Planning Panel for independent review. The proposal demonstrates broad strategic and site-specific merit. It is generally consistent with objectives and directions under *A Plan For Growing Sydney*, relevant State Environmental Planning Policies, section 117 Directions and local policies.

The subject site is situated within a highly urbanised environment, with convenient access to public transport and retail services, in a location that has been earmarked for high density residential and mixed use development for some time.

Should the planning proposal proceed to Gateway, it is recommended the panel consider the following amendments to the proposal:

- an amended design reflecting building heights and floor space ratios proposed by Council, setbacks and podiums, and the impact of the proposal on the built form, heritage and open space values of adjacent sites;
- revision of the shadow analysis to clarify the extent of overshadowing impacts, particularly over the southern footpath of Oxford Street, Centennial Park and dwellings to the south of Oxford Street;

- a review of the heritage impact statement to address whether there is any opportunity to retain and reuse the heritage items for commercial, retail or community uses as part of the redevelopment of the site;
- a land use viability study to understand and provide for the demand for commercial/ retail and other suitable non-residential uses permitted in the Zone B4 at this location, and the impact on existing uses in the Bondi Junction town centre;
- revision of the traffic study to consider the outcomes of the land use viability study and include an assessment of current on street parking demand as well as the impact of the proposal on parking demand in the vicinity of the site; and
- a requirement for consultation with Transport for NSW/ RMS and the Heritage Office prior to exhibition.

RECOMMENDATION

It is recommended that the Deputy Secretary:

- 1. form the opinion that sufficient information has been provided and the request is eligible for independent review; and
- 2. agree to forward the request to the Sydney East Joint Regional Planning Panel for advice.

Endorsed by:

Martin Cooper A/ Director, Sydney Region East

Stephen Murray 20 April 2016

A/ Executive Director, Regions

Marcus Ray

Deputy Secretary, Planning Services