

### 11.3 BEACH NOURISHMENT OPPORTUNITY: SYDNEY METRO WEST TUNNEL

163/21 **RESOLVED**

**Cr Grattan / Cr White**

That Council:

1. Note the proposal of Transport for NSW that, in late 2022, up to 250,000m<sup>3</sup> of the sand fraction (<5mm in size) from the sandstone which is being excavated as part of the Sydney Metro West Tunnel project be placed on barges, transported to Collaroy-Narrabeen Beach embayment and released from the barges into the embayment approximately 100 metres offshore (Proposal).
2. Note that the proper consideration of the Proposal requires a range of matters to be investigated including material suitability, approval pathways, approval requirements, environmental impacts and funding.
3. Write to the Ministers for Transport and Local Government expressing Northern Beaches Council's interest in beach nourishment opportunities resulting from the Sydney Metro West Tunnel and similar projects, subject to the necessary investigations and assessments being undertaken and the necessary approvals being obtained.
4. Request that the NSW Government partner with relevant Councils with respect to the Proposal, including by confirming in writing that the NSW Government will:
  - A. provide to Council financial assistance of at least 50% of its costs associated with undertaking investigations (including environmental assessments) and seeking the necessary approvals in relation to the Proposal.
  - B. make staff resources and departmental assistance available to Council in relation to the Proposal.
5. Subject to confirmation of the matters at part 4 of the recommendation, undertake the necessary investigations (including environmental assessments) and stakeholder/community consultation in relation to the Proposal.
6. Delegate authority to the Chief Executive Officer to do all things necessary to give effect to this resolution.
7. Note that, before the Proposal may proceed, staff will present the outcomes of the investigations and community consultation at a future Council meeting.

**RESOLVED BY EXCEPTION**

### 12.2 REVISED PLANNING PROPOSAL AND SUPPORTING DOCUMENTS FOR 1294-1300 PITTWATER ROAD AND 2-4 ALBERT ST, NARRABEEN

164/21 **RESOLVED**

**Cr Grattan / Cr White**

That:

1. Council resubmit a revised Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street, Narrabeen to the NSW Department of Planning, Industry and Environment for a Gateway determination to:
  - A. Increase the maximum building height standard at 1298-1300 Pittwater Road,

Narrabeen (Building A) to 12 metres to accommodate increased floor to floor heights at the ground and first floors.

B. Permit the additional uses of commercial premises, medical centre and shop top housing at 1298-1300 Pittwater Road, Narrabeen (Building A). The medical centre and commercial premises must not have a gross floor area exceeding 1,150 square metres.

C. Introduce a LEP provision that refers to the Northern Beaches Affordable Housing Contribution Scheme.

2. Council request to exercise the delegation of the Minister for Planning and Public Spaces under section 3.36 of the Environmental Planning and Assessment Act 1979 regarding the making of local environmental plans in relation to this Planning Proposal.
3. Council place the draft amendments to Warringah Development Control Plan 2011 on public exhibition for a minimum of 28 days concurrently with the statutory exhibition of the revised Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street, Narrabeen.
4. The outcomes of the public exhibition of the amendments of the Warringah Development Control Plan 2011, Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street Narrabeen and Affordable Housing Contribution Scheme be reported to Council.
5. Amend the draft Northern Beaches Affordable Housing Contribution Scheme as attached, to include 1294-1300 Pittwater Road and 2-4 Albert Street as a site to which the scheme applies with a contribution amount of \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme.
  - A. Submit the amended Northern Beaches Affordable Housing Contribution Scheme as attached to the Department of Planning, Industry and Environment together with this Planning Proposal.
  - B. Exhibit this Northern Beaches Affordable Housing Contribution Scheme and the Northern Beaches Council Affordable Housing Tenancy Guidelines concurrently with this Planning Proposal during post Gateway exhibition.

**RESOLVED BY EXCEPTION**

**12.4 FIRE & RESCUE NSW INSPECTION REPORT - 2 TILLEY LANE FRENCHS FOREST (ALSO KNOWN AS 18 AQUATIC DRIVE, FRENCHS FOREST)**

165/21 **RESOLVED**

**Cr Grattan / Cr White**

That Council:

1. In accordance with the *Environmental Planning and Assessment Act 1979*, determine to exercise its powers to issue a Fire Safety Order No.1, and note the issuance of a Notice of Intention to Give a Fire Safety Order No. 1 to address the identified fire safety deficiencies at 2 Tilley Lane, Frenchs Forest.
2. Provide notice to Fire and Rescue NSW of this determination.

**RESOLVED BY EXCEPTION**

<b>ITEM 12.2</b>	<b>REVISED PLANNING PROPOSAL AND SUPPORTING DOCUMENTS FOR 1294-1300 PITTWATER ROAD AND 2-4 ALBERT ST, NARRABEEN</b>
<b>REPORTING MANAGER</b>	<b>EXECUTIVE MANAGER STRATEGIC AND PLACE PLANNING</b>
<b>TRIM FILE REF</b>	<b>2021/352775</b>
<b>ATTACHMENTS</b>	<b>1 <a href="#">☞</a> Revised Planning Proposal - June 2021 (Included In Attachments Booklet)</b> <b>2 <a href="#">☞</a> Draft DCP - June 2021 - for 1294-1300 Pittwater Rd and 2-4 Albert St Narrabeen (Included In Attachments Booklet)</b> <b>3 <a href="#">☞</a> Northern Beaches Council Affordable Housing Contribution Scheme - Narrabeen Amendment - June 2021 (Included In Attachments Booklet)</b>

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## SUMMARY

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### PURPOSE

To seek Council's endorsement to resubmit a revised Planning Proposal (Attachment 1) to the NSW Department of Planning, Industry and Environment for gateway determination in relation to the property at 1294-1300 Pittwater Road and 2 - 4 Albert Street, Narrabeen (the subject site), exhibit draft amendments to Warringah Development Control Plan 2011 (Attachment 2) and apply the Northern Beaches Affordable Housing Contribution Scheme (Attachment 3) for this subject site.

### EXECUTIVE SUMMARY

At the 27 April 2021 Council meeting, Council resolved:

*'That the item be deferred to enable staff and the proponent to continue discussions in relation to the proposed 2 metre set-back in the Development Control Plan, the provision of adequate commercial floor space, and the provision of affordable housing.'*

In accordance with the Council resolution, Council officers met with the applicant on 7 May 2021 and 25 May 2021 to discuss the matters identified in the resolution. Discussion of these matters is shown below:

#### **2 metre setback at the corner of Pittwater Road and Albert Street**

The proponent continues to seek a reduction to the 2 metre setback. During discussions it became apparent that the reason for the proponent wishing to maintain a nil setback was due to a reduction of commercial floor space that would be required to relocate the building further back from the street frontage. At the meeting held on 7 May Council staff indicated that they would seek advice from Council's heritage experts on whether there was any opportunity for the internal setbacks of proposed building envelope A and C being extended by 1 metre to the east and north respectively, so as to make up the lost floor space and without having adverse impacts on the heritage item. Advice from Council's Heritage Officer confirmed that the reduced setback to the heritage item was satisfactory (refer to further discussion on this matter under the commercial floorspace heading).

It remains the professional opinion of staff that a 2m setback on the corner of Pittwater Road and Albert Street is appropriate to support good urban design outcomes, an improved streetscape relationship and to facilitate an improved pedestrian experience at the corner of Pittwater Road and Albert Street. It is recognised that this is one of only two pedestrian crossings at this centre across Pittwater Road connecting the shopping precinct with the B-line bus stop and the Tramshed precinct. This view is shared by Council's Design and Sustainability Panel. It is also noted that the

zoning of the site will remain as R3 Medium Density Housing and that the site is not part of the Narrabeen Commercial Centre.

### Floorspace outcomes

Council officers have proposed supporting additional floorspace in internal areas of the development by reducing setbacks to the heritage bungalow at 2 Albert St.

Proposed building envelope changes are indicated in Figure 1 and include the following:

- **Retaining setbacks to Building A** that were previously proposed including a 2m setback from the ground floor at the corner of Pittwater Road and Albert St and a second-floor setback of 5m from the boundary.
- **Extending Building A by 1 metre to the East** by reducing the setback from the heritage bungalow from 9m to 8m, which adds approximately 112sqm of GFA (28m<sup>2</sup> per floor) in Building A.
- **Extending Building C by 1m to the North** by reducing the rear setback from the heritage bungalow from 12m previously proposed in the DCP to 11m.

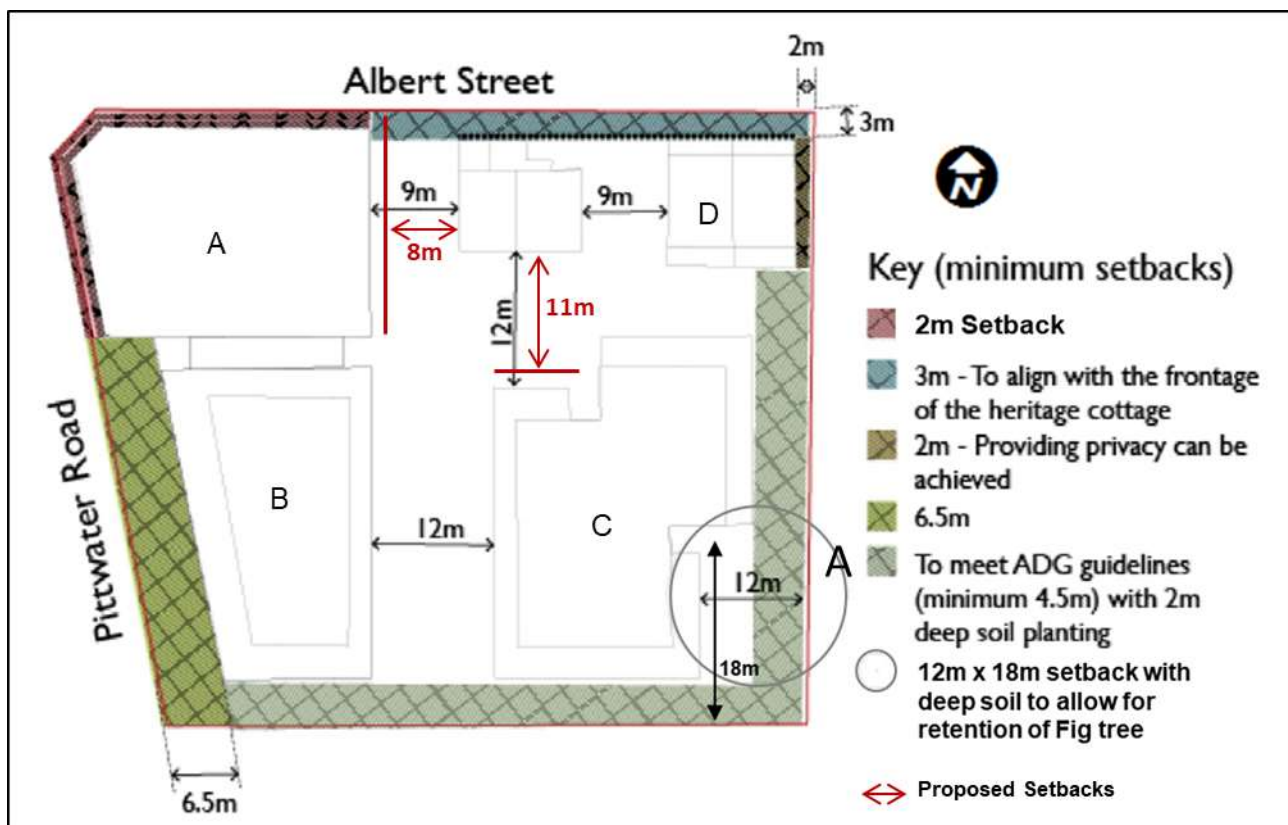


Figure 1 Proposed Changes to Setbacks at 1294-1300 Pittwater Rd and 2-4 Albert St Narrabeen indicated in Red

Council's Heritage Officer has reviewed the proposal to reduce the setbacks to the heritage dwelling and has confirmed that the heritage integrity of this item will be maintained notwithstanding the reduced setbacks.

The Draft DCP (Attachment 2) has been amended to reflect these changes to setbacks.

## Feasibility

Council's ambition to achieve a 10% affordable housing contribution is noted, however the detailed feasibility analysis undertaken indicates that the proposed development is not financially viable if a rate of 10% is imposed.

The market value of floorspace removed due to front setbacks to Building A has been calculated and compared with the market value of floorspace added through reduced setbacks to the heritage bungalow. This work has been based on the same floorspace yield assumptions and market rate valuations that informed the affordable housing feasibility analysis submitted by the applicant and subsequently peer reviewed. Allowance has been made in this floorspace yield analysis to support the conversion of 110m<sup>2</sup> of proposed residential floorspace in building A or B to be converted to commercial use to compensate for the 2m setback. This supports the proposed expansion of the medical centre to meet the changing needs of an ageing population in the Narrabeen catchment.

The proposed building envelope changes have been made to ensure that the applicant is no worse off relative to the market value assumptions that informed the affordable housing feasibility analysis. The feasibility peer review by SGS Economics and Planning has been relied upon to inform an amendment to the Northern Beaches Affordable Housing Contribution Scheme. The calculations indicate that, having regard for the built form controls as proposed, the maximum affordable housing contribution achievable at this site is \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme.

## Implementing the Northern Beaches Affordable Housing Contribution Scheme

At its meeting of 28 May 2019, Council adopted the Northern Beaches Council Affordable Housing Contribution Scheme, consistent with the guidelines developed by the Department of Planning, Industry and Environment (DPIE). This scheme has now been amended to include 1294-1300 Pittwater Rd and 2-4 Albert St Narrabeen. A contribution amount of \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme. The square metre value has been included and is supported by a feasibility analysis that will be submitted to the DPIE alongside the amended Affordable Housing Contribution Scheme.

This site is the first site to which the Affordable Housing Scheme will apply, as the Frenchs Forest Town Centre has yet to be rezoned. Based on the advice of DPIE, the attached planning proposal has been amended to also seek an LEP provision to enable affordable housing contributions within the Affordable Housing Scheme. The amended Affordable Housing Contribution Scheme is proposed to be publicly exhibited alongside the post gateway exhibition of the subject Planning Proposal and site specific DCP.

## Meeting with Objector

A commitment was made at the April Council meeting that a meeting would be arranged with one of the speakers at the Council meeting.

Council staff and the applicant met with the speaker on 1 June 2021 to better understand their concerns raised regarding solar access, privacy and loss of vista outlooks. A memo updating Councillors on the discussions will be circulated in advance of the June Council meeting.

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## RECOMMENDATION OF DIRECTOR PLANNING AND PLACE

That:

1. Council resubmits a revised Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street, Narrabeen to the NSW Department of Planning, Industry and Environment for a Gateway determination to:

- A. Increase the maximum building height standard at 1298-1300 Pittwater Road, Narrabeen (Building A) to 12 metres to accommodate increased floor to floor heights at the ground and first floors.
  - B. Permit the additional uses of commercial premises, medical centre and shop top housing at 1298-1300 Pittwater Road, Narrabeen (Building A). The medical centre and commercial premises must not have a gross floor area exceeding 1,150 square metres.
  - C. Introduce a LEP provision that refers to the Northern Beaches Affordable Housing Contribution Scheme.
2. Council request to exercise the delegation of the Minister for Planning and Public Spaces under section 3.36 of the Environmental Planning and Assessment Act 1979 regarding the making of local environmental plans in relation to this Planning Proposal.
  3. Council place the draft amendments to Warringah Development Control Plan 2011 on public exhibition for a minimum of 28 days concurrently with the statutory exhibition of the revised Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street, Narrabeen.
  4. The outcomes of the public exhibition of the amendments of the Warringah Development Control Plan 2011, Planning Proposal for 1294-1300 Pittwater Road and 2-4 Albert Street Narrabeen and Affordable Housing Contribution Scheme be reported to Council.
  5. Amend the draft Northern Beaches Affordable Housing Contribution Scheme as attached, to include 1294-1300 Pittwater Road & 2-4 Albert Street as a site to which the scheme applies with a contribution amount of \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme.
    - A. Submit the amended Northern Beaches Affordable Housing Contribution Scheme as attached to the Department of Planning, Industry & Environment together with this Planning Proposal.
    - B. Exhibit this Northern Beaches Affordable Housing Contribution Scheme and the Northern Beaches Council Affordable Housing Tenancy Guidelines concurrently with this Planning Proposal during post gateway exhibition.
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**REPORT**

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**BACKGROUND**

Council received a Planning Proposal on 21 December 2018, prepared by BBC Consulting Planners on behalf of the applicant, Highgate Management Pty Ltd.

The subject site at 1294-1300 Pittwater Road and 2-4 Albert Street, Narrabeen comprises six lots as depicted in Figure 1.



Figure 1: The subject site indicated in red (Source: Nearmap)

At the 29 May 2019 Council meeting, Council resolved the following:

That:

- A. Council submits an amended Planning Proposal to the NSW Department of Planning and Industry for gateway determination to amend Warringah Local Environment Plan 2011 to:
  - a. Increase the maximum building height standard on the site to 11 metres with the exception of 2 Albert Street, Narrabeen being lot 1, DP613544 (containing heritage listed dwelling house) and the front part of 4 Albert Street, Narrabeen being part lot 8C, DP200030 which will retain an 8.5 metre height limit.
  - b. Permit the additional uses of commercial premises, medical centre and shop-top housing on the area of the site adjoining the intersection of Pittwater Road and Albert Street.
  - c. Permit a maximum of 1,150 square metres of medical centre, commercial premises, and the retail/ business premises component of any shop-top housing to the area referred to b. above.

- d. *Require a minimum 10% of the additional dwellings on the site resulting from the Planning Proposal, to be dedicated to Council as affordable rental housing.*
- B. *The applicant is requested to submit draft site-specific planning controls to be incorporated Development Control Plan to further guide the redevelopment of the site having regard to the Urban Design Guidelines accompanying the Planning Proposal and addressing the matters outlined in this report.*
- C. *The applicant be requested to provide an amended Traffic Impact Assessment Report addressing the issues outlined in this report for exhibition with any Gateway determination issued by the NSW Department of Planning and Industry.*

## Planning Proposal

On 7 June 2019, Council submitted the amended Planning Proposal to the Department seeking a Gateway determination. On 5 August 2019, the Department advised that several issues required further investigation and requested that Council resubmit the application following the resolution of these matters.

Council staff have worked with the Applicant to address the various matters raised by the Department (see Table 1).

Summary of issue	Response
<p><u>Building height</u></p> <p>The maximum building height control of 11 metres does not appear to facilitate the development outcome of a part four and part three storey-built form.</p>	<p>The Concept Design envisages a largely three storey-built form with the fourth storey in an attic configuration. The Proponent has demonstrated that this concept (inclusive of the flood planning level) is able to be achieved.</p> <p>Council notes that detailed design drawings are not a requirement for submission as part of the Planning Proposal process and that the Concept Designs are indicative built form outcomes</p> <p>Notwithstanding this, as part of the site-specific amendments to the Development Control Plan (DCP), Council referred the application to the Northern Beaches Design and Sustainability Panel (DSAP) to seek comment on urban design and sustainability matters.</p> <p>The DSAP recommended that Council consider increasing the building height at Building A to enable increased ceiling heights for the ground and first floor to improve the urban design and relationship with the public domain. Council has recommended a minor increase from 11 metres to 12 metres to enable this outcome. The overall number of storeys to be provided does not change.</p>
<p><u>Additional permitted uses</u></p> <p>The additional permitted uses at the corner of Pittwater Road and Albert Street appears unduly restrictive due to its confinement to one corner of the site.</p>	<p>The restriction was imposed in order to control the location of the additional uses to the corner site and provide street activation.</p> <p>Council is proposing to change this aspect of the Planning Proposal by extending the additional uses so that it applies to the entire lot at 1298-1300 Pittwater Road. By applying the additional uses to the entire lot as opposed to the small corner, this will allow for enough space for the additional uses (maximum 1,150 square metres) and associated</p>



Summary of issue	Response
	supporting facilities. Amendments to the DCP will ensure that active frontages are provided at the corner site (Building A).
<p><u>Maximum floor space cap</u></p> <p>Greater clarification is required on the maximum floor space cap of 1,150 square metres gross floor area (GFA) for commercial/retail uses and whether this includes or excludes neighbourhood shops, which are a permissible form of retail development in the R3 zone.</p>	<p>The maximum floor space cap of 1,150 square metres GFA applies to the additional uses of commercial premises and medical centres only. The floor space has been capped to ensure that there is minimal impact to the existing trade area. The floor space was established by the concept plans provided by the Applicant.</p>
<p><u>Draft Northern Beaches Affordable Housing Contribution Scheme</u></p> <p>An amended Scheme which refers to the subject site is to be submitted in accordance with the Department's guidelines. This is to be accompanied by an economic feasibility study to support the application of the scheme.</p> <p>A planning proposal including an LEP provision to refer to the Scheme should be accompanied by an already exhibited Scheme.</p>	<p>The Planning Proposal attached has been amended to seek an LEP provision to refer to the Northern Beaches Affordable Housing Contribution Scheme.</p> <p>Council proposes to exhibit the scheme alongside post-gateway exhibition of this planning proposal and DCP amendments.</p> <p>The Scheme has been amended to specifically refer to the subject site 1294-1300 Pittwater Road and 2-4 Albert St Narrabeen. A with a contribution amount of \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme and a square metre rate are supported by an independent peer review of feasibility analysis provided by the applicant.</p>
<p><u>Phase 1 Contamination Report</u></p> <p>An assessment is required regarding the provisions contained within <i>State Environmental Planning Policy No 55 – Remediation of Land</i> and the relevant Guidelines.</p>	<p>A Phase 1 Contamination Report has been prepared by the Applicant and the Planning Proposal has been updated to reflect the outcomes.</p>
<p><u>Maps</u></p> <p>Maps to amend <i>Warringah Local Environmental Plan (LEP) 2011</i> have not been submitted.</p>	<p>The relevant maps have been submitted as part of the updated Planning Proposal.</p>
<p><u>Information in the Planning Proposal</u></p> <p>Certain parts of the Planning Proposal require updating and further information is required regarding an assessment against the relevant statutory requirements.</p>	<p>The Planning Proposal has been updated to incorporate further information and justification where relevant.</p>

Table 1: Matters raised by the Department

### Amendments to Warringah DCP 2011

On 7 April 2020, the Applicant submitted amendments to Warringah DCP 2011 in accordance with the Council resolution. The draft DCP controls have incorporated feedback from Council's Traffic Engineers, Landscape Architects and Urban Designers. In addition, urban design and sustainability advice from the DSAP has also been incorporated, where appropriate.

Feedback from the DSAP included consideration of the following matters:

- the need for greater front, rear and side setbacks and an improved presentation to the public domain, including Albert Street

- the need for greater upper level setbacks (or reduced street wall heights) to respond to the existing village context of the Narrabeen Town Centre. The village context largely comprises diverse styles, varying parapet heights, generally one to two storeys occupied by retail or commercial uses. Where shop top housing exists, this is above the first two floors and well set back
- noise mitigation design measures and maximisation of dual aspect apartments along Pittwater Road
- increased floor to floor heights for the ground and first levels of Building A
- a six-metre building separation distance between Buildings A and B
- improved architectural design treatments at the corner of Building A
- relocation of the vehicular entrance closer to Pittwater Road to improve the view corridor from Lagoon Street
- relocation of sewer infrastructure services in the road reserves instead of within the site to maximise deep soil planting opportunities
- applying a bonus floor space scheme if certain sustainability mechanisms are provided.

Council staff have worked closely with the Applicant to refine the draft DCP and there have been a series of working drafts developed between the Applicant and Council staff. Whilst most of the feedback from the DSAP has been incorporated, some have been excluded due to the impact on development feasibility.

Requirements that Council staff have not proceeded with include the six-metre building separation between Buildings A and B, relocation of the vehicular entrance closer to Pittwater Road and relocation of sewer infrastructure services. Further, the application of a bonus floor space scheme was not considered appropriate for this subject site due to impacts on building bulk and scale and the application of the *Warringah Local Environmental Plan 2011*, which does not apply floor space ratios for site-specific areas.

The draft DCP identifies future building footprints and divides the site into four buildings, as identified in Figure 1. No change to the local heritage item at 2 Albert Street is proposed.

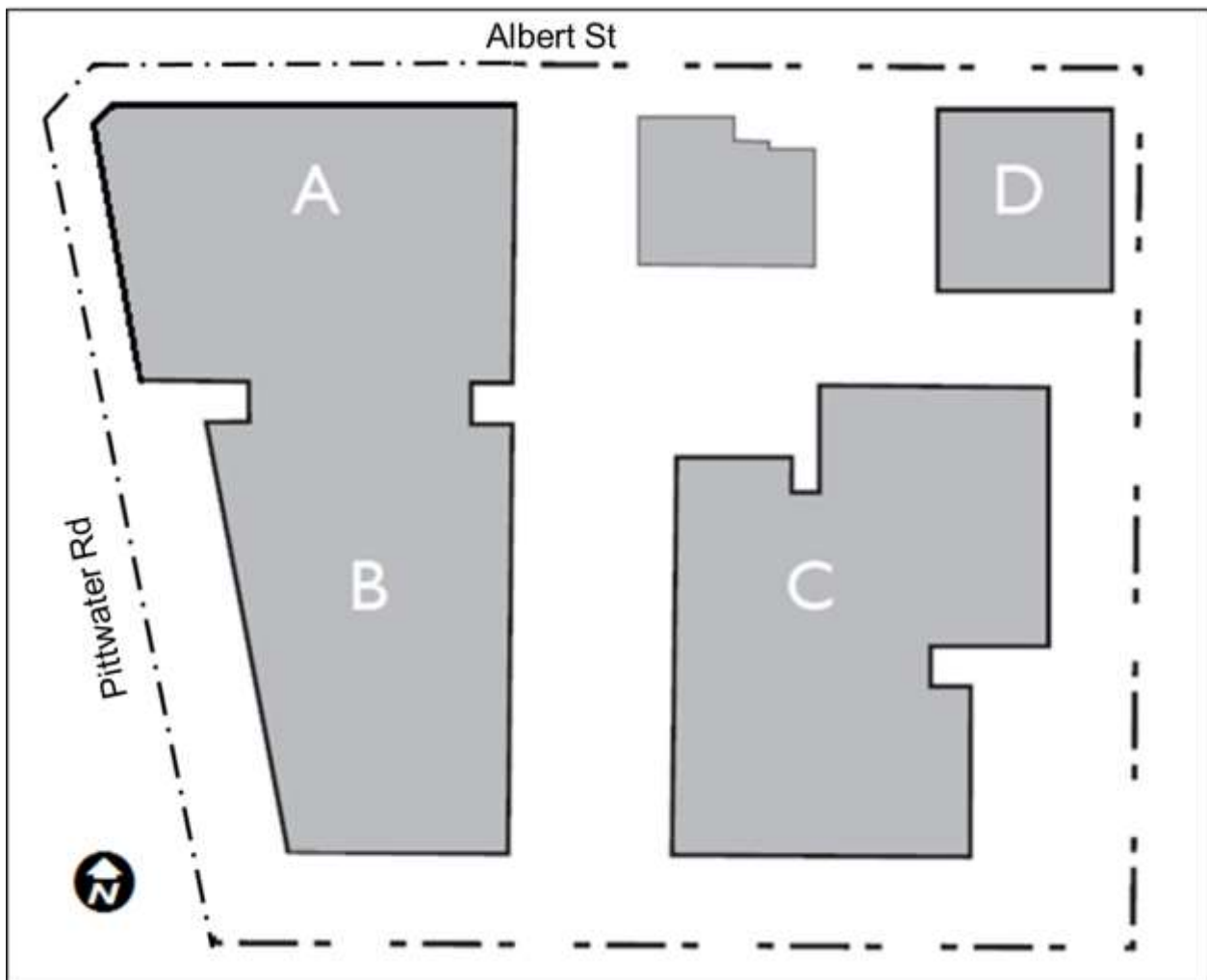


Figure 2: Future building footprints

The intended outcome of the development is to relocate the existing Narrabeen Family Medical Practice at 4 Albert Street, to a new building at the corner of Pittwater Road and Albert Street (Building A). The medical centre is proposed to take up two floors of Building A. Above the medical centre will be one level of apartments.

In addition to the relocated medical centre, the development also proposes the provision of apartment buildings (Buildings B and C) and an attached dwelling or terrace house typology (Building D), up to three storeys in height. An additional storey may be permitted for Buildings A, B and C where largely contained within the roof form.

The development controls proposed are summarised in Table 2.

Proposed development requirements	Reason
<p><u>Removal of the subject site from DCP maps</u></p> <p>This includes number of storeys, side boundary envelopes, setbacks front, setbacks side, setbacks rear and landscaped open space and bushland setting.</p>	<p>To ensure consistency with the site-specific controls for Part G8.</p>
<p><u>Building length</u></p> <p>Apply a maximum building length of 35 metres and require articulation to be provided.</p>	<p>To reduce bulk and scale and ensure new development addresses public streets, creates visual interest and complements the streetscape.</p>

Proposed development requirements	Reason
<p><u>Building A ground plane and public domain interface</u></p> <p>Ground plane is to be set back at least two metres from Albert Street and Pittwater Road.</p> <p>Floor to floor heights are to be at least four metres for the ground level and 3.6 metres for non-residential uses at the first level.</p> <p>Continuous awnings and other design features are to be provided at the ground plane and public domain interface.</p>	<p>To ensure that the built form responds well to the existing village context of the Narrabeen Town Centre, facilitate high quality landscaped streetscape outcomes and encourage key active travel connections at the corner of Albert Street and Pittwater Road.</p>
<p><u>Maximum number of storeys</u></p> <p>Three storeys are proposed for all buildings, with transitions required for development within the curtilage of the local heritage item at 2 Albert Street.</p> <p>For Buildings A, B and C, an additional storey may be considered where largely contained within a roof form.</p>	<p>To complement the scale and rhythm of the existing streetscape and fine grain context of lot patterning, ensure that built form responds to the sloping topography of the site, and provide a sensitive response to the local heritage item at 2 Albert Street.</p>
<p><u>Setbacks</u></p> <p>Front, rear and side setbacks for certain areas of the subject site have been identified.</p> <p>Building separation requirements have been identified for certain areas of the subject site, with consideration of the curtilage of the local heritage item at 2 Albert Street.</p> <p>Upper floor setbacks have been identified for all buildings.</p>	<p>To improve the visual quality of the streetscape and public domain, ensure spatial separation to create high amenity, provide opportunities for landscaping and street tree planting at site edges and minimise amenity impacts to adjoining residential lots.</p>
<p><u>Building design</u></p> <p>Various design requirements are proposed such as ensuring that building form, bulk and scale responds to the topography of the area, incorporation of passive design principles, maximising dual aspect apartments, requirement for durable and resilient materials that are suited to the coastal environment, avoidance of blank walls, integration of services into the building façade, maximising passive surveillance and incorporating noise mitigation measures for apartments within 25m of Pittwater Road.</p>	<p>To encourage innovative and contemporary building design that demonstrates design excellence and sustainability, high quality streetscapes and public domain, a well-articulated corner-built form strategy and consideration of noise impacts from Pittwater Road.</p>
<p><u>Parking</u></p> <p>Vehicular access is proposed off Albert Street.</p> <p>A Green Travel Plan will be required to support any reduction in parking spaces.</p> <p>Further, at least two car share spaces and two electric vehicle charging spaces are to be provided.</p>	<p>To minimise vehicular crossings along Pittwater Road and encourage the reduction of car trips and use of sustainable transport.</p>

Proposed development requirements	Reason
<p><u>Landscaping</u></p> <p>Areas for landscaping and deep soil zones will be provided between buildings and within site edges. Replanting of trees at a pre-ordered mature size will be required.</p> <p>Development will also need to retain the Mature Hills Weeping Fig Tree within the south-eastern corner of the site as a landscape character element.</p> <p>A landscaped communal open space area will be provided at the rear of the local heritage item at 2 Albert Street.</p> <p>Upgrades to the public domain along Albert Street will also be required including street trees and landscaping requirements.</p>	<p>To provide a positive contribution to the public realm, ensure adequate deep soil capacity for mature tree canopy and provide landscape screening to site boundaries and enhance privacy between buildings.</p>

Table 2: DCP requirements

### Amendment to draft Northern Beaches Affordable Housing Contribution Scheme

At its meeting of 28 May 2019, Council adopted the Northern Beaches Council Affordable Housing Contribution Scheme (consistent with the guidelines developed by the Department of Planning, Industry and Environment (DPIE)). The Scheme is the primary mechanism for Council to levy for affordable housing through its Local Environmental Plans (LEPs) and contains principles and objectives, the areas to which the Scheme applies, contribution rates, how contributions are to be calculated and made, and conditions and administrative requirements.

The Scheme was to apply initially to the Frenchs Forest Planned Precinct, with Council resolving to submit the draft Scheme to DPIE for public exhibition with the amendments to Warringah LEP 2011 required to implement the Frenchs Forest Planned Precinct. Exhibition of the LEP to implement the Frenchs Forest Planned Precinct is yet to occur.

The Scheme however can be extended to other areas that are rezoned or are subject to increases in residential density in the future, with each area subject to a separate feasibility analysis to determine the required contribution rate. The Affordable Housing Contribution Scheme has therefore been amended to include 1294-1300 Pittwater Rd & 2-4 Albert St, Narrabeen.

DPIE completed a preliminary review of this planning proposal when it was previously submitted for gateway. Advice from DPIE is that this revised planning proposal include an LEP provision that refers to the Affordable Housing Contribution Scheme.

As such our recommendation to Council is to submit the updated scheme attached to this report to DPIE alongside this planning proposal, with public exhibition to occur alongside exhibition of the planning proposal and DCP post-gateway.

### Affordable Housing Contribution Feasibility

At the 29 May 2019 Council meeting (when council first considered this draft Planning Proposal), resolved to 'require a minimum 10% of the additional dwellings on the site resulting from the Planning Proposal, to be dedicated to Council as affordable rental housing'. Department of Planning Guidelines for developing Affordable Housing Contributions (the Guidelines) require Council to provide appropriate evidence and assumptions to ensure that any proposed affordable housing contribution rates are viable and will not impact on development feasibility and overall housing supply by preventing development from occurring.

The applicant submitted feasibility work to council in July 2020 which concluded that an affordable housing contribution is not viable. The owners instructed the applicant to offer a 2% contribution (\$320,000 indicatively) recognising the importance of affordable housing on the Northern Beaches.

Council subsequently engaged SGS Economics and Planning to undertake a peer review of this feasibility analysis with support from sub-consultants Savills who reviewed the property valuation advice and MBM Pty Ltd who reviewed construction cost estimates. This peer-review challenged several assumptions used by the applicant and found that an Affordable Housing Contribution of \$1,129,846 indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme is unlikely to prevent the development from proceeding. These revised assumptions include a 10% construction contingency, reduced professional fees based on advice of Savills and removal of cost escalation as revenues are not escalated. Council staff have since noticed that the SEPP 70 feasibility tool provided by the Department includes guidance for an assumption 10% construction contingency, with 15% for complex projects and has sought confirmation of this advice from DPIE.

Council staff note that Council's Affordable Housing Contribution Scheme and proposed targets of 10% were developed based on feasibility assessments used for the Frenchs Forest Hospital precinct, which has an uplift at a very different scale to this proposal. Further constraints on feasibility for this site include providing up to 1,150m<sup>2</sup> for the medical centre and commercial floorspace and protection of the local heritage item at 2 Albert St which constrains the uplift that can be achieved on the site.

The Planning Proposal generates uplift of one additional storey for Buildings A, B and C and as a result, lacks the scale for a contribution in the order of 10% to be feasible. The equivalent density under the current Warringah LEP 2011 controls for the site would be a floor space ratio (DSR) of 1.12:1, while the density under this proposal would be the equivalent of 1.34:1. The applicant has advised that to support the 10% affordable housing contribution requirement, a density of approximately 1.422:1 would be required, which would equate to an extra floor being added to Building C. Any additional density in this location is not supported by Council officers. Accordingly, it is recommended that Council agree to the payment of a contribution amount of \$1,129,846 or equivalent amount at the time of payment as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme.

## **CONSULTATION**

Council will resubmit the Planning Proposal and associated documents to the Department for a Gateway determination. Consultation will be conducted in accordance with the Gateway condition requirements. The draft amendments to Warringah Development Control Plan 2011 and to the Northern Beaches Affordable Housing Contribution Scheme will be exhibited concurrently with the statutory exhibition of the Planning Proposal.

## **TIMING**

Should Council decide to proceed with the revised Planning Proposal, the next step is to resubmit the Planning Proposal to the Department to seek a Gateway determination. Should a Gateway determination be issued, Council will undertake consultation in accordance with the Gateway conditions. The draft DCP and draft Northern Beaches Affordable Housing Contribution Scheme will be exhibited concurrently with the statutory exhibition of the Planning Proposal. Following the public exhibition, the outcomes will be reported to Council.

## **LINK TO STRATEGY**

This report relates to the Community Strategic Plan Outcome of:

- Environment Sustainability - Goal 5: Our built environment is developed in line with best practice sustainability principles.
- Places for People - Goal 7: Our urban planning reflects the unique character of our villages and natural environment and is responsive to the evolving needs of our community.

Implementation of the Northern Beaches Affordable Housing Contribution Scheme specifically relates to Goal 7 Strategy (C) – Advocate for improved housing affordability.

## FINANCIAL CONSIDERATIONS

Funding to progress the Planning Proposal and draft DCP are covered by the application fees paid by the Applicant.

Affordable housing provided and retained under Council ownership will require Council to control a larger asset portfolio, which should increase in value. The management of ongoing maintenance costs of any affordable housing will be covered by the Guidelines. The recommendation to accept a contribution amount for this site of \$1,129,846 to Council's affordable housing fund, or equivalent amount at the time of payment, as indexed in accordance with the Northern Beaches Council Affordable Housing Contribution Scheme.

It is noted that the Planning Proposal will achieve positive economic effects, with the delivery of the following number of jobs:

- 4 additional General Practitioner jobs
- 28 full time equivalent jobs from the commercial floor space (currently there are ten full time equivalent jobs)
- Further support staff and the provision of medical land uses
- 160 jobs during construction.

## SOCIAL CONSIDERATIONS

The implementation of the Northern Beaches Affordable Housing Contribution Scheme and application to this site with an equivalent monetary contribution will have a positive social impact by increasing the supply of affordable rental housing in the community for very low, low to medium income households.

This Planning Proposal will achieve positive social and economic benefits including an additional 15 to 20 dwellings targeting downsizers within easy walking distance to high frequency public transport and existing services. The proposed location of medical and commercial floor space adjoining an established town Centre, opposite public open space and in easy walking distance to the B-Line supports amenity and accessibility for workers, patients and visitors, encouraging use of public transport and enjoyment of public open space. Expanded floor space to accommodate a growing medical practice will provide an important service to the local community in an accessible modern building, recognising the ageing population within the Narrabeen Town Centre catchment area, which will see continued growth in demand for medical services.

Urban design outcomes have been developed to enhance the heritage values of 2 Albert Street and respond to Placescore insights for Narrabeen local centre which highlight overall visual character of the area and vegetation and natural elements as the top priorities for investment. Deep soil planting opportunities have been maximised with requirements for mature tree plantings along site boundaries to support high amenity shaded active travel links for the surrounding community to access the Narrabeen Town Centre and the B-Line bus stop. While building heights and setbacks have sought to create a transition from town centre to residential neighbourhoods with a negotiated 2m setback from the site boundary providing a softer presentation to the public

domain and increasing pedestrian space to access one of only two pedestrian crossings of Pittwater Rd.

## **ENVIRONMENTAL CONSIDERATIONS**

There are no natural environmental impacts as the subject site does not contain any critical habitat or threatened species, populations or ecological communities or their habitats that are mapped by Council. Regarding environmental health, a Contamination Assessment has been submitted which confirms that the subject site has a low potential to result in contamination and is considered suitable for the proposed development. Regarding natural hazards that impact the site such as flood risk and acid sulphate soils, it is considered that these matters can be managed at the development assessment stage.

Throughout the refinement of the draft DCP, Council staff have incorporated new sustainability and building design provisions. This includes passive building design requirements to maximise amenity such as building orientation and setbacks, the requirement for a Green Travel Plan to demonstrate any reduction in parking spaces given the subject site's proximity to the B-Line, car share and electric vehicle charging space requirements, and greater landscaping and deep soil requirements.

The provision of affordable housing on the Northern Beaches could contribute to reduced transport emissions by reducing the need for key workers to travel long distances.

## **GOVERNANCE AND RISK CONSIDERATIONS**

Council's role to consider the orderly planning of land is set out in the *Environmental Planning and Assessment Act 1979* (the Act). The planning assessment addresses the requirements of the Act and recommends that the proposal is suitable for resubmission to seek a Gateway determination.

Appropriate governance arrangements will be established for the transfer of affordable housing stock (or financial contribution) to Council and its subsequent management by a Community Housing Provider. These arrangements will be developed and reported to Council following a Request for Tender process.