

**Report to General Manager**Attachments:
Nil**SUBJECT:** St Leonards/Crows Nest Planning Study - Progress Report**AUTHOR:** Marcelo Occhiuzzi, Manager Strategic Planning**ENDORSED BY:** Joseph Hill, Director City Strategy**EXECUTIVE SUMMARY:**

At its meeting on 22 October 2012, Council resolved that there be half yearly progress reports to the Planning and Development Committee (now Legal and Planning Committee) on the implementation of the St Leonards/Crows Nest Planning Study. This report constitutes the seventh progress report as required by Council's resolution.

Following adoption of the St Leonards/Crows Nest Planning Study - Precinct 1 in 2012, Council has successfully progressed a number of site specific Planning Proposals and associated Voluntary Planning Agreements (VPAs) in the precinct. This process is facilitating developments that are consistent with Council's strategic vision for the area and which also contribute funds towards the expansion of Hume Street Park, a key public benefit identified by the Precinct 1 study.

Following adoption of the St Leonards/Crows Nest Planning Study - Precincts 2 and 3 in May 2015, Council staff have been working with developers and property owners to negotiate Planning Proposals that will facilitate the built form and public benefit outcomes endorsed by the study. It is anticipated that representatives of several key sites within this part of the precinct will be in a position to lodge Planning Proposals consistent with the adopted study in the coming months.

In addition to this, progress on the realisation of the vision for the expansion of Hume Street Park continues. A Planning Proposal which seeks to align the planning controls to enable the vision to be pursued is in its final stages of being processed with a final report expected to be presented to Council on 19 September 2016. The finalisation of tender documents to prepare a stage 1 development application will follow this. In addition, the acquisition of land to enable the connection between the park and Willoughby Road continues to be pursued.

In August 2015, Council resolved to defer work on Precinct 4 of the planning study pending an announcement by the NSW Government regarding the location of a new St Leonards/Crows Nest Metro station. In November 2015, the Premier of NSW announced the location of the proposed Metro station at Crows Nest. In February 2016, Council therefore resolved to commence background work for a planning study including a broad consultation process to gauge general community and other stakeholder views regarding the development and growth implications of the proposed Metro station at Crows Nest. The feedback gained in this first stage of the project was to be used as input, along with other specialist work, to generate a detailed draft strategy for the purpose of further consultation.

On 7 July 2016, however, the Minister for Planning announced a strategic planning investigation into St Leonards, Crows Nest and Artarmon industrial area. Work has already commenced on an Employment Review and Structure Plan. The Department advised it will be circulating a Terms of Reference (TOR) outlining governance arrangements and a Communications Strategy for the review.

Whilst this announcement is disappointing given the significant level of strategic planning work that Council has already undertaken in the area, and the high level of community and landowner support we have received over the last few years, there is merit in drawing together the work done by each of the three Councils for the centre. Furthermore, the review is an opportunity for State Government to better understand our built form and placemaking strategies. Council's involvement in the review will ensure the direction, content and calibre of this work is informed by our detailed knowledge of the issues and the community's aspirations for St Leonards / Crows Nest.

In the meantime, Council will continue to progress planning proposals and VPAs that support the St Leonards / Crows Nest Planning Study and are on track to be lodged in the near future.

FINANCIAL IMPLICATIONS:

Nil.

Local Government Act 1993: Section 23A Guidelines - Council Decision Making During Merger Proposal Period

The Guidelines have been considered in the preparation of this report and are not applicable.

RECOMMENDATION:

1. THAT in the context of the State Infrastructure Contribution regime that the NSW Government is seeking to impose in the St Leonards/Crows Nest precinct, Council continue to pursue the local benefits that have previously been the subject of wide consultation and endorsement by local communities.

LINK TO DELIVERY PROGRAM

The relationship with the Delivery Program is as follows:

Direction: 2. Our Built Environment

Outcome: 2.2 Improved mix of land use and quality development through design excellence

Outcome: 2.3 Vibrant, connected and well maintained streetscapes and villages that build a sense of community

Direction: 3. Our Economic Vitality

Outcome: 3.1 Diverse, strong, sustainable and vibrant local economy

Direction: 4. Our Social Vitality

Outcome: 4.2 Community is diverse

Direction: 5. Our Civic Leadership

Outcome: 5.1 Council leads the strategic direction of North Sydney

BACKGROUND

On 29 November 2010, Council resolved to undertake a planning study of the St Leonards/Crows Nest area with the following objectives:

- New open space in St Leonards/Crows Nest;
- Increased investment in St Leonards and decreased commercial vacancy rates, with particular focus on the rejuvenation of the Pacific Highway between St Leonards train station and the intersection of Pacific Highway and Willoughby Road;
- Improved connectivity, particularly between St Leonards/Pacific Highway and Willoughby Road;
- Improved urban design and street level amenity particularly in St Leonards and along the Pacific Highway; and
- Improved building design and residential amenity in St Leonards.

The St Leonards/Crows Nest study area was divided into four precincts to allow detailed analysis and targeted planning solutions.



Figure 1 – St Leonards / Crows Nest Planning Study – precincts 1-4

The St Leonards/Crows Nest Planning Study - Precinct 1 was adopted by Council on 5 December 2011 with an addendum to that study adopted on 22 October 2012. The study of Precinct 1 presents an Open Space and Pedestrian Masterplan and a Built Form Masterplan that together provide a holistic approach to planning and development in the precinct. The masterplans include provision for:

- An expanded Hume Street Park with a pedestrian link to Willoughby Road;
- Widened footpaths along the Pacific Highway and key pedestrian routes; and
- High amenity mixed use buildings on key sites.

Council also resolved that there be six monthly reports to the Planning and Development Committee (now Legal and Planning Committee) on the progress and implementation of the

St Leonards/Crows Nest Planning Study. This report constitutes the sixth progress report as required by Council's resolution.

CONSULTATION REQUIREMENTS

Community engagement is not required.

SUSTAINABILITY STATEMENT

The sustainability implications were considered and reported on during the initiation phase of this project.

Background

DETAIL

1. Precinct 1

The adopted St Leonards/Crows Nest Planning Study - Precinct 1 identifies the following implementation strategies:

- Landowner initiated changes to local planning provisions; and
- Initiatives and works undertaken by Council:
 - Land acquisition;
 - Closure of Hume Street and widening of verges on Clarke and Oxley Streets; and
 - Embellishment of expanded Hume Street Park.

1.1. Implementation - Landowner initiated changes to local planning provisions

Since adoption of the final study of Precinct 1 in October 2012, Council staff have been working with developers and property owners in implementing the Built Form Masterplan and maximising open space and public amenity for the community through implementation of the Open Space and Pedestrian Masterplan. This is occurring via site specific Planning Proposals and Voluntary Planning Agreements (VPAs). The proposals listed below were all consistent with Council's strategic vision for the area as articulated by these Masterplans as contained in the St Leonards/Crows Nest Planning Study - Precinct 1.

1.1.1. 545 Pacific Highway, St Leonards

The first site specific Planning Proposal relating to the site at 545-553 Pacific Highway, St Leonards (North Sydney LEP 2001 Amendment No. 54) sought to amend the North Sydney Local Environmental Plan (LEP) 2001 by increasing the height control from 26 metres to 50 metres and by introducing a site specific FSR control of 6.6:1. The Planning Proposal was accompanied by a VPA which provides for, among other things, building setbacks to allow for an improved public domain and a \$1,527,500 monetary contribution towards the expansion of Hume Street Park.

The amendments to NSLEP brought about by the Planning Proposal came into force on 24 May 2013 and a Development Application for a 50 metre building (DA 455/12) was subsequently approved.

1.1.2. 7-19 Albany Street, St Leonards

The second site specific Planning Proposal relating to the site at 7-19 Albany Street, St Leonards (NS LEP 2013 Amendment No. 4) sought to amend LEP 2013 by increasing the height control from 26 metres to 40 metres and by introducing a site specific FSR control of 5.6:1. The Planning Proposal was accompanied by a VPA which provided for, among other things, building setbacks to allow for an improved public domain and a \$700,000 monetary contribution towards the expansion of Hume Street Park.

The amendments to LEP 2013 brought about by the Planning Proposal came into force on 11 July 2014 and a Development Application for a 40 metre building (DA167/14) was approved in November 2014 and is now under construction.

1.1.3 521 Pacific Highway, Crows Nest

The third site specific Planning Proposal relating to the site at 521 Pacific Highway, Crows Nest, sought to amend LEP 2013 by increasing the height control from 20 metres to 40 metres and by introducing a site specific FSR control of 5.3:1. The Planning Proposal was accompanied by a draft VPA which provides for, among other things, a 6 metre building setback from Oxley Street to allow for a widened footpath, landscaping and outdoor seating as well as a \$1,600,000 monetary contribution towards the expansion of Hume Street Park.

The Planning Proposal and draft VPA were publically exhibited in February and March 2015 and were endorsed by Council at its meeting on 20 April 2015. The VPA was executed on 17 August 2015.

Since this time, however, the announcement of the location of the Metro has identified that this site forms part of the actual metro redevelopment site. Council staff understand that the site is currently in the process of being acquired by Transport for NSW for the purposes of construction of the Metro.

1.1.4. 575-583 Pacific Highway, St Leonards

The fourth site specific Planning Proposal relating to the site at 575-583 Pacific Highway, St Leonards, seeks to amend LEP 2013 by increasing the height control from 26 metres to 56 metres and by introducing a site specific FSR control of 7.37:1. The Planning Proposal is accompanied by a draft VPA which provides for, among other things, retention of the "Old Marco Building" heritage item and approximately \$5M monetary contribution towards the expansion of Hume Street Park.

In December 2015, Council endorsed the Planning Proposal for the purpose of public exhibition subject to minor administrative amendments being made to the draft VPA. However, this is one Planning Proposal that appears to have been caught up with the uncertainty introduced by the NSW Government's renewed efforts to review the planning

controls in this precinct and the State Infrastructure Contribution (SIC) that may be imposed in future. As a result, the immediate future of this proposal is in some doubt.

1.1.5. 31-33 Albany Street, Crows Nest

The fifth site specific Planning Proposal relating to the site at 31-33 Albany Street, Crows Nest, seeks to amend LEP 2013 by increasing the height control from 13 metres to 26 metres, consistent with the Built Form Masterplan, and by introducing a site specific FSR control of 4.27:1. The Planning Proposal is accompanied by a draft VPA which provides for, among other things, a \$1,150,000 monetary contribution towards the expansion of Hume Street Park.

In October 2015, Council endorsed the Planning Proposal and draft VPA for the purpose of public exhibition and the Planning Proposal was sent to the Department of Planning and Environment (“the Department”) with a request for a Gateway Determination. Council received a Gateway Determination in early February 2016 which contained a number of unusual conditions that alter the Planning Proposal as endorsed by Council. This included a State Infrastructure Contribution (SIC) requirement that was unquantified and lacked detail. Council formally lodged a review of this condition in March 2016 and no formal response has yet been received. Notwithstanding this, after meetings with Departmental officers in the last few months, a verbal indication was provided that given the history of this site, it was very unlikely that a SIC would be applied to the development of the site.

This was the subject of more detailed discussion in a report to Council on 15 August 2016. At that meeting, Council endorsed the Planning Proposal and draft VPA with the exception of the conditions imposed by the Department.

1.2. Implementation - Initiatives and works undertaken by Council

The current status of each initiative/work required to achieve the Open Space and Pedestrian Masterplan for Precinct 1 is summarised below:

1.2.1. Expansion of Hume Street Park

In August 2014, Council resolved to engage consultants to prepare lead a consultancy team for the concept and feasibility planning for the expansion of the park. The consultant team came up with three concept design options. Consistent with the St Leonards/Crows Nest Planning Study - Precinct 1, the three concept design options all involve the partial closure of Hume Street and the creation of a new urban plaza and link to Willoughby Road.

In May 2015, North Sydney Council resolved to exhibit the draft Hume Street Park concept design options for public comment. The concept design options were placed on public exhibition from Thursday 11 June 2015 to Friday 10 July 2015. A wide-ranging consultation exercise was undertaken with key stakeholders. On 21 September 2015, Council formally adopted concept design option 3 as the preferred vision for the expansion of Hume Street Park.

Council’s resolution of 21 September 2015, also outlined steps for the delivery of the adopted concept design including:

- Amending LEP 2013 and Development Control Plan (DCP) 2013 to enable the development of the preferred concept design;
-

- Detailed design and the preparation of a Development Application;
- Resolution of the preferred use of the void located under the proposed plaza.
- Planning for progressive implementation of the works generally in accordance with the exhibited staging plan.



Figure 2 – Adopted concept design option for Hume Street Park (looking north)

In December 2015, Council endorsed a Planning Proposal for the purpose of public exhibition. The Planning Proposal seeks to amend LEP 2013 to facilitate the redevelopment of Hume Street Park consistent with the concept design option endorsed by Council. In particular, the proposed amendments seek to:

- Rezone the entire site to RE1 Public Recreation;
- Introduce recreation facilities (indoor), child care centres, health consulting rooms, entertainment facilities, business premises, retail premises, and car parks as site specific uses via Schedule 1 of NSLEP 2013 (Clause 11);
- Remove height controls from the site on the Building Height Control Map;
- Remove non-residential floor space ratio controls from the site on the Non-Residential Floor Space Ratio Range Map;
- Identify the site at 90 Willoughby Road (Lot 11 Sec. 4 DP2872) on the Land Reservation Acquisition Map;
- Classify the land (with the exception of 90 Willoughby Road) as “operational” in accordance with Part 2 of Chapter 6 of the Local Government Act 1993 by listing the subject site within Part 2 of Schedule 4 of LEP 2013.

Similarly, Council resolved to exhibit proposed amendments to North Sydney DCP 2013 which seek to facilitate the expansion of Hume Street Park and protect its future function as

high amenity open space. The proposed DCP amendments were exhibited concurrently with the subject Planning Proposal and are expected to be the subject of a report to the Council meeting of 19 September 2016. This will include the results of the mandatory Public Hearing into the proposed reclassification of land which was conducted on 11 August 2016.

In accordance with the staging and funding plan exhibited, the project will be progressed in stages, as funding and approvals permit. A “stage 1” Development Application (DA) is being prepared comprising the property demolition works necessary to establish the plaza and associated link, closure of Hume Street and temporary embellishment of these spaces. The preparation of tender documentation of the DA will not be finalised until the current Planning Proposal, which is expected to be reported to Council on 19 September 2016, has been endorsed by Council and gazetted by the NSW Government.

1.2.2. Land acquisition

Council has purchased three properties in a row in Hume Street as part of its long term strategy to expand Hume Street Park and improve pedestrian connectivity in accordance with the Open Space and Pedestrian Masterplan for Precinct 1. Council's Property Management Agents are now focusing on negotiations on the eastern side of the identified area to secure land that will allow the desired link to Willoughby Road. These processes remain confidential, however, progress is being made and will be the subject of a future report once resolved.

1.2.3. Public domain streetscape upgrades

The following have occurred/are occurring since the last update:

- Pacific Highway paving (West side between Falcon Street to Hume St) is almost complete.
- Ongoing minor repairs to trip hazards and faulty lights in liaison with Crows Nest Mainstreet.
- Preparation for the upgrade of Ernest “Plaza” (Ernest Street between Willoughby Lane and Alexander Street) has commenced with the appointment/quotations of the design team.
- Council is currently tendering the next stage of the Crows Nest centre upgrades
- Council is currently preparing tender documents for the relocation of Ernest Place substation.

1.2.4. Amendments to DCP 2013

In February 2014, Council adopted an amendment to North Sydney DCP 2013. In particular, the DCP was amended to include provisions for increased setbacks and site specific podium heights at locations identified by the St Leonards/Crows Nest Planning Study - Precinct 1. The amendment ensures that more detailed built form requirements envisaged by the adopted planning study are achieved, regardless of whether a particular site is the subject of a site specific Planning Proposal and VPA.

2. Precincts 2 and 3

Following public exhibition in late 2014 and early 2015 the St Leonards/Crows Nest Planning Study - Precincts 2 and 3 was formally adopted by Council on 18 May 2015. The adopted study aims to:

- Establish a liveable, high amenity mixed use centre;
- Support creative/innovative industries establish and grow;
- Improve urban design and street level amenity; and
- Improve building design and residential amenity.

The adopted St Leonards/Crows Nest Planning Study - Precincts 2 and 3 is being implemented via the following strategies:

- Landowner initiated changes to local planning provisions and associated VPAs; and
- Initiatives and works undertaken by Council.

Since adoption of the final study, Council staff have commenced negotiations with developers and property owners on Planning Proposals that facilitate the built form outcomes endorsed by the study. The Planning Proposal negotiations seek to facilitate the following public benefits by way of Voluntary Planning Agreements (VPAs):

- Upgrade of Christie Street Reserve with bike hub and Mitchell Street Plaza;
- Creation of new, landscaped “linear parks” along Mitchell St and Oxley Streets;
- Provision of a multi-purpose art centre and 60-place long day childcare facility;
- Provision of affordable commercial space for start-up businesses; and
- Provision of affordable housing.

It is anticipated that following ongoing negotiations, proponents representing 2-3 sites will be in a position to lodge Planning Proposals consistent with the adopted study in the coming months.

2.2. Implementation - Initiatives and works undertaken by Council

The adopted study identifies a range of initiatives and works to be undertaken by Council including:

- A suite of streetscape improvements under the Public Domain Style Guide;
- Transform St Leonards into a transit oriented centre by downgrading the traffic role of Atchison, Mitchell and Oxley Streets and installing new bike paths and infrastructure;
- Install pedestrian crossings, and traffic lights over time, on key intersections;
- Investigate establishing a dedicated taxi rank near the station;
- Promote innovative on-site parking arrangements that reduce the demand for parking;
- Target small-medium businesses and creative industries and actively promote St Leonards as a place to do business;
- Set ground level, whole building and above podium setbacks to improve built form;
- Set design principles to encourage tall, slender towers with good separation;
- Design to be considered upfront by referring schemes to the Design Excellence Panel.

To date the following has occurred:

- Preparation of a Public Domain Upgrade Masterplan
- Voluntary Planning Agreement (VPA) for 6-16 Atchison Street has secured \$3.3M financial contribution for the Mitchell Street Plaza upgrade.
- A design contract has recently been signed to produce the tender and construction documents for Mitchell Street plaza.
- Cycleway improvements (Willoughby/Atchison kerb extensions amongst others).
- Exhibition and adoption of the Economic Development Strategy. The strategy identifies a suite of proposed initiatives to support small to medium sized businesses establish in St Leonards.
- Amendments to the North Sydney DCP 2013 that:
 - set new ground level, whole of building and above podium setbacks to improve built form;
 - reduce maximum car parking rates in the centre, improve Green Travel Plan requirements and reduce impediments to innovative parking on-site parking arrangements.

2.2.1. Public domain upgrades

In June 2015 the St Leonards Public Domain Upgrade Masterplan was prepared. The masterplan outlines a vision for the centre and will coordinate public domain upgrades that will to be undertaken by Council and private landowners over time.

On 21 December 2015, a VPA for close to \$3.3M was executed between Council, the owner and the developer of 6-16 Atchison Street, St Leonards for public domain for public domain improvements and/or infrastructure works. MANEX subsequently determined the contribution would be put towards the upgrade of Mitchell Street Plaza, on the basis that the project is a high profile and much needed public domain upgrade, in close proximity to the subject site. It will be the first major public domain project under the Precinct 2 & 3 Study.

Subject to detailed design considerations, budget and approvals, the Mitchell Street Plaza upgrade will include a 'Gateway Statement' with a green wall and light totems, laneway conversion into a shared zone, new seating, paving and landscaping (Figure 3). The project will raise St Leonards' profile as a high amenity mixed use centre and provide a new, high amenity space for the community. A design contract has recently been signed to produce the tender and construction documents.

Construction of pedestrian improvements, cycleways and associated public domain upgrades and landscaping commenced in late March this year. In Precinct 2, the works include an improved pedestrian crossing point at the intersection between Willoughby Road and Atchison Street. Further works on Atchison Street are scheduled to be undertaken in 2017/18.



Figure 3 Indicative image of Mitchell Street plaza upgrade

2.2.2 Employment

The draft Economic Development Strategy was exhibited from Thursday 30 June 2016 to Friday 29 July 2016.

The draft Strategy incorporates a clear vision for the economic future of the North Sydney Local Government Area. The vision is supported by a number of recommendations that expand Council's role in encouraging economic development. It includes proposals to support St Leonards' small businesses, start-ups, and emerging arts and cultural sector.

2.2.3. Amendments to DCP 2013

At its meeting on 18 May 2015, North Sydney Council resolved to place a draft amendment to North Sydney DCP 2013 on public exhibition. The draft amendment identified a number of changes to planning controls for land bound by Chandos Street, Oxley Street, Albany Street and the Pacific Highway east of St Leonards railway station. The draft amendments addressed traffic generation issues and impacts on the local road network. Specifically, the proposed amendments were intended to:

- Reduce maximum parking rates for new residential development;
- Strengthen travel planning requirements for new development; and
- Remove existing impediments to the provision of innovative parking schemes in new developments.

Following public exhibition, Council adopted the recommendations of the post-exhibition report and the "St Leonards/Crow's Nest Planning Study Precincts 2/3 Supporting Amendments" came in to effect on the 5 November 2015.

In addition, on 21 March 2016, Council resolved to adopt a draft amendment to the DCP 2013 which sought to introduce many of the design requirements identified by the Planning Study into Council's formal planning framework. The draft amendment was exhibited through April/May 2016 and came into effect in July 2016.

2.3 Precinct 4 and Priority Precinct

2.3.1 Background

In August 2015, Council resolved to defer work on Precinct 4 of the planning study pending an announcement by Transport for NSW regarding the location of a new St Leonards/Crows Nest Metro station. In November 2015, the Premier of NSW announced the location of the proposed Metro station at Crows Nest allowing Council to commence work on planning work for the precinct.

Council has formally acknowledged that in the context of a Metro station at Crows Nest, this project will result in the consideration of built form, density, public domain and social infrastructure implications beyond the previously identified "Precinct 4" boundaries.

In October 2015 and again in February 2016, the Department met with Council officers and indicated there was interest in commencing a "Priority Precinct" process in the broader St Leonards/Crows Nest area. Council commenced the planning study work regardless given the lack of certainty as to whether the priority precinct process would in fact proceed, the uncertain timeframe and because Council has previously demonstrated a strong commitment and capacity to deliver such work in a responsible, consultative and meaningful manner.

Accordingly, from March to May 2016, an extensive consultation process was undertaken to help define the scope of this work as well inform the community of the work being done by Council. There was overwhelming response from the community, with over 1000 completions of the survey. This is a remarkable response and a very sound basis upon which to base future planning work.

2.3.2 State Government announcement

On 7 July 2016, the Minister for Planning issued a press release announcing St Leonards, Crows Nest and the Artarmon industrial area as an area under investigation as a "Priority Precinct". The press release states, amongst other things, that "the Department is working with Lane Cove, North Sydney and Willoughby Councils to investigate other ways to rejuvenate the area". It also flags State Government's intention to impose a State Infrastructure Contribution (SIC) in the area.

Figure 4 shows the extent of the investigation area for 'revitalisation'. In the North Sydney LGA, the investigation area includes Crows Nest village, St Leonards Centre, the upper portion of Wollstonecraft and the Holterman and Hayberry Heritage Conservation Areas. Outside North Sydney, the Department's review will also include the St Leonards business district, St Leonards South masterplan area, Naremburn Heritage Conservation area, Royal North Shore Hospital, Gore Hill technology park and Artarmon industrial area.

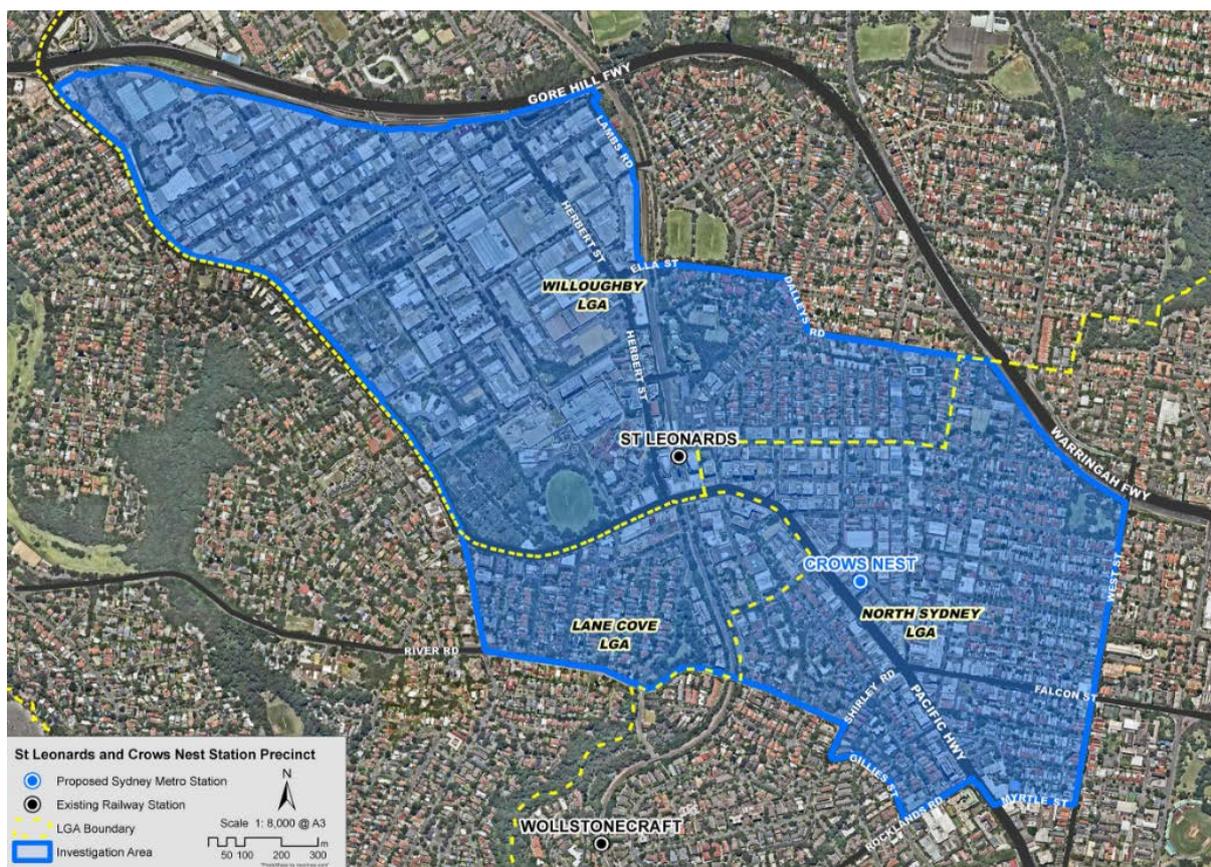


Figure 4 'St Leonards and Crows Nest Station Precinct Investigation Area'.

2.3.3 Recent discussions with the Department of Planning & Environment

On 29 July 2016 Council officers met with the Department, Lane Cove Council, Willoughby City Council and Transport for NSW to discuss the review. The meeting covered the following matters.

Need for the review

The Department advised that the review is to identify opportunities for additional employment and housing in the investigation area, along with regional public domain, transport infrastructure, education and potentially other community facilities and utilities required to support that growth.

The Department indicated that the Minister for Planning is of the view that a large number of planning proposals in the area have proceeded to Gateway in the absence of a strategic planning framework for the centre (notwithstanding the *St Leonards Strategy 2006* or the *St Leonards / Crows Nest Planning Study 2012 & 2015*).

Conversely, the Department noted that there are also at least ten landowner proposals that have not successfully proceeded to Gateway. This includes the Auswin TWT planning proposal (that was rejected by the JRPP in October 2015) and the St Leonards Central proposal (for which Willoughby City Council withdrew its landowner consent). Landowner proposals received by the Department will therefore form part of the review.

The Department aims to exhibit a Land Use & Infrastructure Strategy by the end of this year.

Scope of investigations

The Department advised that the following investigations are already underway:

- Stage 1 Strategic Employment Review is being undertaken by SGS Economics & Planning. Long term employment opportunities across the investigation area will be identified, including those arising from the new Crows Nest metro station. The work is expected to be completed within two months;
- Stage 2a Land Use and Infrastructure Strategy is being undertaken by SJB (architecture & urban design). SJB is preparing a structure plan that identifies future land use, employment and housing growth opportunities, open space and transport connections for the investigation area.

A traffic and transport study and desktop studies on social infrastructure & open space and utilities & services will also be undertaken.

There is concern that SJB has previously made representations on behalf of at least five landowners in the investigation area. This includes the significant Auswin TWT and St Leonards Central landholdings that are now identified by the Department as 'Potential Development Sites.' Council is formally raising these concerns with the Department.

Governance

Whilst work has already commenced, the Department advised a Terms of Reference (TOR), outlining governance arrangements for the review, will be circulated for the Councils' consideration. A TOR was identified late 2015 as a key requirement for North Sydney Council to participate in the review.

The Department is proposing a Project Control Group (PCG) be established to agree on deliverables and ensure the successful delivery of the program. The PCG would consist of Executive level representatives from each Council and the Department. It would be chaired by Dr Deborah Dearing, the North District Commissioner at the Greater Sydney Commission. Dr Dearing's appointment is roundly supported.

In addition, monthly Project Working Groups (PWG), comprising Council planning staff and other State agencies, will provide more detailed input into the draft technical studies and draft Land Use and Infrastructure Strategy.

The draft TOR has not been circulated at the time of writing.

Community consultation

The Department sought Council's agreement that any future community consultation and media releases be coordinated through a Communication Strategy, which they are currently drafting. The Department is proposing to meet with each of Council's communications teams to finalise the strategy and then brief the PCG.

The Department also suggested a Community Reference Group could be established, if there was sufficient interest.

State Infrastructure Contribution

To date, there has been no formal advice from the Department as to the extent and purpose of the proposed State levy. At the meeting it was suggested that the SIC may be put towards

transport infrastructure, an education facility, regional open space and/or affordable housing, pending the outcome of the technical studies.

Council reiterated concerns that the imposition of a SIC may jeopardise the successful delivery of our community endorsed placemaking strategy for St Leonards / Crows Nest. The Department advised that the SIC would only be imposed if the developers' capacity to pay the additional levy is clearly demonstrated and that it is shown to complement the Councils' placemaking agenda, not derail it.

2.3.4 Comment

The State Government has now, formally announced its intention to take over the local area planning role for St Leonards / Crows Nest. This is disappointing given the significant strategic planning work that Council has already undertaken in the area, and the high level of community and landowner support we have received over the last few years. Notwithstanding, there is merit in drawing together the work done by each of the three Councils for the centre. Furthermore, the review is an opportunity for State Government to better understand our built form and placemaking strategy.

Whilst the Priority Precinct process, including any implementation strategy, is still largely undefined, the Department has committed to working with North Sydney, Lane Cove and Willoughby City Councils through the Project Control Group and the Project Working Groups. Council will therefore be in a position to remain involved and to influence the direction, content and calibre of this work, based on our detailed knowledge of the issues and the community's aspirations for St Leonards / Crows Nest.

Engaging Dr Dearing to chair the PCG is a positive initiative. She will bring a high level of expertise and independence to the review.

Negotiating a TOR that ensures the review will be collaborative between state and local government, with a shared purpose and respectful of each Council's strategic planning work to date, is a critical first step.

Council is committed to best practice community participation in planning for the future of our centres and villages. The roles and responsibilities of state and local government to keep the community informed, and to seek their views on the future of St Leonards / Crows Nest, warrants further discussion. Council will carefully review any Communications Strategy prepared by the Department to ensure meaningful community participation and a transparent and accountable planning process.

Finally, discussion on 'value capture' has been widespread over the last year. Councils have been successfully delivering placemaking initiatives to support additional employment and residential density through the increased use of Voluntary Planning Agreements. More recently, the State and Federal governments have begun to openly consider value capture models to deliver regional infrastructure. It is absolutely critical that state and local government agree on a funding model that successfully delivers much needed public amenities and services in the area.

In the meantime, Council will continue to progress planning proposals and VPAs that support the St Leonards / Crows Nest Planning Studies and are on track to be lodged in the near future.
