



Council Chambers
21 February 2019

The **3715th MEETING of COUNCIL** will be held at the Council Chambers, North Sydney at **7.00pm** on Monday, 25 February 2019. The agenda is as follows.

**KEN GOULDTHORP
GENERAL MANAGER**

North Sydney Council is an Open Government Council. The records of Council are available for public viewing in accordance with this policy, with the only exception being made for certain confidential documents such as legal advice, matters required by legislation not to be divulged, and staff matters.

NB: Please see important changes to how members of the public may address Council detailed on page 3 of this agenda – *Explanatory Notes for Members of the Public Attending Meetings*

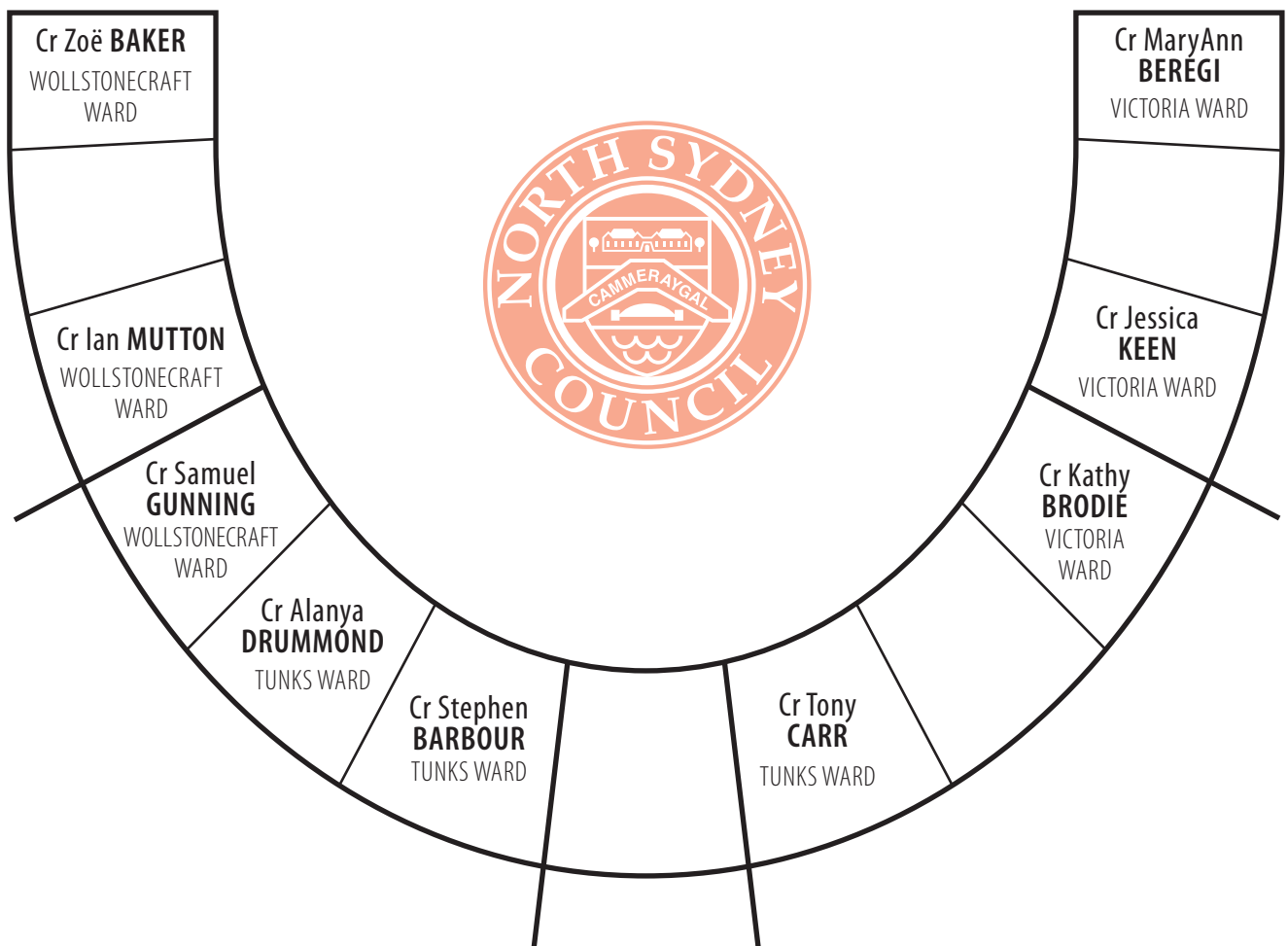
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- **APOLOGIES/LEAVE OF ABSENCE**
 - **ACKNOWLEDGEMENT OF COUNTRY**
 - ***IDENTIFICATION OF MATTERS BROUGHT FORWARD -***
 - **CONFIRMATION OF MINUTES** of the previous Meeting
 - **DECLARATIONS OF INTEREST**
 - **MATTERS REFERRED TO COUNCILLOR INSPECTIONS**
 - **MINUTES OF THE MAYOR**
 - ***DETERMINATION OF MATTERS BROUGHT FORWARD -***
 - **RESCISSION MOTIONS** of which due notice has been given
 - **REPORTS** from Officers of the Council
 - **CORRESPONDENCE** to be read, and if necessary ordered upon
 - **MOTIONS** of which due notice has been given
 - **QUESTIONS** of which due notice has been given
 - **QUESTIONS** without notice

**COUNCILLORS PLEASE NOTE - ANY PAPERS RELATING TO FUTURE COUNCILLOR
INSPECTIONS OR RESCISSION MOTIONS SHOULD BE KEPT**

DIRECTOR Corporate Services Ms Margaret PALMER	MAYOR Cr Jilly GIBSON	GENERAL MANAGER Mr Ken GOULDTHORP
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COUNCIL OFFICERS

DIRECTOR Open Space & Environmental Services Mr Robert EMERSON	DIRECTOR Community & Library Services Mr Martin ELLIS	DIRECTOR Engineering & Property Services Mr Duncan MITCHELL	DIRECTOR City Strategy Mr Joseph HILL	MANAGERS	MANAGERS
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PUBLIC GALLERY



Explanatory Notes for Members of the Public Attending Meetings

1. Council meetings comprise the full membership of the Council with a quorum of six Councillors. Ordinary Council meetings consider reports from all Divisions of Council.
2. The Chairperson shall be the Mayor or, in her absence, the Deputy Mayor.
3. Reports are published on Council's website (www.northsydney.nsw.gov.au) by close of business on the **Thursday** before the meeting or printed copies may be viewed at Stanton Library or the Council Chambers.
4. Members of the public wishing to address Council or have an item brought forward may register by emailing or telephoning the Council (9936 8100) by 4.00pm on the day of the meeting. Items brought forward will be considered in the order that they appear on the agenda.
5. As the Chairperson calls the brought forward items on the Agenda, speakers are invited to take their place at the foot of the Councillors' table. When you are called to speak, you must identify yourself by name and address or professional status. When you have made your address, the Council may wish to ask questions of you, after which you should resume your seat in the Gallery.
6. The following points should be noted by members of the public wishing to address Council:
 - Addresses must relate to an item on the Agenda.
 - Addresses should be limited to three (3) minutes.
 - Addresses should be made to "Mayor and Councillors".
 - An individual may speak to no more than two (2) items on the Agenda.
 - If you have previously addressed the Council on the subject, then any further address must be made to present new information **ONLY**.
 - If more than two (2) persons indicate they wish to address Council on the same issue from the same perspective (i.e. in favour or against), the Chair may ask them to nominate a spokesperson and not all address the meeting. If the persons do not voluntarily agree on the spokesperson, the first two persons who registered to speak for the motion and the first two persons who registered to speak against the motion will be allowed to speak; providing that priority will be given to persons that have not already spoken at the same meeting.
 - Council may resolve to increase the number of speakers on an agenda item when that agenda item is called.
 - All questions and comments are to be addressed through the Chairperson.
 - Having made your address and answered any questions put to you by the Councillors, you may take no further part in the debate.
 - No written submissions or documentation may be presented to the meeting without a resolution of Council.



Explanatory Notes for Members of the Public Attending Meetings

- Members of the public are asked not to make insulting or defamatory statements, and to take care when discussing other people's personal information (without their consent).

7. When all representations have been heard, the Chairperson will ask for a motion to determine the matter.

8. It should be noted that any three (3) Councillors may lodge a Notice to have a decision reviewed. The Notice must be lodged with the General Manager by 12.00 noon on the second business day after the meeting. You should not act on any decision of this meeting until you receive written notice of the decision from the General Manager.

9. Members of the public should acknowledge the Chairperson when entering or leaving the Chamber whilst the meeting is in progress.

10. Members of the public gallery are requested to switch off mobile phones for the duration of the meeting. Members of the public are not permitted to make a video or sound recording (and/or any electronic device capable of recording speech) of any meeting, unless the permission of Council is granted.

11. Parts of this meeting may be recorded for the purpose of assisting in the transcription of the Minutes. The Government Information (Public Access) Act applies to the recording of Council meetings and, from time to time, Council may receive an application to release such recordings to a member of the public.

All Council meetings are also webcast via the internet. Members of the public are advised that if they address Council their voice will form part of the webcast but they will not appear on camera.

Note: The Code of Meeting Principles and Practices may be viewed on Council's website, at Council Offices or Stanton Library.

TO: The Mayor, Jilly Gibson and Councillors Baker, Barbour, Beregi, Brodie, Carr, Drummond, Gunning, Keen and Mutton.

SUBJECT: 3715th MEETING OF COUNCIL TO BE HELD ON MONDAY, 25 FEBURARY 2019

THAT THE MINUTES of the previous 3714th Extraordinary Council Meeting held on Monday, 4 February 2019 be taken as read and confirmed.

DECLARATIONS OF INTEREST

MINUTES OF THE MAYOR

1. MM01: Sydney Metro Developments - Request for Community Artwork on Hoardings

When you walk around the North Sydney CBD, the multitude of cranes is evidence that our CBD is thriving. I'm proud to lead a Council which is focusing on revitalising our CBD. Our super-efficient and hard-working urban planners and engineers have helped make our vision a reality.

The new Sydney Metro project currently under construction will further elevate North Sydney as a CBD that is easily accessible, well-connected and provide opportunities to renew the surrounding public domain spaces.

Council has supported the State Government project and worked closely with Sydney Metro to achieve community outcomes for our area.

While we will hopefully reap the rewards of this project soon enough, we could perhaps also have an opportunity to flaunt our community's artistic flair for the time being.

It's obviously necessary to enclose the Victoria Cross and Victoria Cross North building sites but it would be lovely to drape the grey hoardings with some colour and vibrancy to match our CBD.

Colouring Our Habitat was an innovative community art project that took place in 2013. Council coordinated with artists and community groups who then collaborated with local schools and transformed these dull and inert electricity boxes into works of art across the LGA.

It would be wonderful if something similar could take place again in this situation. The artworks would not only transform the mediocre hoardings but they would reinforce our community's connection with the arts and add vibrancy to a dull and inanimate wall. As Albert Einstein said, "Creativity is contagious" and we should pass it on.

The hoardings will remain for at least another two years so they will be well and truly part of our CBD furniture for a while. Similarly, we should be looking at some community murals for the hoardings on the Crows Nest Metro site as well.

I understand that artists, community groups and a Council staff member have approached Sydney Metro about a project of this nature on their hoardings already and they were unfortunately not granted approval but I do think that it would be worth asking them to reconsider.

I therefore recommend:

1. THAT Council write to NSW Premier, the Hon Gladys Berejiklian MP and Member for North Shore, Ms Felicity Wilson MP, outlining Council's desire to have graphically enhanced hoardings at the Victoria Cross Metro Station and Crows Nest Metro Station developments.

2. MM02: Consolidation of Councillor Workshops/Committees

During calendar year 2018, there was very poor attendance at Committee Meetings, Briefings and Workshops. Four of the ten elected Councillors' attendances at these sessions was less than one in three. A full breakdown of Councillor attendance is tabulated below.

Meeting	Held	Mayor	Baker	Barbour	Beregi	Brodie	Carr	Drummond	Gunning	Keen	Mutton
Ordinary Council	11	11	9	11	9	10	8	10	6	10	10
Extraordinary Council	2	2	1	2	1	1	0	2	0	2	2
Governance Cttee	5	5	1	3	0	4	1	4	0	4	3
Legal & Planning Cttee	4	4	2	1	1	3	2	0	0	4	2
Councillor Briefings	32	27	9	15	3	27	4	19	0	27	22
Councillor W/shop, Finance	2	1	2	0	1	1	1	1	0	2	2
Councillor W/shops, Other	3	3	1	2	0	3	2	1	0	3	2

In August 2013, following the submission of a Notice of Motion, the former Council established a “Workshop – Finance” to be held every second month. Workshops are usually conducted on a specific subject or for a limited, specified period. However, in this case, it was established on an ongoing basis like a pseudo standing committee.

Financial management falls under the strategic planning *Direction 5: Our Civic Leadership*, as does Governance. As Council already has a Governance Committee, it is logical to combine Governance and Finance within a single committee.

North Sydney Council also has a robust internal audit process including an Audit, Risk & Improvement Committee comprising two external financial/accounting experts and two Councillors supported by a shared internal audit service. This provides significant expertise and independence in financial review and auditing.

Consolidating the functions of the Governance Committee and Finance Workshop into a single committee will:

1. Reduce duplication between the Finance Workshop and Audit, Risk & Improvement Committee;
2. Align the committee structure with the Strategic Plan;
3. Improve consistency between Council’s Governance structure and the Local Government Act; and
4. Consolidate the number of committees/workshops to improve attendance.

I therefore recommend:

- 1. THAT** the responsibility for financial oversight not already covered by the Audit, Risk & Improvement Committee be incorporated into the Governance Committee; and
 - 2. THAT** the Governance Committee be renamed the “Governance and Finance Committee” and the “Workshop – Finance” cease as an ongoing separate committee.
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REPORTS

General Manager's Office

3. **GMO01: Performance and Remuneration Committee – 7 February 2019**

Report of Ken Gouldthorp, General Manager

This report presents the recommendations of the last meeting of the Performance and Remuneration Committee held on 7 February 2019 that require Council adoption. The Minutes are attached for information. The only recommendation from the Meeting requiring referral and determination from the full Council relates to *Item 5 Performance and Remuneration Committee/Panel – membership*.

The Performance and Remuneration Committee was established by a resolution of Council at its Ordinary Meeting on 30 April 2018. The Report initiating the resolution referred to the Office of Local Government's *Guidelines for the Appointment and Oversight of General Managers* and Council's own *Oversight and Liaison with the General Manager Policy*, both of these documents refer to the establishment of a Performance Review Panel. For consistency, it is recommended that the Performance and Remuneration Committee be renamed the Performance and Remuneration Panel.

In the Report establishing the Committee/Panel it was identified that an external specialist may be required to provide independent advice. Mr Matthew McArthur, Managing Director of McArthur Management Services, was subsequently appointed to this role. It is recommended that Mr McArthur be recognised as a panel member.

If Council would like to discuss this matter or other items on the Agenda, it will be necessary to close the meeting to do so in accordance with Section 10A(2)(c) of the Local Government Act – Personnel Matters Concerning Particular Individuals (other than Councillors).

Nil.

Recommending:

1. THAT the Performance and Remuneration Committee be renamed Performance and Remuneration Panel.

2. THAT Mr Matthew McArthur of McArthur Management services, who has been engaged to provide specialist independent advice, be recognised as a member of the panel.

4. **GMO02: Matters Outstanding – February 2019**

Report of Ken Gouldthorp, General Manager

A report on the current status of matters arising from Council resolutions up to the meeting of 29 January 2019 is presented.

Recommending:

1. THAT the report be received.

City Strategy Division

5. **CiS01: Biannual Review of the Delivery Program 2018/19-2020/21 for the Period 1 July to 31 December 2018**

Report of Sarah Malcolm, Corporate Planning Coordinator

The *North Sydney Council Delivery Program 2018/19-2020/21* was adopted on 25 June 2018, incorporating the *Operational Plan 2018/19* (Year 1 of the Delivery Program). The adopted Delivery Program includes projects and services. The Biannual Review includes a status update of these projects and cross functional operational key performance indicators (KPIs).

The *Operational Plan 2018/19* covers the period 1 July 2018 to 30 June 2019. Attachment 1 lists only the projects schedule to commence by 30 December 2018, in Year 1 of the adopted Delivery Program and includes projects carried over from 2017/18.

291 projects were scheduled to commence in the first half of Year 1. 283 projects commenced, 93% projects are on track (green status) and 7% projects are behind schedule/delayed (red and amber status).

Financial performance information is detailed within the Quarterly Budget Review Statement (QBRs) presented separately to Council.

The QBRs for the second quarter of 2018/19 will be reported to the February 2019 Council meeting. Refer to report CoS02: Quarterly Budget Review - December 2018.

Recommending:

- 1. THAT** the Biannual Performance Review of the Delivery Program – 1 July to 31 December 2018 be received.
- 2. THAT** Council notes the remedial action for those projects that were not on track for the period ending 31 December 2018.

6. **CiS02: Proposed Western Harbour Tunnel – Air Quality Monitoring Siting Assessment**

Report of Fiona Mulcahy, Team Leader Environmental Health

At its meeting of 19 November 2018 Council resolved:

- 1. THAT Council undertake air quality monitoring in accordance with Option 1 outlined within the report for a period of 12 months with funding to be provided from the Environmental Levy/Environmental Reserve.*
- 2. THAT the General Manager be authorised to take any necessary action to promptly implement the air quality monitoring program.*
- 3. THAT the air quality monitoring be undertaken in the vicinity of Anzac Park Public School.*

SLR Consulting Australia Pty Ltd (SLR) was commissioned by Council to undertake a preliminary Siting Assessment of Anzac Park and St Leonards Park. The Siting Assessment findings form an attachment to this report. This assessment was undertaken to determine if the preferred location is suitable and representative of background ambient air quality in the vicinity of the proposed tunnel ventilation stacks associated with the Western Harbour Tunnel & Beaches Link (the Project).

SLR concluded that Anzac Park does not meet all the site measurement requirements as per the relevant Australian/New Zealand Standard - *Methods for sampling and analysis of ambient air – Guide to siting of air monitoring equipment*. This may risk leaving any monitoring results open to challenge as to their reliability.

As the St Leonards Park site is able to meet strict compliance with the relevant Australian/New Zealand Standard - *Methods for sampling and analysis of ambient air – Guide to siting of air monitoring equipment* and represent both local and regional air quality it is recommended that the air quality monitoring station be located in St Leonards Park.

This recommendation takes into consideration the advice that the *St Leonards Park location can be expected to be representative of the levels that would be expected at similar distances from the motorway further to the north (i.e. at Anzac Park Public School and residential receptors in the vicinity of the proposed WHTBL ventilation stack(s))*.

The indicative cost for installing a compliant air quality monitoring station is \$160,000 + GST. It was resolved at the 19 November 2018 Council meeting for funding to be provided from the Environmental Levy/Environmental Reserve.

Recommending:

- 1. THAT** Council undertake air quality monitoring in St Leonards Park for a period of 12 months.
- 2. THAT** the General Manager be authorised to take any necessary action to promptly implement the air quality monitoring program.

7. CiS03: Stage 2 Ward Street Masterplan Post-Exhibition Report

Report of Jennifer Lawley, Senior Strategic Planner

In order to deliver much needed public domain and amenity improvements to the North Sydney CBD and identify commercial growth opportunities, Council has been undertaking the Ward Street Precinct Masterplan project.

At its meeting of 25 June 2018, Council endorsed the draft Stage 2 Ward Street Precinct Masterplan for public exhibition. The draft Masterplan was publicly exhibited between 7 August and 8 October 2018. Valuable feedback was obtained from the community and stakeholders.

A total of 49 submissions were received from a variety of interests around the precinct. The vast majority of these complimented Council on its initiative and supported the significant contribution the project is seeking to make to the public domain. Of the issues raised, residential amenity and development at the northern end of the precinct were key concerns. Feedback also included many suggestions and preferences for community uses for the ‘Cultural Hub’ and new ‘Knowledge Hub’ (CBD library annex) which have contributed to the ongoing development of the masterplan.

A final masterplan has been developed which sets out to achieve the overall objectives of the vision and principles of the project. The final masterplan builds on: the overarching design and place-making principles of Masterplan Option 02; reflects the community’s preference for a central civic precinct; and delivers additional open public space and green space.

The resolution of the masterplan design was achieved by analysing detailed input from the submissions and via additional design testing. Stage 1 of the North Sydney CBD Public Domain Strategy contributed significantly to the refinement process by highlighting the critical shortage of high-quality open space in the CBD and the shifting of the CBD centre to the north with the future opening of Victoria Cross Metro Station.

The recommendation of this report is that Council now moves forward with an EOI process to obtain the services of a suitably qualified development consultancy in order to develop an implementation strategy for the masterplan. This consultancy would be expected to prepare a detailed implementation strategy in order to take the project to the next phase.

The Stage 2 Ward Street Masterplan project was largely funded in the 2017/18 budget and there was \$185K spent on consultancies and exhibition in that time from a budget allocation of \$150K. Internal transfers within the Strategic Planning budget made up for the budget shortfall.

Up to \$150,000 has been identified in the LEP Acceleration Program grant funding to support the next stage of this project.

Recommending:

- 1. THAT** Council note the comments raised and preferred Masterplan option selected by the submitters as part of the exhibition of the draft Stage 2 Ward Street Precinct Masterplan.
 - 2. THAT** Council endorse the final masterplan, as amended, in order for Council to move forward with the implementation strategy.
 - 3. THAT** Council resolve to progress the Masterplan by preparing design specifications for the knowledge hub, cultural hub and plaza/open spaces in order to inform a clear and unambiguous pathway to their delivery.
 - 4. THAT** Council resolve to progress the Masterplan by preparing an implementation plan containing:
 - a. strategies to maximise wider benefits within the precinct (including staging, flexibility, timelines, sound financial management, continued commitment to high quality outcomes and design qualities in the realisation of the masterplan);
 - b. further financial analysis; and
 - c. a probity plan to ensure that Council's dual role of landowner and regulator are managed and transparent.
 - 5. THAT** the boundary of the North Sydney Centre, as defined in NSLEP 2013, be reviewed to include 45 McLaren Street and 144-152 Walker Street.
 - 6. THAT** Council acknowledges that an amendment to the Berry Street Special Area controls contained in the North Sydney LEP will be required to facilitate the heights anticipated under the preferred Masterplan. This amendment, however, will only occur on the strict proviso that a high amenity, flexible and highly usable new open space is created as a result of new development within the precinct.
 - 7. THAT** Council writes to all the submitters thanking them for these contributions.
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8. **CiS04: Planning Proposal 6/16 – 100 Christie Street, St Leonards & Draft VPA – Post Exhibition Report**

Report of Joanne Chan, Strategic Planner

On 4 December 2017, Council resolved to forward a Planning Proposal (PP 6/16) to the Department of Planning and Environment (DPE) to amend the planning controls relating to 100 Christie Street, St Leonards under North Sydney Local Environmental Plan 2013 (*NSLEP 2013*). In particular, the proposed amendments include:

- increasing the maximum building height from 49m to 132m (36 storeys);
- imposing a total maximum floor space ratio of 18:1;
- imposing a non-residential floor space ratio of 4.25:1;
- adding a clause to Schedule 1 – *Additional Permitted Uses* such that “shop top housing” is permissible with consent on the subject site;
- adding a clause to Part 6 – *Local Provisions* such that basement parking may be constructed under 50% of the lot containing Christie Street Reserve; and
- amending clause 4.6 to exclude the use of clause 4.6 to vary the development standard proposed above in Part 6.

The Planning Proposal is accompanied by a Draft Voluntary Planning Agreement (VPA), which includes the dedication of two whole floors of community co-working space within the podium, landscape upgrade and transfer of ownership of Christie Street Reserve to Council, streetscape upgrade of Sergeants Lane, Chandos Street and Christie Street, and a monetary contribution of \$100,000 towards a future bike hub in the area.

The Planning Proposal was placed on public exhibition from Thursday 8 November to Thursday 6 December 2018. A total of 58 submissions were received, 2 supported, 51 opposed and 5 were neutral. It is acknowledged that the proposal has attracted a significant number of objections relating to amenity impacts (in particular view loss and building separation).

The Precinct is undergoing significant change and there is an opportunity to manage growth appropriately through the delivery of the desired objectives and outcomes within the endorsed *St Leonards Crows Nest Planning Study – Precincts 2 & 3*. The issues such as scale of development, view loss, building separation and traffic congestion raised in the submissions, when critiqued against this study, are not considered to warrant an amendment to the Planning Proposal. Concentrating tall buildings near highly accessible mass transit nodes, employment and services, is more sustainable and desirable than dispersing this growth throughout more sensitive neighbourhoods with lower levels of accessibility.

Condition 4 of the Gateway Determination required that prior to finalisation, the Planning Proposal be updated to demonstrate consistency with any available findings of the St Leonards/Crows Nest strategic investigations being undertaken by the DPE. It should be noted that the Department released the draft *St Leonards Crows Nest (SLCN) Plan* on 15 October 2018 for public exhibition. The subject Planning Proposal was considered by both Council and the DPE prior to the release of these documents. As part of this post exhibition report, a detailed assessment of the proposal against the draft *St Leonards and Crows Nest 2036 Plan* (the draft *2036 Plan*) was undertaken and it is considered consistent with the objectives, actions and recommendations contained in the DPE’s draft *SLCN Plan*.

It is therefore recommended that Council resolves to forward the Planning Proposal to the DPE with a request that the Plan be made.

Should the draft VPA be executed, it will result in various in-kind and monetary contributions to Council, including:

- two whole floors of community co-working office space dedicated to Council in perpetuity (this would likely be operated by an external provider);
- upgrade and dedication of Christie Street Reserve to Council in perpetuity;
- streetscape upgrades of Sergeants Lane, Chandos Street and Christie Street; and
- monetary contribution of \$100,000 to Council for the purpose of a bike hub in the area.

The total value of the proposed contributions has been independently assessed as having a market value of \$17.5 million. Ongoing operational costs will need to be quantified closer to the delivery stage and subsequently added to Council's operational planning.

Recommending:

1. THAT having completed the community consultation requirements outlined in the Gateway Determination, Council forward the Planning Proposal (Attachment 2) to the Department of Planning and Environment with a request that a Local Environmental Plan be made in accordance with section 3.36 of the Environmental Planning and Assessment Act 1979, to give effect to the Planning Proposal.

2. THAT Council grant delegated authority to the General Manager to finalise any detailed terms of the Voluntary Planning Agreement with the view to have it in force prior to the gazettal of the LEP amendment.

3. THAT Council write to the Minister for Planning seeking an undertaking to exempt this site, in the same manner that the Minister acted for 617-621 Pacific Highway, from the application of any State Infrastructure Contributions (SIC) on the basis of the delivery of defined public benefits within this Voluntary Planning Agreement.

9. CiS05: Planning Proposal 5/18 – 55-89 Chandos Street and 58-64 Atchison Street, St Leonards

Report of Ben Boyd, Executive Strategic Planner

On 3 September 2018, Council received a Planning Proposal to amend North Sydney Local Environmental Plan 2013 (NSLEP 2013) as it relates to land located at 55-89 Chandos Street and 58-64 Atchison Street, St Leonards. In particular, the Planning Proposal seeks the following amendments to NSLEP 2013:

- Increase the maximum building height on the Height of Buildings Map:
 - from 33m to 67m (a 34m increase) at 55-65 Chandos Street,
 - from part 33m and part 20m to 101m (a part 68m and 81m increase respectively) at 67-89 Chandos Street, and
 - from 20m to 85m (a 65m increase) at 58-64 Atchison Street.
- Increase the minimum non-residential floor space ratio on the Non-residential Floor Space Ratio Map:
 - from 1:1 to 2.5:1 (a 150% increase) at 55-65 Chandos Street, and

- from part 1:1 and part 0.6:1 to 1.61:1 (a part 61% and 101% increase respectively) at 67-89 Chandos Street.
- Impose a floor space ratio on the Floor Space Ratio Map:
 - 7.9:1 at 55-65 Chandos Street,
 - 8.7:1 at 67-89 Chandos Street, and,
 - 9.1:1 at 58-64 Atchison Street.

The Planning Proposal is also accompanied by a proposed public benefit offer comprising:

- Establishment of a 4,000sqm community facility to be used as a creative arts space for a period of 20 years;
- Dedication of up to 10% of residential apartments as affordable rental housing for a period of 20 years;
- Deliver a linear park along Oxley Street through a 5m setback, in order to provide additional open space that supports the future residential and working population; and
- Deliver a public plaza on Chandos Street, with the opportunity to connect with a future through site link between Atchison Lane and Atchison Street.

The North Sydney Local Planning Panel (NSLPP) considered an Assessment Report prepared by Council Officers on 13 February 2019, which recommended that the NSLPP not support the Planning Proposal proceeding to a Gateway Determination for the following reasons:

- It is inconsistent with the desired outcomes of Council's St Leonards/Crows Nest Planning Study for Precincts 2&3;
- It is inconsistent with the desired outcomes of the State Government's St Leonards and Crows Nest 2036 Draft Plan (draft LUIP);
- The concept proposal would result in a poor transition in building height and scale to the surrounding lower density residential areas located to the east and north;
- The proposed increases in height will have an unacceptable overshadowing impact;
- It is unclear as to whether the proposed public benefits are reasonable with regard to the extent of the uplift sought by the planning proposal; and

The NSLPP supported the recommendations of the Council Officer's Assessment Report to not progress the Planning Proposal to a Gateway Determination.

Recommending:

- 1. THAT** Council resolves not to support the Planning Proposal proceeding to Gateway Determination.
- 2. THAT** Council advise the Department of Planning and Environment of its decision and be provided with a copy of this report and its resolution in support of Council's position.
- 3. THAT** Council notifies the applicant of Council's determination in accordance with clause 10A of the Environmental Planning and Assessment Regulations 2000.

10. CiS06: Planning Proposal 6/18 – 253-267 Pacific Highway, North Sydney

Report of Ben Boyd, Executive Strategic Planner

On 27 September 2018, Council received a Planning Proposal to amend North Sydney Local Environmental Plan 2013 (NSLEP 2013) as it relates to at 253-267 Pacific Highway, North Sydney. In particular, the Planning Proposal seeks the following changes to NSLEP 2013:

- Increase the maximum Height of Buildings from 10m to part 23m and part 68m (an increase of 13m and 58m respectively);
 - Increase the minimum non-residential floor space ratio control from 0.5:1 to 1:1; and
 - Establish a site-specific maximum overall floor space ratio control of 7.2:1.
- The Planning Proposal is also accompanied by a draft Voluntary Planning Agreement offer that includes:
- Dedication of 233sqm of the residential yield on Level 2 of the development (which equates to 3 x 1 bedroom apartments and 1 x studio apartment) to Council or an affordable housing provider for use as affordable housing;
 - Dedication and partial fitout of 349sqm of GFA on Level 2 of the development to Council to be used as affordable office space by ‘start-up’ businesses;
 - Dedication and partial fitout of 55sqm of GFA on the ground level of the development to Council to be used for community facilities;
 - Construction of a portion of new road within the boundaries of the site to widen Church Lane from 3-4.5m to 6m and the excision of approximately 130m² of land from the site area for dedication to the Council for the purpose of the new road; and
 - Embellishment of approximately 200m of footpaths and public domain around the site on the Pacific Highway, West Street, Church Lane and McLaren Street.

Due to North Sydney Council being an owner (contracts exchanged with extended settlement) of one of the parcels that comprises the subject site, Council has engaged Ingham Planning to undertake an independent assessment of the Planning Proposal to avoid any perceived conflicts of interest.

The North Sydney Local Planning Panel (NSLPP) considered the Assessment Report prepared by Ingham Planning on 13 February 2019, which recommended that the NSLPP not support the Planning Proposal proceeding to a Gateway Determination for the following reasons:

- *The proposed built form is excessive and out of keeping with the existing and desired future character of the area. It will visually dominate the area, which is characterised by low-scale buildings. It will be even larger than buildings permitted to the south of McLaren Street which are located within the North Sydney CBD;*
- *Whilst providing higher density development near the new Victoria Cross Metro Station would be consistent with Metropolitan and District Planning Strategies, to provide the best planning outcome for this precinct a coordinated approach to growth should be undertaken, similar to that which is in progress at St Leonards/Crows Nest. Council has recently secured funding to progress the North CBD Planning Study which will investigate*

opportunities for increased density in the area round the station. Council has advised that this will include the subject site;

- *There is no short-term 'need' for the proposal as the Greater Sydney Commission has advised Council that it is on track with the additional dwelling targets set out in the North District Plan;*
- *The proposed building form will have unacceptable overshadowing impacts on North Sydney Demonstration School;*
- *The proposal will have unacceptable impacts in relation to heritage and conservation in relation to the curtilage and relationship to the existing heritage item on the site at 265 Pacific Hwy and its height relationship with the adjoining conservation area.*

The NSLPP supported the recommendations of Ingham Planning's Assessment Report to not progress the Planning Proposal to a Gateway Determination.

Recommending:

- 1. THAT** Council resolves not to support the Planning Proposal proceeding to Gateway Determination.
 - 2. THAT** Council advise the Department of Planning and Environment of its decision and be provided with a copy of this report and its resolution in support of Council's position.
 - 3. THAT** Council notifies the applicant of Council's determination in accordance with clause 10A of the Environmental Planning and Assessment Regulations 2000.
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Community & Library Services Division

11. CLS01: Donations – Food Grants 2018-19

Report of Helen Campbell, Manager Community Development

Council annually allocates Food Grants to local service organisations during the month of December.

Council's grant application guidelines were followed and the following seven programs were successful: The Kirribilli Centre (\$1,400); The Church by the Bridge for Christmas Lunch at Greenway (\$1,500) and monthly lunches for Greenway residents (\$1,700); St Vincent de Paul Society (\$2,000); Taldumande Youth Services (\$1,500); Phoenix House Youth Services (\$1,500) and the Crows Nest Centre North Sydney Community Services (\$1,000). Organisations use these grants to provide a special meal for the festive season and ongoing support throughout the year, or a combination of the two.

As in previous years, it has been demonstrated that these grants make a meaningful contribution to meeting community need and provide a useful boost to the ability of these organisations to reach out to the most vulnerable members of our community. All reports indicate that the seasonal events were well attended and appreciated.

Funds of \$10,600 were allocated in the adopted estimates for 2018/19; this amount was fully dispersed.

Recommending:

1. THAT the Food Grants 2018-19 dispersal to the organisations named in the report and their successful outcome be noted.

Corporate Services Division

12. CoS01: Governance Committee – 11 February 2019

Report of Ian Curry, Manager Governance & Committee Services

This report presents the recommendations of the last meeting of the Governance Committee held on 11 February 2019 for Council adoption. The Minutes are attached for information.

Recommending:

1. THAT Council nominate the Mayor, Deputy Mayor or their delegates and the General Manager or his delegate to attend the 2019 National General Assembly of Local Government. (G01)

2. THAT Councillors wishing to propose Motions for submission to the 2019 National General Assembly of Local Government, under the theme of *'future focussed'* provide them to the Manager Governance and Committee Services by 28 February 2019. (G01)

3. THAT should Council submit any Motions, a further report be prepared on the Resolutions made by the National General Assembly. (G01)

4. THAT, subject to the NSW Electoral Commission providing prices to the satisfaction of the General Manager, North Sydney Council resolves that:

a) pursuant to s. 296(2) and (3) of the Local Government Act 1993 (NSW) ("the Act") that an election arrangement be entered into by contract for the Electoral Commissioner to administer all elections of the Council.

b) pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council.

c) pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council. (G02)

5. THAT the number of booths and pre-poll period be minimised to reduce costs. (G02)

6. THAT the General Manager be authorised to enter contractual arrangements with the NSW Electoral Commission reasonably required to give effect to this resolution. (G02)

7. THAT the New Councillor Induction and Professional Development Requirements be noted. (G03)

8. THAT a professional development program be developed, in consultation with the Mayor and Councillors. (G03)

9. THAT Council report on Councillor induction and professional development in future annual reports. (G03)

13. CoS02: Quarterly Budget Review - December 2018

Report of Darren Goode, Accounting Services Manager

The purpose of this report is to inform Council of the results of the review of the budget for the quarter ended 31 December 2018 and to seek approval to

make the necessary adjustments to the 2018/19 budget to reflect the current projected estimates of income and expenditure for the year.

The net effect of the adjustments to the 2018/19 revised budget outlined in this report was the budget remaining in a balanced position at the end of the December quarter with net transfers from reserves of \$11.4 million. The net transfer from Reserves has been reduced by \$6.4m from \$17.8m as at the September quarterly review.

Major contributors to these adjustments are increased construction revenue (\$1.5m), payment of the first instalment of the LEP acceleration grant (\$1.37m), and payment of the first instalment of the Military Road improvement grant (\$3.5m). Future transfer from reserves will be required to meet Council's commitments associated with these grants.

Recommending:

1. THAT the Quarterly Budget Review Statement – December 2018 report be received.

2. THAT the revised 2018/19 budget be adopted.

3. THAT the following additional budget allocation be approved and be incorporated with the revised budget at the March Quarterly review:

- i. an allocation of \$25,000 be allocated from the Community Housing – Major Maintenance Reserve to fund the updating of the *2013 Affordable Housing Background Report* and *Strata Prices and Rental Trends 2016-17 Report*; and
- ii. an allocation of \$31,000 to fund emergency retaining wall remediation at Vernon Street and Weringa Avenue in Cammeray.

14. CoS03: Investments and Loan Borrowings Held as at 31 January 2019

Report of Garry Ross, Manager Financial Services

This report provides details of the performance of Council's investment portfolio and borrowing limits for the period ending 31 January 2019.

Investment Portfolio:

The portfolio provided an annualised return of 3.21% for the year to date as at 31 January 2019, 1.07% above the reportable benchmark (BBSW Bank Bill Index). Interest returns remain consistently above the benchmark. This was attributed to additional funds being made available for investment and prudent selection and allocation of these funds to the financial institutions which make up the investment portfolio.

Borrowings:

Council has entered into a principal and fixed loan of \$9.5 million. The adopted Delivery Program proposes further borrowing of \$20.5 million in the 2020/21 financial year.

The 2018/19 budgeted returns on investments is estimated to be \$1,590,000. This is significantly less than previous returns due to the declining cash reserve balances and continued low interest rates.

Any surplus funds generated in excess of adopted estimates will be transferred to Council's internally restricted reserves.

Investments and Loan borrowings funding comply with Council's Financial Management Policy.

Recommending:

1. THAT the report on Investments and Loan Borrowings held as at 31 January 2019 be received.

Engineering & Property Services Division

15. **EPS01: Council Owned/Leased Properties: Leasing Transactions**

Report of Risha Joseph, Property Officer

A report is submitted regarding the leasing transactions for Council's owned and leased properties for the period ending 12 February 2019.

Council's actual Year-to-Date income received through the Property Portfolio is on target as per the annual forecast.

Recommending:

- 1. THAT** Council notes the property transactions as detailed in 'Attachment A' of this report.
- 2. THAT** Council authorises the seal of Council to be affixed, where necessary, to the legal instruments giving effect the proposed property transactions detailed in 'Attachment A' of this report.

16. **EPS02: Traffic Committee - Minutes 8 February 2019**

Report of Peita Rose, Governance Officer

This report presents the recommendations of the last meeting of the Traffic Committee held on 8 February 2019 for Council adoption. The Minutes are attached for information.

The full reports to Traffic Committee can be accessed at:

https://www.northsydney.nsw.gov.au/Council_Meetings/Meetings/Committees/Traffic_Committee/2019/8_February_2019

Recommending:

- 1. THAT** the matter be delegated to the Manager Traffic & Transport Operations to investigate a suitable location for a loading zone between 4am and 7.30am, including consultation with local businesses for a trial period of 6 months (locations suggested at the meeting include in front of the chemist or on the opposite side of Broughton Street). (4.2.1)
- 2. THAT** pedestrian signals on Gerard Street at MacPherson Street be expedited as a high priority project and funding be brought forward to progress the project to construction. (4.3.1)
- 3. THAT** Council continue to lobby for funding for Gerard Street/ MacPherson Street signals through 'Walking for the Communities' Program. (4.3.1)
- 4. THAT** the RMS be given background information on the Gerard Street/ MacPherson Street matter. (4.3.1)
- 5. THAT** Mayor continue to lobby for the Gerard Street/ MacPherson Street signals, including a letter to Roads Minister once the signal design is submitted to the RMS. (4.3.1)
- 6. THAT** the Gerard Street/ MacPherson Street signals be completed by the end of the 2019/20 financial year. (4.3.1)
- 7. THAT** the matter be delegated to the Manager Traffic and Transport Operations for a 3-month trial period of the rubber speed cushioning to be put in place and monitored, and at the end of the trial it come back to the committee

to determine whether the speed cushions should be permanently replaced with asphalt cushions at the end of their life. (4.4)

8. THAT Council erect pedestrian warning signs on both approaches to the kerb ramps outside No. 17 Bannerman Street near Guthrie Street. (4.4)

9. THAT Council letterbox drop residents in the area regarding the speed cushion trial and explaining the benefits of the traffic calming devices. (4.4)

10. THAT Council monitor pedestrian usage of the kerb ramps outside No. 17 Bannerman Street before, during and after the 3-month speed cushion trial and report back to the Traffic Committee. (4.4)

11. THAT the information regarding Delegated Authority items be received. (4.1)

12. THAT the information concerning the Abandoned Vehicles and Unattended Boat Trailers Processed Report be received. (5.1)

17. EPS03: North Sydney Olympic Pool – Existing Grandstand Structural Engineering Reports

Report of Duncan Mitchell, Director Engineering and Property Services

In October and November 2018, North Sydney Council engaged structural Engineers Mahaffey and Associates Pty Ltd and Mott Macdonald Australia Pty Ltd to undertake an assessment of the existing concrete grandstand structure at North Sydney Olympic Pool to determine the remaining useful life of the grandstand. The structural Engineering consultancies were to provide advice to Council and the Architects engaged for the redevelopment of the pool, Brewster Hjorth Architects, on whether the grandstand could be repaired and strengthened or whether it should be demolished because it has reached the end of its useful life.

The existing concrete grandstand structure was constructed in 1935/36 by Kell and Rigby and forms an integral part of the North Sydney Olympic Pool facility which was opened on 4 April 1936 – one year after the adjoining Luna Park site was opened.

This report provides a status update on the recommendations of those reports and how this informs the redevelopment of the North Sydney Olympic Pool.

The cost for the Design Services for the redevelopment of the North Sydney Olympic Pool (NSOP) including the structural assessment reports undertaken in 2018 have been budgeted for in the 2018/19 budget.

The need to fully replace the existing grandstand will have cost implications for the overall redevelopment of the North Sydney Olympic Pool. A Council briefing has been scheduled for 7.30pm on Monday, 11 March 2019 to consider the developed concept plans for Option 2 and accompanying business case for the operation of the proposed facility prior to a further report to Council.

Recommending:

1. THAT Council notes the recommendation of the Engineering Reports prepared by structural Engineers Mahaffey and Associates Pty Ltd and Mott Macdonald Australia Pty Ltd. These reports conclude that the structure has reached the end of its useful life and that retaining the existing grandstand in the long term should not be considered.

2. THAT Council notes it is recommended by the structural Engineers that a visual monitoring (inspections) protocol be established every three to six

months using the data in the structural reports to record any further deterioration of the structure.

3. THAT Council note that crowd numbers in the existing grandstand have been limited to 900 and subject to a further inspection in June 2019 it may be necessary to further curtail numbers allowed on the structure.

18. EPS04: Administration of Special Rates Levied for Crows Nest and Neutral Bay Business Areas - Five Year Capital Works Program

Report of Duncan Mitchell, Director Engineering and Property Services & Martin Ellis, Director, Community and Library Services

At its meeting held on 16 March 2015, (Min. No 3361), Council resolved the following:

2. THAT from July 1, 2015, all operational and capital expenditure of Special Rates levied for Identified projects and programs in the Crows Nest and Neutral Bay Business Areas be resolved on by Council.

6. THAT A five- year Capital Works Program for the Crows Nest and Neutral Bay Business Areas be developed and adopted by Council. The Capital Works Program is to clearly identify the projects where Special Rates levied will be utilised.

At its meeting on 10 December 2018 Council deferred adoption of a report on the 5-year capital works program for Crows Nest and Neutral Bay, resolving:

1. THAT this matter be deferred to obtain further information on the purpose and scope of the levy.

In response, additional material provided with this report finds that:

- The impost on the levies of operational funding, as opposed to capital works, has declined considerably over the past 5 years, and is currently a modest \$16,364 for each Business Centre. It is being proposed for the 2019/20 Financial year that this amount be increased to \$18,000 to cover CPI.
- All Council material (reports and fact sheets) have made it clear that the Crows Nest levy supports the Crows Nest Fair.
- While the cost of the Fair has also risen over the past five years, so too has its scale and success.
- There is however, a benefit in now capping the drawdown from the levy for the Fair.
- There is also a benefit in continuing to require Mainstreet to follow the Grants and Subsidies process: namely, an application, a recommendation to Council, the grant and acquittal.

The capital works and operating expenditure for both the Crows Nest and Neutral Bay Main Street Levies are balanced against the forecast revenue to be received from the Levies over the next four years. The operating budgets for both Crows Nest and Neutral Bay Main Streets proposed to be drawn from the Levies are capped. Budgets for additional capital works to be undertaken in Crows Nest and Neutral Bay are identified in Council's current adopted delivery program.

Note: Council entered into a funding deed agreement with TfNSW in October 2018 to undertake significant Public Domain upgrading works along the Military Road corridor between Cremorne and Neutral Bay as part of the B-

Line project. The money that has been agreed to be paid to Council as part of the funding deed agreement will be used to partially and/or fully fund the delivery of all the projects identified in Table 2 of this report with the exception of the Grosvenor Lane Shared Zone Upgrade – Ben Boyd Road to Young St which will be fully funded by Council. A report on the details of the funding deed agreement between TfNSW and North Sydney Council was put to Council on 29 October 2018.

Note: There are proposed minor increases to both operating budgets for Neutral Bay and Crows Nest to cover CPI over several years and the increasing costs associated with running the annual Crows Nest Fair. Refer to the recommendations in this report and the funding tables (Table 1- Crows Nest – Five Year Capital Works Program and Proposed Allocation of Main Street Levy – Capital Works Levy and Table 2 Neutral Bay – Five Year Capital Works Program and Proposed Allocation of Main Street Levy – Capital Works Levy) included in this report.

The cost of an annual independent audit report on levied funded expenditure for Crows Nest and Neutral Bay Business Areas would be funded from the levy and would only require a minor variation to the current Audit tender.

Funding for the project is appropriate.

Recommending:

- 1. THAT** Council endorse the levy-funded Operating Budgets for 2018/19 and 2019/20 for Crows Nest Main Street Pty Ltd and the Neutral Bay Chamber of Commerce.
 - 2. THAT** Council endorse the proposed minor increase in the Neutral Bay and Crows Nest Main Street operating budgets from \$16,364 to \$18,000 in the 2019/20 Financial year to cover CPI increases.
 - 3. THAT** Council adopts the proposed projects for Crows Nest and Neutral Bay subject to the Levy Funding and Council funds being made available for the next four years.
 - 4. THAT** Council will fund the Crows Nest Fair to a maximum cost of \$73,000 ex. GST, including 50% of the cost of clean-up, funded from the Mainstreet Levy.
 - 5. THAT** Crows Nest Main Street Pty Ltd continue to be required to make a grant application to Council to access funding for the Fair.
 - 6. THAT** acquittal for the Crows Nest Fair Grant funding is to be provided from Crows Nest Main Street Pty Ltd to Council within six months of the completion of the Fair.
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Open Space & Environmental Services Division

19. OSE01: Request for Removal of Tree Located in Margaret Street Road Reserve

Report of Doug Foster, Tree Management Supervisor

The owners of 2-6 Margaret Street, North Sydney have made a legal claim of \$78,000 against Council for damage to a sandstone boundary wall potentially caused by a tree. The tree is a mature *Casuarina cunninghamiana* (River She Oak) located in the Margaret Street Road Reserve at the rear of 2-6 Margaret Street, North Sydney. The tree is native to NSW, is in good health and condition and provides a high level of amenity and environmental value to the local area. Council letterboxed the local community regarding the future of the tree, 44 properties were consulted that resulted in five responses, three in support of the tree's retention and two supporting the tree's removal.

Future financial implications may result if the legal claim is pursued and is successful or if the tree is to be removed as the work will need to be undertaken by specialist contract tree workers as access to the tree is difficult.

Recommending:

1. THAT Council retain the *Casuarina cunninghamiana* (River She Oak) adjoining 2-6 Margaret Street, North Sydney and continue to liaise with the property owner to redesign the property's boundary wall to provide for the tree's retention.

MOTIONS OF WHICH DUE NOTICE HAS BEEN GIVEN

20. NoM01: Notice of Motion 1/19 - Cr Keen - 20/02/19

Re: North Sydney Parkrun

1. THAT Council acknowledge and support the North Sydney parkrun program and its positive contribution to our community that has been operating in St Leonards Park.

2. THAT Council consider installing a drinking fountain (or similar) next to Bon Andrews Oval.

Background

Parkrun was launched in Australia in 2011 and there are now over 340 events across the country. Parkrun North Sydney was launched on the 26 May 2018, with 263 participants.

Since the launch in North Sydney 1,802 participants have completed 4,941 parkruns covering a total distance of 24,705 km, including 841 new Personal Bests.

A total of 122 individuals have volunteered 310 times.

The average turnout since the launch is 126 runners per week.

21. NoM02: Notice of Motion 2/19 - Cr Beregi, Cr Baker & Cr Carr - 20/02/19

Re: Re-establish the North Sydney Councillor Workshop – Finance

1. THAT Council requests the General Manager re-establish the Councillor Workshop Finance on a bi-monthly basis to be held (on the same day) at 6pm prior to the monthly Council meeting

2. THAT the previous agenda form the basis of a proposed format to be updated and agreed by all participants

Background:

This workshop was established in the previous term of Council where it provided all Councillors with a hands-on forum to discuss, debate and prioritise each aspect of Council finances. This environment allowed for a deep-dive into the budgeting process, with a dashboard produced providing a ready reckoner of performance vs stated objectives.

Critical to decision making was the transparency offered by this medium whereby all Councillors had the opportunity to fully understand the finances related to critical decisioning, including:

- Budgeting
-

- Council rates, fees and charges
- Capital works program
- Integrated planning and reporting
- Councillor expenses
- Outstanding S94 contributions, allocation and holdings
- Council Investments
- Council Borrowings
- Presentations from Council investment advisors and auditors

Previously all budgetary items and any changes to the SRV would have been discussed at a Finance Workshop meeting. If this forum was in place, then all may have been aligned in the recent SRV recommendation.

Further, this workshop allows an environment where additional revenue items as well as expenses that could significantly impact the next two-year inputs can be tabled.

22. NoM03: Notice of Motion 3/19 - Cr Beregi, Cr Baker & Cr Carr - 20/02/19

Re: North Sydney Council Borrowing Facility

1. THAT the General Manager provide all Councillors with a copy of the banking (borrowing) facility negotiated and executed with Commonwealth Bank of Australia in 2018

Background:

This facility was fast tracked, negotiated and executed without reference to Councillors or the North Sydney Councillor Workshop – Finance. As the workshop has been dismissed since mid-2018 and not scheduled for 2019, all Councillors need to be aware of Council's obligations and quantum of borrowing.
