

10.2. Draft Neutral Bay Town Centre Planning Study

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ATTACHMENTS	<ol style="list-style-type: none">1. NBTCPS - Draft NBTC Planning Study Report [10.2.1 - 108 pages]2. NBTCPS - Economic & Feasibility Study [10.2.2 - 95 pages]3. NBTCPS - Public Domain Concept Design [10.2.3 - 51 pages]4. NBTCPS - Traffic and Transport Study [10.2.4 - 190 pages]5. NBTCPS - Community Engagement Outcomes Report [10.2.5 - 95 pages]6. NBTCPS - Neutral Bay Alive feedback - October 2023 [10.2.6 - 4 pages]
CSP LINK	<ol style="list-style-type: none">1. Our Living Environment<ol style="list-style-type: none">1.3 Clean and green places1.4 Well utilised open space and recreational facilities2. Our Built Infrastructure<ol style="list-style-type: none">2.1 Infrastructure and assets meet diverse community needs2.2 Vibrant public domains and villages2.3 Prioritise sustainable and active transport2.4 Efficient traffic mobility and parking3. Our Innovative City<ol style="list-style-type: none">3.1 Our commercial centres are prosperous and vibrant3.2 North Sydney is smart and innovative3.3 Distinctive sense of place and design excellence4. Our Social Vitality<ol style="list-style-type: none">4.2 A centre for creativity and learning4.3 North Sydney's history is preserved and recognised5. Our Civic Leadership<ol style="list-style-type: none">5.1 Lead North Sydney's strategic direction5.3 Community is engaged in what Council does

PURPOSE:

The purpose of this report is to seek Council's endorsement of the draft Neutral Bay Town Centre Planning Study, and placement of the draft planning study on public exhibition.

EXECUTIVE SUMMARY:

On 24 January 2022, Council rescinded the *Military Road Corridor Planning Study* (MRCPS), noting strong community feedback on the proposed building heights and potential impacts on the centre. Council resolved to further engage with the community and relevant stakeholders to prepare a revised study.

The draft *Neutral Bay Town Centre Planning Study* (the 'draft planning study') has now been prepared. The same drivers and objectives from the rescinded MRCPS apply, however, a fourth objective was introduced, as resolved by Council to ensure that the scale of growth proposed, has a better balance between development height and the provision of additional public open space compared with the rescinded planning study.

The draft planning study has been informed by detailed community feedback, including the Neutral Bay Alive community consultation group – a new initiative aimed at improving Council's community engagement processes. The study also draws on additional technical advice from both external consultants and Council staff.

The draft planning study outlines planning strategies on four focus areas of placemaking, access, employment, and built form, followed by an implementation plan. It proposes:

- a new Grosvenor Plaza by relocating the Council car park underground;
- a new Rangers Road Plaza by relocating a supermarket underground;
- a new 1,000m² community centre, and upgrade of the existing centre;
- upgraded pedestrian links, solar access provisions; and building setbacks;
- increasing the minimum non-residential floor space (FSR) control from 0.5:1 to 1.2:1;
- increasing the maximum height limit from five storeys to six storeys; and
- a minimum non-residential FSR of 1.5:1, and maximum height limit of eight storeys on key sites.

To achieve a "better balance" between proposed development height and public benefits, detailed built form tests and development feasibility studies were undertaken to reduce the maximum proposed built form heights across the Neutral Bay town centre compared to the rescinded MRCPS while still delivering most of the proposed public benefits. The revised balance means the draft planning study:

- reinstates **30,000m²** of additional employment capacity that was being progressively lost under current controls to preserve the existing town centre's retail/commercial functions; and
- no increase in overall residential capacity to that currently available under the *North Sydney Local Environmental Plan (NSLEP) 2013*.

The final study will guide future development and protect existing employment opportunities through managed height increases in the town centre; and deliver much-needed public domain improvements and community facilities.

RECOMMENDATION:

- 1. THAT** Council resolves to endorse the draft Neutral Bay Town Centre Planning Study, as provided in Attachment 1.
- 2. THAT** the draft Neutral Bay Town Centre Planning Study be placed on public exhibition for a period of 28 days.
- 3. THAT** submissions received from public exhibition of the draft Neutral Bay Town Centre Planning Study be reported back to Council with a recommended way forward.

Background

On 22 February 2021, Council adopted the *Military Road Corridor Planning Study* (MRCPS) to guide future development in the Neutral Bay town centre.

On 24 January 2022, Council rescinded the *MRCPS* noting strong community feedback on the proposed building heights and the potential impact on the village atmosphere, heritage character, solar access, and traffic in the centre. Council resolved to further engage with the community and relevant stakeholders to prepare a revised study.

On 23 May 2022, the Council resolved to endorse a scoping framework as the basis to commence a revised planning study for the Neutral Bay town centre. The same drivers and objectives from the rescinded *MRCPS* apply, however, a fourth objective was introduced:

1. address the decline of employment land in the centre which result from Council's current planning controls;
2. facilitate carefully planned development which may include targeted modest increases in height and density while maintaining and enhancing the village atmosphere of the centre;
3. secure a range of community benefits from planned and limited growth; and
4. ensure that the scale of growth proposed, has a better balance between development height and the provision of additional public open space compared with the rescinded Planning Study. (*new*)

On 27 March 2023, Council further resolved to establish a community consultation group known as "Neutral Bay Alive" to enhance the engagement associated with the preparation of the planning study.

The draft *Neutral Bay Town Centre Planning Study* (the 'draft planning study') has been shaped through a comprehensive process that integrates detailed input from community consultation including Neutral Bay Alive, technical advice provided by external consultants and internal council staff from different divisions.

Detailed built form tests and development feasibility studies were undertaken to achieve objective 4 on striking a "better balance" between development height and the provision of additional public open space (Attachment 2).

Councillor briefings were held 7 November 2022, 17 July 2023, 18 September 2023, and 20 November 2023.

Report

1. The need for the planning study

1.1 Development pressures

North Sydney Council has maintained a robust practice of guiding and managing growth through comprehensive planning studies, involving community consultation, external

technical advice, and internal staff expertise. This approach, proven effective over the years, conveys a clear message to the development industry that growth is responsibly managed, and speculative ad-hoc planning proposals without an endorsed framework are not supported.

The Neutral Bay town centre is currently experiencing strong development interest. In the past two years, three planning proposals (PPs) sought amendments to NSLEP 2013, and three development applications (DAs) proposed heights exceeding existing controls:

- 1-7 Rangers Road and 50 Yeo Street (PP);
- 183-185 Military Road (PP);
- 12-14 Waters Road (PP and DA);
- 41-53 Grosvenor Street (DA); and
- 165-173 Military Road (DA)

The absence of an endorsed planning study for Neutral Bay risks ad-hoc planning proposals being lodged by applicants to amend NSLEP 2013 that undermine the desired future character of the Neutral Bay town centre.

An endorsed overarching framework, developed through wide-ranging consultation and technical expertise, serves as an effective and considered way to guide growth, address development pressures, and ensure future developments align with the needs and expectations of the community.

1.2 A decline in commercial floorspace

Within the North Sydney LGA, smaller centres such as Neutral Bay and Cremorne play a significant role in local economic activity and development. These local centres generate economic activity from the local resident population, providing local employment, retail, and entertainment opportunities (*North Sydney Local Strategic Planning Statement 2020*).

Neutral Bay town centre currently supports around **64,000m²** of non-residential floorspace (excluding school, car park, construction sites, and utility uses).

An economic analysis commissioned by Council in 2023 (HillPDA 2023 at Attachment 2) indicates that in 2023 for the mixed-use zone in Neutral Bay there is an identified undersupply of **6,460m²** floor space (including 4,960m² retail and 1,500m² commercial). The significant undersupply of retail floor space is due to current demand for another supermarket, specialty food retailers, cafes/restaurants, and bulky goods retailing.

By 2041, the undersupply will increase to **13,450m²** floor space above existing levels (including 9,750m² retail and 3,700m² commercial). Some of this floor space however, notably the 5,000m² supermarket and 3,800m² bulky goods, does not have to be in Neutral Bay if it can be conveniently accommodated outside the study area and still meet the need of the wider catchment area. Demand for additional commercial floor space is driven by financial/insurance, and health care/social assistance industries.

Critically, Council's current planning controls under NSLEP 2013 do not address this undersupply. In fact, NSLEP 2013 has the **potential to lose 30,000m² of non-residential floor space - or 47% of the existing capacity**. This broadly translates to a **reduction of 1,200 jobs**. This is due to the NSLEP 2013 currently setting a non-residential FSR of 0.5:1 throughout the mixed-use zone, which enables shop-top housing to replace two-three storey commercial stock (with a 1.2-1.5:1 non-residential FSR) i.e., above ground commercial uses are being progressively lost in new development.

In summary, projected demand in 2041 is **77,450m²** (64,000m² existing plus 13,450m² demand), while the NLEP 2013 supports only **34,000m²** (64,000m² existing minus 30,000m² capacity) non-residential floor space. Without intervention, the centre is at risk of losing local jobs, businesses, and essential community services.

A loss of jobs will adversely impact the local economy, impact the convenience and amenity of the centre for the community, and lead to increased car trips as residents travel further for those same jobs and services. As local workers typically spend around an estimated 15%-20% of their annual retail expenditure near their place of work on food, cafes, apparel, giftware, and other leisure retailing, the retail function of Neutral Bay may also decline over time.

It is worth noting that the town centre faced significant challenges during the peak of the COVID-19 pandemic, leading to temporary closures of shops and restaurants. Despite this, retail and hospitality services swiftly recovered after restrictions were eased. There was a minor increase in commercial office vacancies (870m²), reflecting the ongoing and potentially long-term impacts of work-from-home and hybrid working models, however commercial vacancy rates are again low (3%), and demand is still forecast to increase as the market continues to recover (HillPDA 2023).

Accordingly, the draft planning study seeks to address the long-term retail/commercial viability of Neutral Bay.

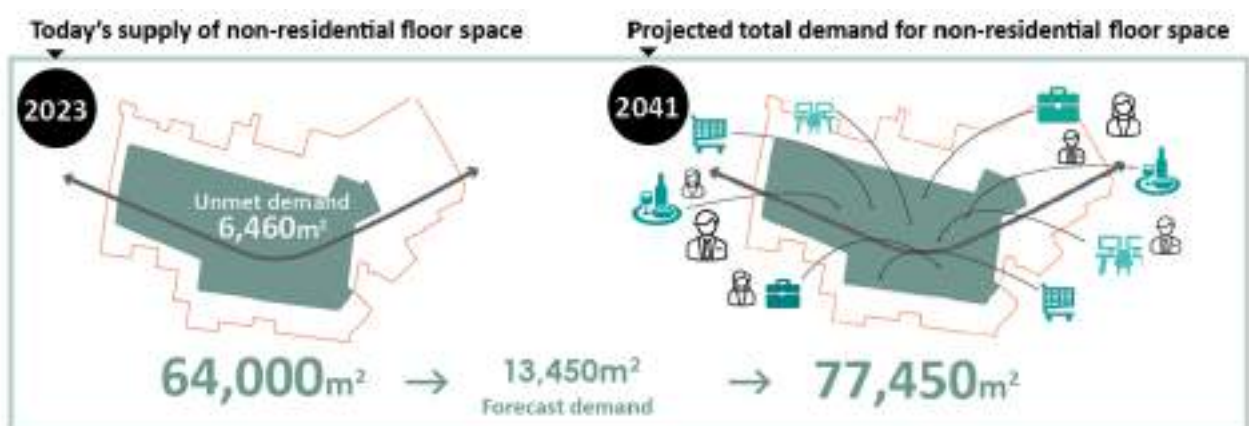


Figure 1. Existing non-residential supply and future demand in Neutral Bay town centre study area

1.3 A shortage of public open spaces and community facilities

The community has identified improvements to the public domain and community facilities as the most prominent issues for the centre.

The *Open Space Provision Strategy* (NSC 2008) identifies Neutral Bay as an open space priority area (Figure 2, below). This is reinforced by a survey run to inform the draft study (see Section 3), where 73% of people surveyed support enhancing pedestrian comfort by improving the Military Road environment, upgrading footpaths, increasing greenery, and creating better plazas in the area.



Figure 2. Excerpt of Priority Areas for Planned Provision (map 11) from the *Open Space Provision Strategy* (NSC 2008)

Community has expressed concerns about insufficient community facilities within the centre due to the restricted size (312m² site area), outdated appearance and facilities, and the poor accessibility of through-site links. According to the outcomes of the North Sydney Community Centre Survey, 86% of respondents consider having a community centre at Neutral Bay is important. The top five facilities desired for the new community centre, as indicated by participants, include community rooms, art and culture exhibition/workshop spaces, outdoor areas, a community information hub, and community hall/function rooms. To accommodate these needs, a new community centre with a larger floorplate and an improved access is required.

The Community Uses on Council Land Study (NSC 2016) also identified the need to upgrade the existing Neutral Bay community centre, suggesting a whole-of-block redevelopment (Grosvenor Lane car park and surrounding development sites) as an opportunity for Council to obtain a new and expanded facility. This draft planning study aligns with that recommendation.

There are significant demands on Council's limited financial capacity to fund major improvements to town centres. Some of these matters go beyond Council's general revenue capacities and what can be delivered via the *Local Infrastructure Contributions Plan* (2020).

Therefore, the draft planning study examines how public benefits can be delivered via planned and limited growth on selected sites that are supported via voluntary planning agreements (VPAs) and re-imagining the existing Grosvenor Lane car park.

2. Background studies

The draft planning study was developed in-house with input from the following consultants:

- *Economic Analysis and Financial Feasibility Study* (Attachment 2)
 - insights into current economic activity and future market trends in Neutral Bay
 - financial feasibility assessment and potential monetary contributions for different development scenarios
- *Public Domain Concept Design* (Attachment 3)
 - vision and principles for the centre's public domain
 - constraints and opportunities for public domain upgrades
 - long-term public domain concept design for the town centre
- *Traffic and Transport Study* (Attachment 4)
 - traffic and transport capacity in Neutral Bay town centre
 - potential traffic impacts of proposed public domain improvements and growth scenarios
 - recommended transport upgrades and initiatives for further investigation
- *Community Engagement Outcome Report* (Attachment 5)
 - targeted recruitment, preparation and conduct of community workshops
 - summary of consultation outcomes from workshops

To ensure the background studies offered high quality, independent advice, Council sought the consultants' best ideas. The draft planning study incorporates many key findings from these background reports and, after internal review and discussion, includes recommendations deemed to have merit. This collaborative approach ensures a comprehensive and well-informed basis for the study.

3. Community consultation

Community engagement and feedback played a pivotal role in shaping both the rescinded MRCPS and the revised draft planning study.

Substantial engagement efforts were undertaken during the preparation of the MRCPS, and the feedback from that engagement remains relevant, offering detailed insights for the initial phases of this revised study.

To build upon the feedback received, additional consultation sessions were conducted, aligning with Council's goal for "*a better balance between development height and the creation of additional public open space*" along with other community improvements.

3.1 Community engagement methods

Between February 2023 and October 2023, Council conducted a series of consultations:

- early engagement drop-in sessions (February 2023);
- online and intercept surveys (April/May 2023);
- two community workshops (May 2023);
- landowner meetings (June 2023); and
- four Neutral Bay Alive community consultation meetings (from July 2023)

Details of the community consultation process and the received feedback is provided in Chapter 1 of the draft planning study (Attachment 1, pages 16-19) with further commentary at the beginning of each subsequent chapter. This is underpinned by the *Community Engagement Outcome Report*, which summarises the feedback gathered during the preliminary community engagement (Attachment 5).

3.2 Neutral Bay Alive community consultation group

The Neutral Bay Alive community consultation group was established in June 2023, following a Council resolution made in March of the same year. Its purpose is to provide feedback and input into the draft planning study, aiming to enhance Council's community engagement processes. With 10 members broadly representative of the Neutral Bay/Cremorne population, the group engaged in wide-ranging discussions on various study-related topics.

Having collaborated closely with Council during the preparatory phase, the group continued to meet once a month to discuss the study's development. The group's consolidated feedback ahead of the final draft planning study was provided in October 2023 (Attachment 6). Post-exhibition consultation with the group will continue until the final study is endorsed.

Throughout the process, the group has played a key role in rigorously testing and refining proposed directions and recommendations. Most of their final feedback regarding protection of Neutral Bay's local character, public domain proposals, connectivity and public benefits is broadly reflected in the study.

There are two notable exceptions, where the draft planning study differs from the group's feedback. The group advised:

- a maximum height limit of 20.5m (six storeys) is considered acceptable, but are of the view that additional height of up to eight storeys on some properties would set an unacceptable precedent for higher buildings throughout the centre and would not result in adequate public benefits; and
- whilst the majority support the objective of retaining office floor space in the centre, they did not support the proposed increase to the non-residential floor space ratio (FSR) as the mechanism to achieve this, suggesting instead a "No Loss of Commercial Floor Space" provision in NSLEP 2013.

Other detailed design-related comments have been provided. These will be further considered in light of submissions received during the public exhibition period.

Meeting minutes are available on [Council's website](#).

4. Aim of the draft planning study

Overall, the Neutral Bay town centre is confronted with several pressing challenges, including strong development pressure, a lack of public open spaces and community facilities, poor pedestrian amenity, and the risk of only maintaining and progressively reducing the existing retail and commercial offers. In response, the draft planning study aims to:

- articulate the desired future character of Neutral Bay;
- guide future developments;
- preserve local identity;
- sustain employment opportunities;
- enhance accessibility;
- identify opportunities for public open spaces and community facilities;
- balance height and public benefits; and
- provide a clear implementation path.

5. Recommendations of the draft planning study

Recommendations outlined in the draft planning study fall under four key planning themes.

5.1 Placemaking (pages 26-37)

Key recommendations for placemaking:

- provide two new public plazas by undergrounding the Council-owned Grosvenor Lane car park and redeveloping the supermarket on Rangers Road;
- provide a new 1,000m² community centre fronting Grosvenor Plaza as part of any future redevelopment of these landholdings;
- upgrade the existing community centre as a 'creative hub';
- preserve and expand the existing mature tree canopy;
- investigate continuous kerbside planting and street trees along Military Road;
- widen the Waters Lane footpath to create a landscaped link to the new plaza; and
- enhance street activity and outdoor dining.

5.2 Access (pages 38-47)

Key recommendations for access:

- preserve the existing number of Grosvenor Lane car spaces in the basement car park;
- provide at-grade spaces at Grosvenor Plaza for disabled parking and loading;
- widen the Military Road footpath along B-Line bus stop areas;
- improve through-site links to enhance the town centre permeability;
- minimise vehicle access points by sharing access across development sites;
- install secure public bicycle parking at two new plazas;

- investigate pedestrian crossing improvements on Military Road; and
- investigate a speed limit reduction to 30 or 40km/h and introduce formal crossing points at Grosvenor Street and Yeo Street to improve road safety.

It is worth noting that the forecast increase in trip generation resulting from growth and road network changes is considered minor and can be managed within the local road network (Attachment 4).

5.3 Employment (pages 48-57)

Key recommendations for employment:

- increase non-residential FSR to preserve existing retail and commercial capacity
 - increase the non-residential FSR control from 0.5:1 (equivalent to 1 storey) to 1.2:1 (equivalent to two storeys) across most of the mixed-use zone;
 - increase the non-residential FSR control from 0.5:1 (equivalent to 1 storey) to 1.5:1 (equivalent to three storeys) for the identified key sites; and
- encourage fine-grain retail and dining at the ground level.

5.4 Built form (pages 58-69)

Key recommendations for built form:

- retain mid-rise built forms with a one-level height increase to six storeys in most of the mixed-use zone, preserving the existing retail and commercial functions;
- implement a modest height limit increase to up to eight storeys for key sites, delivering public benefits;
- propose additional built form setbacks to improve pedestrian amenity;
- provide above podium setback to foster a more human-scaled streetscape;
- encourage active frontage wherever feasible to promote street activation;
- protect heritage buildings and preserve heritage-valued façade;
- set solar protection controls to ensure open spaces receive adequate solar access;
- introduce an upper-level setback at the Yeo Street interface with areas of lower density; and
- maintain a high standard of architectural design.

6. Implementation plan

6.1 The planning process

The final *Neutral Bay Town Centre Planning Study* will be the long-term strategic plan for the town centre. To implement the recommendations contained in the study requires amendments to the planning controls that apply to the centre. It is proposed that Council will consider:

- an amendment to NSLEP 2013 to increase non-residential FSR and the building height from five storeys to six storeys, aimed at protecting local jobs and businesses; and
- an amendment to NSDCP 2013 that provides comprehensive design guidance for the built form.

6.2 Sites 1, 2 and 3

Proposed changes to the planning controls that apply to key sites (Sites 1, 2A, 2B, 3A and 3B - refer to Figure 3) may be initiated by the landowners via a planning proposal that is supported by a planning agreement to deliver the public benefits outlined in the study.



Figure 3. Sites 1, 2 and 3 identified in the draft planning study

These key sites have been identified based on:

- their location on at the core of the town centre;
- proximity to main bus stops (B-Line);
- a direct interface with the location of future plaza spaces;
- avoidance of potential site isolation issues;
- limited shadow impact on residential areas; and
- size that supports an appropriate urban form.

Detailed urban design objectives, proposed planning controls, and supporting public benefits are outlined in Chapter 7 of the draft planning study (pages 83-97) and should be referenced when preparing a planning proposal.

6.3 Balancing the proposed public benefits with development height

The draft planning study aims to secure a range of public benefits through carefully planned and limited growth. The proposed public benefits are:

- a 3,000m² Grosvenor Plaza with bicycle parking;
- a 1,000m² Rangers Road Plaza with bicycle parking;
- a new 1,000m² community centre at the northern side of the town centre;
- a new underground public car park under the future Grosvenor Plaza;
- three 6m wide, open to sky, through-site links; and
- footpath widening along Military Road near B-Line bus stops and Waters Lane.

To deliver the above public benefits, building heights of up to **eight storeys** are proposed on Sites 1, 2 and 3. This has been revised down from the maximum proposed heights of up to 12 storeys under the rescinded MRCPS.

Extensive additional feasibility testing was conducted by external consultants and many development scenarios with varying amounts of public benefit were tested on Sites 1, 2 and 3 to help to achieve this revised balance (Attachment 2). Compared to the rescinded MRCPS, the reduced heights under the draft planning study have been achieved by:

- rebalancing the amount of residential and non-residential floor space;
- including Site 3 underground supermarket floor areas in the non-residential FSR calculation, which liberates additional above ground levels for residential use;
- reducing some proposed whole of building setbacks;
- removing redundancy by committing to one location for the new community centre; and
- excluding the cost of upgrading the existing community centre as a public benefit

No provision has been made for additional landscaping along Military Road in the draft planning study. This was recommended by public domain consultants (Attachment 3) and is likely to gain widespread community support, however further design and development is needed first before the project can be costed. The project remains unfunded at this stage.

6.4 Proposed employment and residential capacity

To limit building heights to six-eight storeys across the mixed-use zone, whilst achieving the public benefit objectives for Neutral Bay, the draft planning study proposes:

- to reinstate **30,000m²** of additional employment capacity, to replace what is being progressively lost under current controls to preserve the existing retail/commercial functions; and
- no increase in overall residential capacity to that currently available under the *North Sydney Local Environmental Plan (NSLEP) 2013* (Figure 4, on the next page).

This means that Neutral Bay will, in the longer term, retain the same level of retail and office space that exists today but will not accommodate the forecast demand of an additional 9,750m² retail and 3,700m² commercial floor space by 2041 (see section 1.2 of this report).

Residential capacity of Neutral Bay is proposed to effectively remain the same. Strategically, the North Sydney LGA is achieving its housing target set by state government via existing capacity within current land use controls across the LGA and focussed uplift in in St Leonards/Crows Nest and North Sydney (*North Sydney Local Strategic Planning Statement 2020*). The LSPS acknowledges that additional residential capacity is not the primary driver for Neutral Bay. Whilst not yielding additional residential floorspace, a height of six-eight storeys is needed however, in part, to achieve greater building setbacks and separation distances.

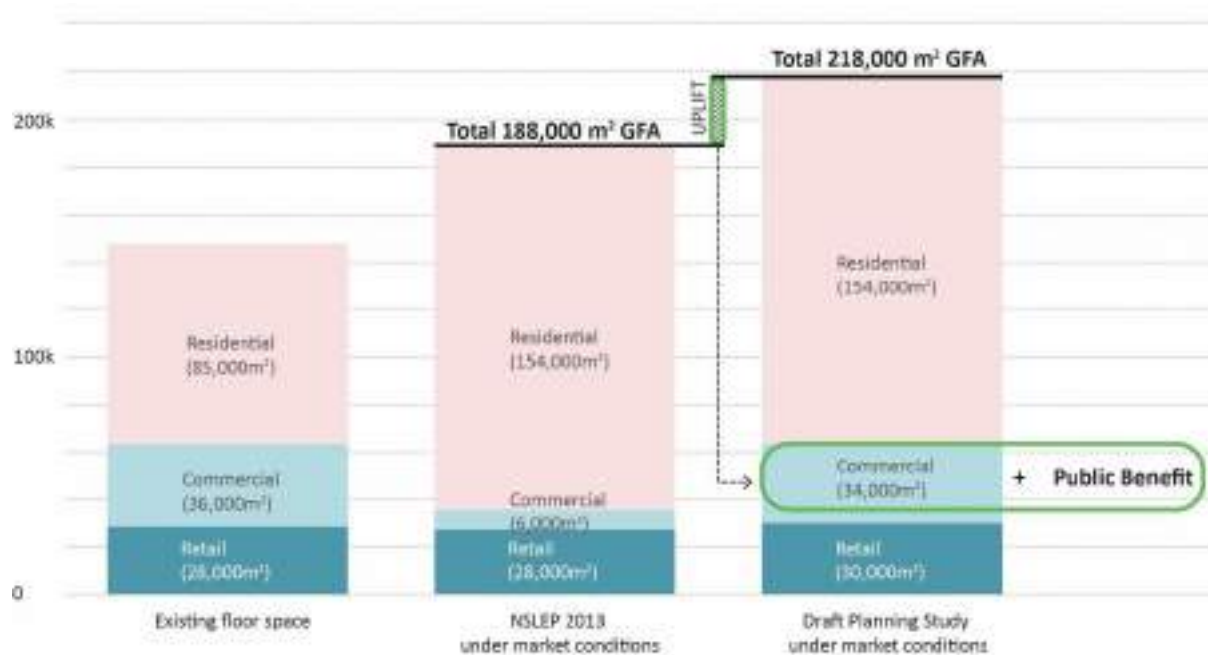


Figure 4. Comparison of estimated floor space yield of the study area under existing built form, NSLEP 2013 under market conditions* and draft Planning study

*A full commercial building is permissible under NSLEP 2013, however residential development, by virtue of its strong financial returns, will displace commercial floor space.

6.5 State government planning reforms

The NSW Government has committed to an aspirational target to build 377,000 new homes by 2029 under the [National Housing Accord](#). There have been a number of state planning reforms recently implemented or proposed to work towards that target (these are the subject of a separate report on Council's business paper).

The following reforms may affect Neutral Bay and the application of the planning study:

- **Low and Mid-Rise Housing Reforms (proposed – on exhibition):** this is likely to apply to land within 800m walking distance of the MU1 Mixed Use zone of Neutral Bay. It would increase residential density via changes to the permissibility, height, FSR, site area, lot width and ADG (Apartment Design Guidelines) design controls that apply to land within the 800m subzone. Notably, shop top housing in the MU1 Mixed-Use zone is proposed to have a non-refusal development standard of 21m (six storeys) and 3:1 FSR. Increased height and density controls for shop top housing and residential flat buildings transition within 400m and from 400m to 800m of the zone.
- **Infill affordable housing (implemented):** up to 30% floor space ratio (FSR) bonus and up to 30% height bonus applies where a proposal includes a minimum of 15% of the gross floor area (GFA) designated for 15-year affordable housing.

The *State Environmental Planning Policy on Transport Oriented Development* (TOD SEPP) will not affect Neutral Bay.

Understanding of the full impact of the state planning reforms will take time, however the following can be considered for the purposes of this report:

- any further increase in residential density under these reforms will translate into even greater demand for commercial services, local jobs, open space, and community infrastructure in Neutral Bay. The initiatives outlined in the draft planning study become even more critical;
- the potential height increase of six storeys for shop-top housing in the MU1 Mixed-Use zone is already envisaged under the study. If the Low and Mid-Rise Housing Reforms are progressed, it is unlikely that Council will need to amend the NSLEP 2013 in this regard;
- the proposed reforms would not mandate any quantum of non-residential floor space within new development other than a non-residential ground floor use;
- public exhibition of the draft planning study will assist Council understand the potential impact of the reforms on the ability to deliver the public benefits identified in the study;
- there is an acute need for affordable housing across the North Sydney LGA. Whilst the height and FSR bonuses may represent additional design challenges for the Neutral Bay town centre, the widespread social, economic, and environmental benefits of this initiative are acknowledged.

7. Conclusion

The primary objective of this draft planning study is to provide a framework for future development in a way that better aligns with our community's needs and generates tangible public benefits for the enhancement of the Neutral Bay town centre. The report proposes a moderate increase in building height, shifting from five to six storeys, and a corresponding rise in non-residential FSR to prevent a long-term economic decline of the centre. It also identifies opportunities for increase height on three key sites to up to eight storeys, strategically located with minimal impact on the community, aiming to deliver much-needed public domain and community facilities.

To strike a better balance between height and public benefits, the study conducted tests on each site, evaluating achievable development capacities and the most suitable built form. External consultants carried out thorough tests to assess the feasibility of development in relation to the proposed public benefits.

Without changes, a "business as usual" approach could lead to a decline in existing services and economic vitality in the town centre. It may also open the area to unplanned development proposals that could bypass Council decisions.

The development decisions made in the coming years will have significant long-term influence on the character and amenity of the Neutral Bay town centre. The *draft Neutral Bay Town Centre Planning Study*, will play a pivotal role in shaping future planning controls, ensuring that development respects and benefits the local community.

8. Next step

It is recommended that the *draft Neutral Bay Town Centre Planning Study* be endorsed by Council and placed on public exhibition for comment.

Consultation requirements

Community engagement will be undertaken in accordance with the Council's Community Engagement Protocol.

1. External

Extensive stakeholder engagement has informed the preparation of the draft planning study. The community consultation conducted by Council are:

- early engagement (Feb 2023)
 - two drop-in sessions at Neutral Bay town centre
- preliminary engagement (April – July 2023)
 - online and intercept surveys
 - two community workshops
 - key landowner meetings
- Neutral Bay Alive community consultation group (July – Oct 2023)
 - four consultation meetings with Council staff
 - one group internal meeting

Moving forward, community engagement will be undertaken in accordance with Council's Community Engagement Protocol. A 42-day public exhibition period was recommended in the Neutral Bay Town Centre Planning Study community engagement strategy. However, considering the extensive level of public engagement that has been undertaken during the development of both the rescinded MRCPS and the preparation of this planning study, the Director Community, Planning and Environment has recommended a 28-day public exhibition period for the draft planning study. Both the draft planning study report and the relevant consultant study reports will be available on Council's website from 9 February, prior to the commencement of the public exhibition currently scheduled for 27 February 2024.

2. Internal

A project control group (PCG) has been established within Council, bringing together expertise to provide advice and feedback on the draft planning study. Representatives of all divisions of Council were involved in a series of workshops, offering comments on the relevant technical studies.

To ensure comprehensive discussions and feedback, four Councillor briefings were held in November 2022, July, September, and November 2023. These briefings covered preliminary planning directions, outcomes from early community engagement, and preferred design options.

The active involvement of these divisions and regular briefings underscores the commitment to a well-rounded and informed planning process.

Financial/Resource Implications

A budget of \$100K in the 2023/24 is allocated to the *Neutral Bay Town Centre Planning Study*. A total of \$82,000 has been spent to date for the technical studies conducted by external consultants, and further expenditure will be required as part of the exhibition of this work.

Legislation

The relevant provisions of the following legislation have been considered throughout this report:

- North Sydney Local Environmental Plan 2013
- North Sydney Development Control Plan 2013
- State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development (SEPP 65)

Following the finalisation of this planning study, amendments to the NSLEP 2013 and NSDCP 2013 will be submitted to Council for consideration.

NEUTRAL BAY TOWN CENTRE

PLANNING STUDY

Draft Report

North Sydney Council
February 2024



Acknowledgements

North Sydney Council acknowledges the Guringai Tribe and Cammeraygal Clan as the Traditional Owners of this land. The authors of this report pay our respects to the Elders, past and present and recognise the inherent connection of the Indigenous people of Australia to Country.

North Sydney Council appreciates the contribution made to the project by:

- Community survey/submissions and workshop participants
- Neutral Bay Alive community consultation group
- Spackman Mossop Michaels
- PlanCom Consulting
- HillPDA
- Stantec

Cover image: Chaos Cafe, Neutral Bay





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EXECUTIVE SUMMARY

This planning study has been prepared by North Sydney Council with input from community and external consultants to guide future growth in Neutral Bay town centre, protect retail and commercial uses, and deliver much-needed public domain and community infrastructure.

Neutral Bay town centre is a vibrant local centre with a valued village atmosphere. The community enjoy a variety of restaurants, cafes, shops and services. The centre is well connected to Sydney CBD, North Sydney CBD, and the Northern Beaches. It has become a popular area for people to live, work and visit.

The town centre is, however, experiencing significant pressure with development proposals regularly challenging the current building height and density controls. The continuing decline in commercial floorspace, a shortage of public open space, limited community facilities, and impact of the B-Line are challenging the services, diversity and amenity of the area.

This planning study aims to:

- address the ongoing decline of the employment-generating floorspace under existing planning controls
- leverage a range of public benefits and public domain improvements from planned and targeted growth
- maintain and enhance the local character and amenity of the Neutral Bay town centre.

Community feedback has helped to shape the directions contained in this study. It will be used to guide any future development to ensure it meets the needs and expectations of the local residents and workers.

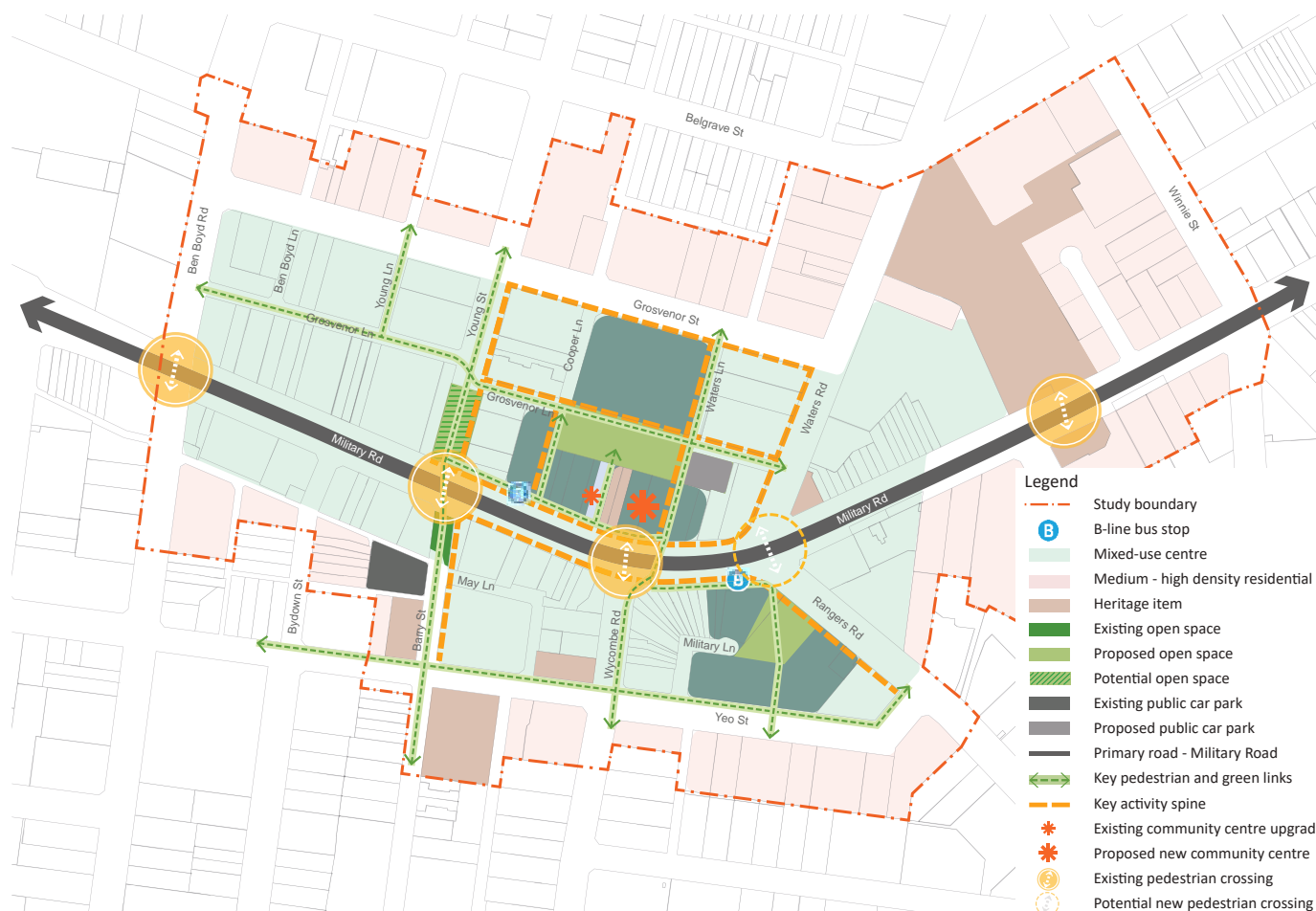


Figure 0-1. Proposed framework plan

EXECUTIVE SUMMARY

What is proposed

Placemaking



The suburb of Neutral Bay fronts Sydney Harbour and supports beautiful open spaces including Anderson Park and Forsyth Park. The only permanent open space in the town centre, however, is May Gibbs Place which has a limited area and activation, which is unusual for a centre of this size.

The community identifies improvements to the public domain as the most important issue for the centre. This includes the need for new open spaces, landscaping, upgraded community facilities and more community events.

This study envisages some major, new public domain and community facility upgrades, including:

- Grosvenor Plaza (3,000m²)
- Rangers Road Plaza (1,000m²)
- a new community centre (1,000m²)
- an upgrade of the existing community centre
- new laneways/through-site links activations

Access



Neutral Bay town centre is dominated by commuter traffic along Military Road which creates a major barrier between the northern and southern sides of the centre. Pedestrian paths along Military Road feel unsafe as pedestrians are exposed to fast-moving traffic and vehicle noise.

Recent upgrades to some of the laneway network behind Military Road have significantly improved the amenity and accessibility of the town centre, however there is scope for further improvement.

This study identifies opportunities to improve access and road safety within the town centre to encourage walking, cycling and public transport, including:

- Grosvenor Lane car park relocation
- through-site links upgrade
- footpath widening at Military Road bus stops
- pedestrian crossing improvements
- new cycleway and bicycle facilities

Employment



The centre provides day-to-day goods and services for the resident populations of Neutral Bay, Cremorne, Mosman, Kirribilli and Cammeray. It plays an important role in supporting local businesses and employment opportunities.

As the centre transitions from predominantly 2-3 storey commercial buildings to 4-5 storey mixed-use development with ground floor retail and residential uses above, under the existing planning controls, the long-term employment function of the centre is declining.

To protect the employment function of the centre, this study proposes changes to existing planning controls, including:

- increasing the non-residential FSR from 0.5:1 to 1.2:1 for most of the mixed-use zones
- increasing the non-residential FSR from 0.5:1 to 1.5:1 for the identified key sites

Built form



In recent years, there has been significant development pressure within the town centre. These interests vary in scale and intent, but they commonly seek to challenge North Sydney Council's current planning controls, particularly in terms of building height and density.

The community is seeking a better balance to building height that protects the character and amenity of the centre.

This study supports a modest and targeted increase in building height to protect existing retail/commercial spaces and create new public spaces and facilities for the community. Proposed built form recommendations are as follows:

- increasing the height limit from 5 storeys to 6 storeys for most of the mixed-use zone
- increasing the height limit from 5 storeys to up to 8 storeys for the identified key sites
- amending built form design guidelines





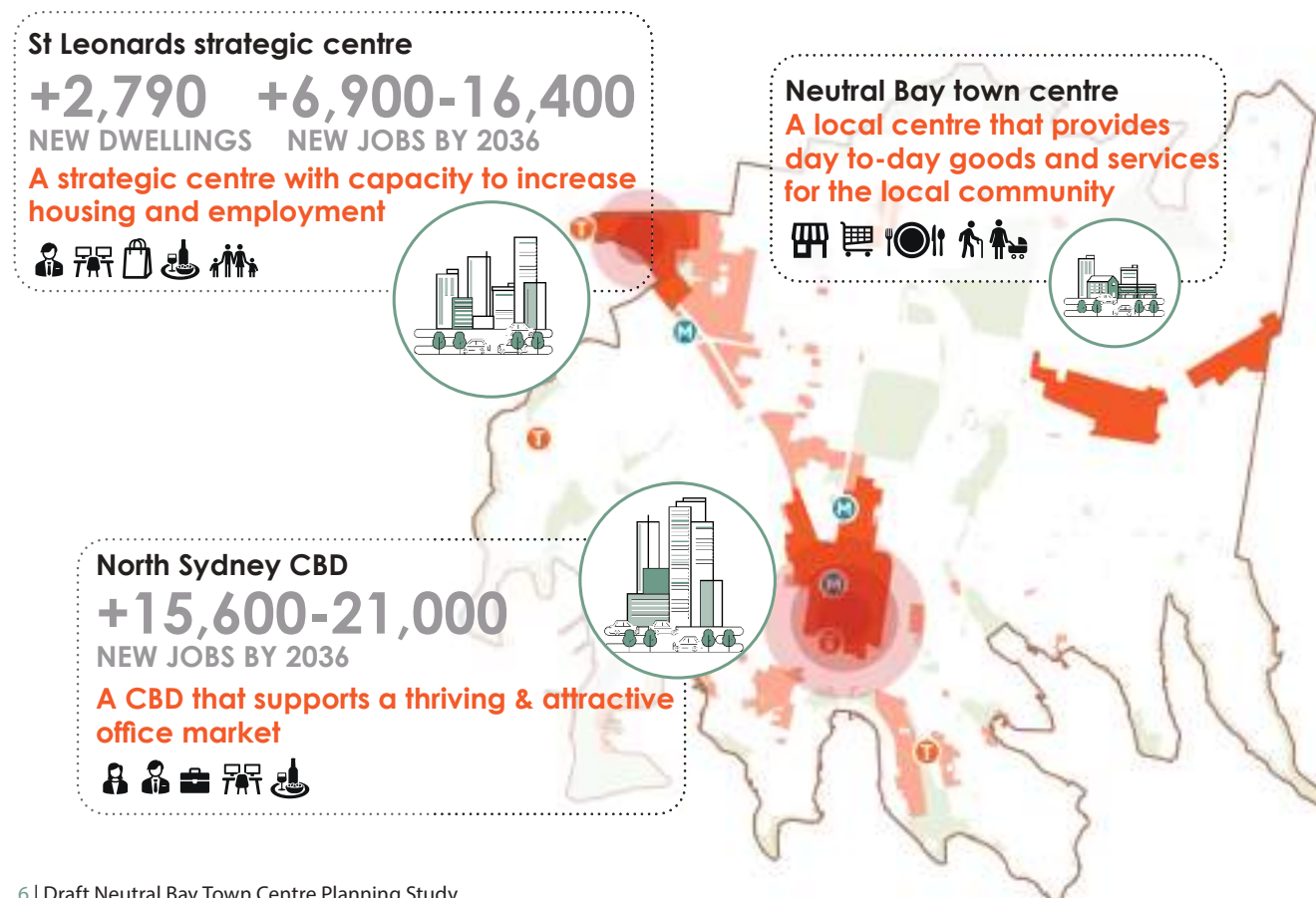
INTRODUCTION

01

1.1 STRATEGIC ROLE OF NEUTRAL BAY

Hierarchy of centres in the North Sydney local government area

Greater Sydney's population will grow to approximately 6.1 million by 2041 - over a million more than currently live in the region. To accommodate this growth, our centres are changing.



Role of Neutral Bay

The *North District Plan* was released by the then Greater Sydney Commission in 2018 to plan for population growth. It identifies Neutral Bay as 'local centre.' Local centres play an important role in providing goods and services, local jobs, housing, access to public transport, recreational, cultural and community hubs. They contribute towards a vision of a "city of great places". The plan applies a wide range of place-based planning principles to local centres, signifying their importance to the health, economic prosperity and wellbeing of the community.

**NORTH SYDNEY
LOCAL
STRATEGIC
PLANNING
STATEMENT
(LSPS)**
MARCH 2020

The *North Sydney LSPS* (NSC 2020) is a 20-year vision for land use planning in the North Sydney local government area, that was prepared in response to the North District Plan. The LSPS identifies varying degrees of housing and jobs growth that will be delivered in the North Sydney CBD, St Leonards / Crows Nest and Neutral Bay and Cremorne Military Road Corridor. It identifies this planning study as the mechanism to manage that growth for Neutral Bay.

1.1 STRATEGIC ROLE OF NEUTRAL BAY

Key challenges for Neutral Bay

1 Development pressures



North Sydney Council has maintained a robust practice of guiding and managing growth through comprehensive planning studies, involving community consultation and specialist advice. This approach conveys a clear message to the development industry that growth will be responsibly managed in the LGA.

The Neutral Bay town centre is experiencing strong development interest. In the past two years, several planning proposals (PPs) and development applications (DAs) have proposed heights and a building density that exceed what was envisaged for the centre.

An endorsed planning study for Neutral Bay will reinforce the desired future outcomes for Neutral Bay town centre. It will be used to guide the preparation and review of planning proposals.

2 A decline in commercial floor space



Neutral Bay town centre has an undersupply of retail and commercial floor spaces of 6,460m² in 2023. By 2041, it is estimated that the undersupply will increase to 13,450m² of retail and commercial floor space as the population continues to grow in the region.

In addition, the current planning controls have the potential to lose an additional 30,000m² - or 1,200 jobs - as the town centre's older commercial buildings are replaced with mixed use buildings that support retail on the ground floor and residential in the upper floors.

Without intervention, the centre is at risk of losing local jobs, local businesses, and essential community services like medical, dental and fitness centres. Over time, this may also have an adverse impact on the retail function and vitality of Neutral Bay.

3 A shortage of public spaces



The community has identified improvements to the public domain and community facilities as the most important issues for the centre. According to the community survey results, 73% of people support enhancing pedestrian comfort by improving the Military Road environment, upgrading footpaths, increasing greenery, and creating better plazas in the area.

Additionally, the community has expressed concerns about insufficient community facilities within the centre due to the restricted space size and the poor accessibility of through-site links.

The feedback from the community underscores the need for more community spaces that promote social engagement and activities, serving as a key driver for this study.

What is needed



4,000m²
new public plazas



1,000m²
new community centre



1 community creative hub



1 major north-south pedestrian link



2 footpath widening at B-Line bus stops



4 through-site links (open to sky)



2-3 storeys retail/commercial

1.2 PURPOSE OF THIS STUDY

Background

In 2018, Council commenced the preparation of the *Military Road Corridor Planning Study* (MRCPS) to manage the significant development pressure in the Neutral Bay precinct and ongoing erosion of employment floor space facilitated by Council's existing planning controls.

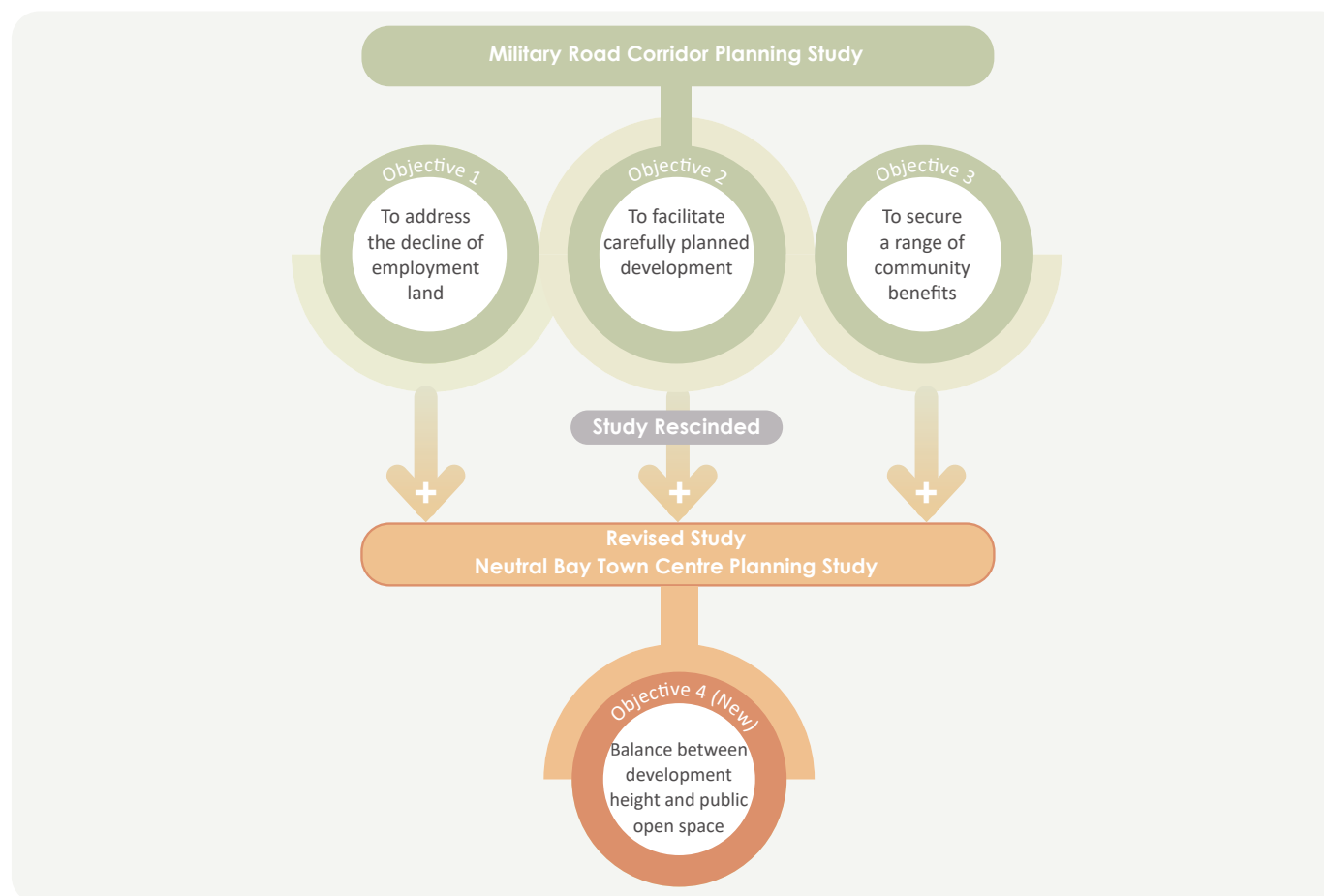
Following three consultation periods, the MRCPS identified a suite of public open space projects and community infrastructure, and proposed built form controls that would support maintaining the employment and allow some residential housing growth in the centre. Proposed maximum building heights ranged from 6 storeys on most of mixed-use zones to 8 - 12 storeys on three sites.

The MRCPS was adopted by Council in early 2021.

At its meeting on 24 January 2022, Council formally rescinded the MRCPS as a result of ongoing community concerns around building heights and the potential impact on the village atmosphere, heritage character, solar access and traffic impacts to the centre. Council resolved to engage further with the community and relevant stakeholders to prepare a revised study.

In August 2022, Council commenced a revised planning study for the Neutral Bay precinct, called the 'Neutral Bay Town Centre Planning Study' (NBTCPS). The same drivers and objectives from the MRCPS apply, however, a new objective was introduced to ensure the scale of growth achieved has a "better balance" between development height and the provision of additional public open space compared to the rescinded study.

Objectives



1.2 PURPOSE OF THIS STUDY

Project scope

The purpose of this study is to:

- outline a **future vision and design principles** for the Neutral Bay town centre as an integral part of the Military Road corridor
- set up a **development framework** that has been informed by the community to guide and manage future developments in the area
- identify a range of **community benefits** to be delivered through voluntary planning agreements on specific sites and local infrastructure contributions within the town centre.

The study has been informed by additional detailed community feedback and technical expertise provided by external consultants.

Work on the study began in August 2022, with draft design options ready for preliminary stakeholder engagement in March 2023.

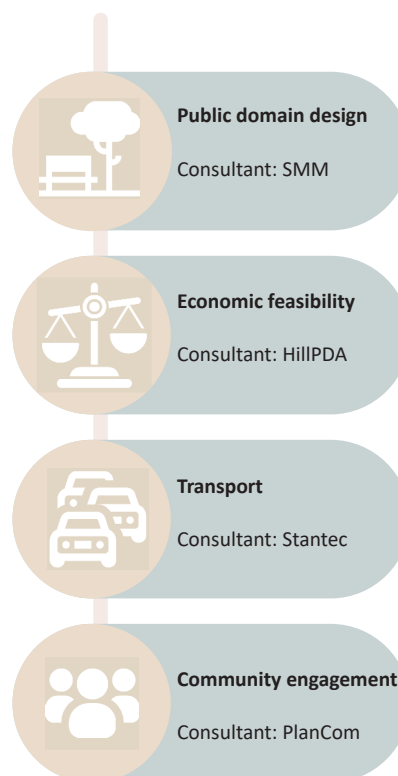
Stakeholder workshops and meetings with landowners was run between March and July 2023 (see section 1.4).

The consultant team comprised SMM (landscape architects), HillPDA (economics), Stantec (transport) and PlanCom (community engagement).

Following public exhibition of the draft study in early 2024, community feedback will inform the final study that will be reported back to Council.

Consultant team

The Draft Neutral Bay Town Centre Planning Study was developed in-house with input from the following consultants:



Project staging



1.3 SETTING THE SCENE

Strategic setting

The *North District Plan* (GCC 2018) sets high-level housing and jobs targets for the District. It identifies Neutral Bay as a 'local centre' and establishes principles for the planning of local centres. Specifically, 'Planning Priority N6', requires place-based planning for local centres to address the following principles:

- provide public realm and open space focus
- deliver transit-oriented development and co-locate facilities and social infrastructure
- provide, increase or improve local infrastructure and open space
- improve walking, cycling and public transport connections including through the Greater Sydney Green Grid
- protect or expand retail and/or commercial floor space
- protect or expand employment opportunities
- integrate and support arts and creative enterprise and expression
- augment or provide community facilities, services, arts and cultural facilities
- conserve and interpret heritage values and
- increase residential development in, or within a walkable distance of, the centre
- provide parking that is adaptable to future uses, and takes account of access to public transport, walking and cycling connections.

The *North District Plan* emphasises that housing should not compromise a centre's primary role to provide goods and services, and the opportunity for the centre's employment function to grow and change over time (p.50).

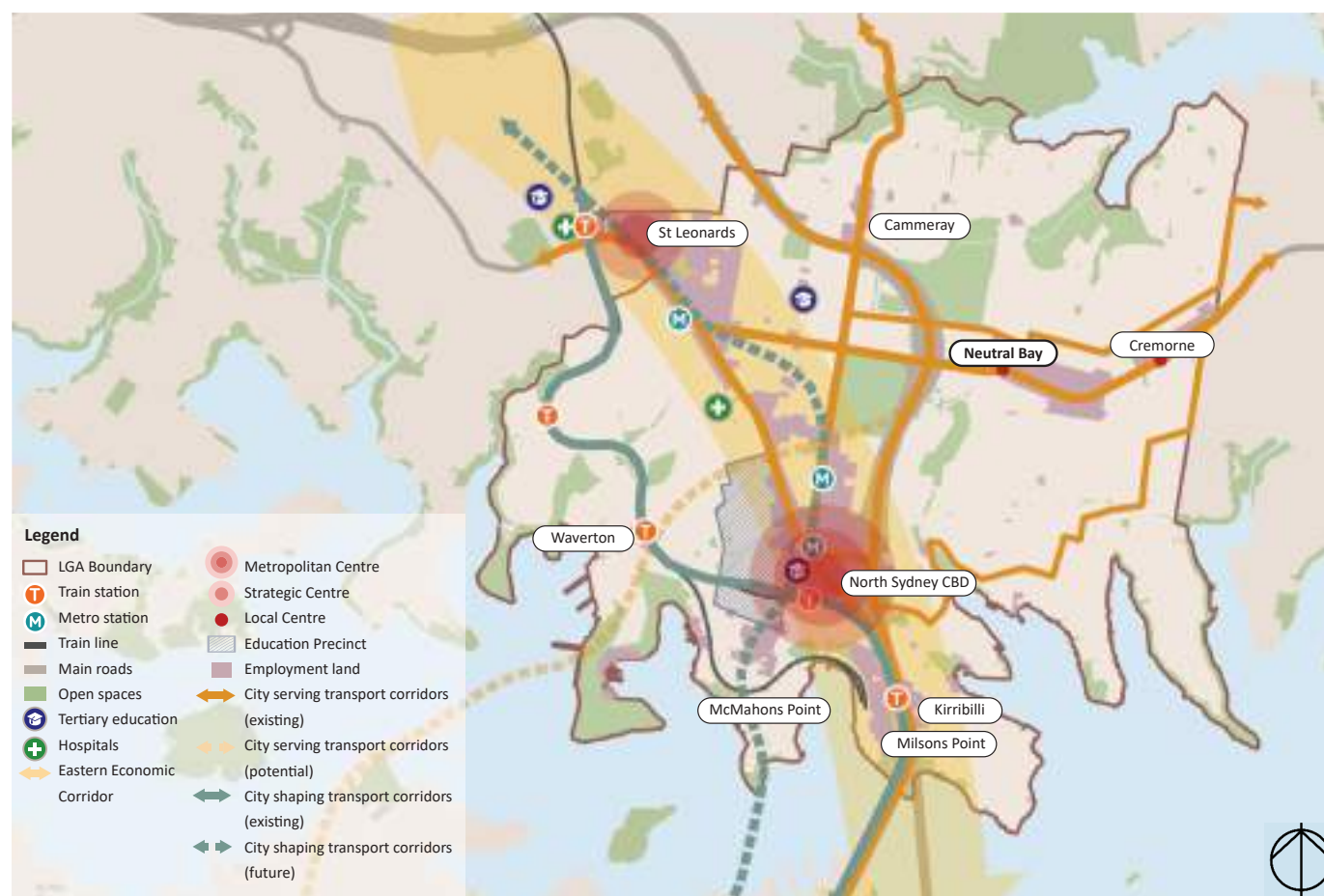


Figure 1-1. Strategic context map

1.3 SETTING THE SCENE

The study area

The study boundary for the Neutral Bay Town Centre Planning Study is Ben Boyd Road to the west, Belgrave Street to the north, Winnie Street and Murdoch Street to the east, and a block south of Yeo Street. The bulk of the study area is located within the centre.

The Neutral Bay town centre is a mixed-use commercial and residential area. It generally comprises of large, consolidated sites intermixed with long, narrow sites with dual frontages.

The morphology of the area has been shaped by topography and Military Road, which is a major regional thoroughfare running through the study area. Military Road links the Lower North Shore and Sydney CBD with Mosman and the Northern Beaches.

There are currently three through-site pedestrian links along Military Road within the centre, all of which connect to the Grosvenor Lane car park. These connections are provided by The Grove shopping centre, Theo's Arcade, and the Neutral Bay Community Centre. However, these connections may not be readily apparent within the busy street environment of Military Road.

The study area is well-served by buses with services to and from the Northern Beaches, North Sydney and Sydney CBD passing on Military Road. North Sydney Railway Station is located approximately 2km from the centre.

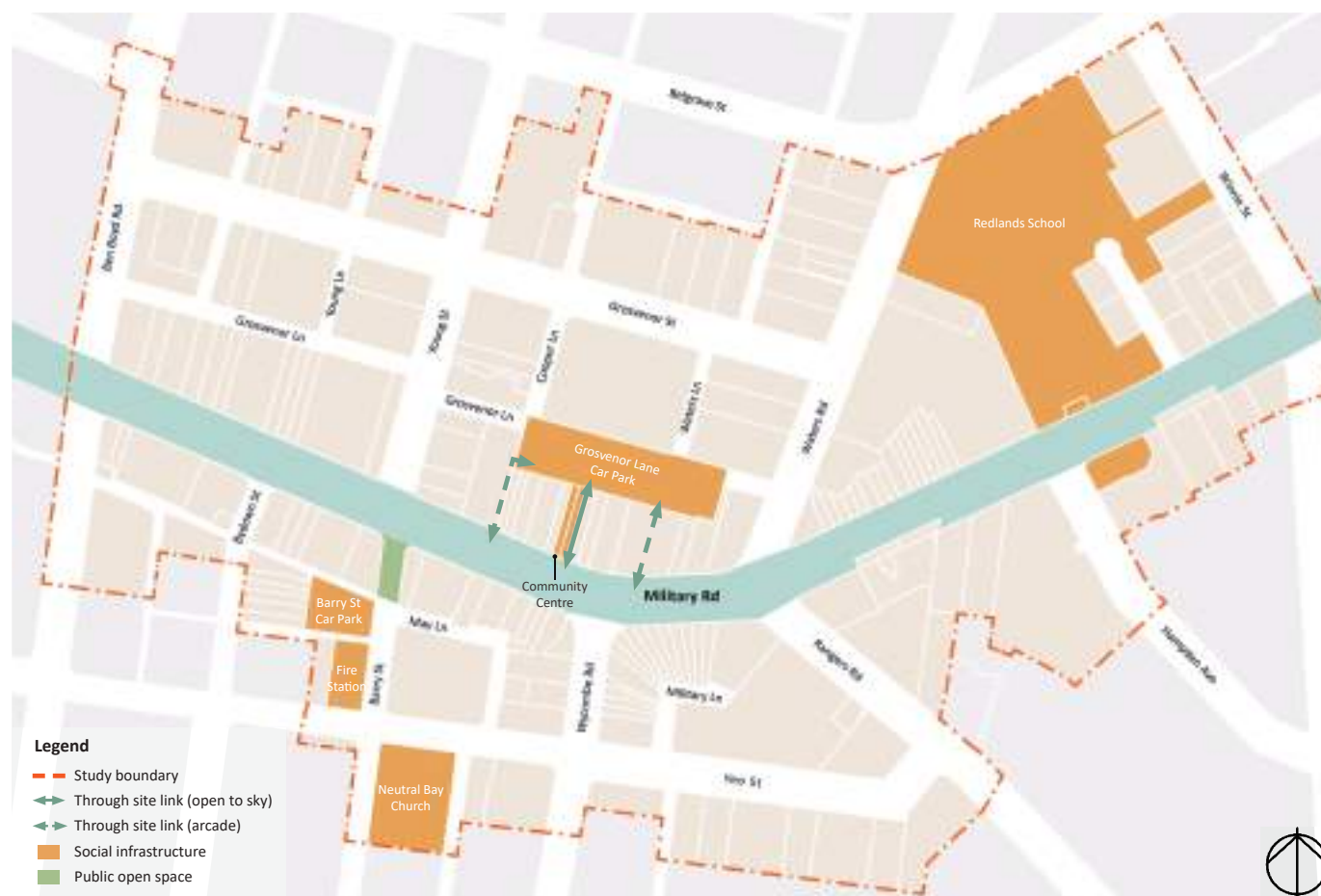


Figure 1-2. Existing site context

1.3 SETTING THE SCENE

History



Pre-Colonial era

Aboriginal heritage

The traditional owners of the North Sydney area are the Cammeraygal people. It is thought that Cammeraygal (Gameraigal) territory extended west to Woodford Bay and east to include Cremorne Point.

Like other harbour groups, the Cammeraygal relied upon shell and fin fish for sustenance. There is evidence of shell middens at Cremorne Point. It is likely the mud flats at the mouth of Neutral Bay creek provided oysters and other shellfish. The creek would have been a source of fresh water. Wallabies, reptiles and edible plants were hunted and harvested in the heath and forest areas.



1820's

Settlement and establishment

By 1829, the Cammeraygal people likely ceased to exist as a coherent social group, although Aboriginal people still lived around the north shore waterfront. Cammeraygal territory, in present-day Neutral Bay, was purchased by John Piper from the Crown in 1814.

The name "Military Road" emerged after 1870, as it served as the conduit for transporting gun barrels from Blues Point to the under-construction Middle Head fortifications.

The availability of locally produced bricks spurred development along Military Road, leading to subdivisions on both sides in the 1890s.

An electric tram service along Military Road, from Falcon Street to Spit Junction, commenced in 1893. In 1909, a substantial tram depot, housing sheds and workshops, was opened at the western end of Military Road in Neutral Bay.



1940's

Post-war era

In the post-war era, the removal of trams and the rise of cars and buses altered Military Road's character, diminishing its role as a local shopping area. The construction of the Big Bear supermarket in 1959 marked the shift towards car-centric shopping and the need for parking. Subsequently, Military Road evolved into a prominent commuting corridor.

Mirvac's acquisition of the Big Bear site in 1983 led to significant commercial and retail redevelopment. Height restrictions were imposed, leading to buildings like Military Court with a stepped, defensive design. Neutral Bay Circle, constructed around 1980, integrated Brutalism and post-modernism.

In the 21st century, state government planning directives prompted mixed-use developments along Military Road, integrating residential and commercial spaces.



2023

Neutral Bay today

Neutral Bay is in a period of transformation with current planning controls becoming increasingly outdated as demand for commercial, residential and community facilities intensifies.

In recent years, Neutral Bay has faced significant development pressure, with developers proposing to exceed the area's existing height limit.

The precinct is experiencing a development trend from commercial single ownership into mixed-use strata ownership. Commercial spaces are being replaced by residential development, leading to a decline in employment opportunities that will potentially affect the town centre's vitality.

There are also added pressures on public spaces and community facilities, offering opportunities to improve the open space network and address the need for new community facilities.

1.3 SETTING THE SCENE

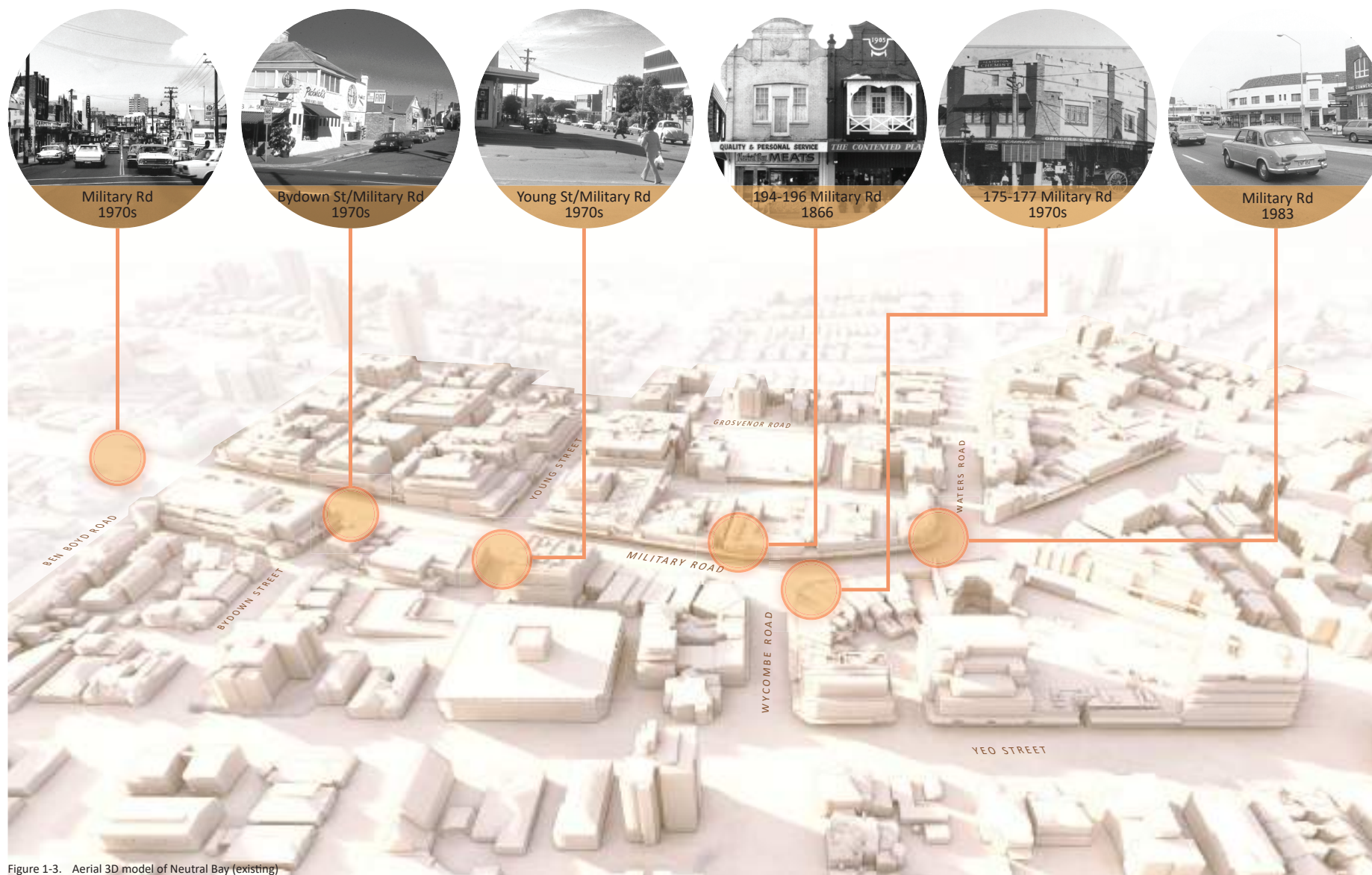


Figure 1-3. Aerial 3D model of Neutral Bay (existing)

1.3 SETTING THE SCENE

Existing character

The Neutral Bay town centre contains significant retail and hospitality uses, as well as office spaces servicing the business needs of the local population. The study area includes two major supermarkets, two small retail malls, a school, two Council-owned parking lots, and a community centre.

Over 40% of existing development in the study area is entirely commercial/employment generating. Military Road, in particular, boasts a significant commercial presence and serves as a prominent regional route, attracting substantial vehicular traffic and a high levels of pedestrian activity. This presents an opportunity for Military Road to better connect and activate both the northern and southern sections of the town centre.

Adjacent to the northern boundary of the town centre are medium to high-density residential buildings ranging from 5 to 16 storeys. South of the study area generally transitions to low-medium density housing, consisting of freestanding single-storey dwellings, many of which are original bungalows and workers cottages and identified as heritage items, with a few tall apartment buildings again dating back to the 1960's and 70's.

Significant to the distinct character of the area are several historically and culturally significant sites and iconic facades, such as houses, shops, churches, bus shelters, schools, and the Neutral Bay Fire Station.



Figure 1-4. Existing character map

1.3 SETTING THE SCENE

COMMERCIAL

THE GROVE ARCADE



THEO'S ARCADE



OFFICE SUITES



MIXED USE

RETAIL/RESIDENTIAL



RESIDENTIAL

TALL RESIDENTIAL



RESIDENTIAL STRATA



SINGLE DWELLING



HERITAGE

194-196 MILITARY RD



FORMER CBC BANK



FIRE STATION



1.4 COMMUNITY FEEDBACK

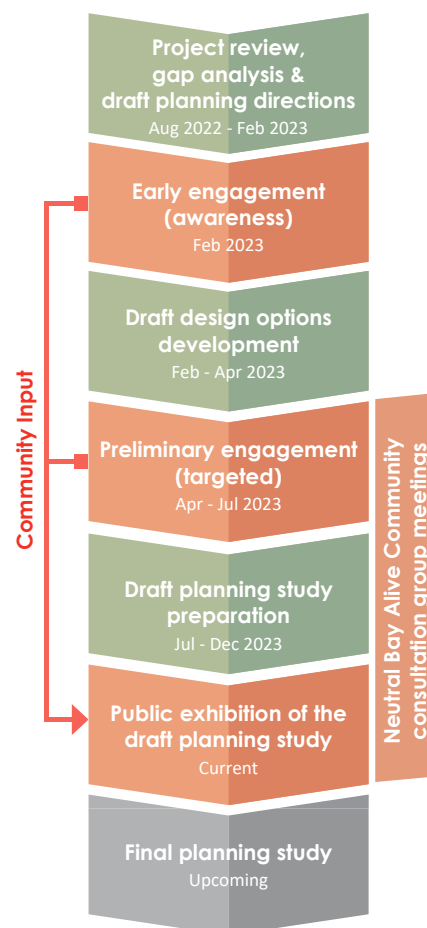
Community engagement and feedback are important in shaping this project and have contributed to the formation of this report.

Significant levels of engagement were undertaken in the preparation of the now rescinded MRCPS. The feedback from that engagement remains relevant and has provided valuable insights for the initial phases of this revised study.

Building upon the substantial feedback already received, a series of additional consultation sessions have been conducted to further explore Council's desire for *"a better balance between development height and the creation of additional public open space"* and other community improvements.

The additional consultation comprised:

- Early engagement drop-in sessions (February 2023)
- Preliminary engagement (April - July 2023)
 - Online and intercept surveys
 - Two community workshops
 - Landowner meetings
- Neutral Bay Alive community consultation group meetings (ongoing - from July 2023)



Phase 1 - Early engagement Drop-in sessions

During late-February 2023, North Sydney Council conducted two early engagement drop-in sessions.

The drop-in sessions informed the community that preparation of a revised planning study was commencing and to outline the timeline and methodologies to be implemented.

Fact sheets and FAQs were distributed on site and made available on Council's website and at the Neutral Bay Community Centre and Council's Customer Service.

Promotion of the drop-in sessions included:

- Council website (Your Say)
- Social media
- E-newsletters
- Posters on noticeboards
- Notifications to precinct committees



Phase 2 - Preliminary engagement Online and intercept surveys

An external consultant, PlanCom Consulting, was engaged to assist Council conduct initial community and stakeholder engagement for the draft study.

A survey was conducted between April and May 2023, using a combination of randomised intercept respondents and self-elected online participants. The survey aimed to collect feedback on the use of Neutral Bay town centre and register interest in the community workshops.

Intercept surveys, held on 1 & 13 April and 2023, by PlanCom Consulting, as well as on 3 May 2023, by the Council, occurred at multiple locations within Neutral Bay town centre. An online survey was accessible on Council's Your Say webpage from 14 April to 11 May 2023.

In total, 212 responses were received, with 144 via Your Say and 68 from the intercept survey.



1.4 COMMUNITY FEEDBACK

Community workshops

PlanCom Consulting facilitated two community workshops. These workshops built on prior consultation processes to discuss what is needed in the study area and gather feedback on draft built form options.

The first workshop was held on 24 May 2023, and involved 32 participants. It sought to capture the views of a wide range of demographics (age, ethnicity, gender) and viewpoints among community members.

The second workshop, conducted on 30 May 2023, had 21 participants from local organisations, community leaders, precinct committees, and a local school within the study area. Representatives were chosen via interest registrations managed by PlanCom Consulting.

Both workshops adhered to a standard format and agenda with minor timing adjustments. Designed for interactivity, they included background information from Council, opportunities for participant responses, and interactions among community members.

Workshop activities and presentations encompassed open space considerations, new community centre location, building height options and potential built form scenarios, and key topics such as traffic, parking, pedestrian movement, village atmosphere, viability, and other issues raised by participants.



Landowner meetings

Between June to July 2023, Council staff conducted meetings with key landowners Coles (site 1) and Arkadia (site 2).

During these meetings, Council discussed the feedback, draft design options and public space upgrade opportunities from the community workshops.

Landowners were also provided an opportunity to present their design concepts and the progress they had made toward their development aspirations.

Council did not meet with Equitibuild (site 3A) or Woolworths (site 3B) due to active planning proposals that have been lodged on those landholdings.



Neutral Bay Alive

Community consultation meetings

Established in June 2023, the Neutral Bay Alive community consultation group has collaborated with Council throughout the preparatory phase of the study. Neutral Bay Alive has 10 community members, that have met regularly with Council staff to discuss the study's development. Consultation with the group will continue post-exhibition until endorsement of the final study.

Neutral Bay Alive's objective is to enhance Council's community engagement processes. It offers a platform for fostering in-depth and transparent discussions encompassing a diverse spectrum of study-related topics.

The group has provided feedback on matters of study preparation initiated by both Council staff and consultants. It has undertaken a pivotal role in rigorously testing and refining the proposed directions and recommendations embedded within this draft study.

Minutes of the meetings are available on Council's website.



1.4 COMMUNITY FEEDBACK

What we heard from you

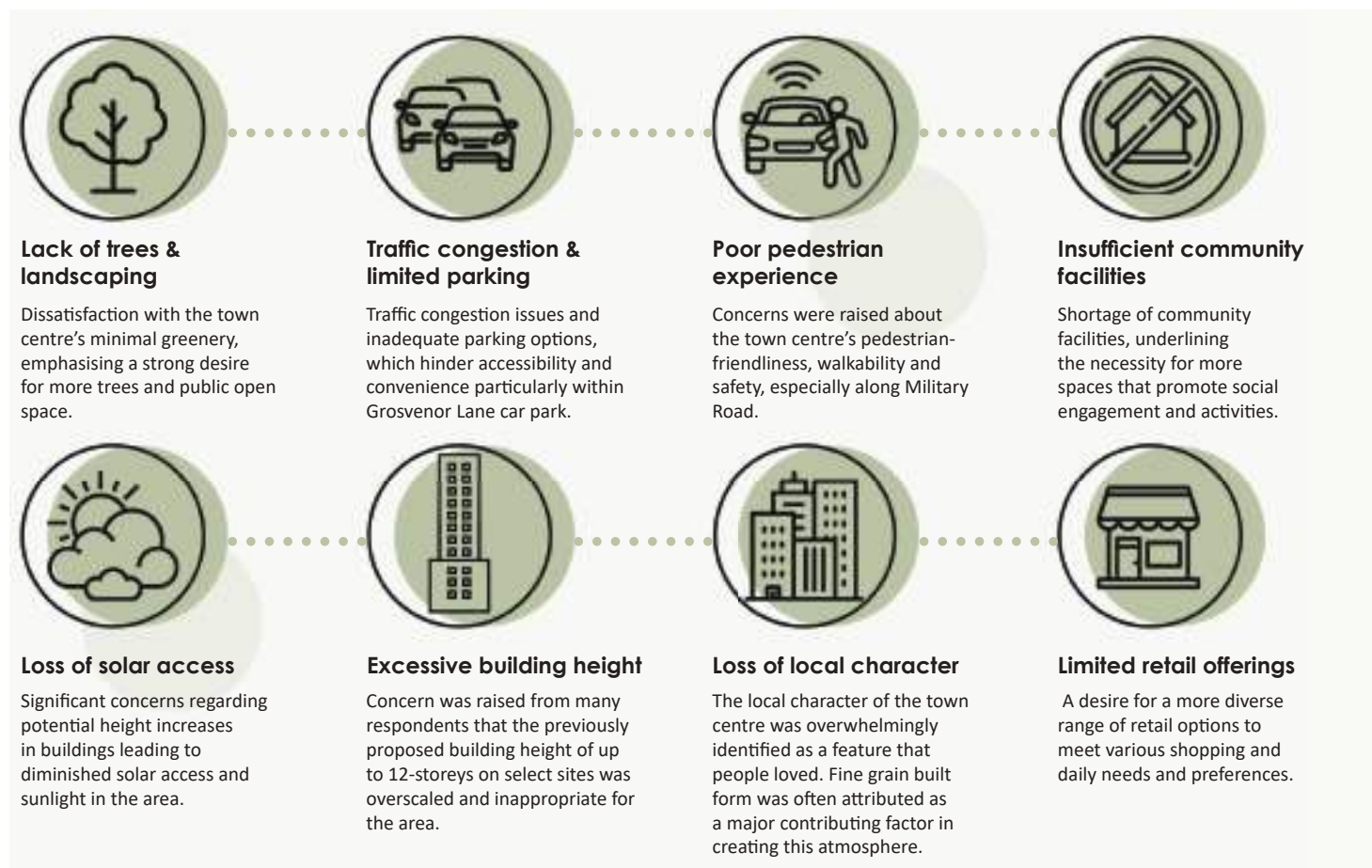
Feedback gathered from our community survey and workshops provided insight into the viewpoints and preferences of individuals who frequent the town centre.

There is a strong demand for increased greenery and vegetation. Approximately 80% of survey respondents considered more trees and landscaping to be highly important or important. The scarcity of green spaces and public open areas was a recurring theme discussed by workshop participants.

Shopping is the primary reason for visiting the town centre. Dining emerged as an additional reason for half of survey participants. There is concern about the area's current variety of retail.

The majority of survey participants favour walking within the town centre. Consequently, significant concerns were raised about the poor pedestrian experience in the town centre, with accessibility and safety being major points of contention.

Workshop attendees stressed the importance of a healthy, safe environment, better public spaces, and limiting building heights for Neutral Bay's future. While most workshop attendees found the proposed building heights in the MRCPS to be excessive, they were open to modest height increases, provided that they were supported by improvements to the public domain and included built form controls that consider the preservation of solar access and the local character.



1.4 COMMUNITY FEEDBACK

What we will improve

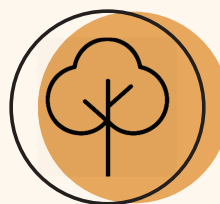
The community consultation conducted so far has offered valuable input into the study.

Acknowledging the clear demand for additional public open areas, the study proposes two new plazas - Grosvenor Plaza and Rangers Road Plaza. In response to greenery concerns, the study supports preserving mature canopy trees in Grosvenor Plaza and proposes investigating new street tree and planting along Military Road.

The redevelopment of properties between Military Road and the planned Grosvenor Plaza offers an opportunity to establish stronger connections to the new plaza. The study proposes widened footpaths, and additional through-site links to improve connections between Grosvenor Plaza, surrounding streets, public spaces.

To address community concerns about previously proposed building heights of up to 12-storeys in the MRCPS, the study reduces maximum building heights to up to 8-storeys on key sites. Further, the study includes additional detailed built form controls to protect solar access to public open spaces and residential properties along Yeo Street.

The study also examines new and upgraded community facilities. A new Neutral Bay Community Centre will have a prominent presence along Military Road and Grosvenor Plaza. Additionally, upgrades to the existing community centre will establish a 'Creative Hub,' providing spaces for arts, crafts, educational programs, and local artist exhibitions.



Enhance & enlarge the public domain

Deliver two new plazas - Grosvenor Plaza and Rangers Road Plaza.



Minimise traffic & parking impact

Provide some at-grade car parking within Grosvenor Plaza and replace the existing number of public car parking spaces underground. Ensure minimal impact to the transport network.



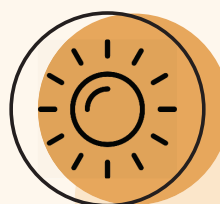
Improve pedestrian amenity & safety

Provide additional accessible through-site links and widened footpaths to create greater permeability.



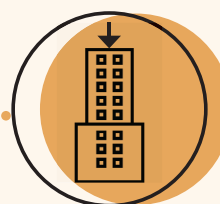
Upgrade & expand the community centre

Upgrade the existing community centre and deliver an additional community facility of 1,000sqm.



Protect solar access

Solar access to key public open spaces and residential areas will be protected.



Reduced building height

The proposed maximum building height uplift will be limited to 8-storeys across a few key sites.



Preserve the area's identity

Respect and recognise the context of heritage buildings through sympathetic design. Maintain the distinctive character of the area's fine-grain built form.



Diversify retail

The existing commercial floor space will be protected to support retail offerings. Further, active retail frontages will be provided along main pedestrian streetscapes, plazas and through-site links.





LOCAL CHARACTER STATEMENT

02



Figure 3-1. Artist Impression - looking south along Waters Lane

2.1 VISION

NEUTRAL BAY TOWN CENTRE

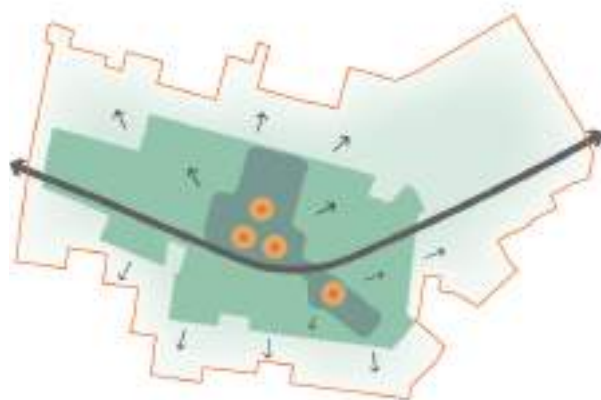
Neutral Bay will continue to develop as a vibrant local centre that meets the needs and aspirations of the community. New mixed-use development will offer a variety of retail, commercial and outdoor dining opportunities that create an economically strong centre with a lively atmosphere.

A network of high amenity public open spaces, pedestrian-friendly laneways and community facilities will support residents, workers, students and visitors of all ages and ability to gather, rest, and socialise.



2.2 PRINCIPLES

Principle 1 - Deliver infrastructure through VPAs



Mixed-use developments will be located in the centre, along the Military Road corridor. Additional heights are identified in prominent and highly accessible locations, in conjunction with the delivery of supporting public benefits. These benefits are new public open spaces and a community centre to cater to community needs.

LOCAL PLANNING PRIORITY I1 - North Sydney LSPS (2020)
Align growth and development with infrastructure that supports the needs of the North Sydney community

Principle 2 - Provide diverse community facilities



A range of community facilities will be provided in Neutral Bay town centre, such as multi-functional rooms, event spaces, art studios, and exhibition spaces. These amenities are designed to support the health and wellbeing of the community

LOCAL PLANNING PRIORITY L2 - North Sydney LSPS (2020)
Provide a range of community facilities and services to support a healthy, creative, diverse and socially connected North Sydney community

Principle 3 - Protect heritage character and identity



Heritage buildings and facades should be protected. Future developments adjacent to the heritage buildings are to ensure appropriate scale, facade treatment and separation to respect the existing town centre heritage character.

LOCAL PLANNING PRIORITY L3 - North Sydney LSPS (2020)
Create great places that recognise & preserve North Sydney's distinct local character & heritage

2.2 PRINCIPLES

Principle 4 - Support local businesses



The much-loved village atmosphere of the Neutral Bay town centre will be preserved through fine-grained shop frontages and an enhanced laneway network that supports local businesses, ensuring comfortable pedestrian access to shopping, dining, community services and workplaces. Activity clusters around open spaces and community facilities will support both daytime and night-time commercial activities.

LOCAL PLANNING PRIORITY P3 - North Sydney LSPS (2020)
Enhance the commercial amenity and viability of North Sydney's local centres

Principle 5 - Improve pedestrian amenity



Enhancing the walkability of the centre will improve convenience and enhance its overall appeal. Wide, open-to-sky through-block connections will be identified to enhance sight lines and create an activated and accessible centre. Design investigations along Military Road will focus on pedestrian safety, comfort, amenity and connectivity.

LOCAL PLANNING PRIORITY P6 - North Sydney LSPS (2020)
Support walkable centres and a connected, vibrant and sustainable North Sydney

Principle 6 - An integrated open space network



An inviting network of green public open spaces will enable people to gather, rest and socialise. New public open space opportunities will be identified to support active and passive recreation uses. Landscape planting and tree canopy will be increased, where possible.

LOCAL PLANNING PRIORITY S2 - North Sydney LSPS (2020)
Provide a high quality, well-connected and integrated urban greenspace system

Community Views

Creating a healthy and safe environment with additional public spaces and more landscaping was identified as important to the community in shaping the future of Neutral Bay. The community places considerable importance on the town centre's public domain, as indicated by the support of 73% of people surveyed for enhancing pedestrian comfort through the enhancement of the Military Road environment, improved footpaths, increased greenery, and better plazas in the area.





PLACEMAKING

03

3.1 PLACEMAKING STRATEGY

Key challenges

Placemaking encompasses the design and use of public spaces and the delivery of facilities and services that enhance the health, happiness, and wellbeing of the community.

Neutral Bay is a popular area for people to live, work, shop and visit. The centre's much loved village atmosphere stems from the suite of local shops, cafes, restaurants and businesses, and the tree-lined streets that frame the older commercial and more recent mixed use buildings. This chapter draws on these known strengths of the town centre to address some key placemaking challenges.

Parks, squares and plazas, whether owned by the government or private entities, are important community spaces. They play a major role in supporting social interaction and relaxation.

Currently there are two small public open spaces: May Gibbs Place and Young Street Plaza. Respite options are generally limited to private cafes, dining spaces, and some informal seating. There is no permanent space in the centre for children's play but there are a few green spaces within 10-minute walk.

May Gibbs Place is a small public open space on Military Road in the heart of Neutral Bay town centre. Formed by the closure of Barry Street between Military Road and May Lane, the 380m² plaza celebrates the life of the renowned local artist May Gibbs, who lived and worked in Neutral Bay throughout her lifetime.

Young Street Plaza in its current form was implemented in November 2020 as an approximately 956m² temporary public open

space for the community to trial. It was funded by Transport for NSW as part of the Northern Beaches B-Line project. The plaza is under review.

The Northern Beaches B-Line project has resulted in a loss of tree canopy along Military Road, reducing shade and amenity for pedestrians navigating the six lanes of regional through traffic.

Overall, the community strongly feels there is a shortage of street trees and greenery. 80% of survey respondents consider adding more trees and landscaping 'important' or 'very important'.

Active shop frontages along Military Road and adjacent streets contribute to the area's vibrancy. Inactive frontages are located along some laneways and above ground supermarkets. The Neutral Bay Community Centre at 190-192

Military Road plays a central role in supporting a wide range of community activities and services including computer lessons, hosting special interest groups and running health and fitness classes. It provides a strong range of services for older people in the area. The centre, however, is very limited in size which is restricting the number of activities that the community would like to see in Neutral Bay - particularly for future target groups of younger people, people with disabilities and those who are socially isolated. The aging building is seen as run down and difficult to access for people with lower mobility. 86% of survey respondents rated a new community centre in Neutral Bay as 'important' or 'very important'. The top priorities include additional space for arts, crafts, education and spaces for exhibitions and workshops.



Need for new public open spaces



More street trees and planting



Avoid inactive frontages



High demand for a broader range of community centre services

3.1 PLACEMAKING STRATEGY

Strategic context

A CITY SUPPORTED BY INFRASTRUCTURE

LOCAL PLANNING PRIORITY 11

Align growth and development with infrastructure that supports the needs of the North Sydney community

A CITY FOR PEOPLE

LOCAL PLANNING PRIORITY 12

Provide a range of community facilities and services to support a healthy, creative, diverse and socially connected North Sydney community

A CITY IN ITS LANDSCAPE

LOCAL PLANNING PRIORITY 12

Provide a high quality, well-connected and integrated urban greenspace system

- NORTH SYDNEY LSPS (2020)



- 1 Retain existing canopy trees where possible, and increase the amount of landscaping throughout the public domain



- 2 Provide high quality green spaces that support active and passive recreation and children play areas



- 3 Improve pedestrian comfort, safety and amenity in the planning, layout, design and connection of places



- 4 Enhance the social and cultural life of Neutral Bay

3.2 LANDSCAPING AND OPEN SPACE

1 Protect and enhance trees and landscaping

Maintaining and, where possible, increasing the urban tree canopy and landscaping contributes to the comfort, environmental performance and sense of safety and place of Neutral Bay.

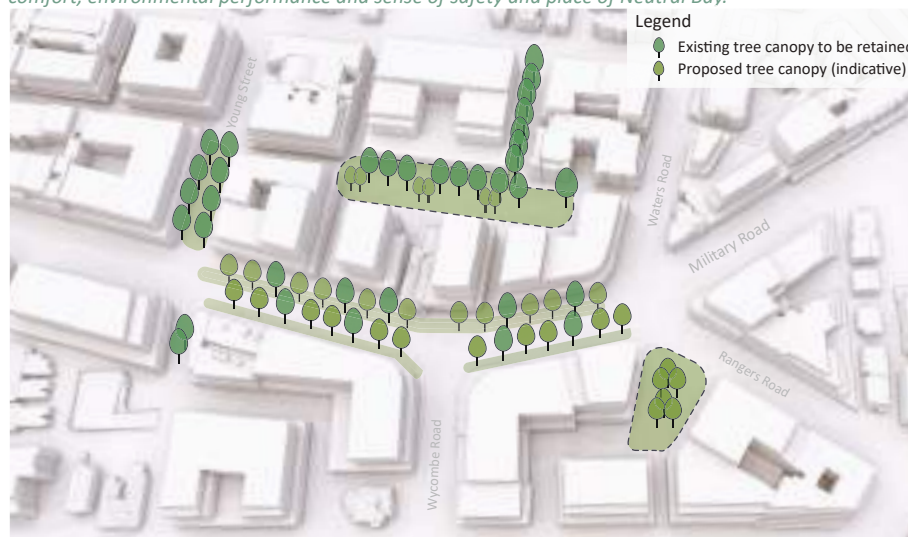


Figure 3-1. Existing and proposed canopy trees

Retain existing tree canopy

Street trees and planting make a significant contribution to the visual character, environmental performance and comfort of the streetscape.

It is recommended that the existing mature trees located within Grosvenor Lane car park, and along Waters Lane and Military Road are retained.

Expand tree canopy and landscaping

To improve the street environment along Military Road, it is proposed to investigate the opportunity for additional street trees to be planted to infill gaps where trees were previously removed, where possible.

The new Grosvenor Plaza, Rangers Road Plaza and widening of Waters Lane should support additional tree canopy and landscaping.



Figure 3-2. Artist's impression of Military Road proposed streetscape upgrades

Provide kerbside planting

Kerbside planting along both sides of Military Road should be investigated with the aim of providing a landscaped buffer between pedestrians and fast moving vehicles.

This would involve identifying opportunities for the placement, ideally, of hedge plantings that are set back from the kerb with periodic breaks to facilitate access to bus stops, pedestrian crossings, and parked cars. It would occupy the 1m kerbside zone of the footpaths, a space typically underutilised for pedestrian movement.

The cost of delivering and regularly maintaining hedges along Military Road, however, is likely to be high. Maintaining hedges would involve lane closures and significant traffic control most likely between 10pm and 4am, multiple times per year.

Alternatively, planter boxes or low lying grasses could serve as more achievable or affordable options for kerbside planting. Planter boxes are high maintenance, particularly in hot weather, and require repotting every 2-3 years. Grasses will not give the same level of landscaped buffer and may require fencing. Further work is needed to identify an optimal solution.

3.2 LANDSCAPING AND OPEN SPACE

2 Establish a network of public open spaces

A connected network of public open spaces enhances access to passive and active recreation opportunities for all ages and ability, promoting health, happiness and well-being.

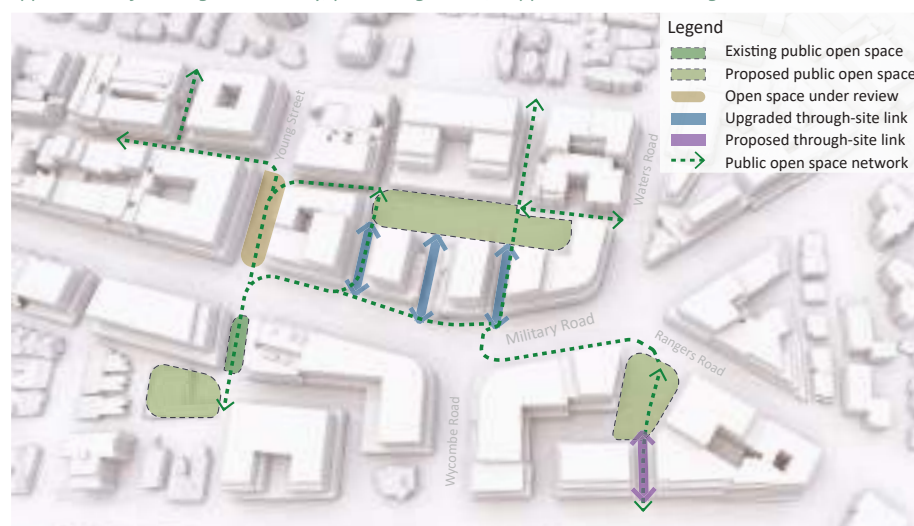


Figure 3-3. Proposed network of public open spaces

Provide new public open spaces

Two new public plazas are proposed:

- Grosvenor Plaza, a 3,000m² public space can be delivered by relocating the existing Grosvenor Lane car park underground
- Rangers Road Plaza, a new 1,000m² public space can be delivered by relocating the supermarket underground.

Feedback from the community suggests both plazas should provide high quality green spaces that support active and passive recreation opportunities including children play areas. Further detail is provided on pages 32-35.

Better-connected and accessible

A finer, coherent network of laneways, arcades and shared streets is proposed to connect the new plazas to Military Road and local streets.

The closure of Grosvenor Lane, between Cooper and Waters Lane, would form a strong east-west pedestrian connection away from Military Road. An open air laneway from Rangers Road Plaza to Yeo Street would provide better visibility, accessibility and amenity than an enclosed arcade.

Pedestrian links must be designed to provide access for all ages and abilities.



Figure 3-4. Artist Impression - looking south along Waters Lane

Widened Waters Lane footpath

Widening the footpath width of Waters Lane can be achieved via a 2.5m building setback along the western side of the laneway. This would create an opportunity for a highly landscaped, north-south connection to the new Grosvenor Plaza.

The mature plane trees along Waters Lane should be preserved.

3.2 LANDSCAPING AND OPEN SPACE

Grosvenor Plaza

Relocating the Grosvenor Lane car park underground would create an opportunity to deliver a new 3,000m² landscaped plaza in the heart of the centre.

The new Grosvenor Plaza should be a versatile, landscaped public open space capable of hosting markets and events. New elements such as a community lawn, play equipment, landscape planting, artworks, bicycle parking, quality paving and street furniture will support a range of day-to-day passive and active recreation.

Built form controls for surrounding redevelopment sites can ensure ample sunlight access to the plaza and active retail edges with new alfresco dining opportunities.

Access to the underground car park must support surrounding local retailers, local businesses and the supermarket, and achieve the placemaking objectives of this study. Pedestrian access to the car park should be situated at the plaza's perimeters. To keep vehicles away from the plaza and Waters Lane, vehicle access to the basement car park must be located on private land.

The natural slope of the land is to be maintained to create seamless connections between existing and future developments, to minimise the use of stairs and maximise deep soil opportunities.

How this will be achieved is discussed in Chapter 6. Further design parameters and principles for the plaza are provided in Chapter 7.



Figure 3-5. Artist's impression of proposed Grosvenor Plaza, looking west towards Grosvenor Lane



Figure 3-6. Long section-elevation through Grosvenor Plaza

Precedents



1

Existing canopy trees retained and new trees



2

Fully pedestrianised - Grosvenor Ln closed



3

'Village green' flexible space for passive recreation, events



4

Adventure playground with sculptural play equipment



5

Active retail frontage with outdoor dining



6

Architecturally designed shelter for outdoor dining and events

3.2 LANDSCAPING AND OPEN SPACE

Key characteristics

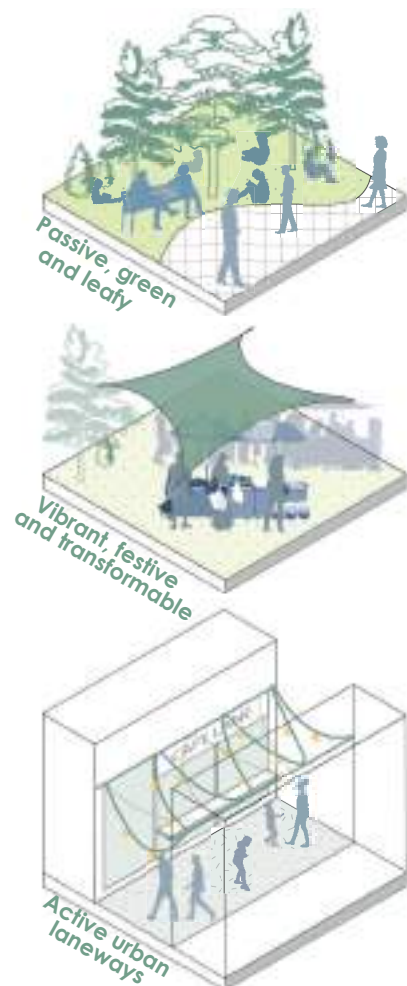


Figure 3-7: Grosvenor Plaza indicative plan subject to further design

3.2 LANDSCAPING AND OPEN SPACE

Rangers Road Plaza

A new 1,000m² public plaza on the southern side of Military Road can be delivered by relocating the current supermarket underground. This would provide much needed open space and expanded retail opportunities to support population growth.

The community strongly supports a playground for young children at this location. The playground should be set back from the street and be well serviced by surrounding cafes and retail. It should include a decorative shade canopy and interactive sculptural play elements, ideally including water play elements to combat summer heat.

Built form controls can support good solar access and active edges along either side of the plaza.

The design includes a 6m through-site link connecting the new plaza to Yeo Street. An open air link would provide better visibility, accessibility and amenity than an enclosed arcade. Pedestrian entries into the supermarket and underground parking are envisaged to be integrated along the plaza's edges to ensure the space is not encumbered by built form structures.

A potential new pedestrian crossing over Military Road that connects the plaza to Waters Road would improve north-south connectivity. Further investigation is needed to resolve implications for traffic signalling on Military Road.

See Chapters 6 and 7 for further details.



Figure 3-8. Artist's impression of Rangers Road Plaza, looking south towards Yeo Lane and Military Lane



Figure 3-9. Elevation of Rangers Road Plaza from Rangers Road

Precedents



1
Extensive and flexible lawn space for passive recreation



2
Seating wall to edge of lawn and playground



3
Interactive water play area with a series of fountains and sprinklers



4
Play space for young children with interactive equipment



5
Decorative shade element with integrated lighting



6
Active retail frontage with outdoor dining

3.2 LANDSCAPING AND OPEN SPACE

Key characteristics

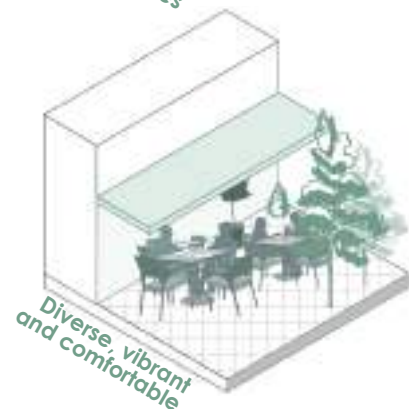
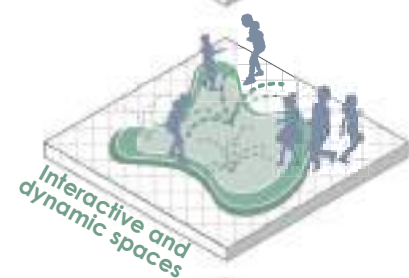


Figure 3-10. Rangers Road Plaza detailed plan

3.3 COMMUNITY LIFE

3 Improve pedestrian amenity, accessibility and safety

Actions to improve pedestrian comfort and connectivity will reduce reliance on private vehicles to access local shops and services, enhance the village atmosphere and support the local economy

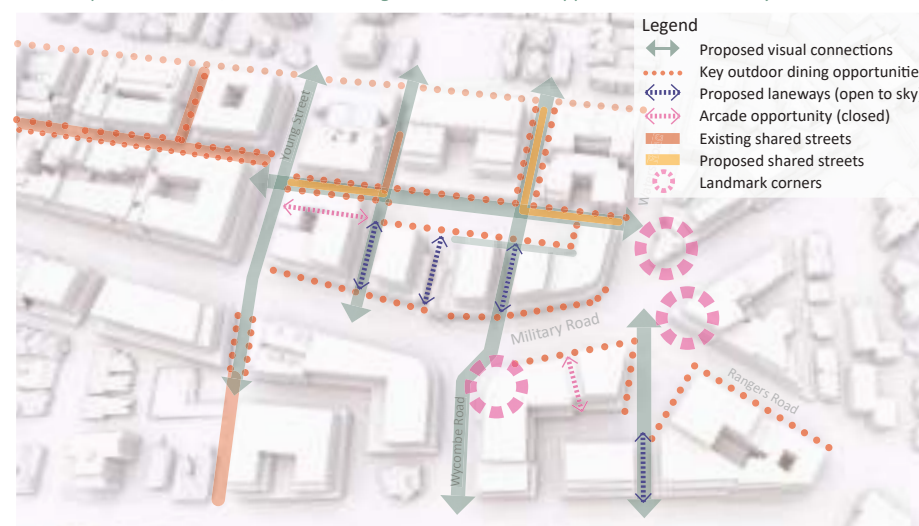


Figure 3-11. Through-site links and visual connections

Enhance street activity and outdoor dining

Additional ground-level setbacks are proposed along Military Road, Waters Lane and the edges of Grosvenor Plaza to widen pedestrian walkways and support more outdoor dining opportunities.

Active frontages are proposed along all main streets and public open spaces. Finer grain land uses such as small businesses, bars, cafes, shops and cultural activities will be encouraged in the ground floor of buildings fronting laneways and new pedestrian links.

Clearer visual connections

Through-site links have been carefully positioned to ensure clear visual connections between public spaces, bus stops and local landmarks within Neutral Bay town centre.

Community centres and new plazas will require clear entrances and exits and visible wayfinding. This will ensure that public spaces within the town centre are more accessible, inclusive and welcoming.



Upgraded paving, street furniture and lighting

To achieve a unified visual expression to the streetscape, improvements such as paving and street furniture to widened streets and shared zones is progressively being undertaken in accordance to Council's public domain style manual and design codes.

Atmospheric lighting of open spaces can create an inviting village atmosphere that supports the local night-time economy.

3.3 COMMUNITY LIFE

4 Upgrade community facilities

Community facilities bring people together to build a strong, connected and resilient community.

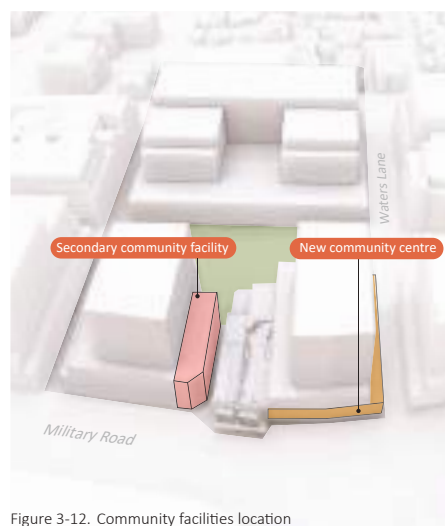


Figure 3-12. Community facilities location

A new Neutral Bay Community Centre

The need to upgrade the existing Neutral Bay community centre has been identified since 2016 (Community Uses on Council Land Study NSC 2016). This study proposes to relocate the community centre to a site nearby, adjacent to the new Waters Lane through site link. The community centre would be a 1,000m² space located on the first floor of the new development at Site 2 (east), with a lobby on the ground floor facing Grosvenor Plaza.

Designed for a strong visual presence along Military Road and Grosvenor Plaza, the lobby,



situated prominently at the corner facing both the plaza and the new laneway, should be visually transparent and inviting, including accessible public toilets.

The community centre's activities can extend to the new Grosvenor Plaza, with a paved open space in front of the lobby providing flexibility for community events and gatherings.

Once relocated, the former community facility can be repurposed as a new 'Creative Hub'.



Figure 3-13. Long section-elevation of Creative Hub laneway



Creative Hub

A new secondary community facility developed as a 'Creative Hub' is proposed on the site of the existing community centre. It will promote a new, creative presence for the town centre through a mix of studio, exhibition and retail spaces for local artists.

In addition to arts and cultural activities, it is envisaged that the Creative Hub will also focus on learning and connectedness. Workshop/classroom spaces could be provided for short tech-related courses and activities for people of all ages.



At this stage, the 'Creative Hub' is unfunded. Further work is needed to identify an optimal solution.

Community Views

Survey respondents indicated that they usually walk to Neutral Bay to shop, dine, have coffee or meet friends. Approximately 60% of respondents identified 'better access' and 'increased comfort for pedestrians' as important issues for the centre.

Military Road is considered a significant barrier that divides the town centre, occasionally creating an unsafe and unpleasant walking experience. There are concerns about potential traffic increases resulting from proposed changes.





ACCESS

04

4.1 ACCESS STRATEGY

Existing transport networks

Walking network

The centre's walking network comprises footpaths, shared zones laneways and arcades. Access to key destinations is relatively easy and logical. Certain streets that are narrow or have disjointed footpaths are being progressively addressed via council's LATM (Local Area Traffic Management) action plan.

There are known concerns about inadequate footpath space near bus stops on Military Road during peak travel hours.

While signalised intersections generally provide safe crossings, limited crossing times on Military Road are a major issue for people with lower mobility. Crossing points along Military Road are limited, with the largest gap being 260m between Wycombe Road and Hampden Avenue, limiting north-south connections across the town centre.

Public transport and cycling network

Neutral Bay town centre is well-served by the bus network, featuring routes running east-west along Military Road. This encompasses B-Line services and other express bus routes connecting Wynyard and the Northern Beaches area, and other local services.

Presently, cycling is accommodated on local roads shared with motor vehicles, as there is no dedicated separated cycleways or off-road paths.

Council is investigating the opportunity of implementing a separated cycleway on Young Street, between Grosvenor Street and Sutherland Street on the north side.

There is a lack of safe crossing facilities connecting the cycleways north and south of Military Road and a lack of dedicated cycleway infrastructure along Military Road.

Car ownership

In 2021, an analysis of household car ownership levels in the Neutral Bay SA2¹ catchment revealed notably lower car ownership rates compared to the Greater Sydney average.

Specifically, 72% of households in Neutral Bay possess only one or no cars, whereas only 25% own two or more. In contrast, across Greater Sydney, 49% of households own one or no cars, and 46% own two or more.

This disparity in car ownership rates in Neutral Bay is likely attributed to enhanced accessibility to frequent public transport and services within the vicinity, thereby reducing the dependence on private vehicles.

1. The SA2 boundary extends much further than the Neutral Bay Town Centre, including the entire suburbs of Neutral Bay and Kurraba Point and Kirribilli, and parts of North Sydney.

Travel patterns and demand

Local workers in Neutral Bay exhibit a strong preference for active transport or public transit in their daily commutes, as highlighted by the 2016 ABS Census.

For the workers that live and work in the Neutral Bay SA2 catchment, 54% of journey to work trips was via walking, cycling or public transport, contrasting with 34% using private vehicles. In comparison, only 37% of Greater Sydney workers choose active transport or public transit, with 58% relying on private vehicles.

For those commuting from outside Neutral Bay, 37% prefer active transport, while 47% use private vehicles. The high level of self-containment, where individuals live and work in the same region, reduces private car use.



4.1 ACCESS STRATEGY

Parking occupancy

A parking occupancy survey was undertaken during both weekday and weekend time periods. The survey identified the following peak periods:

- Weekday (Wednesday): 12pm to 1pm
- Weekend (Saturday): 1pm to 2pm

The overall parking occupancy rate for the study area is at around 70% at weekdays peak periods and 80% at weekend peak periods (Table 4.1).

On the lunchtime Wednesday peak, the northern half of the study area had significantly higher occupancy (227 spaces) than the southern half (102 spaces). Grosvenor Lane car park averages about 73% occupancy, with peak periods of 83% between 11:00am to 2:00pm. Barry Street car park has an average occupancy of 84%, with peak periods between 9:00am to 2:00pm. At 6:00pm, the occupancy at this car park is at its lowest during the surveyed periods at 70%.

During the Saturday peak, the northern half of the study area again was observed to have a significantly higher occupancy than the southern half (226 occupied versus 126 occupied). Parking at Grosvenor Street picked up significantly to being 93% occupied.

On average, the study area presently provides sufficient public car parking. Although peak hours may witness high parking occupancy in certain locations, the results indicate that there will ultimately be adequate parking for visitors (Stantec 2023).

Parking occupancy survey results

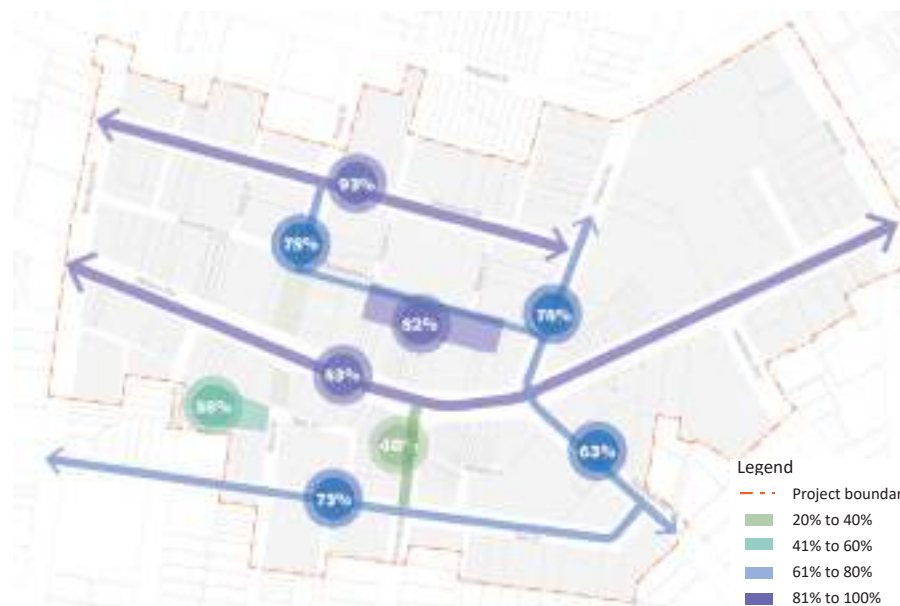


Figure 4-1. Existing public parking occupancy during the weekend peak period (Saturday 1pm to 2pm)

	Weekday Peak (12pm)	Weekday evening peak (6pm)	Weekend Peak (1pm)
Total	329/465 (71%)	288/465 (62%)	392/489 (80%)
North of Military Road	227/282 (81%)	168/282 (60%)	266/306 (87%)
South of Military Road	102/183 (56%)	120/183 (66%)	126/183 (69%)

Table 4-1. Summary of parking occupancy during peak periods

Data from Neutral Bay Traffic and Transport Study (Stantec 2023)



4.1 ACCESS STRATEGY

Neutral Bay Traffic and Transport Study (Stantec 2023) summary of recommendations

Pedestrian safety and amenity



Consider investigating:

- reducing speed limit to 30-40km/h (Grosvenor St and Yeo st)
- 10km/h shared zone (Ben Boyd Ln)
- widening footpaths around B-Line bus stops
- various options for Cooper Lane and Yeo Street to improve pedestrian safety
- traffic calming treatments (various locations)

Cycling



Consider investigating:

- additional bike parking facilities

Public transport



Consider investigating:

- community concerns over lack of capacity on current bus services and liaise with TfNSW

Vehicular and parking



Consider undertaking:

- various treatments relating to Cooper Lane including potential shared zone status, sightlines, vehicle movements and Site 1 loading dock location
- network modelling for proposed pedestrian crossing upgrades along Military Road
- intersection modelling of intersection performance of growth scenario to year 2041 (various locations)
- pre-construction road safety audit of Site 1
- parking wayfinding strategy, on-street car share spaces and parking restrictions

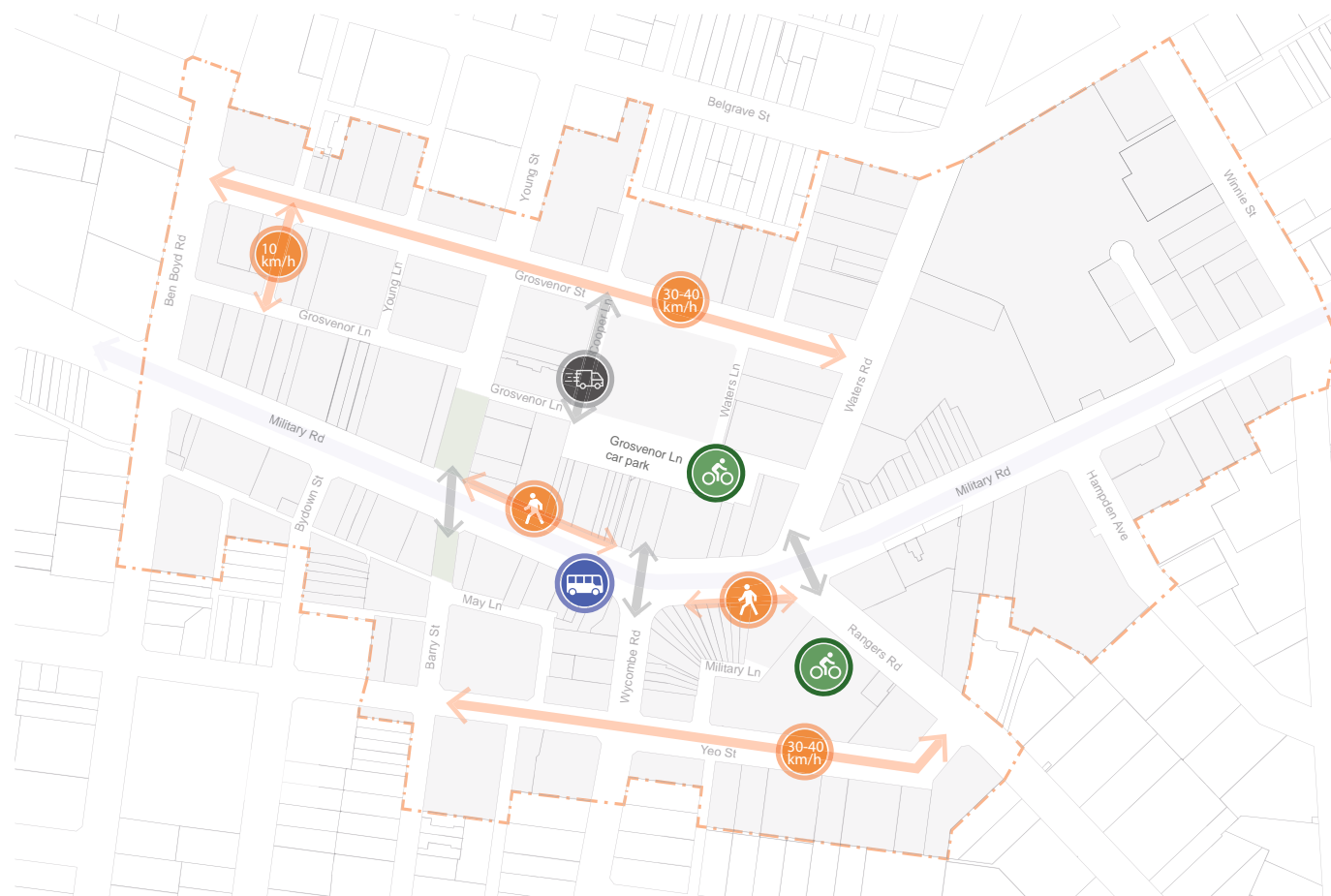


Figure 4-2. Traffic and transport issues and opportunities

4.1 ACCESS STRATEGY

STRATEGIC CONTEXT

30-MINUTE CITY

LOCAL PLANNING PRIORITY P6

Support walkable centres and a connected, vibrant and sustainable North Sydney

- NORTH SYDNEY LSPS (2020)



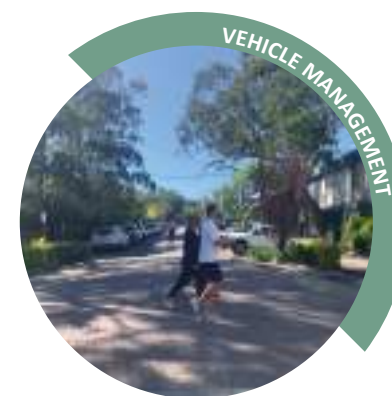
- 1 Improve footpaths, through site links and crossings to provide safe, connected and walkable town centre



- 2 Improve cycling infrastructure and widen footpaths near B-Line bus stops



- 3 Relocate Grosvenor Lane car park underground, retain the number of public car parking spaces and investigate a parking management strategy



- 4 Minimise traffic impacts of future development and improve road safety

4.2 WALKING

1 Encourage walking within the town centre

Creating a safe, connected and pedestrian-friendly environment will encourage people to walk to and around the town centre.

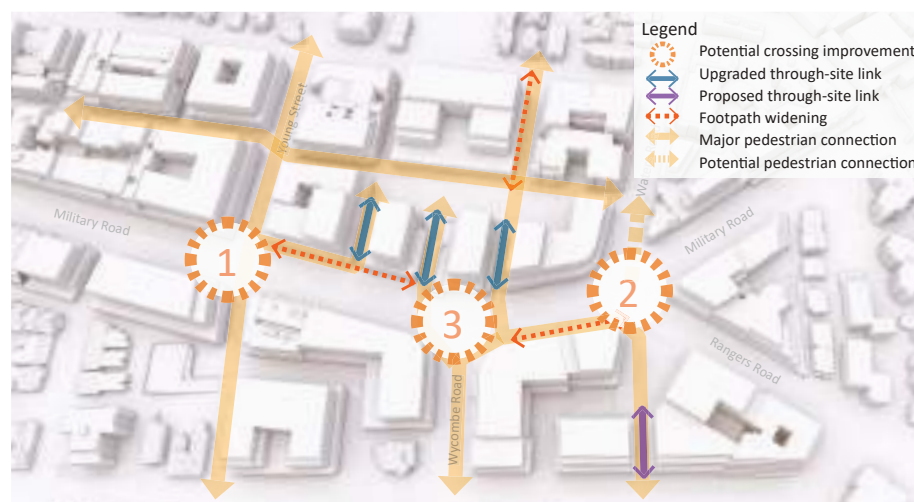


Figure 4-3. Town centre pedestrian connections

Potential crossing improvements on Military Rd

Military Road is a vehicle-dominated corridor that divides the town centre. The following projects have been identified for further investigation:

1. Military Road crossing realignment

Realigning the western pedestrian crossing would provide a more direct connection between Young St and May Gibbs Place for pedestrians and cyclists (SMM 2023)

2. Additional crossing near Rangers Road

A new pedestrian crossing connecting Rangers Road to Waters Road would provide easier access to the new plazas, shops and services on either side of the town centre (SMM 2023)

3. Extended pedestrian crossing signal times

Longer pedestrian crossing signal times would provide more time for pedestrians, particularly of lower mobility, to walk across Military Road (community consultation)

Military Road is a state road. Accordingly, any proposed changes to the road require the approval of TfNSW. TfNSW has identified Military Road as of strategic importance for vehicle thoroughfare, so proposals that potentially affect this function may be challenging. Council places a high priority on improving pedestrian safety and accessibility and will continue to advocate for improvements.



Improving through-site links

To create better connections between Military Road and the new public plazas, the following projects have been identified (SMM 2023):

- expand the centre laneway link near the community centre to 3m
- upgrade the western link in Site 2 (west) to a 6m wide open-air link aligned with Cooper Lane
- improve the eastern link in Site 2 (east) to a 6m wide open-air laneway aligned with the western side of Waters Lane footpath
- introduce a 6m wide new open-air link in Site 3 connecting Rangers Road Plaza to Yeo Street

Widening footpaths

To further improve the amenity of the centre the following footpath widening projects have been identified (SMM 2023):

- a 2.5m whole of building setback along Military Road at the B-Line bus stops to provide extra space for commuters and landscape planting opportunities
- a 2.5m whole of building setback on the western side of Waters Lane to facilitate a landscaped north-south pedestrian connection to the plaza

4.3 CYCLING AND PUBLIC TRANSPORT

2 Encourage cycling and public transport use

Improving active transportation infrastructure can make it easier for people to access the town centre without relying on private vehicles and encourage cycling and walking in a safe context.



Figure 4-4. Cycling and public transportation infrastructure improvements

Cycling improvements

In promoting cycling as a sustainable urban mobility option, the following measures have been identified (Stantec 2023):

- a safe cycleway connection may be investigated along Young Street, that connects the town centre to the Sutherland cycleway to the north, and potentially to Barry Street in the south if the Military Road pedestrian crossing is realigned under strategy 1
- the installation of secure public bicycle parking on Grosvenor Plaza and Rangers Road Plaza

Widening B-Line bus stop areas

As discussed earlier, there are known concerns about inadequate footpath space near bus stops on Military Road during peak travel hours.

To improve the safety and amenity of waiting commuters and other pedestrians passing along Military Road, a 2.5m whole of building setback is proposed along sites fronting the B-Line bus stop, as shown in Figure 4.4.



4.4 ROAD NETWORK AND PARKING

3 Retain public parking spaces and develop a parking strategy

Replacing the current surface-level Grosvenor Lane car park with an underground facility will enhance the town centre. Parking management strategies aim to further reduce the impact of vehicles.

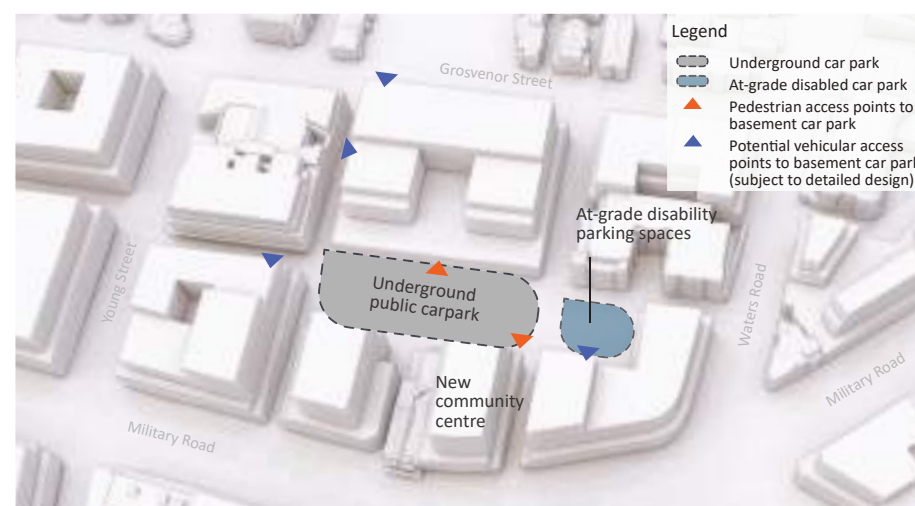


Figure 4-5. Grosvenor Lane underground car park and access points

Preserving public parking availability

The town centre has two council-owned car parks at Grosvenor Lane and Barry Street, offering easy access to local shops and public spaces. On-street parking is available on most local roads and specific segments of Military Road outside of clearway and bus lane hours, with a mix of time restrictions, metered spaces, and residential preferential parking. The study area also provides on-street accessible parking and car-sharing bays.

The Traffic and Transport Study (Stantec 2023) confirms there is a sufficient amount of parking spaces in the centre. The following projects will reduce the volume of vehicles circulating in and around the centre and create more space for people:

1. Grosvenor Lane Car Park

Relocate the existing public car park underground, retaining the number of public car spaces in the new facility



2. Disability parking at grade

Preserve at-grade parking spaces for designated disability parking spots, ensuring easy access to the new community centre

3. Enhancing pedestrian access

Establish clear physical connections around the plaza, facilitating easy pedestrian access between the basement car park and local shops and services

4. Consolidated car park access

The potential location of vehicle entries to the basement car park have been identified in Sites 1 and 2 (figure 4.5)

Parking management strategy

A parking management strategy may include, but is not limited to (Stantec 2023):

- developing a parking wayfinding strategy to improve parking efficiency. Long term, this could include real time variable signage that identifies the number and location of available car parking spaces
- a comprehensive review of parking restrictions across the entire area to increase parking turnover in areas with short stay trip attractors
- identifying the demand and potential opportunities for additional car-share spaces

4.4 ROAD NETWORK AND PARKING

4 Minimise additional traffic impact & improve road safety

A major source of carbon emissions come from transport, and private cars are the biggest contributor. This study aims to minimise additional traffic impact by promoting sustainable transport modes and improving road safety.



Trip generation and traffic impact

A traffic analysis and impact assessment of the proposed growth and public domain upgrades under this study was conducted by Stantec.

Modelling of both residential and non-residential gross floor area (GFA) for the proposed growth scenario under this study indicates that:

- in general, traffic volumes generated from the proposed growth scenario are relatively minor for most intersections, and manageable within the local road network

- during the AM and PM peak, the intersection of Grosvenor Street and Cooper Lane is expected to have the highest increase in vehicular trips due to the future redevelopment of Site 1
- Military Road intersections with Rangers Road, and with Wycombe Road are expected to have a moderate increase in trips in the PM peak due to Site 3



Improve road safety

To address community safety concerns about “rat-running” traffic on Grosvenor Street and Yeo Street, and the anticipated higher pedestrian activity in the centre, the following is recommended (Stantec 2023):

- a review of the speed environment and consideration of reducing speed from 50 km/h to 30-40km/h along Grosvenor St and Yeo St
- investigating opportunities for introducing additional formal crossings along Grosvenor St
- investigating introducing a mid-block formal crossing point along Yeo St near the proposed through-site link

Community Views

The community identified the restaurants, cafes and bars in and around Grosvenor Lane, Grosvenor Street and Young Street as their favourite and most valued spots. The community also highly valued ease of access to a wide variety of shops and services.

Local businesses are keen to see a broader range of specialty retail, restaurants, cafes and rooftop bars open both day and night and enhanced outdoor dining opportunities. Improved public domain, community facilities and shared zones, whilst maintaining customer parking, loading zones and servicing capabilities were also identified.





EMPLOYMENT

05

5.1 EMPLOYMENT STRATEGY

Strategic context



Figure 5-1. Structure plan for the North District, North District Plan 2018

The Neutral Bay town centre is identified as a 'local centre' in the North District Plan (GCC 2018). Local centres are the focal point of neighbourhoods and an important part of a 30-minute city, providing access to essential day-to-day goods and services, social and community infrastructure and public transport interchanges close to where people live. Local centres have an important role in providing local employment, and account for close to 18% of all Greater Sydney jobs.

Key principles for the planning of local centres as outlined in the North District Plan include:

- protect or expand retail and/or commercial floor space
- protect or expand employment opportunities
- support the night-time economy

Planning for a vibrant and safe local centre that enhances the social and recreational needs of communities includes supporting a range of small businesses such as retail, arts and cultural enterprises and events.

Military Road Corridor Economic Baseline Report

In 2018, Council engaged HillPDA to undertake an economic analysis of the Neutral Bay and Cremorne Military Road corridor. A comprehensive floor space audit and survey of 106 local businesses was undertaken in September 2018 to provide an understanding of current economic activity and future market trends and inform the development of an economic strategy for the Neutral Bay town centre.

Neutral Bay Town Centre Economic Analysis

In 2023, Council engaged HillPDA to undertake an updated floor space audit and commercial floor space demand analysis taking into consideration the short-to-long term impacts of Covid-19 on economic activity and future market trends.

The following pages outline the key findings of this study.

5.1 EMPLOYMENT STRATEGY

Commercial floor space supply

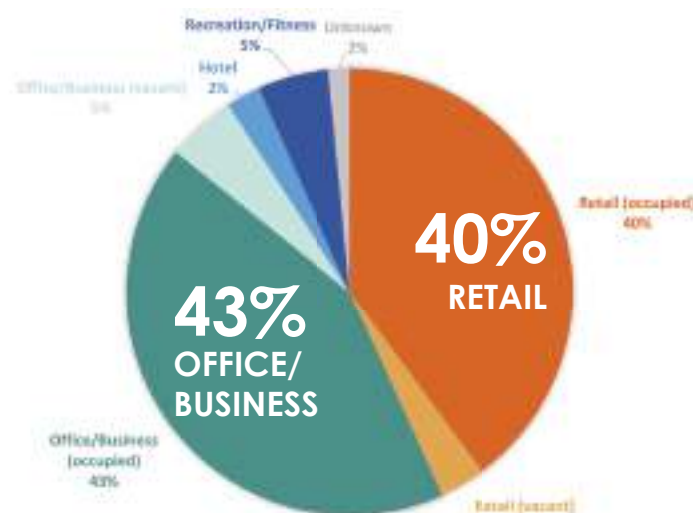


Figure 5-2. Non-residential excludes: residential, utilities, car parks, construction sites and community uses (schools)
Source: HillPDA, Neutral Bay Town Centre Economic Analysis & Feasibility Assessment Report

Retail and office/business premises

The floor space audit conducted by HillPDA in April 2023 identified a total 64,127m² of non-residential floor space within the Neutral Bay town centre. This included 27,704m² of retail floor space and 30,512m² of office/business floor space.

Over 60% of Neutral Bay's retail floor space is occupied by supermarkets, cafes/restaurants, and personal services. There is a high presence of medical and health-related services, real estate and property services, and financial institutions occupying Neutral Bay's office and businesses premises.

Vacancies

An estimated 5,300m² of vacant retail and commercial floor space was identified across the Neutral Bay town centre. The majority of vacant retail floor space was observed at the ground level, less than 80m² in size and located predominantly along Military Road.

Neutral Bay is a market of predominantly sole operators or small-medium size businesses, and floorplates between 120-300m² is considered optimum. However, the majority of observed vacancies were in floorplates around 110m², indicating lower quality product or high rents may be contributing factors to current vacancies.

Economic profile

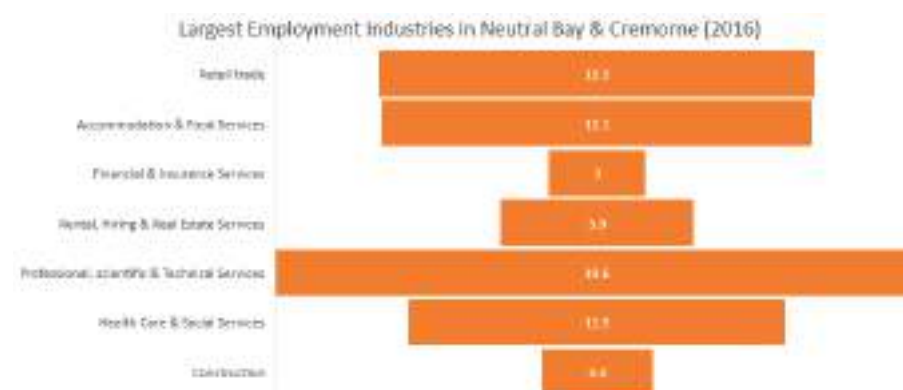


Figure 5-3. Largest employment industries in Neutral Bay & Cremorne 2016
Source: HillPDA, Neutral Bay Town Centre Economic Analysis & Feasibility Assessment Report

Business & employment characteristics

In 2017, Neutral Bay and Cremorne accounted for 9% (1,385) of total registered businesses and 8% (5,405) of total jobs in the North Sydney LGA. Many business owners have indicated their reasons for locating in the area is due to the Centre's established identity, amenity and close proximity to home. A high proportion of workers (38%) live locally, travelling less than 5km from their place of residence.

Whilst a high proportion (46%) of businesses in Neutral Bay are office/business premises related, they comprise only 6.6% of such businesses across the North Sydney LGA. This is largely attributed

to the high number of similar businesses located in the North Sydney CBD. Neutral Bay is an important location for retail businesses, with a total 141 retail businesses (or 13% of the North Sydney LGA's retail businesses) located in Neutral Bay and Cremorne alone.

Neutral Bay's largest employment industries are professional, scientific and technical services, followed by retail trade, accommodation and food services, and health care.

5.1 EMPLOYMENT STRATEGY

Commercial floor space demand & challenges

Retail and office/business premises

Neutral Bay town centre currently supports around **64,000m²** of non-residential floorspace (excluding school, car park, construction sites and utility uses).

Economic analysis indicates that there is current demand for an additional **6,460m²** of both retail (4,960m²) and office/business (1,500m²) floor space (HillPDA 2023). Whilst Neutral Bay contains an adequate supply of personal services retailing, there is sufficient demand for an additional supermarket, bulky goods, restaurants and cafes, and specialty food and non-food retailing, and demand for additional office/business floor space in the professional and technical services, finance, medical and property services sectors.

By 2041, it is estimated demand will increase to an additional **13,450m²** of retail (9,750m²) and of commercial office/business (3,700m²) floor space above existing levels.

Key challenges

A key objective of this study is to ensure the employment function of the Neutral Bay town centre continues to grow and remain competitive over time.

However, theoretical capacity modelling indicates that if all sites within the MU1-Mixed Use zone of the Neutral Bay town centre were developed to their maximum capacity under existing planning controls, it would result in the **loss of 30,000m²** (or 47%) of existing employment generating floor space in the centre. This broadly translates into a **reduction of 1,200 existing local jobs**.

Arresting the ongoing decline of employment generating floor space is critical to ensuring the long-term commercial viability and competitiveness of the Neutral Bay town centre.

If nothing is done, the centre will continue losing local jobs, local businesses and services for the community. This in turn will lead to increased car trips as people travel further for those same jobs and services. In addition, as local workers typically spend around an estimated 15-20% of their annual retail expenditure near their place of work on food, cafes, apparel, giftware and other leisure retailing, the retail function of Neutral Bay may also be impacted over time.

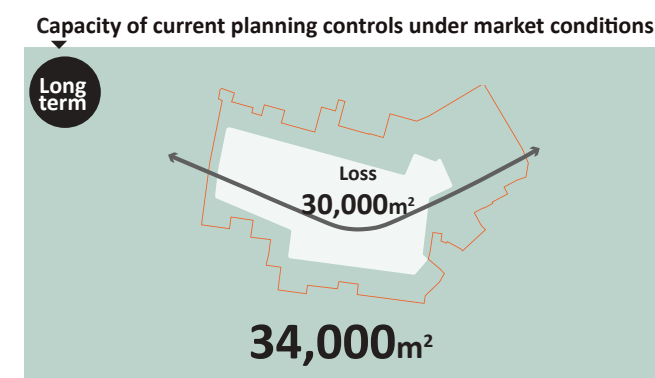
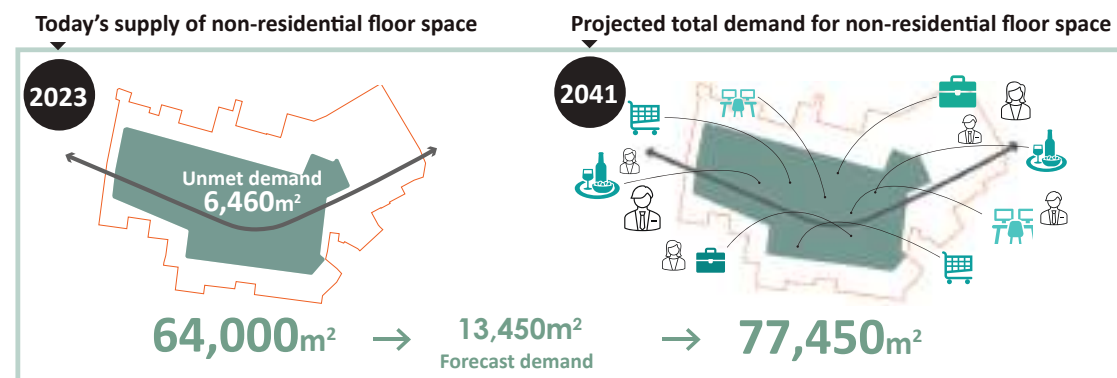
The economic analysis undertaken by HillPDA identifies several additional challenges impacting the overall attractiveness and competitiveness of Neutral Bay. These include:

- lack of public space
- traffic congestion
- access difficulties

This study aims to stop the ongoing loss of existing non-residential floor space. It does not, however, address the forecast demand.

Impact of COVID-19

Neutral Bay has shown signs of post pandemic recovery. HillPDA suggest sectors like accommodation, food services, and retail have rebounded whereas the rise in work-from-home (WFH) practices has led to a slight increase in commercial office vacancies. Local services and in-person offerings are anticipated to thrive in the post-COVID landscape, and the rise in local co-working space, transport and proximity to the city will continue to make Neutral Bay a convenient place to do business in the long term.



5.1 EMPLOYMENT STRATEGY

Strategic context

LOCAL ECONOMY & EMPLOYMENT

LOCAL PLANNING PRIORITY P3

Enhance the commercial amenity and viability of North Sydney's local centres

- NORTH SYDNEY LSPS (2020)



- 1 Protect commercial floor space to meet current and future needs



- 2 Encourage a mix of tenancy sizes and flexible floor plates to support a range of non-residential uses



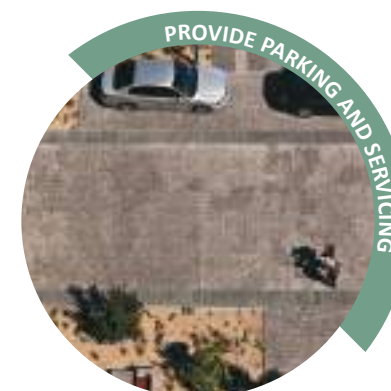
- 3 Enhance the amenity, identity and appeal of Neutral Bay



- 4 Concentrate fine grain specialty retailing and dining opportunities at the ground level



- 5 Continue to support mid-rise density near the centre



- 6 Provide for parking and servicing requirements whilst improving the public domain and pedestrian amenity

5.2 COMMERCIAL FLOOR SPACE SUPPLY

1 Protect commercial floor space

Ensuring sufficient commercial floor space is delivered to meet current and future projected demand will support the economic viability of the centre, jobs close to homes and services for the community.



Figure 5-4. Proposed non-residential FSR controls

Existing non-residential FSR controls

NSLEP 2013 contains a non-residential floor space ratio (FSR) control that applies to all land zoned MU1- Mixed Use. This control specifies the minimum amount of floor space that must be used for non-residential purposes. The intent of this control is to ensure sufficient employment generating floor space is provided to create a viable mixed-use centre.

NSLEP 2013 currently prescribes a non-residential FSR of 0.5:1 throughout the MU1 – Mixed Use zone of the Neutral Bay town centre, which enables the existing predominantly 2-3 storey commercial buildings in the centre to transition to

4-5 storey mixed use developments with a single level of ground floor retail and residential uses above.

As detailed earlier, if nothing is done to amend the planning controls, this will result in a progressive loss of 30,000m² (or 47%) of existing employment generating floor space.



Figure 5-5. Artist's impression looking south along Waters Lane towards Grosvenor Plaza and the proposed community centre

Proposed non-residential FSR controls

Increasing the non-residential floor space ratio (FSR) control throughout the MU1- Mixed Use zone of the Neutral Bay town centre will protect the existing quantum of employment generating floor space. This can be achieved by:

- increasing the non-residential FSR control from 0.5:1 (existing) to 1.2:1 (proposed) across the majority of the MU1 – Mixed Use zone; and
- increasing the non-residential FSR control from 0.5:1 (existing) to 1.5:1 (proposed) on select sites only in the MU1 – Mixed Use zone, where height increases from 5 storeys (existing) to 8 storeys (proposed).

Protecting commercial and retail spaces in a local centre is essential to achieving a sustainable and thriving community. The benefits include:

- maintaining economic vitality
- providing local employment opportunities
- maintaining community character and identity
- offering convenience for residents
- providing social and gathering spaces
- encouraging a walkable and sustainable centre

5.2 COMMERCIAL FLOOR SPACE SUPPLY

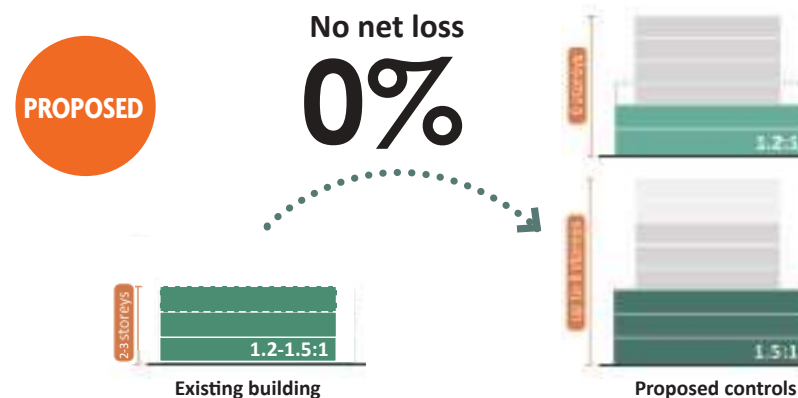
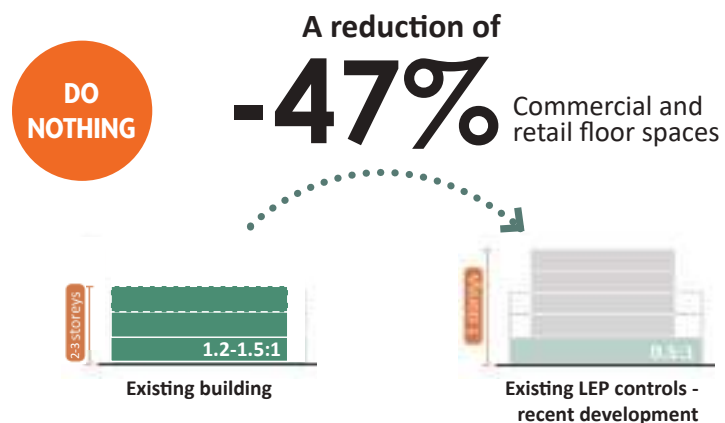
Existing town centre buildings



Recent mixed-use developments



Precedents of future developments



5.3 CENTRE AMENITY AND APPEAL

2 Encourage diversity in uses and tenancy sizes

Encouraging a mix of commercial tenancy sizes and flexible floor plates will encourage a diversity of uses that service different functions, enhance activation and the amenity of the centre.



Office & business

Neutral Bay is attractive to small-to-medium size enterprises of <20 employees. Business survey results indicated enterprises opted for floorplates between 100-250m² and that traditional purpose-built office spaces are increasingly giving way to more flexible options like co-working spaces. These spaces act as a shared workspace for a highly diversified workforce of small businesses, start-ups, freelancers and entrepreneurs, which are generally attracted to small office spaces (<200m²) at affordable rental prices.



Retail

To facilitate a diversity of retail uses and create an active dining and entertainment precinct both day and night, it is important to enable flexibility and diversity in floor space provision. Business survey results indicated that the optimal floorplate for retail in Neutral Bay is between 50-100m².

3 Improve centre amenity & appeal

Enhancing the amenity, identity and desirability of Neutral Bay through public domain upgrades and an improved pedestrian experience will increase centre visitation and attract further investment.



Public domain upgrades

Integrating additional street trees, a uniform public domain palette and delivering attractive, green public open space for markets, events, passive relaxation and socialising will enhance the amenity and appeal of the centre. Where public spaces are delivered, ground floor active uses should be encouraged.

Local character

Encouraging development to maintain heritage or older facades where they are an identifiable feature of the centre will enhance the identity of the centre.



Through site links

Enhancing the legibility and pedestrian movement capacity within the centre will improve convenience and enhance the appeal of the centre. Business survey results indicated pedestrian accessibility in the centre was average with limited lines of sight from Military Road to the retail and commercial uses behind. Encouraging wide, open-to-sky through-site connections to enhance sight lines will create an activated and accessible centre.

5.3 CENTRE AMENITY AND APPEAL

4 Encourage centre activity

Encouraging active uses at the ground level will increase the vibrancy of the centre and optimise the feeling of safety, particularly at night. This can attract further local businesses to locate in the area.



Active street frontages

Land uses that have higher levels of customer interaction, such as fine grain retail and dining, at the ground level will be encouraged along main pedestrian thoroughfares with strong amenity and along secondary streets and laneways. More passive uses that do not generate active trade should be encouraged to locate above ground level or along main road corridors, such as along Military Road.



Community facilities

The provision of community facilities such as meeting rooms, events spaces and childcare facilities can contribute significantly to strengthening the appeal of the centre as an office location, with more convenient family services for workers and families available. Community facilities should be delivered in a central location that can be easily accessed.

5 Density near the centre

There are economic benefits to enabling residential and commercial densities within a walkable catchment of the centre.



Centre performance is intrinsically linked to the density of the trade catchment. Residential and commercial density of the walkable catchment can enhance the patronage of retail and thereby extend centre activation. Diverse, mid-rise and affordable housing options that cater to a broad demographic will continue to be provided within the walking catchment under existing planning controls.

6 Parking and servicing

Parking, servicing and delivery needs will be accommodated whilst enhancing the pedestrian amenity and activation of the centre.



Designated servicing and delivery areas will be provided for the daily operation of businesses and provided in locations that reduce impacts to the public realm.

New development will continue to incorporate designated spaces for off-street parking, servicing and delivery.

Community Views

Within the context of Neutral Bay town centre, the community values a balanced development height and the provision of additional public spaces and facilities to cultivate a lively local atmosphere while preserving the existing character and identity.

The proposed built form controls in this chapter are designed to achieve an appropriate scale for new development, foster a harmonious relationship between built structures and the public realm, maintain a high standard of urban design and amenity, and unlock opportunities for enhancing public spaces and community facilities within the town centre.





BUILT FORM

06

6.1 BUILT FORM STRATEGY

Existing built form context

In the early 1870s, a track was established along the ridge from North Sydney to supply the newly-installed fortifications at Middle Head, gradually leading to the emergence of shops and businesses around Military Road.

Today, Neutral Bay is a vibrant hub with a mix of businesses, retail, offices and residential developments. The majority of the study area along the Military Road corridor is zoned MU1 - Mixed Use (NSLEP2013) which enables residential development above ground floor retail. The edge of the study area transitions to high and medium-density residential zones on the periphery, with pockets of land zoned SP2 - Special Uses.

Neutral Bay contains heritage-listed items along Military Road and Yeo Street, together with iconic facades on Military Road and Wycombe Road, which contribute to the local character of the centre.

The current maximum height of buildings in the mixed-use zone is 16m, which equates to 4-5 storeys. Outside the town centre study boundary, there are some taller residential buildings of up to 16 storeys. These buildings were constructed in the 1960s and 1970s and significantly exceed the current residential height limit, which is generally 12m or 3-4 storeys.

Current planning controls require 1.5m setbacks at ground level along laneways and sections of Military Road, Grosvenor Street, and Rangers Road to enhance pedestrian amenity and infrastructure. However, these setbacks are often interrupted or constrained due to site limitations.

Key challenges

Planning and built form controls, encompassing land use zoning, height regulations, and setbacks, serve a crucial role in defining a town centre's character, managing development intensity, and establishing an appealing built form.

Critically, for Neutral Bay, any uplift in building capacity via increased building heights can be supported by public benefits identified in the placemaking strategy outlined in Chapter 3.

A key objective of this study is to strike a balance between maximum building heights and the provision of public benefits that gains a better level of community support compared to the rescinded 2021 Planning Study.

The Neutral Bay town centre is currently experiencing strong development interest. Without an endorsed planning study, landowners and proponents will continue to submit

ad-hoc planning proposals that seek amendments for additional height and density via the NSW Government. This approach carries an inherent risk of undermining the desired future outcomes for the centre including:

- limited commercial uses at podium levels
- height exceeding agreed height limits
- insufficient and inconsistent setbacks
- built form challenging heritage values
- inadequate transition to the residential area
- built forms causing substantial shadow impacts on public open spaces and residential areas
- lack of site permeability
- missed opportunities to deliver public benefits

To mitigate these risks, this study establishes a framework to guide development built form and ensure that future developments better align with the needs and expectations of the community.



6.1 BUILT FORM STRATEGY

BUILT FORM STRATEGY

A CITY OF GREAT PLACES

LOCAL PLANNING PRIORITY L3

Create great places that recognise & preserve North Sydney's distinct local character & heritage

- NORTH SYDNEY LSPS (2020)



- 1 Preserve the mid-rise built form and protect the existing retail/commercial capacity



- 2 Strategically identify additional height and density to deliver public benefits



- 3 Encourage high-quality building design to enrich the experience of the Neutral Bay town centre



- 4 Require sensitive height transitions to protect solar access to public open spaces and residential areas



- 5 Ensure a human-scaled streetscape to enhance the village atmosphere



- 6 Enhance the much-loved heritage character with built form controls

6.2 BUILDING HEIGHT AND DESIGN

1 Preserve local centre mid-rise built form

Achieving a dominant typology of mid-rise 6-storey mixed-use buildings throughout the town centre will ensure new infill development supports the existing fine-grained character of Neutral Bay whilst protecting local retail and commercial capacity.



6 storeys in the majority of the centre

The maximum building height in the majority of the mixed use zone is proposed to be increased from the existing 5 storeys to 6 storeys.

The proposed 6 storey building height is a mid-rise built form. Thoughtful built form controls can ensure that mid-rise buildings offer human-scaled designs, promoting urban density with increased economic activity, and maximising solar access to new public open spaces.

Protect existing retail/commercial offers

To preserve the existing commercial capacity of Neutral Bay that supports local jobs and businesses, the additional level is to accommodate new commercial space in the podium. This will be secured via a proposed increase to the non-residential floor space ratio (FSR).



Figure 6-1. The 5-6 storeys development at 9 Rangers Road, Neutral Bay

6.2 BUILDING HEIGHT AND DESIGN



Figure 6-2. Aerial of indicative proposed town centre built form

6.2 BUILDING HEIGHT AND DESIGN

2 Strategically allocate additional height and density

Permitting additional height on well-sized and highly accessible locations, can deliver some public benefits that support the placemaking objectives for Neutral Bay.



Key sites to deliver public benefits

Key sites have been identified for a proposed height increase of up to 8 storeys (Figure 6.3). A higher building typology at these locations will create a distinctive and varied urban form within the centre. Good separation between the 8-storey buildings will avoid any "street wall" or feeling of overbearing.

The additional height over the existing LEP height limit will only be considered in conjunction with the delivery of identified public benefits, including but not limited to larger setbacks, through-site links, public open spaces and community facilities,

along with demonstrated design excellence.

The key sites were chosen, based on:

- their location at the core of the town centre
- proximity to main bus stops (B-Line)
- a direct interface with future plaza spaces
- avoidance of potential site isolation issues
- limited shadow impact on residential areas
- size that supports an appropriate urban form

Detailed urban design objectives, proposed planning controls and supporting public benefits are outlined in Chapter 7 and should be referenced when preparing a planning proposal.



Figure 6-3. Aerial of indicative proposed development envelope at key sites

6.2 BUILDING HEIGHT AND DESIGN

3 Encourage high quality design

Encouraging award-winning architectural designs will deliver high-quality mixed-use developments that gain greater community support for higher density urban renewal.



Design excellence

All new developments are expected to meet a high standard of architectural design to enhance the experience of the Neutral Bay town centre. 'Design excellence' is established as a central urban design principle for future developments in the centre.

North Sydney Council actively promotes high quality urban design and sustainability in the North Sydney local government area. Independent advice is sought from the North Sydney Design Excellence Panel and will be required for all redevelopments resulting in this study.

In the pursuit of design excellence, proponents are encouraged to engage architectural firms with a proven track record in designing high-quality buildings. The objective is to prepare design solutions that:

- demonstrate a high level of design excellence in accordance with criteria established in the NSLEP 2013, NSDCP 2013, Apartment Design Guide and Neutral Bay Town Centre Planning

Study

- deliver public benefits consistent with the goals outlined in Neutral Bay Town Centre Planning Study, and
- provide high quality materials and finishes

6.3 SOLAR ACCESS

4 Provide height transition and protect solar access

Developing detailed built-form controls that address the relationship and response to surrounding residential areas and public open spaces, including considerations for solar access.

Public open spaces

A key outcome of this study is the creation of new plazas and an overall net increase in the public domain. These public spaces are expected to be intensively used by the community and visitors. Protecting the quality and amenity of the spaces is essential to the vibrancy of the town centre.

Proposed built form controls will ensure these open spaces receive adequate solar access and maintain a comfortably-scaled interface with surrounding buildings.

Residential areas

Neutral Bay town centre is adjacent to residential neighbourhoods, necessitating a built form transition that minimises the impact on nearby residential properties, such as adverse overshadowing or excessive building bulk. This transition will also help establish a defined edge to the town centre.

In addition to the proposed height transition, upper-level setbacks are proposed at the interface of zoning changes.

Legend

- Shadow within the plaza area
- Grosvenor Plaza

Grosvenor Plaza - with proposed built form



Note: the solar access levels to the plaza with the existing LEP/DCP built form is 24% at 10am, 46% at 12pm and 43% at 2pm at mid-winter.

Legend

- Shadow within the plaza area
- Rangers Road Plaza

Rangers Road Plaza - with proposed built form

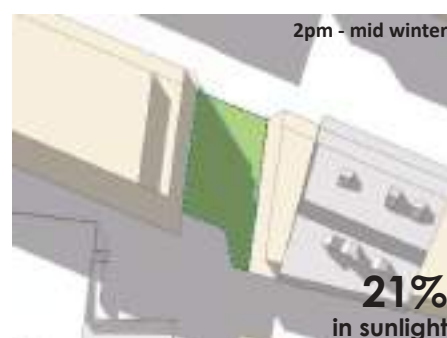
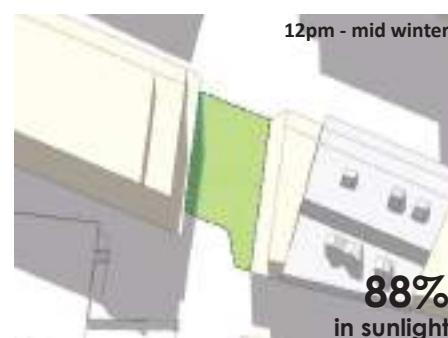
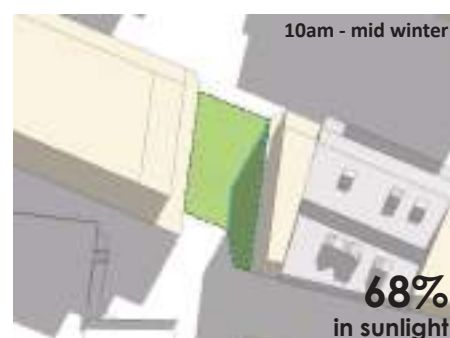


6.3 SOLAR ACCESS

Legend

- Shadow within the plaza area
- May Gibbs Place

May Gibbs Place - with proposed built form



Legend

- Shadow cast by the proposed built form
- Buildings with shadow impacts

Yeo Street residential buildings - with proposed built form



Grosvenor Plaza

Grosvenor Plaza can receive a significant amount of solar access with the proposed built form, particularly between 11am and 2pm in mid-winter. Built form transitions can enhance solar access at Grosvenor Plaza by approximately 10% during each hour between 10am and 2pm in mid-winter in comparison to 5-storey buildings permissible under the current planning controls.

Rangers Road Plaza

Rangers Road Plaza can receive excellent solar access with the proposed plaza shape and location, especially between 9.30am to 1.30pm at mid-winter.

May Gibbs Place

May Gibbs Place can receive excellent solar access with the proposed adjacent built form, especially between 9.30am to 1.30pm at mid-winter.

Yeo Street residential buildings

With upper-level setbacks, the proposed height increase will not create a net increase in shadow impact on the residential buildings along Yeo Street compared to the existing planning controls. The shadow analysis illustrates that the extent and duration of the shadows cast on the residential buildings along Yeo Street is limited, and can still achieve ADG and DCP residential solar amenity requirements.

6.4 LOCAL CHARACTER AND HERITAGE

5 Ensure human-scaled streetscape

Creating a positive street level environment that reinforces the village atmosphere can be achieved through a built form that maintains a human scale and supports street activity.

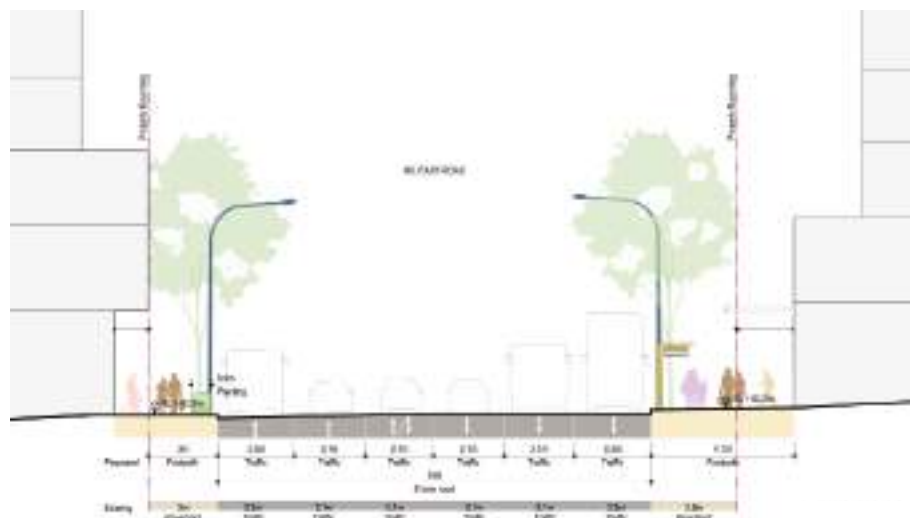


Figure 6-4. Proposed footpath widening- typical Military Road section

Podium height

3 storey podiums will continue to be encouraged along Military Road and most blocks on the northern side of the town centre. Additional requirements will be in place to preserve heritage-valued frontages.

In the mixed-use area, 2 storey podiums will remain mandatory in laneways and may also be required around public open spaces and near heritage buildings.

Building setbacks

New whole of building and ground level setback requirements are proposed to accommodate street trees, kerbside plantings, and outdoor dining areas while improving pedestrian amenity.

Proposed setback requirements have regard to:

- enhanced walkability
- outdoor dining and public spaces
- street trees and greenery
- pedestrian safety
- town centre visual appeal
- business opportunities



Above podium setbacks

Above podium setbacks achieve several positive outcomes. They enhance views between buildings and reduce the appearance of taller buildings from the street to foster a more human-scaled streetscape. They also minimise any wind or solar impacts to public open spaces and residential areas, enhance heritage buildings and promote better internal ventilation.

A 3m above podium setback to the street and laneways is proposed for the majority of centre. Larger setbacks are proposed to protect solar access to Grosvenor Plaza and to heritage facades.

Street activity

Neutral Bay town centre is known for its vibrant street activity. The proposed active frontage requirements will expand opportunities for street activation and further enrich the local retail atmosphere. Key planning recommendations are:

- create active frontages along main pedestrian thoroughfares and around public open spaces
- design active frontages with engaging and permeable facades
- ensure a mix of retail offers at ground level to infuse life into the streets

6.4 LOCAL CHARACTER AND HERITAGE

6 Enhance heritage character

Enhancing the heritage character of the town centre can be achieved through built form controls.

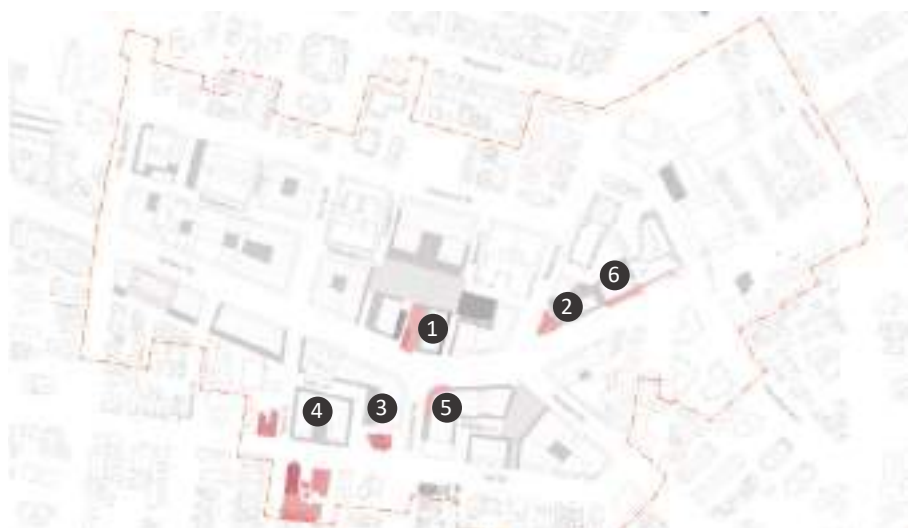


Figure 6-5. Proposed heritage protection controls

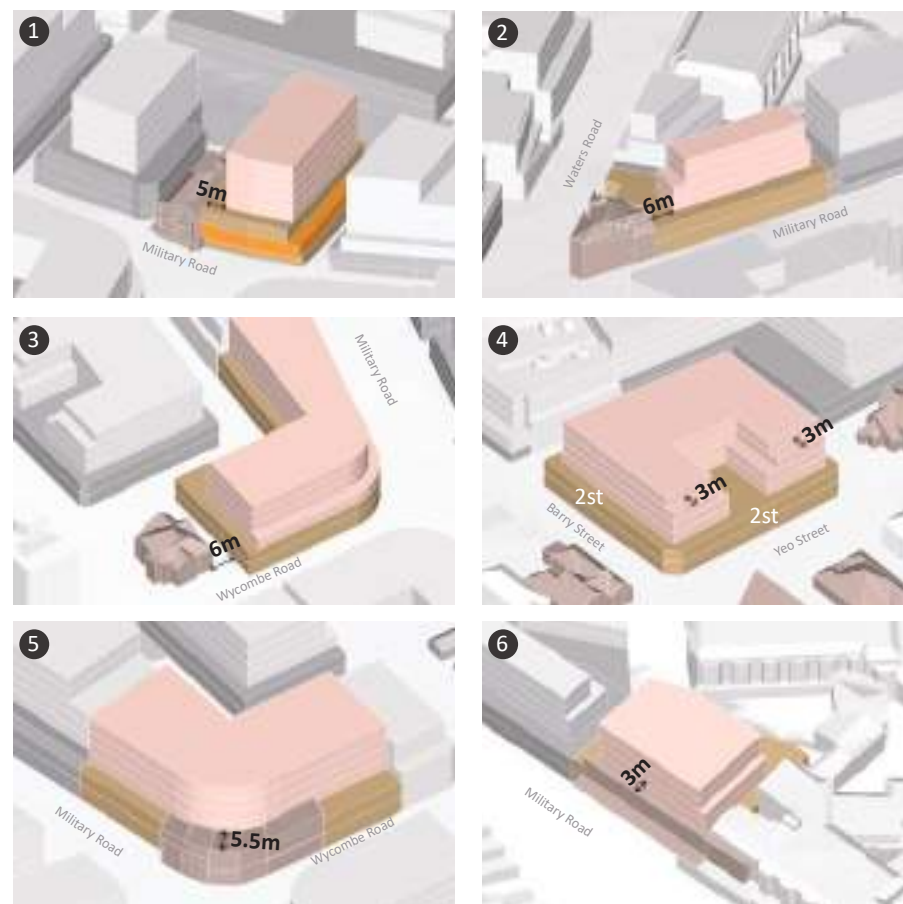
Built form controls are proposed to provide a respectful response to the heritage listed items and other iconic facades along Military Road that contribute to the local character of the centre.

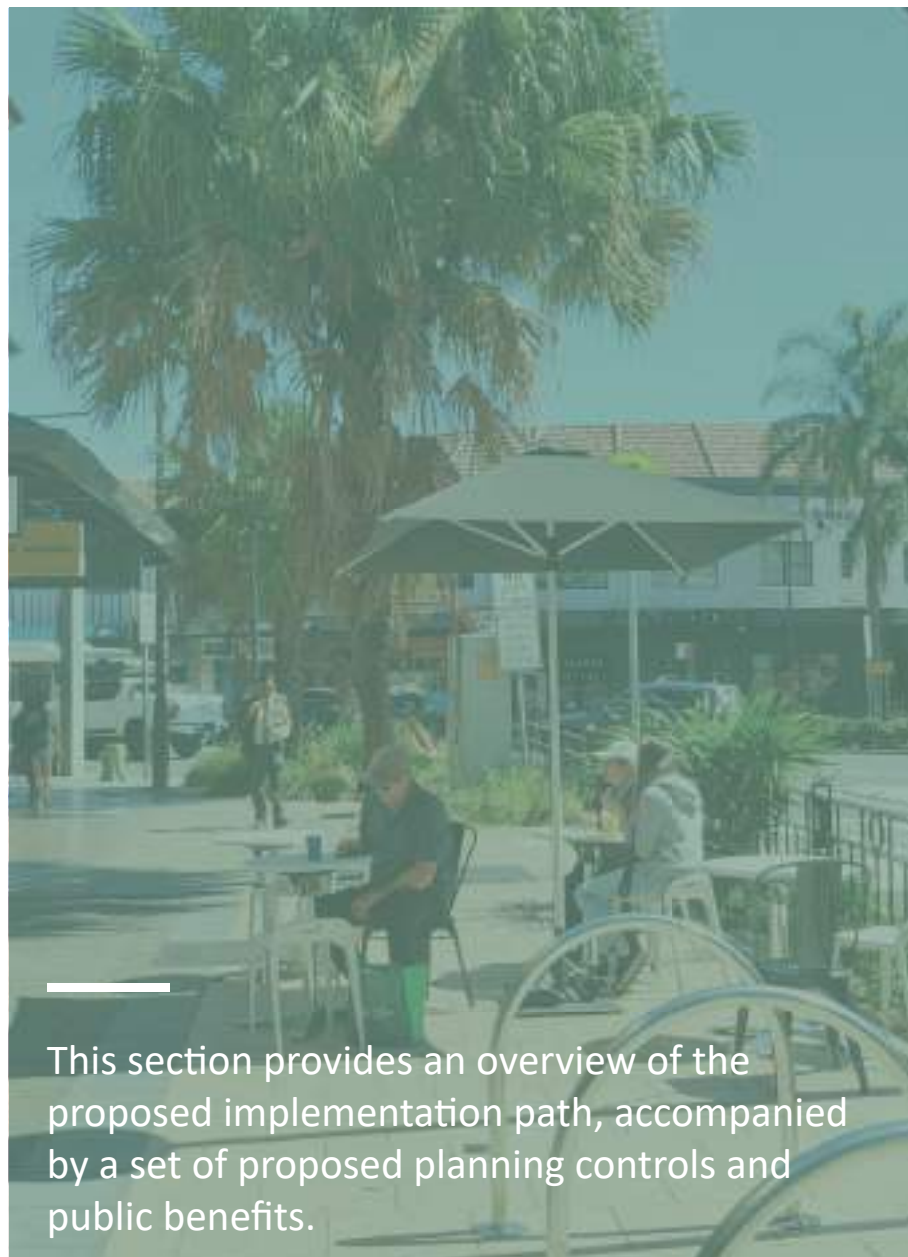
The proposed built form controls include:

1. a 5m above podium setback along the western side of 198 Military Road
2. a 6m above podium setback along the western side of 230 Military Road
3. a 6m whole of building setback along the southern side of 146 Wycombe Road
4. a 2 storey podium height for all the street/

laneway frontages at 40 Yeo Street, and an additional 3m top level setback along the southern side of 40 Yeo Street

5. retaining the heritage-valued facade at 165-169 Wycombe Road and 175-177 Military Road, with a 5.5m above podium setback for any building additions to have an aligned upper-level frontage along Military Road
6. retaining the heritage-valued facade at 246-258 Military Road, with a 3m above podium setback for any building additions to have a consistent street frontage with the adjacent building at 260-270 Military Road







WAY FORWARD

07

7.1 THE PLANNING PROCESS

Overview

The Neutral Bay Planning Study is the long-term strategic plan for the town centre. It presents a vision, design principles and a framework for future built form and much needed community facilities and public domain outcomes.

To implement the recommendations contained in the study requires amendments to the planning controls that apply to the centre:

- North Sydney Local Environmental Plan 2013
- North Sydney Development Control Plan 2013

Council will consider an amendment to NSLEP 2013 aimed at protecting the capacity of Neutral Bay to support local jobs and businesses; and an amendment to NSDCP 2013 that provides greater design guidance to the built form.

Proposed changes to the planning controls that apply to Sites 1, 2, 3 may be initiated by the landowners via a planning proposal that is supported by a planning agreement to deliver the public benefits outlined in the study.

Amending the planning controls

Planning proposals

Following the finalisation of this planning study, an amendment to the NSLEP 2013 (often referred to as a planning proposal or PP) aimed at protecting local jobs and businesses will be put to Council for consideration.

The amendment would apply to the majority of mixed-use land in the Neutral Bay town centre.

The amendment would include:

- increasing the minimum non-residential FSR from 0.5:1 to 1.2:1
- increasing the maximum building height from 5 storeys to 6 storeys
- solar protection controls (if not included in design guidance)

It will not include Sites 1, 2 and 3 as these will be progressed separately.

Design guidance

An amendment to the design guidance contained in the NSDCP 2013 aimed at protecting the vibrancy and village atmosphere of Neutral Bay town centre will also be put to Council for consideration.

This amendment would apply to majority of mixed-use land in the Neutral Bay town centre.

The design guidance would include:

- solar access (if not included in a planning proposal)
- ground level and whole of building setbacks
- active frontages
- podium heights
- above podium setbacks
- through site links

Sites 1, 2 and 3

Separate amendments to the NSLEP 2013 for Sites 1, 2 and 3 aimed at delivering the public benefits, employment, access and built form objectives of this study are expected to be progressed by the landowners.

The amendments would include:

- increasing the minimum non-residential FSR from 0.5:1 to 1.5:1
- amending the maximum building height that applies to the land from 5 storeys to a combination of between 2-8 storeys

Amendments to these sites may be supported by proposals to also amend the NSDCP 2013 as further design work is undertaken for each site; and a planning agreement to deliver new public space and/or community infrastructure identified in this study.

7.1 THE PLANNING PROCESS

Supporting infrastructure

Planning agreements (VPAs)

A driving principle of the study is that targeted development opportunities should only be pursued if much needed public benefits are provided to meet the community's needs. These benefits are in addition to what would normally be required by a new development, such as design excellence and local infrastructure contributions.

Accordingly, for Sites 1, 2 and 3, a proposed amendment to NSLEP 2013 should be accompanied by a draft voluntary planning agreement (VPA) which sets out any public benefits proposed to be delivered in accordance with Council's [Voluntary Planning Agreements \(VPAs\) Policy](#).

Under the *Environmental, Planning and Assessment Act 1979*, a public benefit can be a monetary contribution, dedication of land or an in-kind contribution (a material public benefit as negotiated with Council).

Local infrastructure contributions

Local infrastructure contributions (also referred to as developer contributions), are charged when new development occurs. It applies to all development that increases the resident or worker population and exceeds \$100,000 in construction costs.

Council's [Local Infrastructure Contributions Plan 2020](#) outlines how the levy will be spent.

For Neutral Bay, the plan identifies public domain facilities including:

- landscaping
- amenities buildings
- playgrounds
- seating
- footpath paving
- street tree planting
- street lighting
- through site link upgrade
- shared pedestrian paths
- cycleways

Housing and productivity contribution

The Housing and Productivity Contribution is a state levy that applies to development applications for new residential, commercial, retail and industrial development.

Contributions are to fund state infrastructure such as schools, hospitals, major roads, public transport infrastructure and regional open space.

B-Line funding

Transport for NSW completed the B-Line program in Neutral Bay in 2019. This included upgrades to the road corridor and implementation of bus priority measures to improve the reliability of bus services in the area.

Additional state government funding was provided to help mitigate the impact of the B-Line on pedestrian amenity. Works included Young St closure (under review), local traffic improvements, paving, landscaping and street furnishings.

Future community involvement

Community feedback is critical at all stages of the planning process.

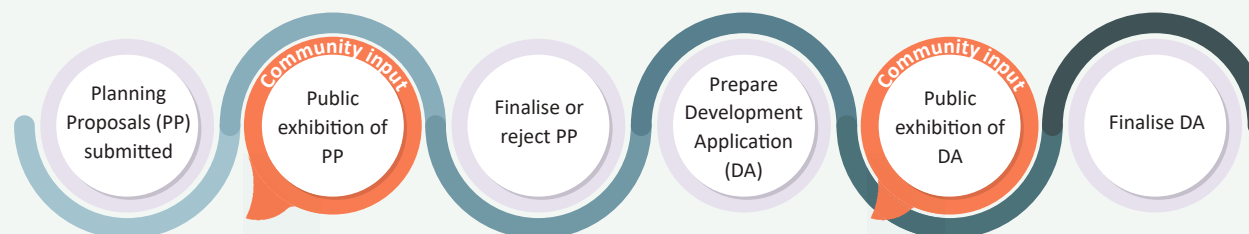
Further opportunities to comment on proposals for Neutral Bay are available via the public exhibition of amendments to the NSLEP 2013 and NSDCP 2013, draft voluntary planning agreements and development applications.

All feedback received from the community is carefully considered by Council staff and reported to Council meetings with any recommended changes to the proposals.

Visit [Your Say North Sydney](#) to find out more.

Planning Proposal & Development Application

Opportunities for community input



7.2 AMENDING THE PLANNING CONTROLS

Floor space ratio

Increasing the minimum non-residential floor space ratio (FSR) control throughout the MU1-Mixed Use zone of the Neutral Bay town centre will protect the existing quantum of employment generating floorspace.

Actions

- A1. Council-led PP to increase the non-residential FSR control from 0.5:1 (existing) to 1.2:1 (proposed) across the majority of the MU1 – Mixed Use zone, with a corresponding increase in height from 5 storeys (existing) to 6 storeys (proposed) to facilitate an additional level of commercial uses whilst not resulting in an overall negative impact on development feasibility.
- A2. Landowner-led PP to increase the non-residential FSR control from 0.5:1 (existing) to 1.5:1 (proposed) on select sites only in the MU1 – Mixed Use zone, where height increases from 5 storeys (existing) to 8 storeys (proposed) have been identified as suitable to deliver additional commercial floorspace as well as identified public benefits.
- A3. Non-residential floorspace provided below the ground level to be excluded from the above non-residential FSR control calculations unless for a specified purpose such as a supermarket.



Figure 7-1. Proposed non-residential FSR

7.2 AMENDING THE PLANNING CONTROLS

Building heights

Increasing the maximum building height throughout the MU1-Mixed Use zone of the Neutral Bay town centre will preserve existing retail and commercial offerings, encourage renewal of older sites and fund public domain and social infrastructure improvements.

The proposed heights aim to achieve an appropriate scale to Military Road, transition to surrounding residential neighbourhoods, protect solar access to key areas and maintain the character of surrounding heritage buildings.

Actions

- A4. Council-led PP to increase the maximum building height from 16 metres (5 storeys existing) to 21 metres (6 storeys proposed) across the majority of the MU1-Mixed Use zone.
- A5. Landowner-led PP to increase the maximum building height from 16 metres (5 storeys existing) to up to 21-28 metres (6-8 storeys proposed) across select sites. Southern portion of Site 1 to be a maximum of 9 metres (2 storeys proposed) to protect sunlight to the future Grosvenor Plaza.

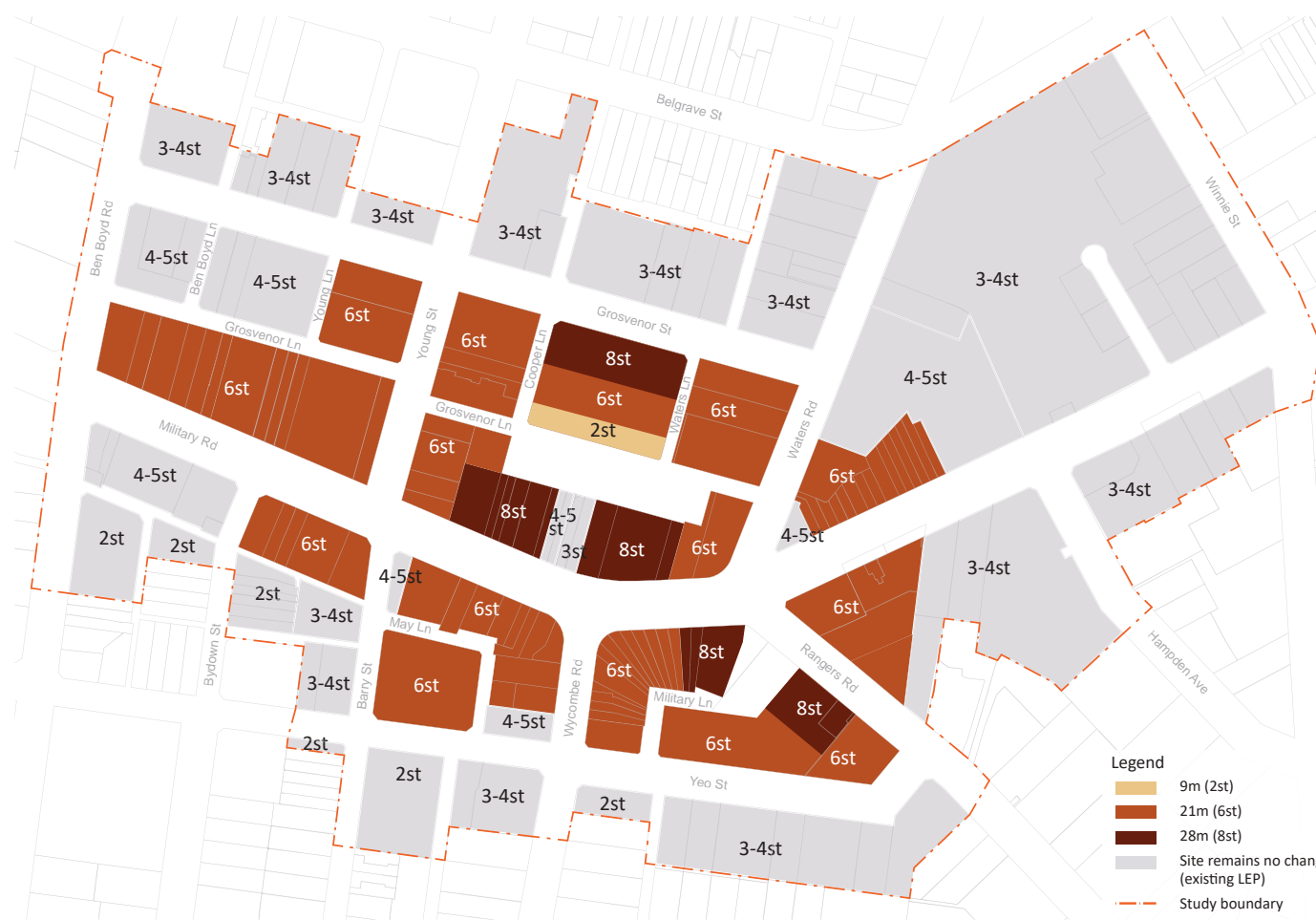


Figure 7-2. Proposed building heights

7.2 AMENDING THE PLANNING CONTROLS

Solar access

Solar access is an important consideration in determining an appropriate level of density in the town centre. New buildings should be sited, orientated and configured to receive adequate solar access and natural light, while minimising overshadowing impacts to neighboring properties and public open spaces.

Solar access controls will ensure that new buildings do not cause a significant net loss in solar access to these spaces compared to the existing 5 storey height limit.

Areas requiring solar protection are:

- Grosvenor Plaza
- Rangers Road Plaza
- May Gibbs Place
- residential properties along Yeo Street

Action

A6. Amend the planning controls to ensure all future developments achieve the solar access requirements (see following page).

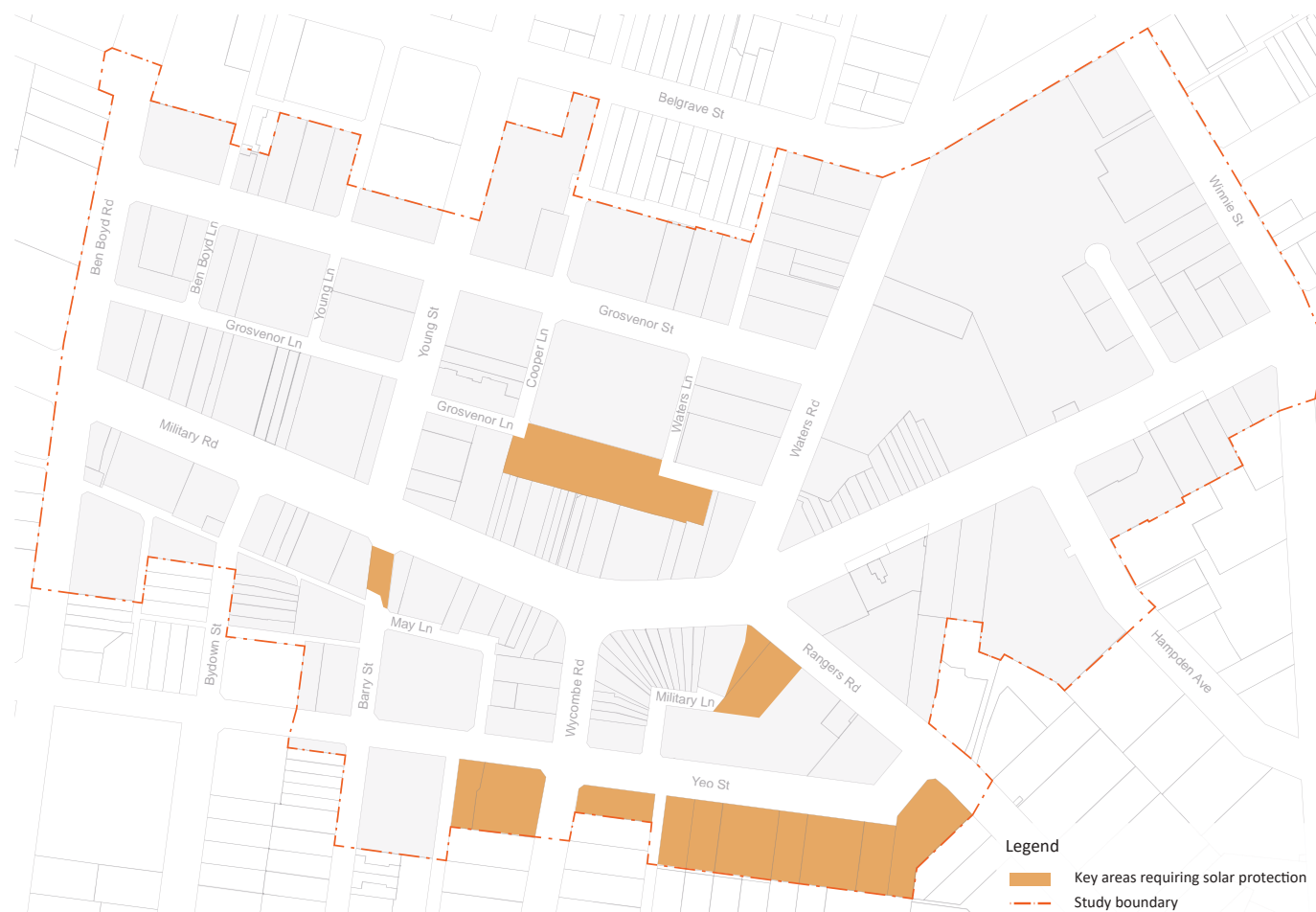


Figure 7-3. Proposed solar protection sites

7.2 AMENDING THE PLANNING CONTROLS

Solar access requirements

Grosvenor Plaza

- retain solar access to a minimum 50% of the site area of Grosvenor Plaza from 11am to 2pm mid-winter June 21
- must not create any overshadowing in the areas of Grosvenor Plaza marked 'no overshadowing' between 12pm and 2pm mid-winter June 21

Rangers Road Plaza

- provide solar access to a minimum 50% of the site area of Rangers Rd Plaza from 10am to 1pm mid-winter June 21

May Gibbs Place

- retain solar access to a minimum 50% of the site area of May Gibbs Place from 10am to 1pm mid-winter June 21

Yeo Street Residential

- ensure solar access for a minimum of 2 hours sunlight to 70% of residential dwellings along Yeo Street to be consistent with NSDCP2013 and SEPP65 (ADG)
- provide a 3m top floor setback for the building along the northern side of Yeo Street (Site 3) to minimise overshadowing the residential area and mitigate the visual impact of a 6-storey built form from the street



Figure 7-4. Proposed solar protection control - Grosvenor Plaza

Legend

- No overshadowing between 12pm-2pm mid-winter
- Grosvenor Plaza

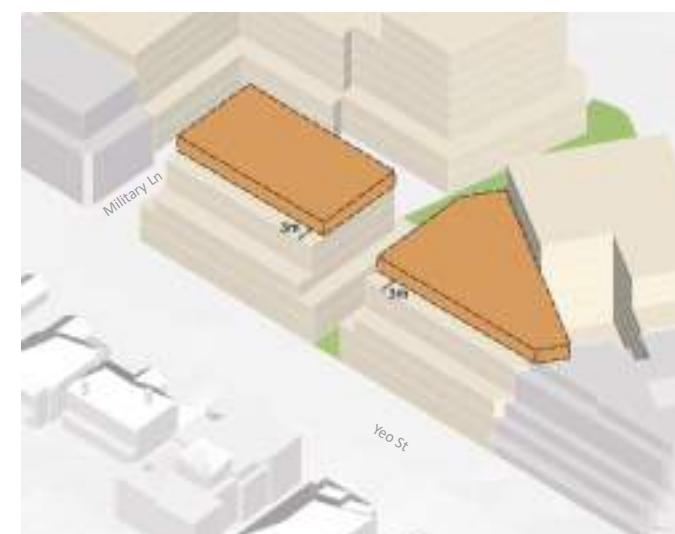


Figure 7-5. Proposed solar protection control - Yeo Street built form with upper-level setback

Legend

- Top level of the Yeo Street mixed-use built form with a 3m upper-level setback

7.2 AMENDING THE PLANNING CONTROLS

Building setbacks

Building setbacks enhance pedestrian safety and amenity by widening the footpath to enable greater separation between people and traffic, promote the growth of street trees, and accommodate outdoor dining where suitable.

Action

- A7. Amend the planning controls to support:
- 2.5m whole of building setback along B-Line bus stops to improve pedestrian safety and amenity
 - 4m whole of building setback at Waters Lane to widen the footpath and align with the identified through-site link connecting to Military Road
 - 1.5m whole of building setback to the western side of May Gibbs Place to enlarge the open space and to better align with Young Street
 - 1.5m whole of building setback to laneways (except Military Lane) to allow for sufficient building separation and improve the pedestrian experience
 - 1.5m setback at ground level along the northern side of Military Road to improve pedestrian circulation
 - 1.5m setback at ground level to the southern side of Grosvenor Plaza to provide sufficient gathering and movement spaces
 - 1.5m setback at ground level along the western side of Rangers Road to provide a consistent street frontage with the mixed-use development to the south



7.2 AMENDING THE PLANNING CONTROLS

Active street frontages

Active street frontages support local retailers and infuse streets and plazas with activity that enhance the vibrancy of the town centre. Greater passive surveillance improves perceived and actual safety of local streets.

Active frontages along mid-block links and laneways are also encouraged wherever feasible, noting the essential service functions of laneways such as vehicle entries and waste handling need to be accommodated.

Action

- A8. Amend the planning controls to maximise active frontages in the town centre



Figure 7-7. Proposed active frontages

7.2 AMENDING THE PLANNING CONTROLS

Podium heights

Podium height, or the 'street wall', refers to the front façade of a building constructed at or near the street boundary. It plays a vital role in urban design, serving as an interface with the street, contributing to a sense of enclosure, and defining the public realm.

As per the NSDCP 2013, a 2-3 storey podium is currently required along street frontages, with setback requirements above the podium to promote a human-scaled street frontage. Most of the existing buildings in Neutral Bay town centre have a 3 storey podium height.

The proposed podium heights in this study take into account the existing built form and the condition of each street and laneway.

Action

- A9. Amend the planning controls to support:
- 3 storey podium along Military Road with exceptions of the heritage-valued frontages and adjacent buildings to maintain consistent street frontage
 - 3 storey podium for the blocks on the northern side of the town centre, where most recently constructed buildings have a 3-storey podium height
 - 2 storey podium across the laneways and through site links of the mixed-use areas, around public open spaces and adjacent to heritage buildings.



Figure 7-8. Proposed podium heights

7.2 AMENDING THE PLANNING CONTROLS

Above podium setbacks

Above podium setbacks reinforce podium heights by requiring taller levels of a building to locate further away from the property boundary and provide greater building separation. It reinforces a human scale to the street and 'village feel' of the centre.

Actions

A10. Amend planning controls to support:

- 3m above podium setback for the majority of building frontages
- 10m above podium setback is required along the southern side of the 43-53 Grosvenor Street site to ensure sufficient solar access to Grosvenor Plaza
- 5.5m above podium setback is required along Military Road and Wycombe Road at 175-177 Military Road and 157-169 Wycombe Road sites to provide adequate setback from the heritage-valued facade and align with adjacent future developments along Military Road

A11. Increased setbacks above the podium may be required to achieve adequate building separation in accordance with SEPP 65.



Figure 7-9. Proposed above podium setbacks

7.2 AMENDING THE PLANNING CONTROLS

Placemaking framework

The placemaking framework aims to draw together open space, social infrastructure, access improvements and public art to create a pedestrian-friendly environment, characterised by a vibrant village atmosphere with landscaped public spaces and easy access to shopping, dining, and services. It looks at the town centre as a whole.

Through-site links on private property can enhance the permeability and activity of the centre, and support local retailers.

Actions

- A12. Amend the planning controls to support through-site links:
- between Military Road and the future Grosvenor Plaza (Lot11/DP600315, Lot10/DP229/37, and Lot1/DP802102)
 - between Rangers Road and Yeo Street (Lot2/DP1091371)
- A13. All such links should be provided with public rights of access and designed with passive surveillance
- A14. A major new public artwork for Grosvenor Plaza will be investigated, subject to funding.



Figure 7-10. Placemaking framework map

7.3 KEY SITE GUIDELINES

Sites 1, 2 and 3

Sites 1, 2 and 3 are of a size and location to support additional density and deliver public benefits for the town centre. Whilst this planning study identifies the overarching design parameters and infrastructure requirements for each site, further design work is required.

Accordingly, separate amendments to the NSLEP 2013 for Sites 1, 2 and 3 aimed at delivering the employment, access and built form objectives of this study are expected to be progressed by the landowners. Planning agreements will be negotiated to fund public domain improvements and social infrastructure.

Following the rescission of the Military Road Corridor Planning Study, the following have been lodged:

- Site 1 development application ([DA 258/23](#)) (lodged: 1 September 2023)
- Site 3A planning proposal ([PP 4/23](#)) (lodged: 6 April 2023)
- Site 3B planning proposal ([PP 1/23](#)) (lodged: 11 January 2023)

Council will use this planning study to advance proposals that are in line with this document, and negotiate with proponents and advocate for amendments where needed.

The following guidelines summarise the desired outcomes for Sites 1, 2 and 3. These guidelines have been informed by the detailed feedback received by the community and aim to achieve a 'better balance' between height and public benefits.



Figure 7-11. Aerial of indicative proposed development envelope

7.3 KEY SITE GUIDELINES

Site 1 - Grosvenor Lane North

Site 1 is located at 43-51 Grosvenor Street and currently supports a large supermarket. The site fronts the Council owned Grosvenor Lane car park and is enclosed by Cooper Lane, Waters Lane and Grosvenor Street.

This study recommends the relocation of the Grosvenor Lane car park underground and the creation of a fully pedestrianised public plaza.

Site 1 objectives

Enable the redevelopment of Site 1 to:

- support local jobs, local shops and housing opportunities
- relocate the public car park underground and transform the Grosvenor Lane car park into a new, sunny public plaza
- enhance pedestrian amenity and access between Grosvenor Street and the new plaza
- support the village atmosphere of the centre

Site 1 design guidelines

- 1 provide additional employment floor space with a minimum 1.5:1 non-residential FSR
- 2 implement a 4m whole of building setback along Waters Lane, and 1.5m along Grosvenor Lane and Cooper Lane
- 3 protect solar access to the future plaza by staggering building heights
- 4 provide multiple fine-grain retail shops along Grosvenor Lane, Waters Lane and Grosvenor Street to support a variety of on-street shops
- 5 minimise the impact of loading and parking access by providing vehicular access through Cooper Lane
- 6 preserve and add more trees in Waters Lane and Grosvenor Street where feasible
- 7 maintain existing trees at Grosvenor Plaza with deep soil where possible and add new plantings
- 8 create flexible green space for passive recreation, markets and events
- 9 relocate the existing public car park underground and provide surface-level parking spaces for loading services and disability parking

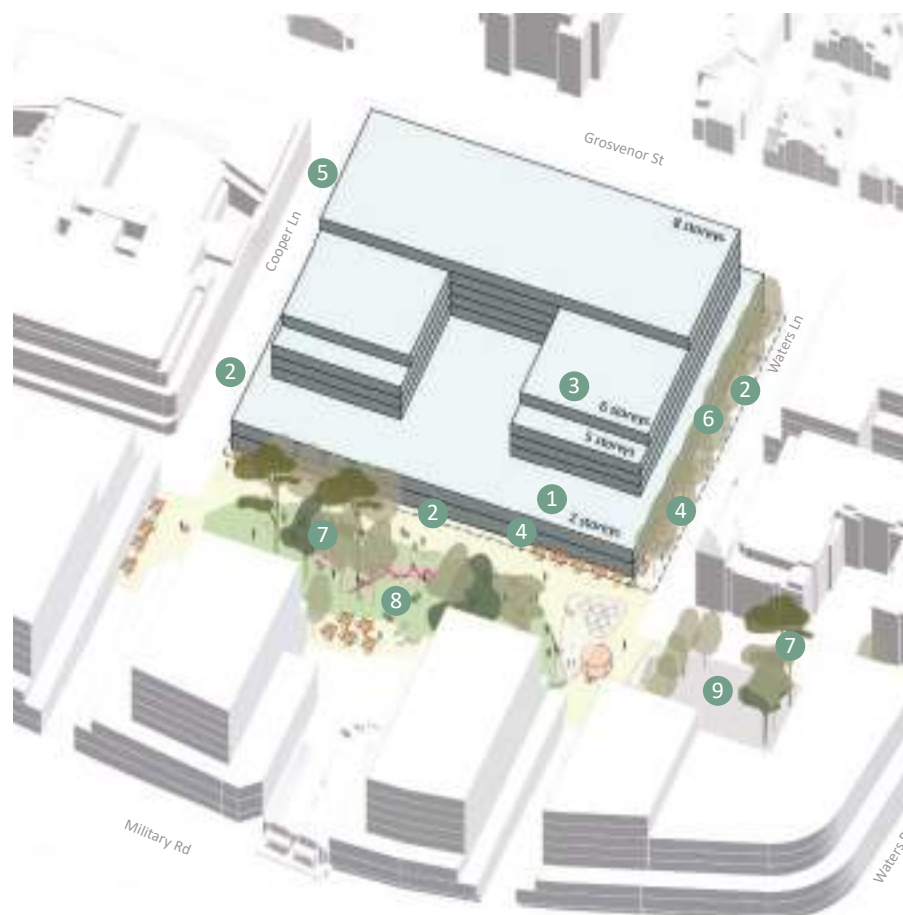


Figure 7-12. Illustrative Site 1 building envelope looking north-west

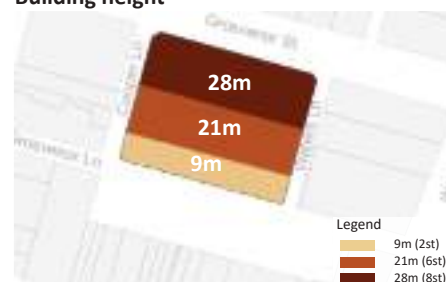
7.3 KEY SITE GUIDELINES

Non-residential FSR



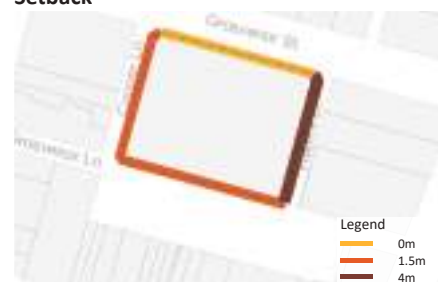
A 1.5:1 non-residential FSR is proposed at Site 1 to provide more retail and commercial opportunities at this core location of the town centre.

Building height



The proposed maximum building heights for Site 1 vary, with height controls of 2, 6, and 8 storeys, designed to achieve a height transition toward the plaza. This is accomplished by articulating the building through separate built form volumes that are stepped to align with the topography and urban fabric.

Setback



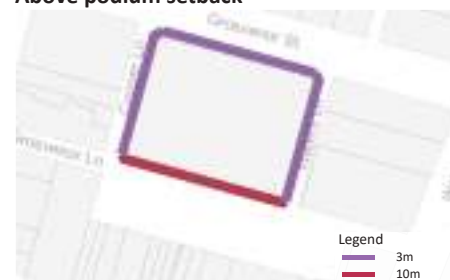
Provide a 1.5m setback along Cooper Lane as per the NSDCP 2013 for laneway services and movement. Additionally, implement a 1.5m southern setback to improve solar access to the plaza. Along Waters Lane, a 4m setback is required to strengthen this landscaped north-south pedestrian connection.

Podium height



A 2 storey podium is recommended along the plaza and Waters Lane to create a human-scaled interface and enhance solar access to the plaza. A 3 storey podium height is proposed for other street frontages. Due to the site's topography change, the podium height may vary at Cooper Lane.

Above podium setback



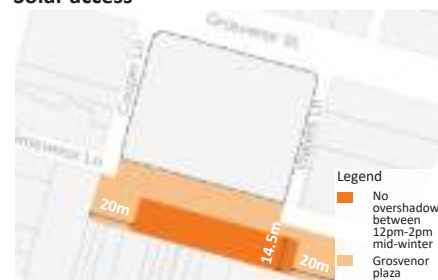
A 10m above podium setback is proposed at the plaza frontage. This is to ensure adequate solar access can be achieved at Grosvenor Plaza. A 3m above podium setback is required at the other street frontages.

Active frontages



Maximise active retail frontage and potential outdoor dining spaces on the plaza and Waters Lane pedestrian link. Active uses are also recommended at the corners of the block where possible.

Solar access



Retain solar access to a minimum 50% of the site area of Grosvenor Plaza from 11am to 2pm mid-winter June 21. In addition, new development must not create any overshadowing to the areas of Grosvenor Plaza marked 'no overshadowing' between 12pm and 2pm mid-winter June 21.

7.3 KEY SITE GUIDELINES

Site 1 public benefits

Recommended public benefits to support a planning proposal for Site 1 are:

- a 3,000m² Grosvenor Plaza across council-owned land, subject to agreement, that:
 - delivers a flexible community open space with multiple design elements, such as a community lawn, playground, outdoor dining area, public seating, public artwork, landscaping, bicycle parking, disability parking and loading service car park
 - maintains the majority of existing mature trees in the public domain

Refer to the Neutral Bay Town Centre Public Domain Plan (SMM 2023) for further design guidance.

- an underground public car park that enables a future basement connection between Site 1 and Site 2 across a below-ground stratum of council-owned land, subject to agreement, supporting:
 - 64 public car spaces
 - at least 5 disability parking spaces
 - 11 public motorcycle spaces

Refer to pages 88-89 of this study for further design guidance.

- footpath widening at Waters Lane
 - establish a major north-south pedestrian connection with a 4m building setback
 - preserve existing mature trees
 - provide active frontage and outdoor dining

Precedents



7.3 KEY SITE GUIDELINES

GROSVENOR PLAZA

1. Grosvenor Lane closed to traffic (emergency vehicles excepted)
2. Proposed development envelope
3. Proposed ground floor supermarket
4. Public traveller access to Grosvenor Plaza from underground carpark
5. Existing trees retained
6. Adventure playground
7. 'Village green' flexible space for passive recreation and community events
8. Architecturally designed shelter provides flexible space for outdoor dining and community events
9. Active retail frontage
10. Creative Hub laneway



Figure 7-13. Artist's impression of proposed Grosvenor Plaza, looking west along Grosvenor Lane urban terrace towards Young Street

7.3 KEY SITE GUIDELINES

Grosvenor Plaza car park

The Council has a longstanding policy objective to relocate the Grosvenor Lane Car Park underground and create a public plaza at ground level. The draft study aligns with this objective.

Consultation advice

The transformation of the public car park into an underground facility was discussed with community, Council's internal project control group (PCG) and external consultants. Key feedback is:

<p>Design to maximise pedestrian safety and town centre amenity</p>  	<p>Community workshops</p> <ul style="list-style-type: none"> under grounding the car park is safer for all of the community the proposed plaza and traffic circulation changes can improve access and less traffic congestion and cars will attract better/quality businesses and range including more cafes underground car park and staged works will be important 	<p>Neutral Bay Alive group</p> <ul style="list-style-type: none"> relocate existing Grosvenor Lane public parking to an integrated underground car park for public and retail use the public car park's operation should benefit all Grosvenor Plaza businesses, not just the supermarket to maintain pedestrian safety, car park and loading dock accesses to adjoining properties to the plaza need careful consideration 	<p>Council's project control group</p> <ul style="list-style-type: none"> the proposed plaza and underground car park will provide a safer environment for motorists and pedestrians in Grosvenor Lane consider providing loading zones at Grosvenor Lane if needed provide loading dock at basement car parks include goods lift for delivery of goods for any shop located around the plaza 	<p>Transport consultant (Stantec)</p> <ul style="list-style-type: none"> the current number of public car parking spaces within the study area is sufficient relatively high increase in trips is expected at the intersection of Grosvenor Street with Cooper Lane investigate opportunities to reduce traffic speed and introduce new crossing at Grosvenor Street area-wide review of parking restrictions is recommended
<p>Retain mature trees at the plaza</p>  	<p>Community workshops</p> <ul style="list-style-type: none"> more open green outdoor space, public space, greenery and meeting places is important leafy green mature trees are crucial to the community and are the reasons they appreciate Neutral Bay Town Centre the most 	<p>Neutral Bay Alive group</p> <ul style="list-style-type: none"> shade trees (including canopy) and landscaping is one of the key elements to preserving the village atmosphere and projecting a village streetscape ensure mature trees are planted or retained to create a leafy outlook, which is already present 	<p>Council's project control group</p> <ul style="list-style-type: none"> retain existing trees for their historical presence, offering valuable shade from their canopies the trees are currently healthy and in excellent condition to establish the precise Tree Protection Zone (TPZ), Council should engage an arborist for a comprehensive inspection 	<p>Landscape consultant (SMM)</p> <ul style="list-style-type: none"> preserve existing trees for landscape character and shade keep ground levels within the root/canopy zone untouched a minimum 2.5m depth of deep soil zone to support quality tree planting urban heat island effect is evident at the plaza, leading to a higher temperature compared to the surrounding local streets

7.3 KEY SITE GUIDELINES

Car park design guidelines

Recommended design guidelines for the Grosvenor Plaza car park site include:

- 1 relocate public parking underground to create a green public plaza
- 2 provide the current number of public car, disability and motorcycle spaces in the Site 1 basement level (Figure 7.15)
- 3 enable a potential connection between Site 1 and Site 2 basement car parks across council land (subject to negotiation)
- 4 retain the existing mature trees with adequate tree protection zone
- 5 provide 10 additional parking spaces, that include 4 disability parking spaces and space for small-scale loading services, at ground level
- 6 include at grade temporary loading facilities servicing Site 2 along the southern side of the plaza. These temporary loading facilities should not impact the plaza's amenity, and be relocated underground as part of Site 2 redevelopment
- 7 incorporate car park entries into Site 1 and Site 2 development, away from the plaza, consolidate those entries where possible and provide 24 hour / 7 day a week public access (Figure 7.14)
- 8 provide pedestrian access points to the basement car parks at both northern and southern side of the plaza, ensuring pedestrian access to the underground car park is visible from the plaza and not internalised into the building



Figure 7-14. Proposed Grosvenor Plaza car park site - ground level

- Legend**
- Sites 1, 2A and 2B
 - Council owned Grosvenor Plaza site boundary
 - Proposed open space
 - Proposed at grade car park for disabled and small loading/deliver service
 - ▲ Proposed pedestrian access point to the basement car park
 - ▼ Potential vehicle access point (subject to detailed study)
 - Existing trees - to be retained (subject to detailed study)



Figure 7-15. Proposed Grosvenor Plaza car park site - basement levels

- Legend**
- Site 1 basement car park including public car park
 - Sites 2A and 2B basement car park (subject to negotiation)
 - Potential Site 2 basement extension (subject to detailed study)
 - Council owned land
 - Indicative tree protection zone (subject to detailed study)
 - ↔ Potential basement connection (subject to detailed study)

7.3 KEY SITE GUIDELINES

Site 2 - Grosvenor Lane South

Site 2 is located at 166-188 and 198-214 Military Road and supports multiple local shops and businesses. The site also fronts the Council-owned Grosvenor Lane car park and is bounded by Military Road and Grosvenor Lane.

This study recommends replacing the two existing arcades with open air through-site links aligned with Cooper Lane and Waters Lane. Additionally, there is potential to establish a new community centre at Site 2, with an entrance from the plaza and convenient access to the surface-level disability parking spaces.

Site 2 is under multiple ownership. It is likely the site will be developed in stages. Accordingly, the site has been broken into Sites 2A and 2B.

Site 2 objectives

Enable the redevelopment of Site 2 to:

- support local jobs, local shops and housing opportunities
- enhance pedestrian amenity and access between Military Road and the new plaza
- deliver a 1000m² community centre with the potential to extend the community activities outdoor at the plaza
- support the village atmosphere

Site 2 design guidelines

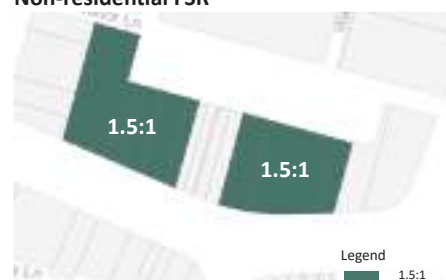
- 1 provide additional employment floor space with a minimum 1.5:1 non-residential FSR
- 2 enhance streetscape amenity by providing a 2.5m whole of building setback along Military Road at Site 2A and a 1.5m ground level setback at Site 2B with additional street trees and landscaping
- 3 ensure that the built form presents unobtrusively by maximising above podium habitable facades on all sides and providing generous building separations to avoid a continuous 'wall effect' along Military Road
- 4 protect solar amenity to Grosvenor Plaza
- 5 deliver two new through-site links with a 6m width and open to the sky
- 6 provide multiple fine-grain retail shops along Military Road, plaza and through-site links to support a variety of new on-street shops
- 7 deliver a new 1000m² community facility with a separated lobby accessible from the plaza
- 8 ensure that the built form sensitively responds to existing heritage items



Figure 7-16. Illustrative Site 2 building envelope looking south

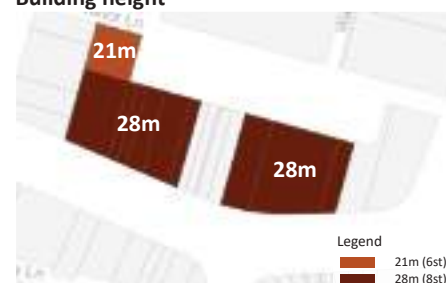
7.3 KEY SITE GUIDELINES

Non-residential FSR



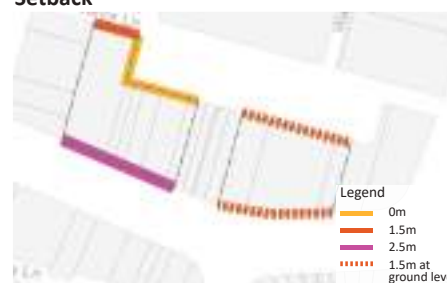
A 1.5:1 non-residential FSR is proposed at Site 2A and 2B to provide more retail and commercial opportunities at this core location of the town centre.

Building height



The proposed maximum building heights for Site 2 vary, with 8 storey buildings along Military Road, and a 6 storey height limit on the western side of the plaza to minimise the shadow impact on the plaza.

Setback



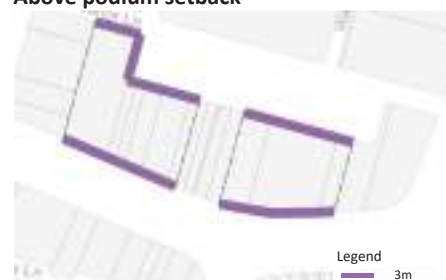
A 2.5m whole of building setback and a 1.5m ground level setback along Military Road are proposed to widen the footpath. A 1.5m ground level setback is recommended to provide flexible space in front of the future community centre lobby and access path to the surface-level car park.

Podium height



A 2 storey podium is recommended along the through-site link to create a human-scaled interface, while a 3 storey podium height is proposed for the other street frontages.

Above podium setback



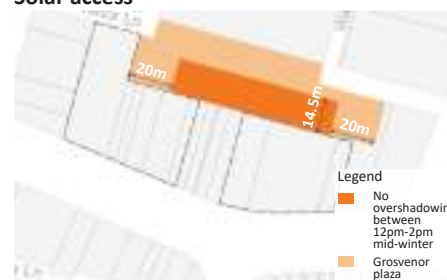
A 3m above podium setback is proposed at all the street and plaza frontages to provide a consistent street frontage.

Active frontages



Maximise active retail frontage and potential outdoor dining spaces on the plaza and along Military Road. Encourage active uses at through-site links to promote fine-grain retail patterns and enhance the pedestrian experience.

Solar access



Retain solar access to a minimum 50% of the site area of Grosvenor Plaza from 11am to 2pm mid-winter June 21. In addition, new development must not create any overshadowing to the areas of Grosvenor Plaza marked 'no overshadowing' between 12pm and 2pm mid-winter June 21.

7.3 KEY SITE GUIDELINES

Site 2 public benefits

Public benefits to support a planning proposal for Site 2 are:

- a 1000m² community centre
 - located on the first floor of the new development at Site 2B, with a ground floor lobby facing Grosvenor Plaza designed to be visually transparent and inviting
 - ensure a strong visual presence along Military Road and Grosvenor Plaza
- two new through-site-links
 - both links with a width of 6m and open to the sky
 - provide accessibility for people with limited mobility
 - provide 2 storey podium height with active retail frontages on the ground level along the through-site links
- footpath widening at Military Road
 - provide footpath widening at Military Road with a 2.5m whole building setback, allowing opportunities for new street trees and kerbside plantings to enhance pedestrian amenity and improve pedestrian safety
 - include a 1.5m ground level setback to improve pedestrian amenity and widen the footpath

Precedents



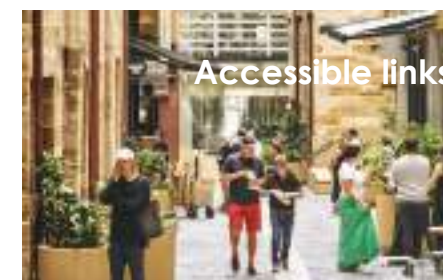
New community hub



Gathering space



New trees



Accessible links

7.3 KEY SITE GUIDELINES



Figure 7-17. Artist's impression of proposed Grosvenor Plaza, looking south towards new community centre and through-site link aligned with Waters Lane

7.3 KEY SITE GUIDELINES

Site 3 - Rangers Road

Site 3 is located at 183-185 Military Road, 1-7 Rangers Road and 50 Yeo Street, with frontages along Military Road, Rangers Road, and Yeo Street

By relocating the supermarket underground, a new public plaza can be delivered fronting Rangers Road and Military Road. Access to the plaza can also be achieved from Yeo Street.

New developments are limited to a maximum of 8 storeys along Military Road and Rangers Road, while a height limit of 6 storeys applies to Yeo Street. Upper level setbacks are required to facilitate a transition and safeguard solar access to the Yeo Street residential buildings.

Site 3 is in multiple ownership and will likely be developed in stages. The site has been broken up into Site 3A and 3B.

Site 3 objectives

Enable the redevelopment of Site 3 to:

- support local jobs, local shops and housing opportunities
- create a new public plaza fronting Rangers Road and Military Road
- enhance pedestrian amenities and accessibility between Rangers Road and Yeo Street
- support the village atmosphere

Site 3 design guidelines

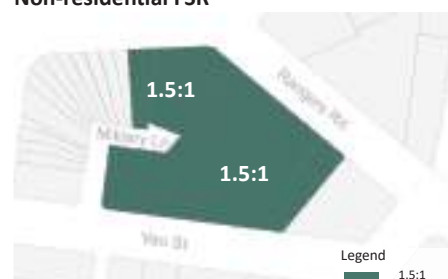
- 1 provide additional non-residential floor space with a minimum 1.5:1 FSR
- 2 improve streetscape amenity by implementing a 2.5m whole building setback along Military Road to allow for an expanded tree canopy.
- 3 ensure that built form presents unobtrusively, with a focus on maximising above-podium habitable facades on all sides.
- 4 deliver a 1,000m² new public plaza and an open to the sky, 6m wide through-site link to Yeo Street
- 5 protect solar amenity to Rangers Road plaza and residential zones along Yeo Street
- 6 provide multiple fine-grain retail shops along Military Road, Rangers Road, the plaza and through-site link to support a variety of new ground level shops
- 7 activate street edges along Yeo Street and Military Lane where possible
- 8 deliver loading and basement access through Military Lane or potentially along Yeo Street, subject to a transport study
- 9 mitigate wind impacts to the public plaza
- 10 ensure built form sensitively respond to the existing residential buildings across Yeo Street



Figure 7-18. Illustrative Site 3 building envelope looking north-east

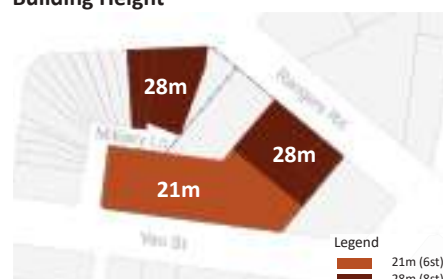
7.3 KEY SITE GUIDELINES

Non-residential FSR



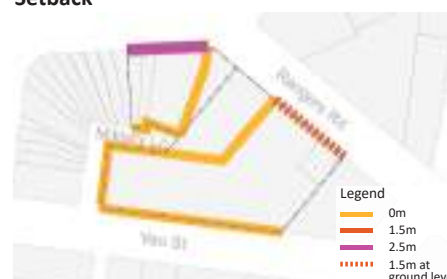
A 1.5:1 non-residential FSR is proposed at Site 3A and 3B to provide more opportunities for retail and commercial spaces at this central location within the town centre.

Building Height



The proposed maximum building heights for Site 3 vary, with 6 and 8 storey height controls. The 8 storey buildings are recommended along Military Road and Rangers Road, while a 6 storey height is proposed along Yeo Street to minimise the impact on the residential zones.

Setback



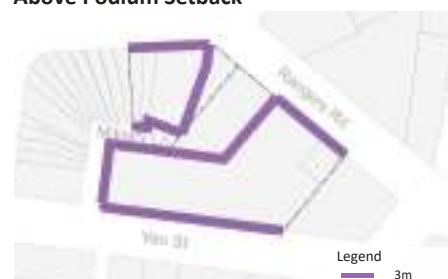
A 2.5m whole of building setback along Military Road to widen the footpath. A 1.5m ground level setback along Rangers Road is recommended to ensure a consistent street frontage alignment with the adjacent development.

Podium Height



A 2 storey podium along Military Road is recommended to provide a respectful response to the adjoining heritage-valued building facade. A 2 storey podium is also proposed around the plaza, laneway, and the link to create a human-scaled interface. 3 and 4 storey podium heights are suggested at Yeo Street and Rangers Road.

Above Podium Setback



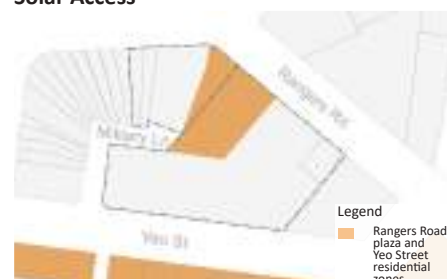
A 3m above podium setback is recommended at all the street and plaza frontages to provide a consistent street frontage, and minimise the shadow impact to the plaza.

Active Frontages



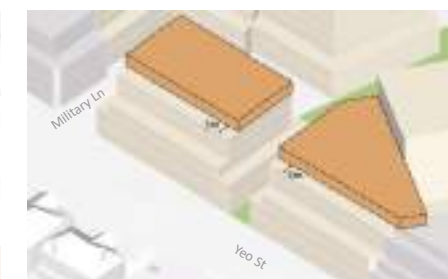
Maximise active retail frontage and potential outdoor dining spaces on the plaza, Military Road and Rangers Road. Active uses are also recommended at through site links to encourage fine-grain retail patterns and enhance the pedestrian experience.

Solar Access



Retain solar access to a minimum 50% of the plaza area from 10am to 1pm mid-winter June 21.

Ensure a minimum of 2 hours of sunlight for 70% of residential dwellings along Yeo Street to align with NSDCP 2013 and SEPP 65 (ADG).



A 3m top floor setback is required to the building along the northern side of Yeo Street to minimise overshadowing the residential area.

7.3 KEY SITE GUIDELINES

Site 3 public benefits

Public benefits to support a planning proposal for Site 3 are:

- a 1000m² public plaza
 - deliver a sunny open space with active edges around the plaza for retail, cafes and outdoor dining
 - provide multiple design elements to activate the space, such as an outdoor dining area, public seating, community lawn, playground, water features, public artwork, landscaping and bicycle parking

Refer to the Neutral Bay Town Centre Public Domain Plan (SMM 2023) for further design guidance.

- new through-site link
 - create a 6m wide, open to the sky, north-south pedestrian link between Military Road and Rangers Road intersection, and Yeo Street with a clear visual connection
 - provide 2 storey podium height with active retail frontages at ground level on each side of through-site-link
- footpath widening at Military Road
 - implement a 2.5m whole of building setback to widen the footpath with opportunities to add new street trees and kerbside plantings and improve the pedestrian amenity

Precedents



7.3 KEY SITE GUIDELINES



Figure 7-19. Artist's impression of Rangers Road Plaza, looking towards Yeo Lane and Military Lane

7.4 FUTURE INVESTIGATIONS

Military Road streetscape upgrades

Street trees

Street trees and planting make a significant contribution to the visual character and sense of comfort within a streetscape. While there are substantial mature street trees and planting to be found in the local streets throughout Neutral Bay town centre, urban redevelopments and the Northern Beaches B-Line project have resulted in accelerating canopy loss in recent years.

The scarcity of planting along Military Road has exacerbated the heat island effect – as temperatures experienced along the main street are higher than those experienced in the surrounding local streets (SMM 2023).

80% of survey respondents considered more trees and landscaping to be important or very important (NSC 2023).

To enhance the environmental performance, streetscape amenity and distinctive character of Neutral Bay's local centre, opportunities for additional street tree and kerbside planting along both sides of Military Road should be investigated.

The new street trees would need to meet the clearance requirements of the double-decker B-Line buses and accommodated via footpath widening and awning cut outs in new developments fronting Military Road.



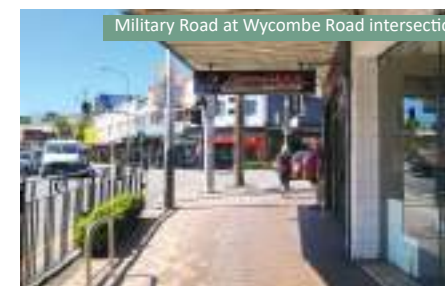
Kerbside planting

The majority of the footpaths along Military Road are situated directly adjacent to the constant flow of traffic in the kerbside lanes, lacking measures to alleviate the impact of traffic on pedestrians. This has resulted in a hostile environment. At intersections, fences are installed which physically reinforce the prioritisation of regional through traffic over local pedestrian amenity.

Continuous kerbside planting along both sides of Military Road, would physically and experientially separate the footpaths from the fast-moving roadway, creating a sense of safety and respite within the pedestrian environment.

Military Road designs could draw inspiration from the successful Cleveland Street hedging project undertaken by the City of Sydney, completed in 2015. The Cleveland Street project introduced kerbside hedges along a 2.3-kilometre stretch, creating a continuous green corridor linking Victoria Park to Moore Park. The thick hedges successfully transformed the pedestrian experience, offering a sense of separation and respite from the busy roadway without compromising street functionality.

As mentioned in Chapter 3, the cost of delivering and regularly maintaining hedges or planter boxes along Military Road, however, is likely to be high. Further work is needed to identify an optimal solution.



7.4 FUTURE INVESTIGATIONS

Pedestrian crossings

Military Road

Military Road is a barrier to walking in the study area, particularly with extended wait times and restricted crossing times at intersections. A number of crossing points are located across the extent of Military Road. The largest gap between pedestrian crossings is 260m, located between the signalised crossing at Wycombe Road and the footbridge at Hampden Avenue. Large distances between crossings limit the north-south permeability through the town centre.

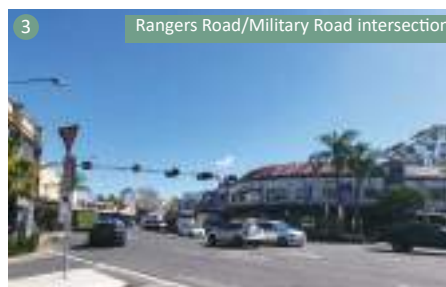
All the crashes identified within the study area, that involved pedestrians and cyclists occurred along Military Road. There is a clear need to improve pedestrian safety and connectivity across Military Road.

Chapter 4 identifies potential at grade crossing improvements along Military Road that should be subject to further investigation including:

- ① longer crossing times
- ② realigning the Young Street crossing
- ③ new crossing at Rangers Road

Another option put forward by the community is a grade-separated overpass. This can also be included in the investigation, however, it presents additional challenges, including landing points, cost, and retail and pedestrian activation.

The outcome of the investigation may be used as a point of advocacy with TfNSW as the authority responsible for approval, funding and delivery.



Local Roads

Higher pedestrian activity is expected around Grosvenor Street, and particularly within the area between Young Street and Waters Road where the major redevelopment sites and the proposed Grosvenor plaza are located. Currently, there is a lack of dedicated north-south crossing facilities along Grosvenor Street.

At Site 3, the new through-site link is introduced as part of the implementation of the Rangers Road Plaza. A midblock formal pedestrian crossing point at Yeo Street near the through-site link may be required to align with the pedestrian desire line.

Accordingly, potential pedestrian crossing improvements for future investigation are:

- ④ introducing additional formal crossing facilities for north-south crossing movements along **Grosvenor Street**
- ⑤ providing a new formal pedestrian crossing point near the through-site link at **Yeo Street**



7.4 FUTURE INVESTIGATIONS

Cycling

Currently, there are no dedicated separated cycleways or off-road shared paths within Neutral Bay town centre. Surrounding the town centre, apart from the separated bicycle path along Sutherland Street (to the north), there are no dedicated cycleways connecting the surrounding suburbs to the town centre. Cyclists are required to share the road with motorists on the approved “General Roads”.

Recently, Council proposed a separated cycle path on Young Street between Grosvenor Street and Sutherland Street. This initiative aims to provide a safe cycleway connection between the town centre and the Sutherland Street cycleway to the north.

However, there is a clear lack of safe crossing facilities connecting the cycleways north and south of the Military Road corridor, with no bike phase provided at designated crossing point(s) at Military Road.

To encourage cycling in and around the town centre, the following interventions have been identified for future investigation:

- establishment of a dedicated cycleway along Young Street, connecting Grosvenor Street cycleway to Belgrave Street, with a potential extension to May Gibbs Place and Barry Street
- provide bike parking facilities close to key destinations and easily accessible locations, such as open plazas



Traffic speed

There are safety concerns raised by the community regarding rat-running traffic observed along Grosvenor Street, which currently has a speed limit of 50km/h.

Furthermore, the Traffic and Transport Study (Stantec 2023) has identified safety concerns over rat-running traffic along Yeo Street. The introduction of the proposed Rangers Road plaza and a through-site link off Yeo Street is expected to increase pedestrian activity in the area.

To address these concerns, potential traffic calming measures for future investigation include:

- 1 implementing speed reduction (30km/h or 40km/h HPAA) along **Grosvenor Street**
- 2 implementing speed reduction along **Yeo Street**



7.4 FUTURE INVESTIGATIONS

Parking management

Wayfinding

Areas within the town centre face varying levels of parking demand, contributing to congestion. A parking wayfinding strategy may optimise parking assets and alleviate vehicle congestion caused by drivers searching for parking spaces. This strategy aims to provide drivers with information about available parking spaces during their journey.

For future consideration, the following interventions have been recommended (Stantec 2023):

- **signage at key decision points**
identify important decision points and install relevant signage. This will enhance the user experience, distribute demand, and reduce through-traffic on streets where a higher level of pedestrian amenity is desired.
- **smart parking technology**
explore the integration of smart parking technology as a real-time digital interface, offering improved user information. This technology allows for continuous data collection on car park utilisation, serving as a valuable tool for future parking policy management. Furthermore, advancing this technology enables users to access real-time parking availability through a smartphone application, contributing to the reduction of vehicle congestion.

Parking restriction

Conducting an area-wide review of parking restrictions aims to enhance parking turnover in zones with short-stay land uses. Anticipating an increase in longer-stay off-street parking spaces due to future developments like Site 1 at 43-51 Grosvenor Street, there's an opportunity to reduce timed parking restrictions on certain on-street parking areas within the town centre.

For instance, potential areas for reducing timed parking restrictions include the 2-hour parking zones along (Stantec 2023):

- Grosvenor Street
- Military Road between Wycombe Road and Waters Road
- Barry Street north of Yeo Street

Car sharing

The Neutral Bay town centre currently has up to four on-street car-sharing bays at Grosvenor Lane and Yeo Street. To promote sustainable transport modes and potentially alleviate parking demand, Stantec (2023) recommends investigating the demand for car-sharing and identifying opportunities for additional on-street car-share spaces.

It is important to ensure that these locations are evenly distributed throughout the town centre, strategically placed near higher-density residential developments where they are most needed.

APPENDIX

Abbreviations

LEP - Local Environment Plan

LGA - Local Government Area

MRCPS - Military Road Corridor Planning Study (rescinded)

NSDCP 2013 - North Sydney Development Control Plan 2013

NSLEP 2013 - North Sydney Local Environmental Plan 2013

SEPP65 - State Environmental Planning Policy No.65 sets design quality principles for residential flat buildings

VPA - Voluntary Planning Agreement

FSR - Floor Space Ratio

Glossary

Voluntary Planning Agreement - financial or in-kind development contribution to support the increased demand for public amenities and public services in an area.

Masterplan - provides a planning and design framework to guide the incremental development of large or complex areas with multiple buildings, new laneways or parks.

Floor space ratio - the ratio of the gross floor area of all building levels within a site to the site area.

Setback - the space between the lot boundary and the building, or the edge of the podium and the tower element of a building.

Podium - the base of a building upon which taller (tower) elements are positioned.

Fine-grain built form - Small scale architectural detailing and promoting multiple entries in ground floor facades to provide variety, interest & activity.

Affordable housing - community housing for key workers that could otherwise not afford to live in the area.

APPENDIX

References

Council documents - all available at <https://northsydney.nsw.gov.au>

- NSC Community Strategic Plan
- NSC Delivery Plan
- NSC Operational Plan
- NSC Community Engagement Policy 2013
- NSC Local Environmental Plan 2013
- NSC Development Control Plan (as amended March 2018) (NSDCP 2013)
- NSC Draft Local Strategic Planning Statement 2020
- NSC Draft Local Housing Strategy 2019
- NSC Neutral Bay Shopping Centre Urban Design Study and Masterplan
- NSC Grosvenor Lane Planning Study 2015
- NSC Recreational Needs Study & Implementation Plan 2015/2016
- NSC Open Space Provision Strategy 2009
- NSC Street Tree Strategy 2016
- NSC Urban Forest Strategy 2011
- NSC Economic Development Strategy 2016
- NSC Infrastructure Manual
- NSC Transport Strategy
- NSC Neutral Bay Traffic Study 2015
- NSC Integrated Cycling Strategy
- NSC Local Area Traffic Management Action Plans 2017
- NSC Public Domain Upgrade Neutral Bay Cremorne (draft)
- NSC Neutral Bay Streetscape Upgrade and NSC Cremorne Streetscape Upgrade
- NSC Public Domain Style Manual & Design codes
- NSC Playgrounds Plan of Management and Playground Methodology
- NSC Public Amenities Strategy & Action Plan 2016
- NSC Community Uses on Council Land 2016
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- Neutral Bay Town Centre Traffic and Transport Study - Stantec Australia Pty Ltd





NEUTRAL BAY TOWN CENTRE

Economic analysis and Financial Feasibility Assessment



Prepared for North Sydney Council

August 2023

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Quality Control

This document is for discussion purposes only unless signed and dated by a Principal of HillPDA.

Reviewer

Signature

Dated

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PHASE 1

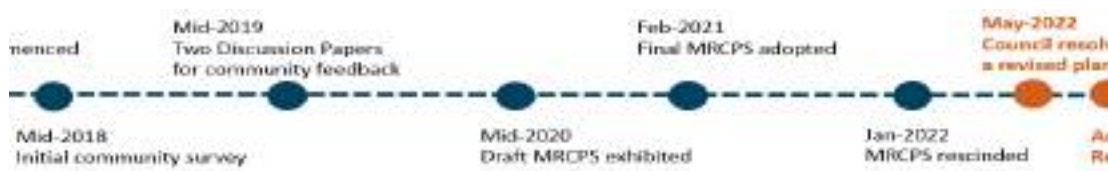
1.0 INTRODUCTION

1.1 Background

HillPDA was commissioned by North Sydney Council to provide economic analysis to guide planning decisions in the Neutral Bay Town Centre following the MRCPS being rescinded in January of 2022. In May of 2022 Council resolved to revise the planning study following the community engagement outcomes as a result of changes in market conditions, economic context and desired planning outcomes. It is understood that the MRCPS was rescinded as a result of community concerns around building heights, village atmosphere/heritage character, parking access and arrangement, solar access and traffic impacts.

The intent of this updated study is to provide guidance and advice based on current market conditions, trends and economic changes. The figure below illustrates the key milestones provided by Council:

Figure 1: Timeline of key events



Source: North Sydney Council

The Neutral Bay Town Centre has increasingly attracted development interest of varying scales. This development interest has been challenging under existing planning controls and the current strategic framework. The purpose of this update work is to provide a clear framework for planning changes that balance both economic and financial viability and meeting desirable community outcomes. The Planning Study will provide greater certainty for the community and potential proponents. The objective of the study is to:

- Provide an understanding of current economic activity and future market trends in the study area
- Develop an updated economic strategy for the Neutral Bay Town Centre

The study objectives that have departed are primarily around building height and built form controls including:

- possible reduction in building heights on the key sites
- amendments to the proposed built form controls to reflect the new building height and reinforce the village character.
- incorporation of public benefits including public open spaces and community facilities.

The following project teams had been engaged:

- **Economic Analysis & Financial Feasibility** - Prepare an updated Economics Study and Financial Feasibility Assessment.
- **Landscape Architect** – Prepare the Public Domain Concept Design for town centre and estimate value of construction costs.
- **Transport Planner** - Provide Transport Analysis on the proposed design and planning controls.
- **Community Engagement Consultant** - Plan and undertaken the key stakeholders engagement sessions.

1.3 Study area

The Neutral Bay Town Centre Study area is defined in Figure 2. The study area relates to the Neutral Bay town centre as shown by the broken red line below.

Figure 2: Study area



Source: North Sydney Council, 2023

Neutral Bay Town Centre

The Neutral Bay Town Centre (as defined under section 5 of Part C to North Sydney DCP 2013) is a mixed-use commercial and residential area containing significant retailing, hospitality and entertainment uses as well as commercial office spaces servicing the business needs of the local population. The precinct includes two full-line supermarkets, two small retail malls, a school, two Council owned car parks, a bus depot and community centre. The area includes large consolidated sites intermixed with older style main street retail development on elongated lots with narrow street frontages, many with dual frontages. A portion of the Neutral Bay Town Centre is included in the Stage 2 component of the planning study as per Figure 2 above.

1.4 Purpose of the updated study

The updated study will be completed in two stages, the first stage is an economic analysis including an updated review of relevant planning documents and previous studies, study area profile and floorspace supply analysis, emerging market trends and updated floorspace demand. The following detailed tasks and outcomes have been undertaken:

Stage 1: Economic analysis

- Strategic context and information review:
 - Strategic planning documents
 - Previous studies and reports
 - Submissions received by Council to understand issues
 - DCP controls within competing commercial markets (Mosman, Double Bay, Cremorne?)



- Study area profile and floorspace supply
- Study area supply and pipeline analysis
- Updated baseline on commercial and residential floorspace
- Identify any changes to the economic profile (businesses, workers, industries)
- Emerging market trends:
 - Identify key trends expected to impact future demand for commercial and residential floorspace
- Updated floorspace demand:
 - Provide updated floorspace demand analysis for both commercial and residential
 - Investigate the relationship between height and non-residential floorspace requirements

Outcome:

- **Existing:** How much commercial floorspace (retail/office) do we have?
- **Future demand:** How much commercial floorspace (retail/office) do we need today and by 2036 to meet demand?
- What trends are driving this?
- **Results:** “What is the minimum non-residential floor space ratio (FSR) take-up to achieve no net loss?”
- What is the minimum non-residential FSR take-up to meet future demand?
- What residential and non-residential provision (height in storeys and FSR) to make redevelopment financially feasible?

Stage 2: Financial feasibility

- Market research
- Financial feasibility

PHASE 1 ECONOMIC BASELINE

2.0 STRATEGIC PLANNING REVIEW

In undertaking a review of planning documents, we note that in large part the previous planning documents are still applicable and relevant to the current study. The following planning documents have been reviewed and included in appendix A. In undertaking an updated review of the relevant planning documents, HillPDA note that the planning studies identified in the previous studies still apply. For the purposes of this report, we have summarised this section in the following table.

Type	Key points
State review	
Greater Sydney Regional Plan	<p>The Greater Sydney Region Plan – <i>A Metropolis of Three Cities</i> (Region Plan) was finalised in March 2018 by the Greater Sydney Commission. The Region Plan vision is to create a metropolis of three cities, specifically the Western Parkland City, Central River City and the Eastern Harbour City. The study area is within the Eastern Harbour City with its aim to – <i>build on its recognised economic strength and address liveability and sustainability</i>. The Eastern Economic Corridor City is identified within the Eastern Harbour City to foster innovation and global competitiveness, supported by investments in transport and services, jobs growth and business activity.</p> <p>A core intent of the Region Plan is to give people more housing choice and establish more jobs closer to where people live, to develop a more accessible and walkable city and creating conditions for a stronger economy. This intent is delivered through a number of strategic objectives relevant to the Neutral Bay Town Centre including:</p> <ul style="list-style-type: none"> • Objective 3: Infrastructure adapts to meet future needs. • Objective 6: Services and infrastructure meet communities’ • Objective 9: Greater Sydney celebrates the arts and supports creative industries and innovation • Objective 12: Great places that bring people together • Objective 13: Environmental heritage is identified, conserved and enhanced • Objective 14: A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities. <p>An overarching strategy of the Greater Sydney Region Plan is providing housing in locations well serviced by transport and social infrastructure. Local centres are particularly important clusters of day-to-day services.</p>
North District Plan	<p>The North District Plan is a 20-year plan to manage growth in the context of economic, social and environmental matters. It is a guide for implementing the Greater Sydney Region Plan at a district level and is a bridge between regional and local planning. The District Plan informs local strategic planning statements and environmental plans, the assessment of planning proposals as well as community strategic plans and policies. Cremorne and Neutral Bay are identified as ‘Local Centres’, so there is no explicit state policy for each of these areas. There are broad planning principles for local centres, which include:</p> <ul style="list-style-type: none"> • Provide a public realm and open space focus • Deliver transit-oriented development and co-locate facilities and social infrastructure • Provide, increase or improve local infrastructure and open space • Improve walking, cycling and public transport connections including through the Greater Sydney Green Grid • Protect or expand retail and/or commercial floorspace • Protect or expand employment opportunities • Integrate and support arts and creative enterprise and expression • Support the night-time economy • Augment or provide community facilities, services, arts and cultural facilities • Conserve and interpret heritage values • Accommodate local festivals, celebrations, temporary and interim uses

Type	Key points						
State review							
	<ul style="list-style-type: none">• Increase residential development in, or within a walkable distance of, the local centre• Provide parking that is adaptable to future uses and takes account of access to public transport, walking and cycling connections. <p>These planning principles are intended to form part of local area plans. Respective Councils are required to implement the North District Plan with community and stakeholder engagement and advisory from the private sector.</p>						
Council review							
North Sydney local strategic planning statement	<p>The Local Strategic Planning Statement (LSPS) sets out North Sydney Council’s land use vision, planning principles, priorities and actions for the next 20 years.</p> <p>It expresses the desired future direction for housing, employment, transport, recreation, environment and infrastructure for the North Sydney LGA. Planning Priorities and Strategies of the LSPS provide a direct line of sight with Region and District Plans and include directions to achieve their objectives. Accordingly, the LSPS sets out Strategies and Actions requiring the preparation of a LHS to inform and align council’s vision for housing with the hierarchy of plans and ensures a clear plan for housing within the local context. The LSPS also recognises the direct link between housing and planning issues such as employment and infrastructure, enabling the LHS to focus solely on housing by ensuring the desired future direction of the LGA is guided by the LSPS.</p>						
Military Road Corridor Planning Study	<p>The previous military road planning study has now been rescinded. The purpose of the study was to provide an understanding of current economic activity and future market trends in the study area and Develop an economic strategy for Neutral Bay Centre.</p> <p>The objective of the study was to give a vision to guide the future economic direction. Since this study was first undertaken the study has been rescinded following output from community engagement and concerns arising around building heights.</p>						
MRCPS Economic baseline report & economic study	<p>The MRCPS economic baseline report analysed the existing study area including market factors, economic conditions and feasibility landscape at the time. The study analysis informed the establishment of a vision and intervention to guide the development of corridor. The previous study suggested the vision for the economic development of Neutral Bay Centre as follows:</p> <p><i>Neutral Bay Centre offers a mix of high quality, small-scale, speciality retailing and office spaces. Cafes, restaurants and bars punctuate the urban fabric delivering a vibrant centre for extended hours. Community facilities and attractive public spaces provide informal gathering opportunities and breakout spaces for workers and residents. The centre encourages the revival and further development of fine-grain commercial that maintains the area’s highly valued character that makes the centre unique. Employment generating uses are concentrated at the centre’s core with additional commercial space encouraged to both the north and south of Military Road. Diverse and affordable housing opportunities are provided, which cater to a broad demographic.</i></p>						
MRCPS Financial feasibility assessment (2019)	<p>The previous feasibility assessment undertaken by HillPDA. The purpose of this current study would be to update the feasibility analysis to understand current market conditions and economic factors impacting development in the Neutral Bay Town Centre.</p>						
MRCPS – Implications of Covid-19 on Neutral Bay 2019	<p>Following the initial studies HillPDA was engaged to provide updates to the centre, specifically the impacts of the COVID-19 pandemic on the town centre. HillPDA undertook a study that detailed the impacts at the time. The study identified several observed impacts some more severe than others.</p> <p>At the time the overall implications of COVID-19 and government restrictions were uncertain with speculation that in the mid to long term the market will recover. Specific to Neutral Bay the report noted the following:</p> <table><tr><th>Sector</th><th>Short term risk/opportunities</th><th>Mid-long-term risk/opportunities</th></tr><tr><td>Retail and business services</td><td><ul style="list-style-type: none">• A turnover in premises due to less viable businesses closing, with the potential for higher vacancy rates in the shorter term.</td><td><ul style="list-style-type: none">• Establishment of new businesses filling the gap in the market where less viable businesses have vacated.• Businesses will likely continue some form of online trading once</td></tr></table>	Sector	Short term risk/opportunities	Mid-long-term risk/opportunities	Retail and business services	<ul style="list-style-type: none">• A turnover in premises due to less viable businesses closing, with the potential for higher vacancy rates in the shorter term.	<ul style="list-style-type: none">• Establishment of new businesses filling the gap in the market where less viable businesses have vacated.• Businesses will likely continue some form of online trading once
Sector	Short term risk/opportunities	Mid-long-term risk/opportunities					
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Type	Key points		
State review			
		<ul style="list-style-type: none"> Changed nature of retail and café/restaurants with a higher percentage of businesses operating physical and online platforms. Lower revenue stream for retailers and service businesses with more conscious consumer expenditure and changes in purchasing behaviour. Reduced foot traffic from local workers in the centres, but countered by increased foot traffic from local residents working at home. 	<p>operation is normalised. This may increase demand for deliveries and need for more loading zones.</p> <ul style="list-style-type: none"> Relatively fast recovery and return to 'business as usual model' for cafes, restaurants and personal service businesses once restrictions are eased however employee numbers may remain lower to reduce overhead costs.
	Office	<ul style="list-style-type: none"> More people working from home, reducing demand for office space 	<ul style="list-style-type: none"> More people may choose to continue working from home leading to a potential decline in demand for office space. An increase in demand may be generated from smaller businesses seeking to benefit from the affordability of the market and appeal of local centre operation. Shared office spaces may become more popular as employees seek to maintain work-life flexibility and reduced commute times.
	Residential	<ul style="list-style-type: none"> Developers may be less inclined to take on financial risk or may seek to vary planning controls in response to a depressed and uncertain market. 	<ul style="list-style-type: none"> Demand for larger lifestyle apartments in local centres as people place higher value on amenities such as private open space, extra bedroom and larger living areas.
MRCPS – Community engagement outcomes	<p>In 2020, the draft Future Direction Report was publicly exhibited as part of the development of the Military Road Corridor Planning Study. In total there were 435 submissions with the findings of the engagement indicating the following key points:</p> <ul style="list-style-type: none"> the most frequent issues raised were concerns relating to building height, public parking and other traffic issues - with most specifically related to the Grosvenor Lane car park request better access and more support of local shops without being compromised by the Grosvenor Lane supermarket. a smaller number of submissions supported modest height increases in acknowledgement of the potential associated public benefits, however, believe that the proposed building height of 12 storeys is inappropriate for the area. some submissions expressed concerns that the changes will impact on the character of the area. there was support for the proposed public domain and community facility improvements, with several in support of additional height. The post exhibition report (available in the Document Library - Neutral Bay Town Centre Future Directions Report: Post Exhibition) recommended that this Study be adopted to provide a framework and guidance for ongoing discussion with local landowners about the future development of the Centre. The Study proposes to retain height increases on sites 1, 2 and 3 as previously exhibited (8 and 12 storeys) to strike a balance between the careful management of height to preserve character and enhance amenity whilst delivering on much needed public benefits for the centre. Sites 1 and 2 would benefit from the preparation of a collaborative masterplan, but the Study does not mandate this. 		
North Sydney DCP 2013	<p>The NSDCP, supports the implementation of LEP provisions and guides dwelling mix, sizes and design quality. It contains detailed provisions on all aspects of development not covered under the LEP. The DCP provisions are not legally binding, however they are given weight in the assessment</p>		



Type	Key points
State review	
	of all development applications. The North Sydney DCP would be further analysed in Phase 2 of the report when undertaking feasibility analysis to determine the assumptions for testing.

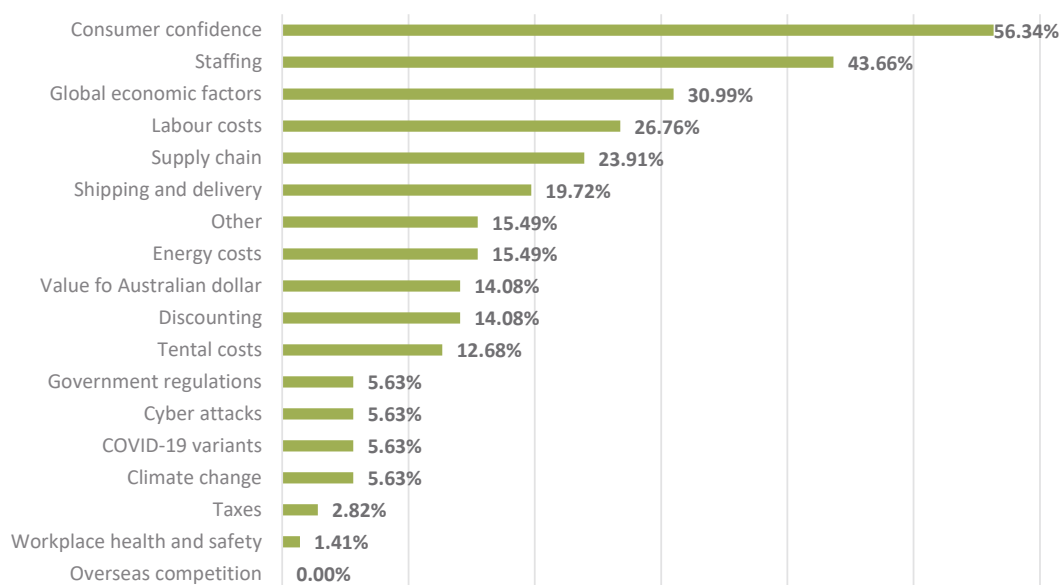
3.0 TRENDS

This chapter discusses retail, commercial and residential industry trends occurring nationally, or in some cases internationally, and the implications of these trends to the study area. Previously HillPDA provided an update of retail trends in 2020 following the outbreak of the COVID-19 pandemic. At the time there was great uncertainty around the medium to longer term impacts on retail and commercial office markets with varying opinions on implications.

With the adaptation to COVID-19 and the subsequent abolition of restriction and isolation measure, trading in personal services, retail, hospitality and food services have begun to normalise. However, some emerging trends catalysed by the pandemic and lockdown periods are likely to stay including the expansion and consumer preference of online retailing and more flexible remote working practices. Supply chain impacts are stabilising.

The following section details some broader emerging trends in the retail and commercial sector that would likely impact the Neutral Bay Town Centre and the implications to the centre. In the '2023 Australian Retail outlook' by KPMG a poll of various retailers showed the following when asked what the biggest challenges that faced retailers in 2023 were:

Figure 3: What are the biggest challenges facing retailers in 2023 (retailer poll)

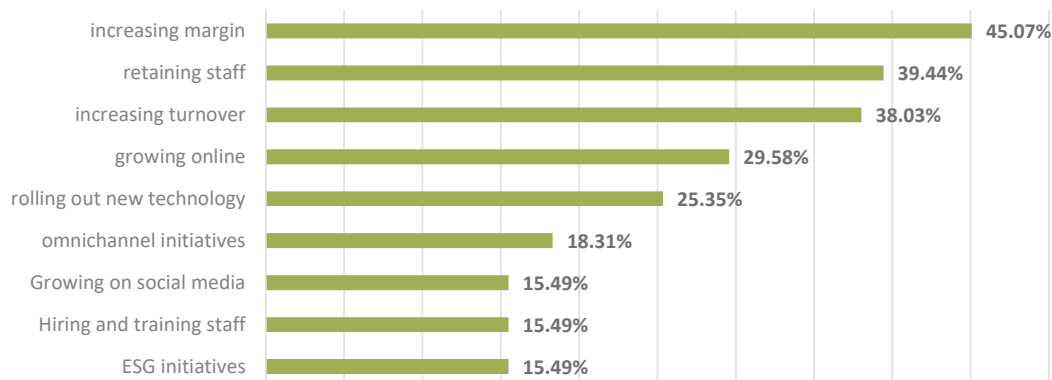


Source: KPMG 'Australian Retail Outlook', 2023

In the poll there was general consensus amongst retailers that consumer confidence was the greatest challenge as well as staffing shortages, Global economic factors, labour costs and supply chain issues. Only 5.63% of respondents thought that future COVID-19 variants would be the greatest challenge. This sentiment reflects the post COVID-19 landscape that we are in. Although future variants are unpredictable and would undoubtedly be an ongoing issue, the abolishment of lockdown measures and social distancing alongside improved systems and adapted health infrastructure has removed much of the impediments that retailers were facing when the pandemic first emerged. Staff shortages have greatly impacted physical stores alongside labour costs.

Retailer priorities are shown in the chart immediately below.

Figure 4: What will priorities be for your business in 2023?



Source: KPMG 'Australian Retail Outlook', 2023

3.1 Retail market and overview

3.1.1 Broader Trends since "return to work" from COVID-19

The removal of restrictions on movement in the early months of the year, coupled with pent-up demand in households, formed the catalyst for a boom in household spending; monthly retail turnover rose 12.5 percent between December 2021 and November 2022.

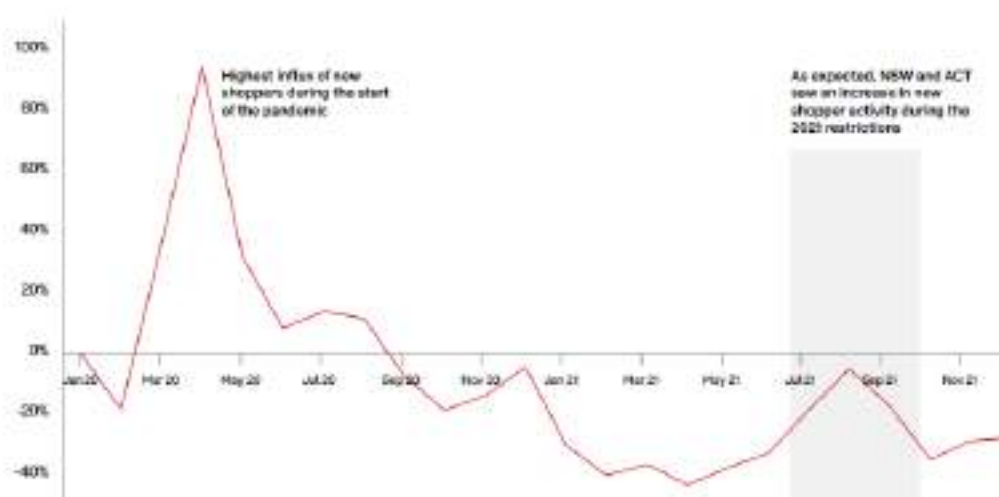
Throughout the COVID-19 pandemic record both neighbourhood centres and large-format retailing and hardware premises experienced record highs in retail sales. The products most sought after were groceries and household goods. The continuous lockdowns and trading restrictions resulted in the closure of several retail premises and businesses in the Sydney Central Business District (CBD). Regional centres that best cater to discretionary retail and mid-range fashion were also heavily impacted by a lack of trade with some stores permanently closing.

The development of the COVID-19 vaccination enabled some return to normality. This return to work has been a positive impact on CBD retailing with more foot traffic meaning more spending. However, as a nation there are many factors that Australians face that have and will impact the retail market, these include:

1. **Shortage of Stock:** With several shutdowns, the war in Ukraine, COVID -induced factory shutdowns in China, and massive natural disasters both overseas and in Australia has resulted in widespread product shortages. This was all good for retailers if they had the products to sell to customers. It has been identified that shipping goods to Australia increased by 700 percent, with ordering times taking three times as long to be delivered.
2. **The costs of Living:** The plan to decrease inflation to at least 3%, has led to 10 consecutive rises in interest rates. This has impacted the confidence of consumers and therefore spending on discretionary items has decreased with spending on essential products being a priority.
3. **Hire of Staff:** Throughout 2022, finding staff to hire was difficult for many retailers especially those in hospitalities. The main factor to this was the COVID induced carer leave as well as the lack of international migrants moving to Australia. It is difficult to predict when the amount of staff levels will be at a healthy level. A survey undertaken by KMPG stated "that 44 percent of retailers believe staffing will be one of their biggest challenges in 2023 and 39 percent name retaining staff as one of their top priorities for the year."
4. **Online Shopping Vs Retail Stores :** Throughout the pandemic, this shift online shopping to peak, however, research shows that over the last 6 months, "almost three in four shoppers preferred to shop in-store, and nearly two in five said they have a newfound appreciation for being able to touch and try on

fashion items.” The number of new shoppers entering the eCommerce market has been declining since the biggest influx was recorded in April 2020, indicating that new shoppers have transitioned to active online shoppers. That influx (shown in the graph below) coincided with increased restrictions.

Figure 5: Australian Household shopping monthly online January 2020 to Nove 2021



Source: E-commerce-industry-report-2022

3.1.2 Broader future trends for retail

The future of retail is shifting strongly towards experience and convenience, with technology continuing to drive the change. As the retail industry's innovative nature is driven largely by the need to anticipate and respond to its customer's needs and desires, changing socio-demographics and lifestyles, require individual retailers to constantly monitor shifts in demand and reposition their offer and in some instances, their mode of operation and distribution.

Our research has revealed the following emerging trends for 2023:

- **Faster delivery:** As online shopping matures the expectation of delivery and more convenient shopping will increase. The "next day" delivery concept being replaced with same-day delivery is more popular than ever.
- **Continued growth in online retailing with Omnichannel Retail - hybrid models (evolution of digital technology)** As stated above, bricks and mortar stores were majorly hit during the height of COVID-19, with online shopping peaking. This trend however seems to be equalising with online shopping. This effect has created a new phase of shopping called Hybrid online and in-store purchasing. With more consumers returning to in-store retailing, this market is also forever evolving to meet the needs and requirements of its customers. As online companies now have the opportunity to have a brick-and-mortar space, that allows their customers to experience the product before purchasing. For example, retailers have hosted events such as yoga classes for activewear and or product demonstrations.

In addition, in a survey undertaken by Ayden Australia 2022 Retail Report, 73% stated they preferred to visit a brick-and-mortar but it wasn't just about the transaction it was important to have that 'touch point'. It also stated that brick-and-mortar stores remain the staple of shopping.

Research suggests that retail expenditure increases are expected to lead to the demand for an additional 7.2 million sqm of shopfront retail floor space by 2031 in Australia.



- **Customer retention strategies:** As inflation increases so do the prices of the products. To retain customers' interest various promotions/sales are required to spark a stable interest from consumers. For example, the Black Friday and Click Frenzy sales helped to propel end-of-season retail sales well into November, permanently changing the flow of consumers' retail spending patterns.

In addition to the above, loyalty programs that incentivise customers to continue their relationship with the brand and business. In addition, is the Buy Now, Pay Later concept.

Self-service in store: The introduction of more self-service options will allow shoppers to have control of their purchasing as it mimics the convenience and speed of online shopping. For the retailer, it alleviates ongoing labour shortages. It is said that service is similar to how we view an ATM versus waiting for a teller at a bank. An ATM is quicker and therefore creates better service for the customer. In saying technology is quicker and faster, it is still recommended that retailers have that face-to-face customer experience with the staff. For example, Bunnings offers a mix of self-service and staffed checkouts, but includes staff support throughout its stores..

Mixed use investment: Neighbourhood centre is looked upon as good to invest in as they have a lot of benefits from offering residential apartments for downsizers that then allows the large housing stock to be freed up. It is also said that the carbon footprint is reduced as the residents can go and have a coffee and socialise and do their shopping without having to use their car.

The Australian economy is likely to escape a recession growth is likely to be below 2 percent, which is below the trend. Australians are of the mindset to get out and enjoy their lives. Domestic travel has fully rebounded, with 27.7 million passengers flying domestically in the three months to September 2022. The hospitality sector has been making a comeback over the last 12 months. This has led to an increase in spending in food services, clothing, and department stores. International spending is still lower than pre-pandemic due to labour shortages, aircraft capacity, and the current higher than average cost of flying. This is likely to be a short-term issue as global airlines return their fleet to Australia.

3.2 Commercial office market and trends 2023

It was understandable why the commercial market suffered the most out of all the sectors from the pandemic with office buildings being empty for weeks and months at a time. It's been three years since the initial lockdown, so what trends were formed and how is the office market looking now?

3.2.1 Trends from working through the pandemic

There is an increasing consensus that COVID-19 resulted in a shift in office demand and office demand requirements. There remains debate about the extent of the reduction in the demand for office space and whether the impacts will continue long-term.

KKS Savills (London) and the Savills Workplace Strategy Team argue a traditional office configuration will not support the demand for dynamic, collaborative and highly connected, and accessible workspace in the future. Mirvac also recently published a discussion paper recommending an overhaul of what it sees as the outdated metrics defining office spaces, as hybrid work styles become the norm in the wake of the pandemic. Mirvac argues "the way we work has changed forever, and with experience, culture, learning and connection now the focus, many existing fit outs are no longer fit for purpose". Mirvac also argues that only "modern, high-quality, tech-enabled, sustainable workplaces can support newer ways of working, so demand is growing apace for prime and A-grade space across all office markets, particularly from our large corporate customers". While Mirvac has created a pilot floor in 200 George Street to explore how office space can be used to boost performance and collaboration, facilitate experiences and encourage people back into the office, Savills has not seen the results from the pilot.

As shown in the figure below, there has been a shift in focus and thinking about the role of the office and office performance metrics for many occupiers. While cost and spatial metrics remain important, more companies are increasingly placing a stronger focus on ensuring the 'workplace' improves the employee experience, as they adopt a mix of working from home and working from the office. While many companies are encouraging at least 2-3 days in the office, this hasn't resulted in significant reductions in office demand or wholesale changes in office design that some analysts forecast at the start of the COVID-19 pandemic. The newer office designs are generally increasing the amount of space per person by introducing more spaces for collaboration such as spaces for team and client connections, health and well-being (such as end-of-trip facilities, multi-faith and parents rooms, and more quiet rooms), and social interaction and maintaining or only slightly reducing the amount of office space required.

There is also a stronger focus on design for health and wellness, environmental sustainability, and outdoor spaces/connections to the outdoors where possible.

The increased emphasis on providing flexibility and choice to office-based employees in where they work is also reflected in providing more flexibility and choice for where people work in an office with more work settings in new office designs. Occupiers are also seeking more flexibility in leases and lease terms, although this is likely to be difficult to achieve. In the office, agents experience a large number of larger companies adopting a wait-and-see approach as they have leases that don't expire for several years or relatively new fit-outs.

Figure 6: Shifts in performance metrics for office design and office functionality



3.2.2 Post-pandemic office trends

Similar to the retail market the effect of the economy has been influenced by the government's decisions. Office trends indicated from our research review include:

1. **Office market resilience:** In accordance with commercial real estate *"Australia's 'solid economic growth' in 2022 was one component of Australia's resilience in 2023. Also aiding the case was low unemployment, wage growth, strong occupier demand, no new supply completion, and stable vacancy rates and rents"*.
2. **Inflation peak:** The inflation level experience in 2023, is higher than that experienced in 1994, as well as a rapid shift in the macro-financial context underpinning property investment. This has led to an increase in interest rates, resulting in uncertainty as to how high they could reach. It has been predicted that this increase will give more clarity to the interest rate rises to come with liquidity and confidence expected to be restored by mid-2023.



3. **Yields increase to reflect the higher cost of funding:** The office market has experienced an increase in yields over the last 12 months however these forecast impacts are milder than in previous cycles, with sustained income growth helping to mitigate the impact of higher interest rates.
4. **Flight to quality:** The refurbishment of B-grade office buildings is the balance between cost, quality, specification, and amenity that will draw a competitive perspective in the market. In turn, refurbishments will improve the performance of B-grade buildings by capturing higher rents and reducing downtime. In return, the tenants require their businesses to work towards their Environment Social Governance (ESG) goals. Also, a safe COVID-19 environment to entice workers back to desks and improve space ratios will be a big factor.
5. **Rents and incentives:** Over the last 12 months some landlords have offered 40% incentives to attract tenants to the available space. From research we note that North Sydney landlords are applying 30% to 35% incentives for tenants.
6. **Vacancy rates:** Vacancy levels have dropped in North Sydney CBD significantly, even with new developments coming to market.
7. **Working from home arrangements:** Offices are becoming more hybrid working spaces. A report undertaken by Deloitte states that approximately 9% of employees are stuck with inflexible work arrangements these days. The remainder of the employees have adapted to a Hybrid. This model allows businesses to use their spaces more efficiently, altering layouts and existing designs to enhance the workplace experience. It should also be noted that a centralised environment is crucial for a business to bolster team culture and to drive development for new and younger staff and therefore the need and demand for office space will never change.

Overall, our research has revealed that the office market has been slowly improving over the last three years of office life distributions. With small improvements to office accommodation and the investor market making an appearance, the sector is set to keep performing.

8. **Local co-working places:** Shared office spaces may become more popular as employees seek to maintain work-life flexibility and reduced commute times.

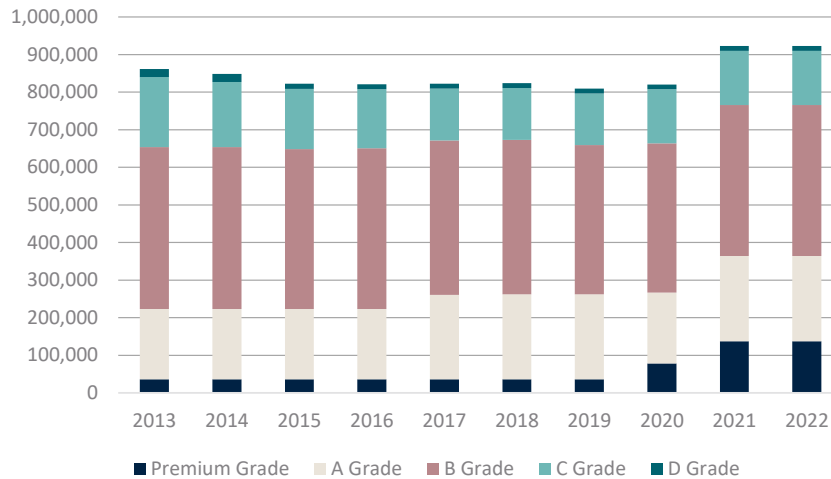
3.2.3 North Sydney office market

The PCA Office Market Report (Jan 2022) reports that as of January 2022, North Sydney contained around 922,793sqm of office floorspace, with over 100,000sqm added in the past 24 months¹. This means North Sydney accommodates the second largest amount of office space in NSW, with slightly more office space than Parramatta (887,268sqm) and Macquarie Park (909,469sqm)². As shown in Figure 7, the amount of office stock in North Sydney declined between January 2013 and January 2020 but increased by 62,332sqm over the past 10 years, with new developments spurred by the new Victoria Cross Station and metro rail line and changes to the North Sydney Local Environmental Plan.

¹ Property Council of Australia, January 2022, Office Market Report.

² Property Council of Australia, January 2022, Office Market Report.

Figure 7: Office stock by building grade North Sydney CBD, Jan 2013-22 (sqm)



Source: Savills analysis of Property Council of Australia, Office Market Report, January 2022

Table 1 shows the north shore office markets comparison in total stock, vacancy, average rent, incentive and yield.

Table 1: North Shore Office Market

MARKET	GRADE	TOTAL STOCK SQM	VACANCY RATE %	SIX MONTH NET ABSORPTION SQM	SIX MONTH NET ADDITIONS SQM	AVERAGE NET FACE RENT \$/SQM	INCENTIVE % ^a	CORE MARKET YIELD % ^a
North Sydney	Prime	394,539	14.9	-3,775	0	542	30-35	4.90-5.00
North Sydney	Secondary	558,257	17.5	2,000	0	701	30-35	5.00-5.50
North Sydney	Total	922,793	15.6	-1,755	0			
St Leonards	Prime	119,565	15.2	-8,105	3,285	634	30-35	5.00-5.50
St Leonards	Secondary	223,301	17.3	3,215	-834	559	30-35	5.75-6.25
St Leonards	Total	340,866	15.5	-2,888	-2,451			
Chateauwood	Prime	102,181	16.3	-500	0	575	30-35	5.25-6.00
Chateauwood	Secondary	141,273	13.8	-1,673	0	497	30-35	5.50-6.00
Chateauwood	Total	273,454	15.5	-2,201	0			
Macquarie Park	Prime	631,600	8.2	3,828	0	420	30-35+	5.25-6.75
Macquarie Park	Secondary	277,869	13.3	-3,403	4,579	358	30-35+	5.75-6.25
Macquarie Park	Total	904,710	9.6	-15,573	4,579			

Source: Savills analysis of Property Council of Australia, Office Market Report, January 2022

New development in North Sydney is outlined in the table below. Over two years, an influx of office space has been delivered, coupled with large tenants relocating to other areas. As of January 2022, Knight Frank reported a vacancy rate of 16.6% in the North Sydney market. This was decreased slightly due to the 'return to work' policy being encouraged in 2021. Research indicated that 100 Mount Street is 100% occupied, 118 Mount Street is now 100% committed and 1 Denison St is over 85% committed. This shows that the top asset buildings are in high demand.

Table 2: Commercial developments >20,000sqm delivered in past 5 years

Address	Building Area	Land Area	Grade	Indicative Floor Plate	Construction Status	Developer/ Owner
100 Mount St	45,439	1,761	Premium	1,350	Completed 2019	Dexus
118 Mount St	21,000	1,145	A	881	Completed 2020	CB Investment Management
1 Denison St	61,000	3,750	A	1,929	Completed 2020	Winten Property Group

A new commercial building is 88 Walker Street, which encompasses 13,000 sqm. A new commercial development at 2-4 Blue Street and 1-5 William Street due for completion in 2024 will add a further 14,000 sqm commercial space.



The research has revealed the following for the North Sydney office market:

1. Premium office shows a decrease in vacancy from 17.7% to 6.1% over the last 12 months to January 2022.
2. Demand for quality top-end assets is strong
3. Lease deals have tripled from 2020 to 2021. This indicates the market is coming back to its original historical figures
4. Tenants are seeking hole floor options rather than smaller suites. North Sydney tenants occupy floors from 500 sqm to 2,500 sqm. Whereas Sydney CBD leasing deals are taking place sub 500 sqm
5. Aurecon has secured a leasing deal of several floors with Sony occupying one floor at 73 Miller Street
6. With no significant supply due for completion by 2024, the research suggests there will not be any oversupply in the market causing high vacancies
7. The development of prime office space again in North Sydney has led average rents to increase over the last 12 months to \$842/sqm net and or \$992/sqm gross as of January 2022. Secondary has remained steady at \$701/sqm net and \$844/sqm gross. Incentives are in the order of 30% to 35 %. This has stabilised the net effective rent to \$519/sqm and \$448/sqm for prime and secondary respectively.

3.3 Trends in the Neutral Bay Town Centre

Neutral Bay Town Centre is a main street shopping centre providing retail goods and services for the residents of Neutral Bay and Cremorne, as well as Mosman, Kirribilli and Cammeray. It also provides retail goods and services for its worker population. The diverse range of developments that incorporate residential, retail, and office space enables the Centre to thrive in both footfall activation and spending.

There are currently several new mixed-use developments under construction in the Centre. Mixed-use developments with residential apartments above ground floor retail is becoming increasingly popular in main street shopping centres. Centres provide a diverse range of land uses where people can work, live, shop, and socialise. Our research indicates that neighbourhood centre supermarkets account for at least one-third of total retail sales in the centre and can be as high as two thirds. Neutral Bay Woolworths draws a large trade from residents and workers as well as consumers from Mosman and Cammeray. Supermarkets are becoming more sophisticated and therefore the offer in a centre is important. Since the beginning of the pandemic, the centre has continued to improve with various changes to the streetscape and retail premises. The introduction of connecting pedestrian links to make it easier to walk from one end of the centre was achieved by closing Young Street to create the Young Street Plaza as well as allowing premises to front onto laneways incentivising people to shop.

Workers in the centre and residents in the wider trade area are typically white-collar workers. One of the largest trends from the pandemic is the hybrid working model of working half the week at home and the remainder at work. This trend is unlikely to change due to the ability of white-collar workers to remote work from home which creates even further demand for local retail space. The need for the dining premises to operate during the day and night would have come more apparent. Coupled with the transport and proximity to the city makes Neutral Bay a convenient place to do business.

The online frenzy experienced throughout the pandemic has seen this decrease with various surveys stating people prefer to go out and experience the shopping trip in person while touching and feeling the products. The need for professional retailers such as supermarkets where people can handpick their groceries, post office, dry cleaner go to hairdressers/ beauty shops, massagers, dining and entertainment premises that cannot be purchased online and delivered the 'same day', will always generate demand for retail space in Neutral Bay. The centre acts as a vital place for people to meet, eat and shop. The broader trends will only compliment the centre in its growth. Longer term we do not envisage these trends adversely affecting the vitality and performance of the centre.



3.4 Trend summary

The previous implications of COVID-19 on the economy have been largely brought about by government mandated isolation measures, operating and capacity restrictions and temporary business closures. Previously the full implications were unknown, however with the abolishment of restriction and distancing measures and general return to normal we have begun to see more normalised trends following the height of the pandemic.

Previously the accommodation, food services and retail trade were most greatly affected by government restrictions. These two industries are particularly prevalent in Neutral Bay Town Centre, with the temporary closure of shops and restaurants greatly impacting the Town Centre at the height of the pandemic. Despite this the retail and hospitality services available in the centre, tailored to a local market were quick to recover once restrictions were eased with our recent updated floorspace audit indicating the vacancy rate closely resembling pre-COVID-19 levels. There were however observations that the commercial office vacancy rate had increased while the retail vacancy rate had decreased likely reflective of the ongoing and likely long-term implications of WFH and hybrid working models.

Despite the movement to online continuing to trend it is unlikely that over the medium to long term physical stores would be detrimentally impacted with most retailers adopting a hybrid approach. It is likely that over the longer-term local services and in person offerings in the categories of personal services, hospitality, specialty non-food and food offerings will continue to thrive under post-COVID landscape.

Our most recent audit revealed that the proportion of residential floorspace has increased with a decline in commercial office floorspace and slight increase in retail floorspace relative to the previous audit (due to completion of developments previously under construction). The overall vacancy rate for the Neutral Bay Town Centre had reverted to pre-pandemic levels although there has been a growth in commercial vacancies and decrease in retail vacancies.

HillPDA undertook additional research and 1 on 1 interviews with local agents to understand the current market conditions on the ground. Our discussions indicated the following points/trends:

- There are vacancies along the military road for both retail and office space as working from home is more apparent
- Owner occupiers are the typical buyers in the area wanting to set up new businesses
- Smaller suites of less than 100sqm and medical uses are in high demand
- Agents believe that the vacant space will start to be occupied by those who are readjusting to the space post COVID-19
- Leasing of office space is a more difficult in the current market as there is an abundance of supply. New stock in Neutral Bay have provided reduced rents and additional market incentives to attract tenants
- There has been an observed trend for owner occupiers seeking to purchase commercial properties to capitalise on the investment and are asking for cheaper rents
- This year there has been growing market confidence despite the interest rate hikes, the market seems to be rebounding from COVID-19
- In 2020, Colliers sold 9 properties across the North Shore. Over the last 12 months, there has been an increase by 400%
- When queried why buyers would choose neutral bay over say north Sydney the responses included: The village feel, proximity to housing (tenants and owners can walk to work) street activation, outdoor seating, close to the city, and transport lots of parking available. Retail space is realistic to do well in the village and not in a CBD environment



- Vacancies in retail are due to an increase in rents. The owner-occupier needs to factor in the increase in interest rates etc and that affects the lessor
- Agents suggested that Council make the owner occupier pay a levy if the premises are not occupied for several months. This may stop owner-occupiers from upping the rent and having vacant properties
- It was suggested that Council build the relationship with the locals of Neutral Bay but have more event days say once a quarter.

SECTION 2 STUDY AREA PROFILE

4.0 DEVELOPMENT TRENDS AND PIPELINE

4.1 DA Analysis

Development approval completions

The following chapter analyses the development approval data sourced from Cordell connect to understand the development since 2018 and future development pipeline in the North Sydney LGA. Additionally, HillPDA have reviewed applications flagged by Council and any development sites observed in the updated floorspace audit. The analysis is intended to provide an indication to whether the centre is attracting new development. Information on recent, larger scale development applications has also been compiled. Council provided Development applications since 2018 tabulated in the table below:

Table 3: Major development approvals 2018-2022

Property Address	Determined	No of Dwellings (Residential)	No of Commercial/ Retail Units	Residential GFA (sqm)	Commercial/ Retail GFA (sqm)	Total GFA (sqm)
140 Military Road Neutral Bay	May-2018	38	2	2,525	600	3,125
11 Rangers Road Neutral Bay, 9 Rangers Rd Neutral Bay	Jun-2018	23	6	3,090	538	3,628
288 Military Road Cremorne	Jul-2020	20		632	0	632
DA92/21 (12-14 Waters Road)	Feb-2022	36	6	4,238	1,954	6,192
211 Military Road Cremorne	Sep-2022	20	0	1,777	0	1,777
12 Grosvenor Street Neutral Bay	Aug-2022	19	0	2,103	0	2,103

Source: North Sydney Council, 2023* Determination - Certifier Approved projects

Development application pipeline

The following table details future planning proposal provided by Council. These planning proposals give an indication of future supply and would be taken into account when estimating the hypothetical supply and demand scenarios in later chapters and phase 2 of the study.

Table 4: Additional development applications

Property Address	Status	Non-Residential GFA (sqm)	Residential GFA (sqm)
1/23-1-7 Rangers Road & 50 Yeo St Neutral Bay	Planning proposal under assessment	8,302	7,566
DA42/23 (12-14 Waters Road)	Under assessment		+ additional 902
DA404/22 (165-173 Military Road) a height breach of up to 7m against the current max LEP height of 16m	currently appealed and going through a court process	455	2,550

Source: North Sydney Council, 2023

5.0 FLOORSPACE AUDIT

This chapter presents findings from an updated floorspace audit undertaken by HillPDA in March of 2023. The audit provides an estimate of floorspace and land use in the Neutral Bay Town Centre compared to previous 2018 floorspace.

The floorspace audit was undertaken as an on-ground field survey using the pacing method verified using aerial imagery building outline measurements. The floorspace figures are gross floor plate estimates and generally, do not take into account any voids and circulation space. The floorspace estimates are likely to be subject to a human error factor of around plus or minus 10 per cent. The floorspace audit provides an indication of the types of businesses and uses currently operating in the centre and the mix of floorspace devoted to different uses.

5.1 Floorspace snapshot

The overall breakdown of floorspace across specific land use types can be found in Table 5. The updated floorspace survey indicated that there was 162,888sqm of floorspace in the Neutral Bay town centre. Between the period there was a 2,444sqm increase in commercial floorspace, 1,457sqm increase in retail floorspace and 1,991sqm increase in residential. The following table details the floorspace in 2018 compared to 2023 and the change between the period.

Table 5: Industry floorspace breakdown

Landuse type	2023		2018		2018-23
	(sqm)	%	(sqm)	%	Change
Retail					
Clothing	2,503	1.5%	2,235	1.4%	268
Convenience Store	364	0.2%	225	0.1%	139
Personal services - massage	4,224	2.5%	4,001	2.5%	223
Supermarket	7,050	4.2%	7,050	4.4%	-
Service Station Convenience	132	0.1%	132	0.1%	-
Specialty Food	1,767	1.1%	1,196	0.8%	571
Specialty non food	2,493	1.5%	2,270	1.4%	223
Take Away Food	374	0.2%	449	0.3%	-75
Cafes & Restaurants	5,794	3.5%	5,651	3.5%	143
Bulky goods*	591	0.4%	865	0.5%	-274
Pubs, clubs**	284	0.2%	284	0.2%	-
Subtotal	25,576	15.4%	24,074	15.1%	1,502
Commercial					-
Commercial - finance	2,879	1.7%	3,784	2.4%	-904
Commercial - travel	529	0.3%	652	0.4%	-123
Commercial - general	12,277	7.4%	12,057	7.6%	220
Commercial - medical	6,391	3.8%	6,081	3.8%	310
Commercial - legal	1,118	0.7%	1,211	0.8%	-93
Commercial - real estate	3,791	2.3%	3,659	2.3%	132
Commercial - government	314	0.2%	314	0.2%	-
Subtotal	27,300	16.4%	27,758	17.4%	-458
Other					-



Landuse type	2023		2018		2018-23
	(sqm)	%	(sqm)	%	Change
Automotive	-	0.0%	-	0.0%	-
Community***	15,117	9.1%	15,247	9.6%	-130
Hotel	1,603	1.0%	1,603	1.0%	-0
Recreation/fitness	3,331	2.0%	2,851	1.8%	480
Utility	822	0.5%	822	0.5%	-
Unknown	977	0.6%	1,077	0.7%	-100
Construction Site	-	0.0%	1,709	1.1%	-1,709
Vacant	5,340	3.2%	5,162	3.2%	178
Residential	84,709	50.9%	76,832	48.3%	7,877
Car Park	1,796	1.1%	1,796		-
Total	166,570	100.0%	159,214	99.8%	7,356

Source: HillPDA land use audit 2023

* includes bulky goods, homewares, hardware and large electronics

** includes pubs and clubs eating and drinking areas

***includes schools

The slight increase in retail space was due to building completions post 2018 to 2023. There was a total of 2,676sqm of non-residential floorspace in the previous audit that was under construction at the time that have since completed.

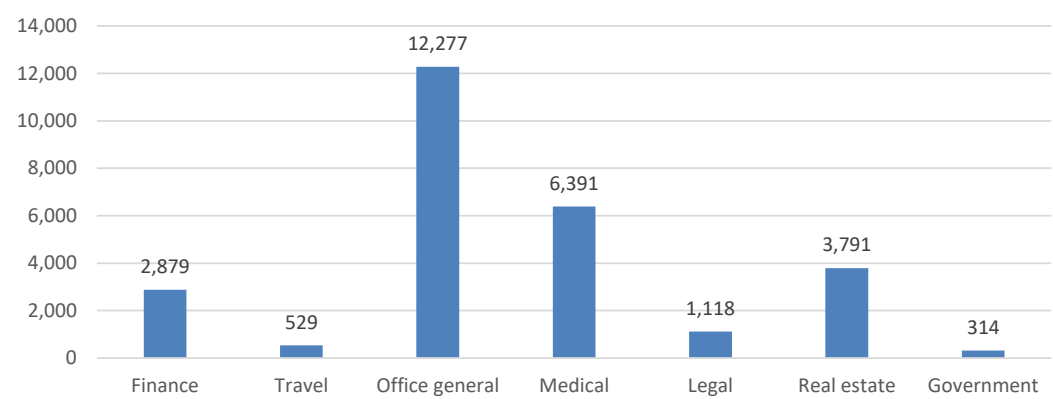
5.2 Commercial office floorspace

The Neutral Bay study area currently contains approximately 27,300sqm of occupied office and business floor area. This contributed to around **16.4** per cent of the total floor area in the study area. The proportion of occupied commercial office floorspace has decreased by 458 sqm.

Office and business premise floorspace contribution		
2018	2023	Change
27,758	27,300	-458
of study area	of study area	



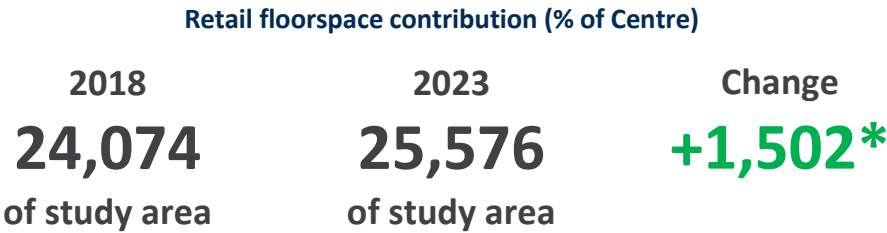
Figure 8: Office and business floorspace breakdown in the study area by type



Source: HillPDA, 2023

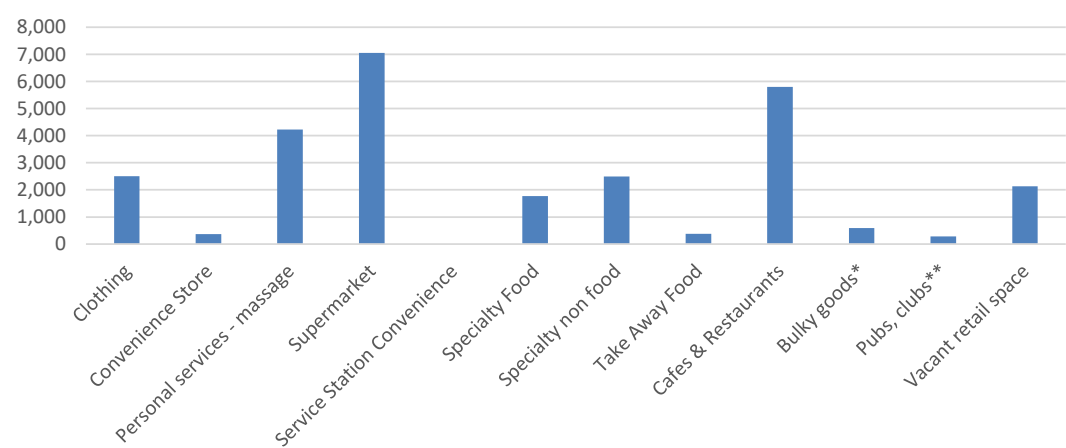
5.3 Retail

The Neutral Bay town centre contains around 25,576sqm of occupied retail space, which includes general retailing and cafes, restaurants, and bars. Although the comparison of the two audits indicates a total positive change to retail floorspace our analysis shows that this increase was due to buildings that had been constructed since the 2018 survey. There was a delivery of 1,502sqm of non-residential floorspace between the two periods.



*This increase was due to the delivery of non-residential floorspace under construction under the previous audit.

Figure 9: Retail floorspace breakdown in the study area by type



Source: HillPDA, 2023

The study area contained approximately 27,704 sqm of occupied and vacant retail floor space. Amongst the different store types shown in the table below supermarkets has the highest representation, followed by cafes and restaurants and then personal services.

Table 6: Retail floorspace breakdown

Retail	Floorspace 2023 (sqm)	Proportion of retail (%)
Clothing	2,503	9.0%
Convenience Store	364	1.3%
Personal services - massage	4,224	15.2%
Supermarket	7,050	25.4%
Service Station Convenience	132	0.5%
Specialty Food	1,767	6.4%
Specialty non food	2,493	9.0%
Take Away Food	374	1.3%
Cafes & Restaurants	5,794	20.9%
Bulky goods*	591	2.1%
Pubs, clubs**	284	1.0%
Vacant retail space	2,128	7.7%
Subtotal	27,704	100.0%

* Includes bulky goods, homewares, hardware and large electronics

5.3.1 Cafes, restaurants, and bar retailing

The study area contained approximately 6,452sqm of food and beverage services. Cafes and restaurants comprised of 3.5 per cent of the total floorspace in the centre with pubs and clubs and take away food comprising of 0.2% each.

Retail floorspace contribution (% of centre) 2023

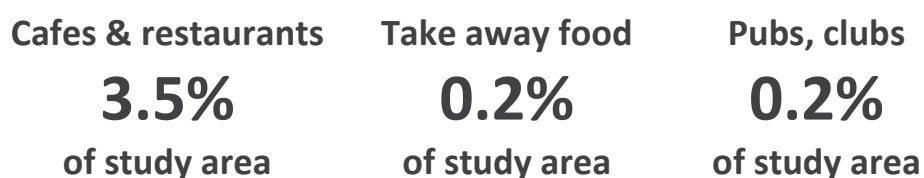
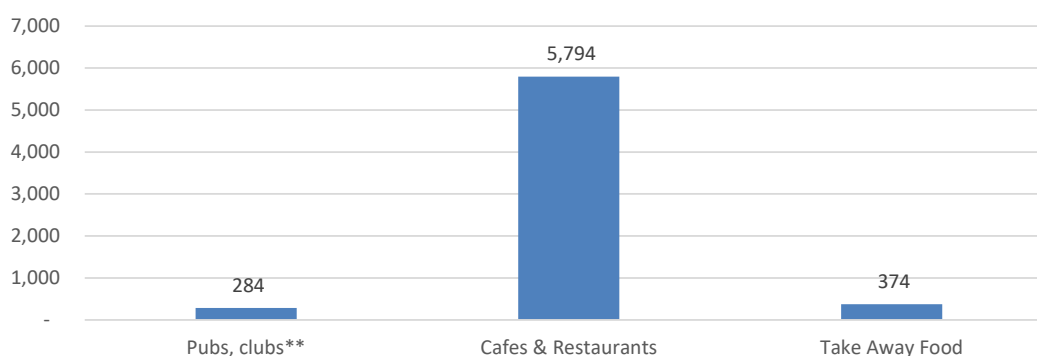


Figure 10: Food and beverage proportional floor area



Source: HillPDA, 2023

Table 7: Food and beverage floorspace breakdown

Land use type	Study area (sqm)	Proportion
Pubs, clubs**	284	4%
Cafes & Restaurants	5,794	90%
Take Away Food	374	6%
Total	6,452	100%

** includes pubs and bars eating and drinking areas

5.4 Residential

The study area contained approximately 84,709sqm of residential floor area, contributing to around one half (50.9%) of the overall floorspace in the study area. The residential floorspace in the study area has increased from 2018 to 2023 by approximately 7,356sqm.

2018	2023	Change
76,832	84,709	+7,877
of study area	of study area	

Table 8: Residential floorspace breakdown

Land use type	Floorspace 2023 (sqm)	Floorspace 2018 (sqm)	2018-2023 change
Short term accommodation	1,603	1,603	-0
Residential	84,709	76,832	+7,877

Source : HillPDA, 2023

The study area contained approximately 1,603sqm of short-term accommodation floor area, contributing to around 1.0 per cent of the overall floorspace in the town centre. Since 2018 there has been no change in quantum of short-term accommodation floor area.

5.5 Community uses, recreation and entertainment

The study area contained approximately 18,448sqm of community and recreational land uses, contributing to around 11.3 per cent of the overall floorspace in the study area.

Table 9: Community, recreation and entertainment uses floorspace breakdown

Land use type	Study area (sqm)
Recreation/fitness	3,331
Community uses (including schools)	15,117
Total	18,448

Source : HillPDA, 2023

5.7 Vacancies

The study area contained approximately 5,340sqm of vacant floor area distributed across the study area. The floorspace audit identified that approximately 3,212sqm was non-retail commercial (office) space and 2,128sqm was retail floorspace. This equated to 3.3 per cent of the overall floorspace in the study area.

2018	2023	Change
5,162sqm	5,340sqm	178
3.2%	3.3%	+0.1%
of study area	of study area	

There was a 699sqm decrease in vacant retail floorspace and a 877sqm increase in vacant office floorspace. Although vacancies appear to have reverted to pre-pandemic levels a decrease in retail vacancies has offset the increase in commercial vacancies. This is reflective of the mid to longer term impacts of COVID-19 on commercial office tenancies with the adoption of WFH or hybrid working practices standardised in the workplace.

5.8 Findings

HillPDA analysed the overall breakdown of floorspace across specific land use types. The updated floorspace survey indicated that there was 166,570sqm of floorspace in the Neutral Bay town centre.

The Neutral Bay study area contains approximately 30,512sqm of office and business floor area as of 2023.

The Neutral Bay town centre contains around 27,704sqm of retail space, which includes general retailing and cafes, restaurants, and bars.

The study area contains approximately 84,709sqm of residential floor area, contributing to more than half (50.9%) per cent of the overall floorspace in the study area. The residential floorspace in the study area has increased from 2018 to 2023 by approximately 7,977sqm.

The study area contains approximately 18,448sqm of community and recreational land uses, contributing to around 11.3 per cent of the overall floorspace in the study area.

The study area contains approximately 5,340sqm of vacant floor area distributed across the study area. The floorspace audit identified that approximately 3,212sqm was vacant office floorspace and 2,128sqm was vacant retail floorspace. This equated to 3.2 per cent of the overall floorspace in the study area.

There was a 699sqm decrease in vacant retail floorspace and a 877sqm increase in vacant commercial floorspace. Although vacancies appear to have reverted to pre-pandemic levels a decrease in retail vacancies has offset the increase in commercial vacancies. This is reflective of the mid to longer term impacts of COVID-19 on commercial office tenancies with the adoption of WFH or hybrid working practices standardised in the workplace.

6.0 COMMERCIAL FLOORSPACE DEMAND ANALYSIS

The following chapter assesses the demand for commercial floorspace to 2041. It considers the theoretical capacity of the centre under current planning controls and determines if there is adequate supply to meet future demand.

6.1 Retail floorspace demand

The projected demand for retail floorspace within the study area has been calculated to understand future land use requirements. Retail demand was calculated with consideration of the following inputs:

- The surrounding competitive retail landscape
- Trade area population projections
- Retail expenditure generated by trade area residents
- Retail expenditure generated by workers in the immediate locality
- Retail capture rates by broad store type
- Potential retail sales in the study area.

The projected retail expenditure is then translated into floorspace demand. The difference between current supply and projected floorspace demand is then calculated to quantify the amount of additional floorspace required in the study area.

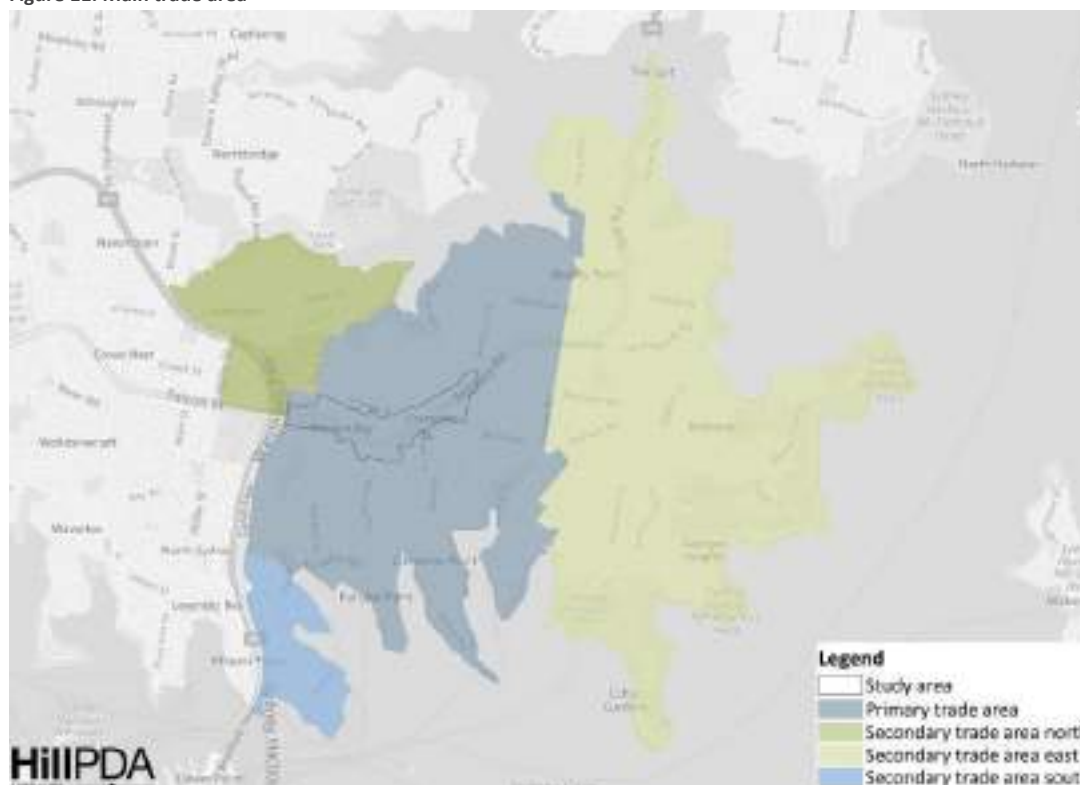
6.1.1 Trade area definition

For the purposes of this assessment we have adopted the same trade area as that defined for the Military Road Corridor in the previous 2019 report for Neutral Bay Town Centre. This is because Neutral Bay Town Centre accommodates the two main anchor tenants of the corridor, namely the two full-line Woolworths supermarkets. These tenants would share the same customer base, particularly since the competitive landscape has remained largely unchanged from 2019 to 2023.

The main trade area for the study area (see Figure 11) comprises four sub-trade areas as follows:

- A **primary trade area** (PTA) – this area predominantly consists of Neutral Bay, Cremorne, Cremorne Point and Kurraba Point suburbs
- A **secondary trade area-north** (STAN) – this area predominantly consists of the suburb of Cammeray
- A **secondary trade area-east** (STAE) – this area predominantly consists of the suburb of Mosman
- A **secondary trade area-south** (STAS) – this area predominantly consists of the suburb of Kirribilli and the proportion of North Sydney suburb east of the Cahill Expressway.

Figure 11: Main trade area



Source: HillPDA

6.1.2 Main Trade Area projections

The population projections for the MTA have been sourced from:

- The ABS 2021 Census
- Forecast.id

The MTA population projections by sub-trade area are shown in the table below. The MTA currently accommodates around 65,100 residents, with resident population projected to grow to 73,050 by 2041. More than half of the MTA's population and growth is captured in the PTA, which is indicative of the area's higher density.

Table 10: MTA population projections

Trade Area	2022	2026	2031	2036	2041
PTA	36,697	38,983	39,996	40,963	43,114
STAN	7,197	7,523	7,695	7,859	8,124
STAE	17,380	17,408	17,432	17,455	17,479
STAS	3,818	3,997	4,071	4,184	4,331
MTA	65,092	67,911	69,193	70,461	73,048

Source: ABS 2021 Census and Forecast.id

6.1.3 Retail expenditure projections

6.1.3.1 Resident expenditure

The projected growth in household retail expenditure within the main trade area between 2022 and 2041 has been calculated based on:

- ABS Retail Turnover data which provides total turnover every month by State and by industry sub-groups across Australia
- ABS Household Expenditure Survey which provides household expenditure by broad commodity type by household income quintile; and
- HillPDA's bespoke retail expenditure model which is generated by combining data from the Census and the ABS Household Expenditure Survey (HES).

As can be seen in Table 11, the main trade area residents generated an estimated \$1.51 billion in retail expenditure in 2022. This figure is forecast to increase to approximately \$1.97 billion by 2041.

Of total retail expenditure at 2022, approximately \$432.3 million, or about 29 per cent, was spent in supermarkets and grocery stores. Expenditure in this retail sub-category is forecast to increase by around \$154.4 million, reaching a total of \$587 million by 2041.

Table 11: Main trade area total retail expenditure (\$m)

Retail category	2022	2026	2031	2036	2041
Supermarkets and grocery stores	432.3	469.5	502.9	538.3	586.7
Specialised food stores	95.1	102.2	108.1	114.3	123.1
Bulky goods stores	278.6	299.0	315.5	332.7	357.2
Department stores	47.6	48.7	48.4	48.0	48.6
Apparel stores	142.5	152.3	159.9	167.8	179.3
Other non-food stores	247.5	265.6	280.2	295.5	317.2
Restaurants and fast food services	210.0	228.5	245.3	263.2	287.6
Personal services	54.6	58.3	61.2	64.2	68.6
TOTAL	1,508.2	1,624.2	1,721.5	1,824.2	1,968.3

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)

** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electrical appliances, sports and camping stores.

*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos

6.1.3.2 Worker retail expenditure

Local workers typically spend around an estimated 15-20 per cent of their annual retail expenditure near their place of work. This expenditure is typically directed towards food, cafes, apparel, giftware and other leisure retailing³.

Table 12 estimates the potential number of workers within the study area, which live outside the main trade area. 86.7 per cent of all workers in the North Sydney LGA lived outside the LGA, whilst 60.8 percent of Mosman LGA workers work outside the LGA. Given Neutral Bay's demographic profile an assumption has been made that 70 per cent of the workforce live outside of the main trade area and would contribute to worker expenditure. Workers that live within the main trade area have been excluded as to avoid double counting.

Table 12: Estimated number of workers from outside main trade area

	2022	2026	2031	2036	2041
Workers that live outside of MTA	3,010	2,871	2,884	2,935	3,008

Source: TPA 2022 employment projections.

Based on the number of workers and estimate annual spend (which accounts for real escalation rates by retail category type), it is projected that workers in the study area would spend around \$9.0 million on retail items in the local area. This is forecast to increase to around \$9.8 million by 2041.

³ A worker expenditure of around 20% of the Greater Sydney average annual retail spend (around \$15,000) has been adopted. That is, it has been assumed that 15-20% of this expenditure would be spent near a person's place of work.

6.1.3.3 Retail capture rates by broad store type

Retail capture rates and assumptions by broad store type have been applied to calculate potential retail expenditure captured in the study area and are shown in the table below.

Note the capture rates that have been adopted for the purpose of this report are based on the type and quantum of retail floorspace observed in the floorspace audit, business survey results and the surrounding competitive environment.

Table 13: Capture rates of Neutral Bay Town Centre

Retail category	2022
Supermarkets and grocery stores	31.8%
Specialised food stores	24.8%
Bulky goods stores	5.9%
Department stores	-
Apparel stores	6.8%
Other non-food stores	9.4%
Restaurants and fast food services	17.2%
Personal services	24.3%
Total retailing	17.2%

Source: HillPDA Research

Based on the capture rates and potential local resident and worker population expenditure, the study area would have achieved total retail sales of around \$304 million in 2022, increasing to \$411 million by 2041. This represents an increase of around \$108 million or 35 per cent over the period. The table below provides a breakdown of potential retail expenditure captured by the study area based on the broad retail categories.

Please note that an additional five to fifteen per cent capture of trade across the various retail store types has been accounted for from beyond the identified trade area, given its location on a major arterial road.

Table 14: Total potential retail expenditure captured by Neutral Bay Town Centre (\$2022 Mil)

Retail category	2022	2026	2031	2036	2041
Supermarkets and grocery stores	160.4	175.5	188.5	202.3	222.0
Specialised food stores	28.7	31.0	32.9	34.9	37.7
Bulky goods stores	17.4	18.8	19.8	21.0	22.6
Department stores	0.0	0.0	0.0	0.0	0.0
Apparel stores	11.3	12.1	12.7	13.4	14.3
Other non-food stores	26.3	28.3	29.9	31.6	34.0
Restaurants and fast food services	44.5	48.4	52.1	56.0	61.0
Personal services	15.4	16.5	17.4	18.3	19.7
Total Retailing	303.9	330.6	353.4	377.5	411.4

* Turnover relating only to consumption of food and liquor (excludes all other types of revenue such as accommodation, gaming and gambling)

** Bulky Goods includes fabrics, soft goods, furniture, floor coverings, hardware, houseware, electrical appliances, sports and camping stores.

*** Selected Personal Services includes hair and beauty, laundry, clothing hire and alterations, shoe repair, optical dispensing, photo processing and hire of videos

6.1.4 Retail floorspace demand

In order to determine the demand for retail floorspace within the study area, the projected study area retail expenditure (see Table 14) has been divided by the target turnover rates (\$/sqm of retail floorspace) as defined in Table 15. These target turnover rates broadly represent industry averages.

Table 15: Potential retail floorspace demand (GFA)

Retail category	Target Rate*	2022	2026	2031	2036	2041	Growth
Supermarkets and grocery stores	16,000	10,028	10,751	11,263	11,789	12,622	2,594
Specialised food stores	11,000	2,606	2,763	2,860	2,959	3,119	513
Bulky goods stores	4,700	3,696	3,913	4,037	4,161	4,381	685
Department stores	-	-	-	-	-	-	-
Apparel stores	6,000	1,881	1,975	2,027	2,079	2,170	289
Other non-food stores	7,000	3,754	3,964	4,087	4,213	4,424	670
Restaurants and fast food services	7,000	6,358	6,785	7,115	7,461	7,924	1,566
Personal services	4,000	3,841	4,049	4,160	4,271	4,472	631
Total retailing	9,450	32,164	34,199	35,550	36,934	39,112	6,948

*Sources: ABS Retail Survey 1998-99 (2017 dollars), JHD Retail Averages, Shopping Centre News, HillPDA and various consultancy studies
An allowance for real growth in retail store turnover of 0.5 per cent per annum. Also assumes 5 to 15 per cent trade captured by residents beyond the trade area

Table 15 identifies that the study area could currently support up to 32,164sqm of retail floorspace. This is forecast to increase by almost 7,000sqm, reaching almost 39,100sqm in 2041. Of this net growth, around 2,600sqm is attributed to supermarket floorspace, which would be sufficient for the development of another mid-sized supermarket of around 2,000-2,500sqm.

6.1.5 Supply versus demand

As identified in the floorspace audit in chapter 5.0, the study area currently contains around 25,600sqm of occupied retail floorspace, with a further 2,128sqm of vacant retail space. With consideration of the development pipeline (see chapter 4.0), supply in the study area is anticipated to increase to almost 29,400sqm by 2026.

Table 16 indicates the current floorspace requirements of the study area (supply less demand). The results indicate that the study area currently has an undersupply of around 5,000sqm. Even accounting for current projects in the pipeline this undersupply is forecast to increase to around 9,750sqm by 2041.

Table 16: Retail floorspace supply versus demand

	2023	2026	2031	2036	2041
Supply	27,704*	29,365**	29,365**	29,365**	29,365**
Demand	32,661	34,199	35,550	36,934	39,112
Over/undersupply (+/-)	-4,957	-4,834	-6,185	-7,569	-9,747

Source: HillPDA, *includes retail vacant floorspace from audit **includes vacant retail floorspace and the approved retail/commercial floorspace identified in Table 3 of Chapter 4 (assuming commercial and/or retail GLA @ 85% of the proposed GFA)

To estimate any particular deficiencies in retail provision in the study area, the current and pipeline supply of retail space has been proportioned into broad retail categories and subtracted from demand.

From this, it is estimated that:

- Current demand is sufficient for the development of an additional supermarket
- There is a significant undersupply of bulky good retailing or hardware stores in the study area, along with other non-food stores
- There is adequate supply of personal services and potentially a slight over-supply of apparel stores
- There is a slight undersupply in speciality food retailing, increasing to around 1,350sqm by 2041
- There could be demand for additional cafés and restaurants in the study area to 2041.

Table 17: Retail supply versus demand by broad category 2023 to 2041⁴

Retail category	Supply		Demand		Over/undersupply (+/-)	
	2023	2041	2023	2041	2023	2041
Supermarkets and grocery stores	7,546	7,546	10,204	12,622	-2,658	-5,076
Specialised food stores	1,767	1,767	2,644	3,119	-877	-1,352
Bulky goods stores	591	591	3,749	4,381	-3,158	-3,790
Department stores	-	-	0	-	-	-
Apparel stores	2,503	2,503	1,904	2,170	599	333
Other non-food stores	2,493	2,493	3,805	4,424	-1,312	-1,931
Restaurants and fast food services	6,452	6,452	6,462	7,924	-10	-1,472
Personal services	4,224	4,224	3,892	4,472	332	-248
Vacant / pipeline development	2,128	3,789			2,128	3,789
Total	27,704	29,365	32,661	39,112	-4,957	-9,747

Source: HillPDA 2018

*includes specialty non-food, service station convenience and convenience store

** Note with regard to the need for additional supermarket and bulky goods retailing in the area, this does not necessarily need to be provided within the study area. It may be better located beyond the study area along the Military Rd Corridor towards Cremorne and/or Mosman as these areas currently lack a full-line supermarket.

6.1.6 Implications for the study area

Residents within the study area's main trade area are affluent, evident by the average retail expenditure per capita being around \$23,171 per annum. This is around \$7,000 to \$7,500 per annum higher than the average for Greater Sydney. The amount of retail expenditure generated by residents within a trade area is the primary factor that influences the demand for retail floorspace.

From land use audit and demand modelling the following observations can be made for the study area:

- There is demand for another supermarket, which will further strengthening the offer and appeal to shoppers. Depending on the design of the supermarket and how it integrates with surrounding retailers, a supermarket in this location could have potential positive flow-on effects to surrounding retailers. Please note however that an additional full-line supermarket in say Cremorne just outside the study area could satisfy this demand
- There is an undersupply of speciality food retailers in the study area, such as butchers, bakeries, alcohol and takeaway food. Over the past three decades growth in the size and diversification of supermarkets have impacted traditional speciality food retailers such as fruit and veg stores, butchers and bakeries. However, good quality/unique speciality food stores in themselves can become mini anchors drawing people from outside of the trade area – benefiting surrounding retailers. An example is the Victor Churchill butcher in Woollahra
- There is demand for additional café/restaurant retailing in the study area. Although there are some good pockets of restaurant precincts in the study area, there is an opportunity to strengthen, expand or create new precincts to achieve the overall vision of the area
- The above table shows an undersupply of bulky goods retailing but again it is not imperative that space be planned for this type of retail inside the study area if supply/site constraints are too difficult. Bulky goods space can be accommodated outside the study area or even from expansions of existing clusters outside the MTA such as in Manly Vale and Crows Nest.

We conclude that 9,750sqm of additional retail space, including a further supermarket and additional bulky goods retail, could be supported by resident expenditure in the locality. However, it is not imperative that all this

⁴ Automotive floorspace is not included in retail modelling

space, including the supermarket and bulky goods space, be located in the study area. Cremorne is an alternative location if land constraints in the study area prove too difficult.

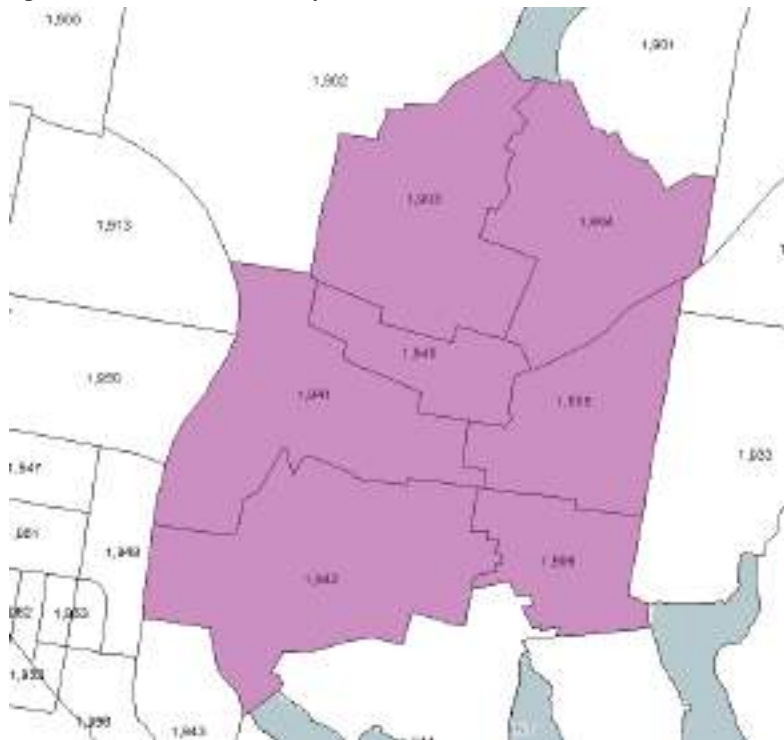
6.2 Demand for Business and office premises

The following chapter forecasts the demand for office and business premises⁵ and the associated floorspace to be accommodated in the study area over the 20 years to 2041.

To estimate business and office premise demand the following approach was used:

- Estimate the number of workers by industry type for the Military Road Corridor and surrounds, referred to as the wider commercial study area hereafter (refer to Figure 12) using ABS 2021 Place of Work (POW) data
- Assess TPA office and business premise employment projections for the wider commercial study area
- Applied the TPA net growth in commercial related industries to current employment levels, with adjustments made to employment forecasts to account for TPA overcount and ABS undercount
- Estimate employment directed towards business and commercial zones for the commercial study area
- Apply observed employment densities to employment by industry type
- Estimate the amount of commercial office space that could be directed to or accommodated in Neutral Bay Town Centre.

Figure 12: Wider commercial study area



Source: HillPDA, QGIS, TZ

⁵ This includes knowledge intensive industries and allied/health services

6.2.1 Commercial floorspace demand

6.2.2 Employment growth in the study area

The table below outlines the projected employment numbers in the wider commercial study area for industries that are typically office based. As sourced from the ABS POW, there were 3,400 office based jobs in the wider commercial study area as at 2021. Applying TPA's projected net job growth across these industries to current levels, these types of jobs are projected to increase to almost 3,600 jobs by 2041 (+189 jobs).

These employment projections form the base of the office and business premises floorspace projections.

Table 18: Commercial study area employment projections

Industry	2021*	2026	2031	2036	2041	Change
Information Media & Telecommunications	280	243	247	256	264	-16
Financial and Insurance Services	248	265	272	292	311	63
Rental, Hiring and Real Estate Services	355	356	359	374	388	33
Professional, Scientific & Technical Services	1547	1495	1497	1498	1506	-41
Administrative and Support Services	132	125	131	139	148	16
Public Administration and Safety	79	70	68	69	68	-11
Health Care and Social Assistance	760	800	832	854	905	145
Total	3,401	3,354	3,406	3,482	3,590	189

Source: * ABS POW 2021; TPA 2021 employment forecasts; HillPDA Research

6.2.3 Employment captured within the Military Road Corridor

The employment projections presented in the aforementioned data refer to a catchment area (as shown in Figure 12) that encompasses not only the Military Road Corridor but also various other employment zones across the broader area. As a result, some of the office based jobs would also be accommodated in these other employment precincts outside of the mixed-use zoning of the Military Road Corridor as well as in home-based businesses.

As such, capture rates ranging from 60% to 65% have been applied to the above projections to estimate the number of office based jobs in the mixed-use zone in the Military Road Corridor. The results are shown in the table below.

Table 19: Military Road Corridor employment projections

Industry	Capture rate	2021	2026	2031	2036	2041	Change
Information Media & Telecom.	65%	182	158	161	167	171	-11
Financial and Insurance Services	65%	161	172	176	190	202	41
Rental, Hiring and Real Estate Ser.	65%	231	231	233	243	252	22
Professional, Scientific & Technical	65%	1,006	972	973	974	979	-27
Administrative and Support Services	65%	86	81	85	90	96	10
Public Administration and Safety	65%	51	45	44	45	44	-7
Health Care and Social Assistance	60%*	456	480	499	512	543	87
Total		2,173	2,173	2,172	2,221	2,288	116

Source: HillPDA, *we have applied a lower capture rate to capture allied/health services provided in the study area

It has been estimated that the Military Road Corridor accommodated around 2,200 office-based jobs in 2021, with these jobs projected to increase to almost 2,300 by 2041.

6.2.4 Military Road Corridor Office floorspace projections

By applying observed employment densities to Military Road Corridor's office-based employment forecast (refer to Table 19) the amount of floorspace required to accommodate these types of jobs has been estimated (see table immediately below).

Using this methodology, it is estimated that there is demand for around 53,500sqm of office-based floorspace across the Military Road Corridor by 2041.

Table 20: Floorspace projections for the Military Road Corridor

Industry	Job density (sqm/job)	2021	2023	2026	2031	2036	2041	Growth
Information Media & Telecom	25	4,550	4,296	3,942	4,018	4,168	4,283	-267
Financial and Insurance	25	4,030	4,139	4,309	4,412	4,739	5,061	1,031
Rental, Hiring and Real Estate	25	5,769	5,774	5,782	5,835	6,079	6,308	540
Professional, Scientific & Technical	20	20,111	19,840	19,441	19,464	19,480	19,578	-533
Administrative and Support Services	20	1,716	1,678	1,623	1,704	1,810	1,922	206
Public Administration and Safety	25	1,284	1,223	1,137	1,098	1,115	1,103	-181
Health Care and Social Assistance	28	12,768	13,034	13,443	13,985	14,342	15,211	2,443
Total demand (sqm)		50,228	49,985	49,676	50,516	51,732	53,466	3,239

Source: Various including Sydney City Employment and Floorspace Survey 2017, NSW Landcom and HillPDA

6.2.5 Neutral Bay Town Centre Office floorspace projections

Assuming Neutral Bay Town Centre were to capture 64 per cent of the total demand (broadly in line with the current provision of office space in Neutral Bay Town relative to the wider corridor), it is estimated that there is demand for 31,990sqm of the office floorspace in Neutral Bay Town Centre as at 2023, increasing to around 34,220sqm by 2041, with the results shown in the table below.

Table 21: Neutral Bay Town Centre office floorspace projections

Industry	Capture rate	2021	2023	2026	2031	2036	2041	Change
Neutral Bay Town Centre - demand	64%	32,146	31,990	31,793	32,330	33,108	34,218	2,073
Supply (sqm)*		30,512	30,512	30,512	30,512	30,512	30,512	
Over/undersupply (+/-)*		-1,634	-1,478	-1,281	-1,819	-2,597	-3,707	

Source: HillPDA Research and audit undertaken on May 14th 2023, *Includes around 3,200sqm of vacant floorspace

With approximately 30,500sqm of commercial office space (including vacant space) this would suggest that there is demand for a further 1,500sqm of office floorspace currently, increasing to over 3,700sqm by 2041.



7.0 PHASE 2 – FEASIBILITY

The following chapter details market research and feasibility analysis undertaken for the Neutral Bay Town Centre.

7.1 Testing assumptions and methodology

7.1.1 Methodology

To undertake the feasibility modelling, we have used the proprietary software EstateMaster which is an industry benchmark used by developers, financiers and property valuers. This method calculates the residual land value by subtracting from the anticipated net sales revenue, the anticipated costs of development plus a margin for its profit and risk.

Any unpredicted change, such as an increase in developer contributions or development costs in the short term could have a notable effect on development feasibility unless it could be absorbed by either making allowances in the project contingency or increases in market sale values for the developed product.

Our feasibility assessment is based on profit and risk factors which determine our selection of an appropriate project hurdle rate in line with industry expectations. These two factors are subjective elements that determine the how much a developer is willing to pay for a site, in considering the risk associated and potential return. For the purpose of our hypothetical modelling, regard has been given to the following:

- **Project internal rate of return (IRR):** is the actual return on the investment on an annualised basis and expressed as a percentage. This approach considers the cost of time in its calculation within cash flow and indicating average returns over a period of time. Typically, this is lower for quick turnaround and lower density developments and high for multistorey buildings. The industry typically targets 14-18% with lower annualised returns expected for lower densities like townhouse developments (14%) and higher rate for complex multi-storey apartment development (18%). In our experience hurdle rates have dropped with the increasing cost of lending and construction costs. For the purposes of modelling, we have adopted a hurdle rate of 16%
- **Development margin (DM):** the DM is the net profit expressed as a percentage of the development costs. Typically, this is Development Margin (DM) of 16% to 22% pa townhouse, mixed-use and residential apartment buildings. We have adopted a hurdle rate of 20% as a reasonable target. With longer projects the development margin is not a good indicator as it does not account for the time value of money. We have used the DM as a secondary indicator for overall project performance and profit
- **Residential land value:** is the maximum price that a hypothetical developer would pay for the land to achieve acceptable hurdle rates (such as an IRR) based on the highest and best use or optimal development option for the land.

Using hypothetical development feasibility testing, HillPDA identified a residual land value (RLV) that was viable for development. It is critical that for development to be viable, the RLV must be higher than the 'as is' market value. Where sites are unable to be developed in isolation, it is common that a premium is paid for the lot amalgamations to incentivise landowners to sell. For the purpose of our modelling, we have applied a premium as most of the nominated sites are not under single ownership. This premium ranges from 20-25% where multiple sites are required to be amalgamated.

Considering the criteria established above, the sites were assessed against a target Development Margin of 20% and Project IRR of 16%.

Table 22: Industry Standard Performance Indicators

Performance	Project IRR	Development Margin
Feasible	>16%	>20%
Marginally feasible	14%-16%	18%-20%
Not feasible	<14%	<18%

Source: HillPDA, 2023

7.1.2 'As is value'

In establishing the viability of a project, it is important to understand the 'as is' value of each site. In undertaking a highest and best use of the site. If it is found that the as is value is greater than the value of re-development, then the project would be considered un-viable as there would be no financial incentive for redevelopment and the highest and best use would be to keep as existing.

HillPDA have considered various hypothetical options for redevelopment under controls produced in conjunction with Council. For the purposes of this study, we have estimated the 'as is value' based on direct comparison of comparable sales, applying a \$/sqm GFA rate to the existing improvements for each site. The as is value is based on the current market value established through direct comparison applied to the existing GFA of the improved site. The 'as is' value is therefore the existing market value including any existing improvements and land.

We note that the basis of the feasibility testing is on the assumption that a developer would acquire the site for the current market price. We have given no regard to the historic price the sites were acquired for, instead we have adopted a hypothetical approach assuming acquisition at current market rate making adjustments for sites comprising of multiple lots applying a 25% premium where applicable (All sites have a premium with the exception of Site 1). For the same reason although HillPDA have been provided indicative ownership details for the sites we have taken these into account, however on testing the feasibility of the site and capacity to provide public benefits the modelling has been undertaken on the basis that a developer acquires and amalgamates the sites at the current market value. This approach provides a more impartial approach as it does not account for any discounts or overpayment in the transactions of the sites, as any discounts afforded by the developers should not be captured as these profits are entitled to the developer and should not be captured in determining the amount of public benefit to be provided.

Table 23: Estimated 'as is' value of site based on direct comparison

	Site 1	Site 2A	Site 2B	Site 3A	Site 3B
'As is' value including premium	62,237,000	53,348,000	29,710,000	20,986,000	88,782,500
Premium	+ No premium	+ 25% premium for sites 180 Military Road & 188 Military Road.	+ 25% premium for 214 Military Road	+ No premium under single ownership	+ 25% premium for 50 Yeo Street, Neutral Bay

Source: HillPDA, 2023*Premium only for 50 Yeo Street, Neutral Bay

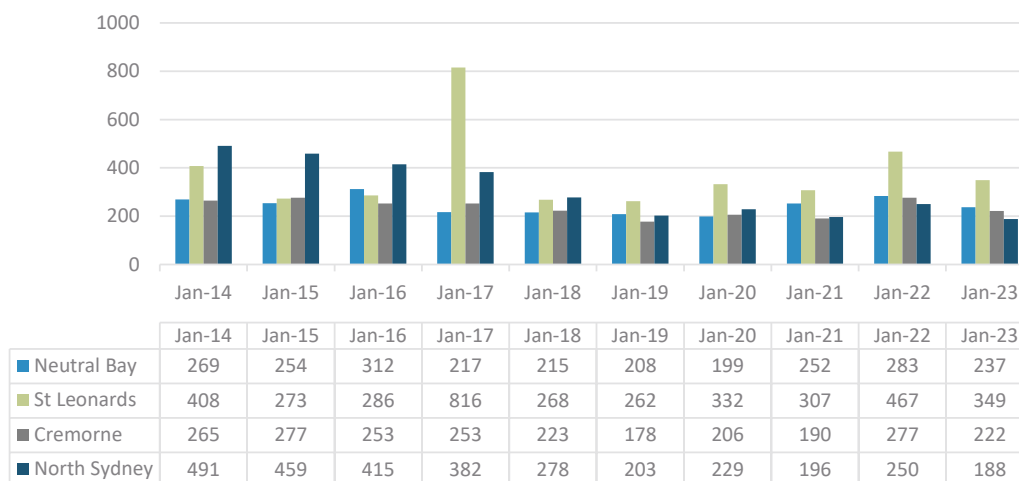
7.1.3 Market research

The following Chapter analyses trends and factors influencing the property market in the study area and its surrounds. It also investigates the sale prices of a range of uses including residential apartments, retail shops and commercial office space. The research is based on our discussions with agents, and industry experts as well as a review of relevant property databases. These market rates inform the feasibility modelling.

7.1.3.1 Market context

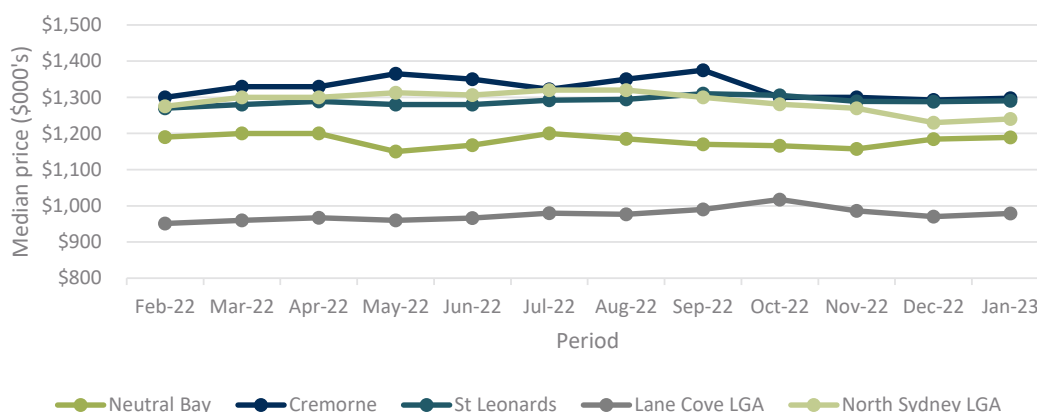
Our analysis of strata sales in Neutral Bay and surrounding suburbs indicate an average of approximately 245 units sold per annum. In comparison St Leonards had an average sale rate of 377/annum 234 for Cremorne and 309 for North Sydney.

Figure 13: Number of Unit sales by suburb



Source: RPdata, HillPDA analysis

Figure 14: Median price of apartments by Suburb



Source: CoreLogic, 2023

The median unit price over the past 12 months in Neutral Bay has seen little movement for the past 12 months since January of 2022 to January of 2023. The median unit price in Neutral Bay sits at approximately \$1,190,000 as of January 2023.



7.1.3.2 Apartment Sales

Our research has revealed there has been limited development activity occurring directly within the Neutral Bay town centre. We have therefore expanded our area of analysis to include neighbouring areas including, Cremorne, North Sydney and St Leonards. Our sales evidence indicates that:

- 'Off the plan' sales directly in and around Neutral Bay range between **\$26,250-\$34,127/sqm NSA**. The majority of units comprised of 3-bedroom units with some 2 bedroom and very limited 1 bedroom or smaller. Our discussions with agents noted high demand for larger dwelling types with most new developments targeting empty nesters and downsizers. These apartments typically included luxury amenities, parking, and superior finishes. These developments were approximately 5 storeys in height
- Resales of recently completed developments range between **\$15,300-\$18,500/sqm NSA**
- Other sales around neighbouring suburbs like St Leonards showed more development activity achieving lower rates, but much higher density. Apartments in St Leonards ranged from approximately **\$14,000-\$29,000/sqm NSA**.

Further details of the specific project sales are contained in **Appendix B**.

7.1.3.3 Retail & Commercial Sales

Discussions with agents found the retail market has seen more sales activity since 2018 With several sales of street retail tenancies. Recent sale transactions show a large range with upper sales achieved by tenancies directly in the town centre. Sale value of retail are dependent upon the location and proximity to the Town Centre therefore the value spread is quite high. Regarding the town centre agents indicated that prime retail in Grosvenor Street and Young Street are in high demand with rents staying strong, however with parking changes and clearways enforced along Military Road retail has been noticeably affected translating into rents.

As a general rule agents indicated that current rents for retail sat at around \$500/sqm with some asking rents at around 800-900/sqm, however these upper ranges have not necessarily been achieved.

As a background COVID19 saw unprecedentedly low cash rates with the RBA dropping interest rates to 0.1% and record stimulus packages. with the availability of low-cost lending, we saw asset prices skyrocket. As a result, we are currently seeing a pullback with RBA directive currently trying to control inflation with ratcheting cash rates.

Regarding the retail in Neutral Bay agents noted capitalisation rates were as low as 3.5-3.6% during COVID19 moving to 4.5% at recent market peak and current yields at 5.5-6.0% for both office and retail.

Agents indicates that retail retails for premium ground floor retail ranged from \$20,000-\$30,000/sqm NLA particularly around the town centre and \$10,000-\$14,000/sqm for office space. These figures were noted at the peak in the past 12 months however it was noted that figures have likely come down since the peak.

Our sales evidence indicates that:

- Ground floor retail is achieving a rate of \$9,600-\$27,800/sqm NLA
- Commercial is achieving a rate of \$5,600-\$11,600/sqm NLA.

For the purposes of modelling, we have adopted a rate of **22,000/sqm** for GF retail and **\$11,500/sqm** for brand new Retail and commercial office space within the Neutral Bay Town Centre.

Further details of the specific project sales are contained in **Appendix B**.

7.1.3.4 Development Site Sales

The sales evidence suggests a dollar per sqm of GFA value ranges from \$5,100-\$11,100/sqm of GFA. The research found there was limited development site sales evidence directly in the B4 study area which reflects a tightly held market, however there were some limited development site sales within the R4 surrounds. Discussions with

local sales agents suggested a \$6,000/sqm-\$7,500/sqm GFA rate for developments located in the core; however, this is speculative and depends on the quantum of retail/commercial space. With a higher proportion of not residential floorspace (retail/commercial) the development site values would decrease due to higher development yield on residential uses.

Further details on the development sites are contained within **Appendix B**.

7.1.4 Assumptions

The following section details assumptions made in our financial modelling, verified through market research and industry experience.

Table 24: General assumptions summary

Area	Description
Professional Fees	DM and consultant fees: 4% of construction costs
	Construction Certificate (CC): 4% of construction costs
	Development Management 1.5% of project costs (excluding land, finance & tax).
Escalation	Construction cost escalation of 3.0% p.a. Sale revenue escalation of 4.0% p.a.
Construction Period	17-20-month construction period depending on the height of the proposal.
Contingency	5% of Construction Costs
Statutory Fees	DA fees at 0.35% of Construction Cost CC fees at 0.25% of Construction Cost Long Service Levy of 0.35% of Construction Cost S7.11 - Contribution rates shown in North Sydney Local Infrastructure Contributions Plan 2020 (from December 2020) and current indexed contribution rates are shown below. The rates have been indexed for inflation in accordance with section 2.2.3 of the plan. The residential rates have been capped at \$20,000 per dwelling in accordance with the Minister's Direction. <ul style="list-style-type: none"> Studio and 1 bed - \$15,548 2 bed - \$20,000 3 bed - \$20,000 Non-res - \$4,423/worker (assumes 1 worker/20sqm GFA)
State Infrastructure Contributions (SIC)	Nil assumed in the models.
Affordable housing	Nil assumed in the models.
Selling Costs	Sales Commissions: Residential: 2.00% of Gross Revenue Retail/Commercial: 1.75% of Gross Revenue Other Costs: Marketing 1.0% of Gross Sales Legal 0.25% of Gross Sales
Land Holding Costs	Statutory costs (Council rates, water rates and land tax) to be paid diminishing with settlements based on a Statutory Land Value. Land tax is paid annually with council and water rates are paid quarterly in the cash flow
Financing	
Equity	Assuming 25% of Net Cash Flow to be Funded by the developer
Loan	7.5% per annum compounded
Project Hurdle Rates	16% target IRR (Primary) 20% target margin

Source: HillPDA, 2023



Revenue

Residential Sales revenue is increase per floor to account for views and amenity. Average rates for each site are provided below.

- **Residential:** for residential revenue HillPDA have varied the rates in accordance with the built form density/ height with taller buildings, units are able to achieve higher rates due to improved unobstructed views and aspect for upper levels often achieving an additional premium for penthouse. The follow rates on a per bedroom basis have been applied.

Table 25: Summary of adopted sales rates

	6-storey	8-storey	10-storey
1 bed	\$1,600,000	\$1,640,000	\$1,680,000
2 bed	\$2,465,000	\$2,515,000	\$2,565,000
3 bed	\$3,100,000	\$3,160,000	\$3,220,000

- **Retail:** \$22,000/sqm NLA
- **Commercial:** \$11,500/sqm NLA
- **Supermarket:** \$12,000/sqm NLA Sites 1 & 3B
- **Community:** facilities are gifted – i.e. no revenue
- No affordable housing was modelled
- Sales rates assume 10/months for 6 storeys, 12/month 8+ storeys.

Apartment mix

We note that although the North Sydney DCP 2013 sets out a guide for bedroom mix, discussions with selling agents indicated a preference for larger unit sizes. For following rates are the advised mix for mixed use development for North Sydney:

Table 26: North Sydney DCP 2013, Commercial and mixed-use development

Dwelling type	% of total dwellings	Minimum internal areas	Balconies
Studio	10-20%	35sqm	4sqm
1 bedroom	25-35%	50sqm	8sqm
2 bedroom	35-45%	70sqm	10sqm
3 bedroom+	10-20%	90sqm	12sqm

Source: North Sydney Development Control Plan 2013 – Commercial & Mixed-use development

In considering these rates we note that the previous study adopted a rate of apartments 20% 1 bedroom, 75% 2 bedroom and 5% 3 bedrooms. In considering these mixes we note that our analysis of recent developments indicated majority of developments had demonstrated sufficient evidence for market preference and demand for 2 and 3-bedroom units over smaller 1 bedroom and studio apartments. For these reasons HillPDA have adopted a mix more in line with market units delivered within the region. We have adopted a rate of 20% 1 bedroom, 75% 2 bedroom and 5% 3 bedrooms.

7.1.4.1 Construction costs

HillPDA have adopted construction costs as set out in the table below. With increasing building heights rates per square metre increase. We have adopted rates based on QS benchmarks Rawlinson's, and RLB and made adjustments.

Table 27: Construction costs by height

Storeys	\$/sqm GFA (low)	\$/sqm GFA (high)	Parking
6	3,500	4,800	\$65,000
8	3,800	4,850	\$65,000
10	4,200	4,900	\$65,000

Source: RLB 2022 Q4, Rawlinson's 2023, HillPDA research 2023

Other costs

- Demolitions: for demolitions and clearing of the existing sites HillPDA have adopted a rate of \$200/sqm of existing full enclosed building area (FEBA)
- FEBA = 110% X GFA
- Retail: \$3,350/sqm FEBA for retail
- Commercial: \$3,500/sqm FEBA for Commercial
- Supermarkets: \$3,500/sqm FEBA for Supermarkets
- Balconies: \$1,400/sqm for balconies.
- Motorcycle parking: \$10,000/sqm for motorcycle
- Car parking: \$65,000/space
- Bicycle parking: \$500/space.

Public benefit

HillPDA have made assumptions around costs for public benefits. The adopted rates have been determined based on industry benchmarks and our experience on similar projects.

- Plaza embellishments: Say \$3,000/sqm plus 15% contingency – Plaza embellishments range in costs depending on design and quality from \$200/sqm for very basic options up to \$3,500/sqm for a very quality space.
- Community centre: \$3,500/sqm GFA the costs to construct a community centre have been derived from Rawlinson's construction handbook 2023 update
- Site through links: \$3,300/sqm which assumes open to sky with furnishings and landscaping of high quality
- Footpath widening \$500/linear metre - assumes paving and hardscape costs 2 metre width.

Other critical assumptions

1. The assessment assumes the availability of vacant possession.
2. The assessment assumes an encumbrance free title with no impediments to redevelopment.
3. We are not an architect or town planner and the adopted dwelling yield is indicative only for the purpose of assessing the site value by way of a hypothetical residual cash flow analysis. This report is conditional that the above potential dwelling yield be confirmed by an appropriately qualified architect or town planner. On receipt of professional advice should there be any deviation in the yield which may adversely affect the assessment on an 'as is' basis and this report should be returned back to HillPDA for further comment.
4. For the purpose of our modelling, we have applied a premium to the 'as is' value as the village centres comprise fragmented ownership. This premium will vary and should account for variables such as the encumbrance of a long lease, special value (financial value of any advantage) attached to the property and potential landowner motivations. For the purpose of this exercise we have applied a 25% premium.

5. The 'as is' value does not account for speculative land purchases where anticipated uplift in zoning, FSR or building height limits are anticipated which may result in unrealistic expectations by the owner.
6. Any unpredicted change, such as an increase in developer contributions or development costs in the short term could have a notable effect on development feasibility unless it could be absorbed by either making allowances in the project contingency or increases in market sale values for the developed product.
7. It should be noted that in the case of advice provided in this report, which is of a projected nature, we must emphasise those specific assumptions have been made which appear reasonable based on current market sentiment and forecasts. It follows that any one of the associated assumptions may change over time and no responsibility can be accepted in this event. The value performance indicated above is an assessment of the potential value trend and the indicated figures should not be reviewed as absolute certainty.

7.1.4.2 Section 7.11/7.12 contributions

According to the North Sydney contribution plans website the plan will apply to the following development types:

1. Residential accommodation development that results in a net increase in residents on the land. These developments will be subject to condition requiring a s7.11 contribution.
2. Non-residential development that results in a net increase in workers on the land. These developments will be subject to a condition requiring a contribution imposed under either s7.11 or s7.12 of the EP&A Act (whichever is the higher).
3. Development types apart from (a) or (b) where the proposed cost of development is more than \$100,000. These developments will be subject to a condition requiring the payment of a levy under s7.12 of the EP&A Act.

For developments that comprise a combination of some or all of type (a), (b) and (c) (i.e. mixed-use developments), the type of contribution and the amount of the contribution will be determined based on the higher amount, after both s7.11 and s7.12 are considered. This approach will capture a considerable amount of development which has not been captured in the past, including fit outs (under s7.12).

The draft plan applies to secondary dwellings, schools, boarding houses, student accommodation, residential and commercial uplift.

Table 28: Contribution assumptions

Assumption	Rate		
Section 7.11/7.12 contributions		S7.11 (2020 Draft)	S.7.11 (2013)
	Studio	\$13,685	\$11,999
	1bed	\$13,685	\$11,999
	2bed	\$19,550	\$15,500
	3+bed	\$20,000	\$20,000
Source: North Sydney Council			
S7.12	S7.12 <ul style="list-style-type: none"> Where the estimated cost of works is <=\$100,000, no contributions are payable; Where the estimated cost of works is >\$100,000 & <=\$200,000, 0.5% payable; and Where the estimated cost of works is >\$200,000, 1% payable. 		

* The greater of the two will apply

7.1.4.3 Parking requirements

Carparking rates

HillPDA have adopted the follow car parking rates as per the North Sydney Development Control Plan 2013.

Table 29: North Sydney DCP 2013, Commercial and mixed use development car parking rates

Development type		Max parking rate
Residential flat	B4 Mixed use (All – except St Leonards precincts 2 & 3)	Studio: 0.5 space/dwelling 1 bed: 0.5 space/dwelling 2 bed +: 1 space/dwelling Motorcycle parking: 1 space/10 car spaces
Non-residential	B4 – Mixed use (Neutral Bay)	1 space /60sqm non-residential GFA
Supermarkets	All other areas	4 spaces /100sqm of GFA

Source: North Sydney Development Control Plan 2013 – Commercial & Mixed-use development

Refer appendix for full rates.

7.1.5 Testing sites and options

North Sydney Council have identified three key sites to be tested. The purpose of the testing is to determine the viability of redevelopment and the quantum of commercial and residential floorspace required for financially viable develop.

Figure 15: Test site location map



Source: HillPDA, 2023, North Sydney Council



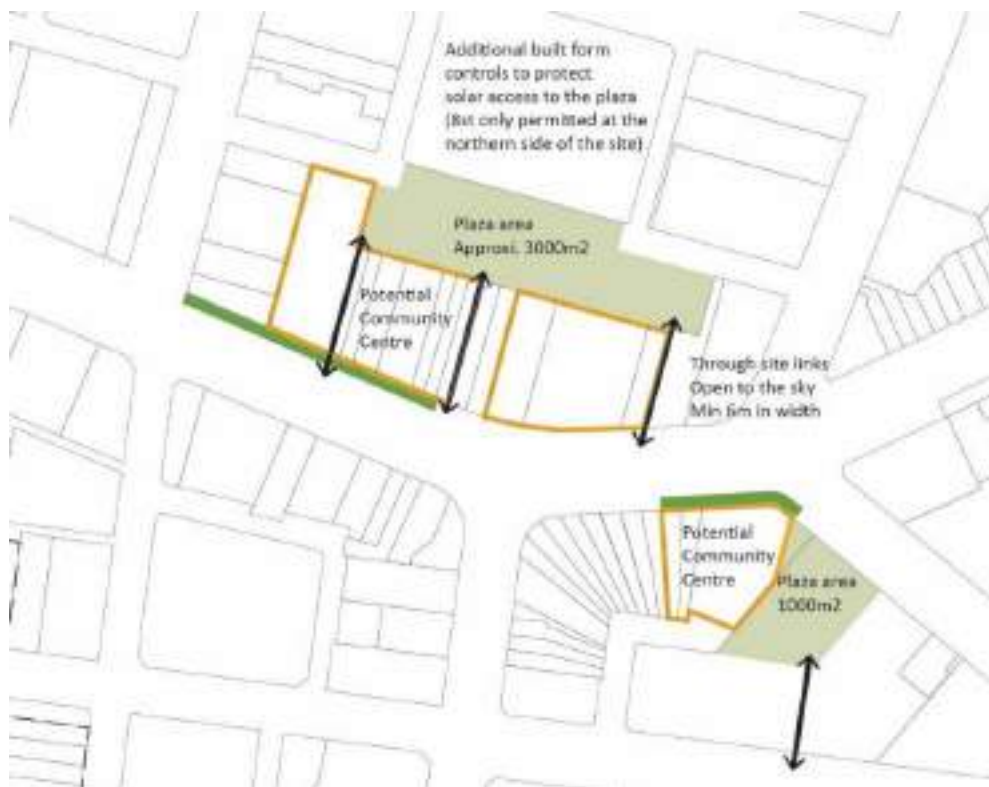
HillPDA have been instructed to test multiple options ranging from 6 storeys to 10 storeys with varying amounts of public benefit and minimum non-residential FSR's. The following options were developed in conjunction with Council, with consideration to urban design and setbacks translated into application FSRs for testing.

Table 30: Feasibility testing options by site and FSR

	Option A	Option B	Option C	Option D
Site 1 (Coles site)				
FSR / Storeys	3.2:1 (6 storeys)	3.5:1 (8 Storeys)	-	-
Non-res FSR	1.2:1	1.5:1	-	-
Public benefits	Footpath widening	Footpath widening Plaza (3,000sqm)	-	-
Site 2A (Arkadia West)				
FSR	2.7:1 (6 storeys)	3.4:1 (8 storeys)	3.7:1 (10 storeys)	3.7:1 (10 storeys)
Non-res FSR	1.2:1	1.5:1	1.5:1	1.5:1
Public benefits	None	Community centre (1,020sqm) Site through link (OTS 36+40lin m) Footpath widening	Site through link (OTS 36+40lin m) Footpath widening	Community centre (1,020sqm) Site through link (OTS 36+40lin m) Footpath widening
Site 2B (Arkadia East)				
FSR	3.0:1 (6 storeys)	3.8:1 (8 storeys)	4.5:1 (10 storeys)	-
Non-res FSR	1.2:1	1.5:1	1.5:1	-
Public benefits	None	Community centre (1,000sqm) Site through link	Site through link	-
Site 3A (Equitibuild)				
FSR	3.1:1 (6 storeys)	2.9:1 (8 storeys)	3.5:1 (10 storeys)	3.5:1 (10 storeys)
Non-res FSR	1.2:1	1.5:1	1.5:1	1.8:1
Public benefits	None	Plaza (partial) Footpath widening	Plaza (partial) Community centre (726sqm) Footpath widening	Plaza (partial) Footpath widening
Site 3B (Woolworths site)				
FSR	3.0:1 (6 storeys)	3.5:1 (8 storeys)	-	-
Non-res FSR	1.2:1	1.5:1	-	-
Public benefits	None	Plaza (900sqm) Site through link (OTS 26lin m)	-	-

Source: HillPDA, North Sydney Council 2023

Figure 16: Diagrammatic public benefit map provided by North Sydney Council



Source: North Sydney Council

7.2 Feasibility testing

7.2.1 Site 1 – 41-53 Grosvenor Street Neutral Bay

Site 1, which is the current Woolworths supermarket site, is owned by Coles Group Property Developments Ltd and leased to Woolworths Limited until November 6, 2024. HillPDA research indicates that upon the lease termination, Coles intends to redevelop and occupy the site. The current Coles supermarket is located approximately 400 meters southwest of the site where the Woolworths supermarket is currently situated. It is worth noting that Site 1 currently performs better than the Coles supermarket site to the southwest.

The property benefits from its strategic position along Grosvenor Street, which offers excellent visibility and exposure to both pedestrian and vehicular traffic. The street serves as a major thoroughfare in the area, connecting various parts of Neutral Bay and facilitating convenient access for visitors and customers. Given its prime position on Grosvenor Street, the site offers businesses the advantage of high visibility and the potential to capitalize on the steady flow of foot traffic. The commercial nature of the area also contributes to a vibrant atmosphere, fostering a sense of community and commercial activity.

Figure 17: Site 1 location map



Source: Metromap, HillPDA 2023

7.2.1.1 'As is value'

The property is currently utilised as a Woolworths supermarket with speciality retail. To estimate the site value, we have relied on recent retail and commercial sales freehold sales and applied an appropriate \$/sqm rate to determine an appropriate 'as is' value.

We note that in the previous 2018 feasibility study the 'as is' value included the estimated VG value for the Council carpark included in the deemed land value. Our discussion with council has indicated that the carpark site and Grosvenor Lane would remain under ownership of Council there we have not included the value of the Council carpark site, however the modelling would assume that the developer would forgo costs associate to

construction and embellishment of the public plaza as a public benefit with the plaza remaining under ownership of Council.

Table 31: Site 1 – Estimated ‘as is value’

Address	Site area	VG land	Existing NLA				As is value
			Supermarket	Retail	Commercial	Residential	
41-53 Grosvenor St, Neutral Bay	4,282	\$44,100,000	3,661				\$62,237,000
Grosvenor Lane Carpark	2,170	-	-				-
Total	4,282	\$44,100,000	3,661	-	-	-	\$62,237,000
‘As is value’ (no premium)							\$62,237,000

Source: HillPDA, 2023 * \$17,000/sqm NLA for Supermarket

7.2.1.2 Feasibility results

HillPDA have tested two options for site 1: Option A being 6 storeys with a minimum non-residential FSR of 1.2:1 and Option B being 8 storeys with a minimum non-residential FSR of 1.5:1. Both options include footpath widening costs for Waters Lane for an additional 2 metres spanning across approximately 68m at a rate of \$500/linear metre. Option B includes the additional construction of Grosvenor Lane Plaza estimated at a cost of around \$10million. The table below provides a summary of the options tested.

Table 32: Site 1 feasibility results summary

	Option A	Option B
Scheme	6 Storey	8 Storey
Total FSR	3.2:1*larger footprint	3.5:1
Non-Residential FSR	1.2:1	1.5:1
Estimated Residential Units	89	89
Total Parking Spaces	246	264
Project performance		
Public benefit	<ul style="list-style-type: none"> Footpath widening (Waters Ln - additional 2m - 68lin metres) 	<ul style="list-style-type: none"> Grosvenor Lane construction (3,000sqm) Footpath widening (Waters Ln - additional 2m -68 linear metres)
Development Margin	34.88%	31.70%
IRR	29.14%	27.80%
‘As is’ Value (\$mil)	\$62.24mil	\$62.24mil
RLV (16% IRR)	\$86.14mil	\$84.64mil

Note: The car parking rates are according to the DCP

Based on an estimated ‘as is’ site value of \$62.24mil Option A shows an RLV at \$86.14million and an IRR of 29.14% indicating this option is viable at 6 Storeys and a non-residential FSR of 1.2:1. For Option B at 8 storeys, we have assumed a public benefit including footpath widening along Waters Lane and construction and embellishment of the public plaza at Councils car parking site. We have not included the cost to replace the lost car parking spaces however in undertaking additional sensitivity to investigate the impact of replacing the lost parking spaces (estimated at 80 space) into public basement car parking the modelling results indicate the project would still be viable for both the 6 and 8-storey options.⁶

⁶ We note the previous modelling scheme undertaken in 2018 included 2 levels of public carparking under the council site to be paid for by the developer.



7.2.2 Site 2A – 166-192 Military Road (West)

Site 2 has a primary frontage to Military Road. It is understood that the site is under majority ownership by Arkadia, however in assessing the ‘as is’ value HillPDA note that there have been no recent listed transactions with our analysis showing separate ownership. For the purposes of our feasibility study, it would be assumed that the sites would need to be amalgamated and a premium of 25% has been applied to sites not currently owned by Arkadia. The site has a secondary rear frontage to Grosvenor Lane backing onto the Council carpark to be redeveloped into a plaza. Site 2A includes a large specialty shop mall to (Western most building) which offers some significant commercial/retail floorspace as currently exists.



-  Subject site
-  Council owned site

Figure 18: Site 2 location map



Source: HillPDA, 2023

7.2.2.1 ‘As is value’

The property is currently utilised as various at grade speciality retail and commercial retail shops with first and second floor commercial offices. To estimate the site value, we have relied on recent retail and commercial sales. Note the \$/sqm value does not include the premium a developer might pay to incentivise amalgamation, however HillPDA have included an additional amalgamation premium to the ‘as is value’ for sites not under ownership of the developer. For the base modelling HillPDA have included the two Councils owned lots assuming acquisition at market rate with no additional premium, however we have also undertaken additional scenarios which exclude Council owned sites. The estimated existing site value is shown in the following table.

Table 33: Site 2A – Estimated 'as is value

Address	Site area	VG land	Existing NLA				As is value	Including Premium
			Super-market	Retail	Commercial	Residential		
166-174 Military Rd, Neutral Bay	1,088	\$11,400,000		1,137	209		\$21,210,000	\$21,210,000
176 Military Rd, Neutral Bay	145	\$1,640,000		188			\$3,196,000	\$3,196,000
178 Military Rd, Neutral Bay	145	\$1,640,000		400			\$6,800,000	\$6,800,000
180 Military Rd, Neutral Bay	284	\$3,070,000		322	178		\$7,076,000	\$8,845,000
184-186 Military Rd, Neutral Bay	452	\$5,120,000		428	159		\$8,707,000	\$8,707,000
188 Military Rd, Neutral Bay	158	\$1,810,000		216			\$3,672,000	\$4,590,000
190-192 Military Rd, Neutral Bay	310						\$2,866,000	\$2,866,000
Total							\$53,527,000	\$56,214,000

Source: HillPDA, 2023 * \$17,000/sqm NLA for Supermarket

Based on the existing building areas and \$/sqm rates applied we have derived a market value of \$53.53 million. Assuming an amalgamation premium of 25% for sites not currently under ownership of Arkadia, we estimated the site value to be in the order of **\$56.21** million.

7.2.2.2 Feasibility results

We have tested four options for site 2A with all options assuming purchase of Council site at market price. In addition, we have included scenario analysis assuming the exclusion of council sites.

Table 34: Site 2A feasibility results summary (Assuming purchase of Council sites included in FSR)

	Option A	Option B*	Option C	Option D
Scheme	6 Storey	8 Storey	10 Storey	10 Storey
Site area	2,582sqm (Includes council site assumed to be purchase by developers at market value)			
Total FSR	2.7:1	3.4:1	3.7:1	3.7:1
Non-Residential FSR	1.2:1	1.5:1	1.5:1	1.5:1
Estimated Residential Units	42	49	58	58
Total Parking Spaces	88	113	118	118
Project performance				
Public benefit	<ul style="list-style-type: none"> no public benefit 	<ul style="list-style-type: none"> New community centre (1,020m²) Footpath widening (Military Rd) Through site links (open to the sky) 36+40 lin metres 	<ul style="list-style-type: none"> Footpath widening (Military Rd) Through site links (open to the sky) 36+40 lin metres 	<ul style="list-style-type: none"> New community centre (1,020 m²) Footpath widening (Military Rd) Through site links (open to the sky) 36+40 lin metres
Development Margin	6.40%	9.41%	25.34%	18.93%
IRR	9.16%	10.66%	20.40%	16.49%
'As is' Value (\$mil)	\$56.21mil	\$56.21mil	\$56.21mil	\$56.21mil
RLV (16% IRR)	\$48.37mil	\$48.93mil	\$62.90mil	\$56.75mil

Note: The car parking rates are according to the DCP

The testing results show that at 6 storeys with no public benefit the project is not viable. At 8 storeys with an FSR of 3.4:1 and a new 1,020sqm community centre, through site link and footpath widening the project remains unviable. Options C and D illustrate that in order for public benefit to be viable on the site a 10-storey option is required.

Additional scenario analysis

Additional scenario analysis for the 8-storey option which excludes the Council sites have been modelled below. The results indicate at 3.8:1 FSR with a non-residential FSR 1.5:1 and dedication of a community centre (1,020sqm) and an open to sky through site link the project is not viable. Given no community centre but with a through site link and footpath widening the 8-storey option would be viable. Additionally, with just the footpath widening the 8 storey is viable showing a project IRR of 20.13% and RLB of \$59.23mil exceeding the 'as is value'.

Table 35: Site 2A feasibility results summary (Excluding Council sites)

	Scenario 1	Scenario 2	Scenario 3
Scheme	8 Storey	8 Storey	8 Storey
Site area	2,279sqm (excludes Council site)		
Total FSR	3.8:1	3.8:1	3.8:1
Non-Residential FSR	1.5:1	1.5:1	1.5:1
Estimated Residential Units	54	54	54
Total Parking Spaces	107	106	106
Project performance			
Public benefit	<ul style="list-style-type: none"> Community Centre (1,020sqm) Through site links (open to the sky) 36+40 lin metres 	<ul style="list-style-type: none"> Footpath widening (Military Rd) Through site links (open to the sky) 36+40 lin metres 	<ul style="list-style-type: none"> Footpath widening (Military Rd)
Development Margin	13.75%	22.59%	25.12%
IRR	13.20%	18.63%	20.13%
'As is' Value (\$mil)	\$53.34mil	\$53.34mil	\$53.34mil
RLV (16% IRR)	\$49.49mil	\$57.08mil	\$59.23mil

7.2.3 Site 2B - 198-214 Military Road (East)

The existing properties located at 198-214 Military Road, Neutral Bay, comprise a commercial complex in a prominent location. The complex is situated along Military Road, a major thoroughfare in the suburb of Neutral Bay, which is known for its vibrant mix of residential and commercial areas.

The properties consist of multiple commercial units, offering a diverse range of businesses and services. These units include retail shops, restaurants, cafes, offices, or other types of commercial establishments. The complex also feature common areas, parking facilities, and amenities to cater to the needs of tenants and visitors. Like site 2A the central location on Military Road gives the tenancies high visibility and a significant amount of foot and vehicular traffic.

Figure 19: Site 2 location map



Source: HillPDA, 2023

7.2.3.1 'As is value'

The property is currently utilised as various at grade speciality retail and commercial retail shops with first and second floor commercial offices. To estimate the site value, we have relied on recent retail and commercial sales. The estimated existing site value is shown in the following table.

Table 36: Site 2B – Estimated 'as is value'

Address	Site area	VG land	Existing NLA				As is value	Including Premium
			Supermarket @17,000/sqm	Retail @17,000/sqm	Commercial @9,000/sqm	Residential		
198-200 Military Rd, Neutral Bay	500	\$5,360,000			558		\$5,022,000	\$5,022,000
202-212 Military Rd, Neutral Bay	1,122	\$12,000,000		759	500		\$17,403,000	\$17,403,000
214 Military Rd, Neutral Bay	219	\$2,270,000		220	232		\$5,828,000	\$7,285,000
Total	1,840	\$19,630,000		979	1,290		\$28,253,000	29,710,000

Source: HillPDA, 2023

7.2.3.2 Feasibility results

The following details the results for site 2B, the eastern Arkadia site. We have tested the 6, 8 and 10 storey options however, have included a variation on Option B (8 storeys) which includes a 1,000sqm community centre within the non residential FSR. As advised by Council the site is already under single ownership with the exception of 214 Military Road, Neutral Bay where a 25% premium has been applied to the 'as is' value.

Table 37: Site 2B feasibility results summary

	Option A	Option B	Option B-(Var1)	Option C
Scheme	6 Storey	8 Storey	8 Storey	10 Storey
Total FSR	3.0:1	3.8:1	3.8:1	4.5:1
Non-Residential FSR	1.2	1.5	1.5:1 (incl community centre)	1.5
Estimated Residential Units	34	43	43	56
Total Parking Spaces	70	87	88	98
Project performance				
Public benefit	<ul style="list-style-type: none"> no public benefit 	<ul style="list-style-type: none"> Through site links (open to the sky) 31 lin metres 	<ul style="list-style-type: none"> Community centre (1,000sqm) Through site links (open to the sky) 31 lin metres 	<ul style="list-style-type: none"> Through site links (open to the sky) 31 lin metres
Development Margin	34.07%	46.29%	36.31%	60.77%
IRR	27.94%	34.24%	28.20%	44.21%
'As is' Value (\$mil)	29.71mil	29.71mil	29.71mil	29.71mil
RLV (16% IRR)	\$38.99mil	\$46.69mil	\$40.74mil	\$58.65mil

The testing results show that at 6 storeys and a minimum non-res FSR of 1.2:1 the project achieved a IRR of 27.94% and an RLV of \$38.99mil exceeding the as is value showing a viable project with no public benefit.

Options B and C tested at 8 and 10 storeys respectively and a non res FSR of 1.5:1 shows both options to be viable even with the inclusion of through site links.

We have tested an additional variation of Option B at 8 storeys with the inclusion of a 1,000sqm community centre within the 1.5:1 non-residential FSR resulting in a lower level of commercial floorspace. The project results still show a viable option at 28.20% IRR and a residual land value of \$40.74mil.

7.2.4 Site 3A – 183-185 Military Road, Neutral Bay

Site 3A has a planning proposal with no GFA breakdown, however the proposal is for a 12-storeys building with a non-residential FSR of 2.5:1 (i.e. 3,248sqm non-residential GFA), 323sqm community facility, 43 apartments and basement car park comprising 57 spaces.

Figure 20: Site 3A location map



Source: HillPDA, 2023

7.2.4.1 'As is value'

To estimate the site value, we have relied on recent retail and commercial sales. As the site is currently under single ownership, no premium has been applied. The estimated existing site value is shown in the following table.

Table 38: Site 3A – Estimated 'as is value'

Address	Site area	VG land	Existing NLA				As is value
			Supermarket	Retail	Commercial	Residential	
185 Military Rd, Neutral Bay	951	8,420,000		245	910		\$5,022,000
183a Military Rd, Neutral Bay	162	1,330,000		161			\$17,403,000
183 Military Rd, Neutral Bay	162	1,330,000		262	160		\$5,828,000
Total	1,840	19,630,000		979	1,290		\$20,986,000

Source: HillPDA, 2023*

7.2.4.3 Feasibility results

Table 39: Site 3A feasibility results summary

	Option A	Option B	Option C	Option D
Scheme	6 Storey	8 Storey	10 Storey	10 Storey
Total FSR	3.1:1	2.9:1	3.5:1	3.5:1
Non-Residential FSR	1.2	1.5	1.5	1.8
Estimated Residential Units	24	19	26	22
Total Parking Spaces	51	50	58	60
Project performance				
Public benefit	<ul style="list-style-type: none"> no public benefit 	<ul style="list-style-type: none"> Rangers Rd Plaza – a small portion Footpath widening (Military Rd) 	<ul style="list-style-type: none"> Rangers Rd Plaza – a small portion Footpath widening (Military Rd) New community centre (726sqm) 	<ul style="list-style-type: none"> Rangers Rd Plaza – a small portion Footpath widening (Military Rd)
Development Margin	33.54%	19.12%	25.80%	29.83%
IRR	26.62%	19.12%	22.13%	25.69%
'As is' Value (\$mil)	\$20.99mil	\$20.99mil	\$20.99mil	\$20.99mil
RLV (16% IRR)	\$27.06mil	\$22.47mil	\$24.53mil	\$26.42mil

Note: The car parking rates are according to the DCP

The testing for site 3A show that Option A at 6 storeys is viable with no public benefit and a larger footprint. At 8 storeys with the additional public benefit and smaller footprint the project still remains viable, noting that Option B also has a lower FSR. Option C at 10 storeys and 1.5:1 non-residential FSR with the provision of a new community centre on site is still viable achieving a project IRR of 22.1% and a RLV of \$24.5mil. Option D at 10 storeys and a non-residential FSR of 1.8:1 with no community centre is viable with a 26% IRR.

7.2.5 Site 3B – 1-7 Rangers Rd, Neutral Bay

Site 3B includes 1-7 Rangers Road which currently under ownership by Woolworths and 50 Yeo Street which has significant commercial improvements. The site currently has a development application proposing a part 6 storey and part 8 storey building comprising of approximately 63 residential apartments and a varied mix of retail, commercial and supermarket use. The proposal includes 4 basement levels of parking for approximately 350 cars.

We note Council views that the planning proposal represents an overdevelopment of the site and would likely not progress and would likely expect a reduction in yield to any revised scheme. As part of the testing for Site 3B We have included 2 options produced in coordination with Council testing a 6-storey option with no public benefit and 8 storey option with including of delivery of a public plaza, through site link.

Figure 21: Site 3B location map



Source: HillPDA, 2023

7.2.5.1 'As is value'

The currently includes the Woolworths supermarket, speciality retail and commercial office space. To estimate the site value, we have relied on recent retail and commercial sales. As the existing site is under majority ownership by Woolworths, we have applied a 25% premium to the 'as is' value at 50 Yeo Street. The estimated existing site value is shown in the following table.

Table 40: Site 3B – Estimated 'as is value'

Address	Site area	VG land	Existing NLA				As is value	Including Premium
			Supermarket	Retail	Commercial	Residential		
1-7 Rangers Rd, Neutral Bay	4,207	31,074,225	3,300	20			56,440,000	\$56,440,000
1/1-7 Rangers Rd, Neutral Bay	189	230,331		150			2,550,000	\$2,550,000
50 Yeo Street Neutral Bay	904	2,548,632		70	2,516		23,834,000	\$29,792,500
Total	5,300	33,853,188	3,300	240	2,516	-	\$82,824,000	\$88,782,500

Source: HillPDA, 2023*

7.2.5.2 Feasibility results

We have tested 2 options for site 3B at 6 storeys with 1.2:1 non-residential FSR and 8 storeys at a minimum non-res FSR of 1.5:1. Option 2 includes a basement supermarket, through site link and the delivery of the Plaza (majority).

Table 41: Site 3B feasibility results summary

	Option A	Option B
Scheme	6 Storeys	8 Storeys + (basement supermarket)
Total FSR	3.3:1	3.5:1
Non-Residential FSR	1.2:1	1.5:1
Estimated Residential Units	75	87
Total Parking Spaces	204	248
Project performance		
Public benefit	<ul style="list-style-type: none"> no public benefit 	<ul style="list-style-type: none"> Rangers Rd Plaza – majority Plaza construction cost Through site link (open to the sky) 26 lin metres
Developers Margin	12.29%	21.16%
IRR	12.82%	18.50%
'As is' Value (\$mil)	\$88.78mil	\$88.78mil
RLV (16% IRR)	\$82.26mil	\$94.50mil

Option A shows an IRR of less than 13% and a RLV of \$82mil (lower than the as is value of 88.8mil), suggesting that it is not viable. Option 2 at 8 storeys with the addition public benefits of the plaza and through site link is viable indicating with a RLV of \$94.5mil - \$5.7m above the 'as is' value.

7.3 Additional scenario analysis

HillPDA have undertaken additional analysis to determine the results of alternate scenarios on the feasibility of the sites. The testing indicated the follow:

Table 42: Scenario analysis results

Site	Results
Site 1 (Coles)	<ul style="list-style-type: none"> Is Option A (6st/1.2:1) likely to be viable if plaza embellishments were provided? – Even with additional costs for embellishments for a 3,000sqm plaza, site 1 would still be viable showing an IRR of 27.21%. This assumes that the plaza would be delivered on the Council carpark site with Council retaining ownership of the site. Is Option B (8st/1.2:1) likely to be viable if the community centre were provided? Yes, even with the provision of a 609sqm community centre in equivalent monetary contribution this option would be viable. This assumes that the project contributes the cost to construct a 609sqm community centre (@\$3,500/sqm). The community centre is modelled in the form of cash contribution to be constructed on Council site.
Site 2B (Arkadia – East)	<ul style="list-style-type: none"> Is option A and B likely to be viable if a community centre were provided on the site (instead of Site 2A)? - Assuming both option A and Option B were to have a 1,020sqm community centre both options would still be viable. We have updated the modelling to include the community centre to be included on the site and therefore would form a part of the FSR. As an alternative approach Council could request an equivalent cash contribution for the provision of community facilities on Councils site which would be

Site	Results
	able to achieve a greater outcome as the community floorspace would not form a part of the permissible FSR for the scheme.
Site 3B (Woolworths)	<ul style="list-style-type: none"> – Is Option B (8st) likely to be viable if a higher non-residential FSR (1.8:1) were applied? - No at 1.8:1 non-residential FSR the project becomes unviable indicating a project IRR of approximately 14% falling below the hurdle rate of 16%. – Is Option B (8st/1.5:1) likely to be viable if a community centre was delivered on the site? – given the delivery of a community centre of 726sqm the project IRR would achieve a project IRR of 14% and RLV of \$94mil falling below the project hurdle rate.

7.4 Town centre feasibility (5 to 6 storeys)

We have conducted hypothetical scenario impact analysis to evaluate the feasibility of increasing the building height from 5 storeys to 6 storeys and adding a commercial level. It should be noted that the feasibility of the project would depend on factors such as the site's purchase price, amalgamation premium, site-specific constraints, and other site-related factors. However, the relative impact of an additional commercial level, while maintaining the same residential floorspace, remains consistent for both the 5 and 6 storey options. Therefore, we have conducted a theoretical assessment of the potential impacts of adding another level, considering costs, revenue, parking requirements, and other implications related to the building's structure. The main impacts are as follows:

- If the height controls remain unchanged and the residential floorspace is replaced with commercial floorspace, the project's viability would be negatively affected due to the higher profit margin on residential uses (\$22,000/sqm NSA end sale value) compared to commercial uses (\$11,500-12,000/sqm NSA).
- In the proposed scenarios, increasing from 5 to 6 storeys does not result in any loss of residential floorspace compared to the existing base scenario. The profit margin for commercial use is positive, resulting in an overall positive impact on feasibility. However, in regions with low demand for commercial floorspace, where the yield could be negative, feasibility could be affected.
- Assessing the additional car parking required at a rate of 1 space per 150 sqm, an additional 13 car spaces would be needed. If the additional commercial space leads to the need for more parking levels, there may be additional costs for the project. However, considering the rate of 1 space per 150 sqm, this is unlikely to have a significant impact, potentially resulting in cost savings.

Our assessment of the potential impact on the Town Centre is based on the evaluation of the variables that influence development viability. Based on our analysis, adding an additional level of commercial floorspace, without reducing residential floorspace, has a positive impact on feasibility compared to the base scenario.

7.5 Feasibility summary

The following table summarises the results of the testing. The analysis undertaken by HillPDA has investigated various options for each of the five selected sites in the Neutral Bay Town Centre. The key determinants of feasibility in the town centre include the existing site value and improvements, achievable floorspace, mix of residential and non-residential floorspace, height/storeys and the public offerings to be provided.

	Viable	marginal	Unviable	
Table 43: Feasibility results summary				
	Option A	Option B	Option C	Option D
Site 1 (Coles)	6 Storey (3.2:1 FSR) 1.2:1 Non-res PB:FP widening	8 Storey (3.5:1 FSR) 1.2:1 Non res PB: FP widening + Plaza (3,000sqm)		
Site 1 is viable for both options at 6 storeys without a plaza and 8 Storeys with a plaza. The single large site with minimal improvements gives the site an advantage.				
Site 2A (Arkadia West)	6 Storey (2.7:1 FSR) 1.2:1 Non res PB:None	8 Storey (3.4:1 FSR) 1.5:1 Non res PB: Community Centre (1,020sqm) + FP widening + TSL	10 Storey (3.7:1 FSR) 1.5:1 Non res PB: FP widening + TSL	10 Storey (3.7:1 FSR) 1.5:1 Non res PB: Community Centre (1,020sqm) + FP widening + TSL
Site 2A has some significant improvements and includes a total of 7 allotments for the base options we have assumed Council sites have been acquired the developer at market price. We have undertaken additional sensitivity for an option where Council sites have been excluded for the 8-storey preferred option. The results indicated at 8 storeys excluding the Council site the project is unviable if a community centre is included. However, is viable with through site link (OTS) and footpath widening). The above results including Council sites indicate the project is unviable at 8 storeys with community centre with 10 storeys required. Even at 8 storeys including Council sites without the community centre the project would not be viable given provision of the through site link and footpath widening due to additional costs to acquire Council sites.				
Site 2B (Arkadia East)	6 Storey (3.0:1 FSR) 1.2:1 Non res PB: None	8 Storey (3.8:1 FSR) 1.5:1 Non res PB: TSL	10 Storey (4.5:1 FSR) 1.5:1 Non res PB: TSL	+8 Storey (VAR1) 1.5:1 Non res PB:TSL + Community centre (1,000sqm)
Site 2B comprises of only 3 allotments with an estimated existing floorspace of 2,269sqm. The modelling shows that at 6 storeys with no public benefit the project is viable. Increasing to 8 storeys the site is viable with the provision of a through site link. Additionally, even with the provision of a 1,000sqm community centre on site contributing to the Non-res FSR the 8-storey option would still be viable. At 10 storeys the site is viable even with a through site link.				
Site 3A (Equitibuild)	6 Storey (3.1:1) 1.2:1 Non res PB: None	8 Storey (2.9:1) 1.5:1 Non res PB: Plaza (part)+ FP widening	10 Storey (3.5:1) 1.5:1 Non res PB: Plaza (part) + FP widening+ Community Centre (726sqm)	10 Storey (3.5:1) 1.8:1 Non res PB: Plaza (part) + FP widening
Based on ownership information provided by Council we have made the assumption that the site is already under single ownership and therefore no premium to the 'as is' value has been applied. It is our understanding that site 3A currently has an existing DA approval for a 5-storey mixed use development. Our testing shows that at 6 storeys and 1.2:1 FSR without any public benefit the option is viable. Given additional contributions of a plaza (only small portion on site) and footpath widening the 8-storey option would be viable. Similarly, the 10-storey option with is shown to be viable even with the provision of a 726sqm community centre on site.				
Site 3B (Woolworths)	6 Storey (3.3:1 FSR) 1.2:1 Non res PB: None	8 Storey (3.5:1 FSR) 1.5:1 Non res PB: Plaza (majority)+ TSL		



	Option A	Option B	Option C	Option D
	<p>The Woolworths site which includes 50 Yeo Street to the south is significantly improved with a large commercial building with approximately 2,586sqm of commercial floorspace. As majority of the site is under ownership of Woolworths, we have applied a 25% premium on the 'as is' value for 50 Yeo Street, Neutral Bay.</p> <p>At 6 storeys and 1.2:1 Non-res FSR the redevelopment of the site would not be viable given the costs for acquisition with insufficient density. The modelling shows however that at 8 storeys and 1.5:1 FSR even with the benefits of a Plaza (majority) and Through site links the option would be viable.</p>			

A comparison was made between the rates adopted in a previous study (2018) and the updated assumptions for the current study (2023). Significant changes were observed in rates, particularly in residential construction costs and end sale values. Here are the summarized key findings:

- Construction costs for residential buildings have increased by approximately 40% since 2018, with the updated rate being \$4,800-\$4,900 per square meter of gross floor area (GFA)
- Residential end sale values have experienced a rise of approximately 45% within the same period, with the current range being \$28,000-\$30,000 per square metre
- Development site values have remained relatively stable, with limited sales recorded in the B4 centre since 2018. The analysed rate is between \$6,500 and \$7,500.

Overall, the increase in residential end sale values has positively impacted the feasibility of the project despite the rise in construction costs. Development site values have shown minimal movement based on limited sales and discussions with agents, aligning with the analysed rate from the 2018 study.



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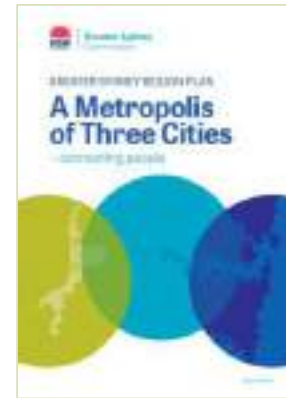
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APPENDIX

APPENDIX A : PLANNING & POLICY CONTEXT

A.1 Greater Sydney Region Plan

The Greater Sydney Region Plan – *A Metropolis of Three Cities* (Region Plan) was finalised in March 2018 by the Greater Sydney Commission. The Region Plan vision is to create a metropolis of three cities, specifically the Western Parkland City, Central River City and the Eastern Harbour City. The study area is within the Eastern Harbour City with its aim to – *build on its recognised economic strength and address liveability and sustainability*. The Eastern Economic Corridor City is identified within the Eastern Harbour City to foster innovation and global competitiveness, supported by investments in transport and services, jobs growth and business activity.



A core intent of the Region Plan is to give people more housing choice and establish more jobs closer to where people live, to develop a more accessible and walkable city and creating conditions for a stronger economy. This intent is delivered through a number of strategic objectives including:

- Objective 3: Infrastructure adapts to meet future needs.
Infrastructure to support Greater Sydney needs to be designed to adapt and transition with technological changes and megatrends. This includes designing places for electric vehicle recharging and accommodating decentralised utilities. As technologies evolve, a precinct-based approach to community and public infrastructure, including car parking, needs to be taken to maximise adaptability, access and utilisation
- Objective 6: Services and infrastructure meet communities' changing needs
Greater Sydney is growing at the same time as major demographic changes are occurring. Improved health, public transport and accessibility outcomes can be achieved through the provision of schools, recreation, transport, arts and cultural, community and health facilities in walkable, mixed-use places co-located with social infrastructure and local services
- Objective 9: Greater Sydney celebrates the arts and supports creative industries and innovation
Great places are made when artistic, cultural and creative works are visible, valued, distinctive and accessible. Providing local opportunities for artistic, cultural and creative expression through support for, and access to, arts, literature, screen, performance and cultural experiences, public art and events encourages creativity and innovation that contributes to local identity
- Objective 12: Great places that bring people together
This objective highlights urban design and planning features that attract residents, workers, visitors, enterprise and investment. This includes built environment with a range of building sizes and functions including social infrastructure and local services at the heart of communities. Opportunities for social interaction and connections are encouraged by fine grain, walkable neighbourhoods that are accessible for people of all ages and abilities
- Objective 13: Environmental heritage is identified, conserved and enhanced
Heritage identification, management and interpretation are required so that heritage places and stories can be experienced by current and future generations. Sympathetic built form controls and adaptive reuse of heritage are important ways to manage the conservation of heritage significance. Respectfully combining history and heritage with modern design achieves an urban environment that demonstrates shared values and contributes to a sense of place and identity

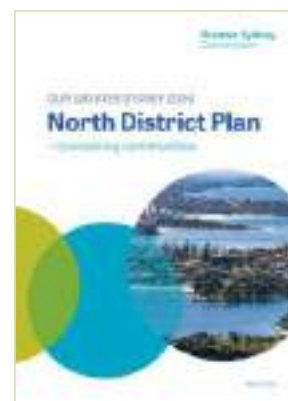
- Objective 14: A Metropolis of Three Cities – integrated land use and transport creates walkable and 30-minute cities.

The Region Plan acknowledges that productivity is delivered through the creation of a diverse economy, supported by a network of centres. It encourages enhanced business access to a greater number of skilled workers to increase employment opportunities and productivity. It promotes the 30 minute city concept, where people can conveniently access jobs and services within 30 minutes by public or active transport.

An overarching strategy of the Greater Sydney Region Plan is providing housing in locations well serviced by transport and social infrastructure. Local centres are particularly important clusters of day-to-day services.

A.2 North District Plan – Greater Sydney Region Plan

The North District Plan is a 20-year plan to manage growth in the context of economic, social and environmental matters. It is a guide for implementing the Greater Sydney Region Plan at a district level and is a bridge between regional and local planning. The District Plan informs local strategic planning statements and environmental plans, the assessment of planning proposals as well as community strategic plans and policies. Cremorne and Neutral Bay are identified as 'Local Centres', so there is no explicit state policy for each of these areas. There are broad planning principles for local centres, which include:



- Provide a public realm and open space focus
- Deliver transit-oriented development and co-locate facilities and social infrastructure
- Provide, increase or improve local infrastructure and open space
- Improve walking, cycling and public transport connections including through the Greater Sydney Green Grid
- Protect or expand retail and/or commercial floorspace
- Protect or expand employment opportunities
- Integrate and support arts and creative enterprise and expression
- Support the night-time economy
- Augment or provide community facilities, services, arts and cultural facilities
- Conserve and interpret heritage values
- Accommodate local festivals, celebrations, temporary and interim uses
- Increase residential development in, or within a walkable distance of, the local centre
- Provide parking that is adaptable to future uses and takes account of access to public transport, walking and cycling connections.

These planning principles are intended to form part of local area plans. Respective Councils are required to implement the North District Plan with community and stakeholder engagement and advisory from the private sector.

A.3 Future Transport Strategy 2056

Future Transport 2056 is an overarching strategy, supported by a suite of plans to achieve a 40-year vision for the NSW transport system. Projects relevant to the Military Road Corridor include the Beaches Link and Gore Hill Freeway Connection and the Northern Beaches B-Line, seen in Figure 22.

Figure 22: Nearby transport projects



Source: Adapted from Transport for NSW

Beaches Link and Gore Hill Freeway Connection

This project involves the construction and operation of a 7.5 kilometre, tolled underground twin tunnel motorway to improve transport connections to the Northern Beaches, reduce road congestion, improve amenity and provide better access to employment centres. Between Balgowlah and North Sydney, the Beaches Link is proposed to bypass 19 traffic lights compared to the existing route via the Spit Bridge and Military Road. The project intends to transfer traffic from Military Road/Spit Road corridor and Warringah Road into the new motorway tunnels. The Beaches Link and Gore Hill Freeway Connection is proposed to reduce congestion to enable improvements in urban amenity of arterial roads that perform a 'place' function including Military Road.

The environmental assessment process for the project is currently being undertaken, which will provide details on the potential impacts to the Military Road Corridor.

B-Line

The NSW Government is currently delivering the Northern Beaches Bus Service Plan (Northern Beaches B-Line) to provide more frequent and reliable bus services to the Northern Beaches. Northern Beaches B-Line involves a series of improvements works including:

- A new B-Line double-decker bus fleet for improved onboard capacity and comfort
- Roadworks including new bus lanes, bus bays, minor lane widening and other road improvements to support bus services
- Eleven modern B-Line stops at Newport, Mona Vale, Warriewood, Narrabeen, Collaroy, Dee Why, Brookvale, Manly Vale, Spit Junction (Mosman), Neutral Bay Junction and Sydney CBD, including real-time passenger information and improved facilities for customers
- Modifications to the bus network to provide for a turn-up-and-go B-Line service with at least a 10-minute frequency during the day.

The Northern Beaches B-Line travels along Military Road/Spit Road, Burnt Bridge Creek Deviation, Condamine Street and Pittwater Road. The Beaches Link would be complementary to the Northern Beaches B-Line project, particularly through a reduction in surface road congestion. Existing bus infrastructure through the design development corridor includes on-street bus priority infrastructure, typically in the form of bus lanes and T2 transit lanes. Bus lanes are provided in both the northbound and southbound direction of the Burnt Bridge Creek Deviation with the southbound bus lane extending along Manly Road towards the Spit Bridge.

Dedicated B-Line stops are in place or under construction along Military Road, along with improved road safety and dedicated lanes. The intent is to improve the customer experience with improved frequency, capacity and reliability of bus services. The implementation of the B-line project has removed some on-street parking and loading zones along Military Road. Bus stop locations have also been altered, which has changed pedestrian movement patterns in some locations.

A.4 North Sydney Council strategies and studies

A.4.1 North Sydney Community Strategic Plan 2018 - 2028

The document is a 10-year plan to shape the North Sydney Local Government Area's future. The main priorities for the North Sydney community - made up of its residents, businesses, workers, students, community organisations/groups and tourists - are (not in any priority order) increased access to open space and recreation facilities to support active lifestyles; environmental sustainability including waste reduction; better use of existing infrastructure and improved urban design; new assets to meet current and future community needs including the ageing population; managing traffic congestion; conserving and celebrating the heritage and village atmosphere; increasing economic development; and making North Sydney a smart city by embracing technology, liveability and supporting creative enterprise and cultural expression.



Some relevant policies include:

- Expand urban tree canopy cover
- Encourage community gardening and rooftop and hard surface greening, incorporating native vegetation planting where possible
- Provide integrated and efficient on-street and off-street parking options in residential and commercial areas
- Encourage a diverse mix of business size and type
- Support existing business and attract and foster new businesses
- Promote and enhance the night time/after hours and weekend offer
- Balance visitor impacts with residents' lifestyles and economic development
- Attract and support start-up businesses
- Improve access to early childhood care facilities
- Plan for future social infrastructure and health services to support healthy communities

Strategic planning in the area is subject to the above policies. What stands out in this strategy is the high level of community consultation. A key challenge identified is maintaining economically competitive and attracting jobs targets set out by State government. Diverse and affordable housing is a priority for the North Sydney Council, particularly with the increasing population in the area. These directions will be considered in the following sections.

A.4.2 North Sydney Economic Development Strategy

SGS Economics and Planning was commissioned by North Sydney Council to develop an Economic Development Strategy for the North Sydney Local Government Area (LGA). The Economic Development Strategy informs Council policies, procedures and projects to stimulate and facilitate further economic growth across the North Sydney LGA. It was adopted by Council on 15 August 2016. The following actions are relevant to the Military Road Corridor.

Action 1.2 - Configure planning controls and utilise relative incentives to encourage high-quality development and facilities within office developments

Planning controls set by Council can encourage design excellence for office spaces and building facilities through development incentives and by establishing clear standards for office development and refurbishment, enabling and attracting new employment in the local government area. Potential controls and incentives can include increased floorspace ratios, the use of Voluntary Planning Agreements, discounted infrastructure levies (as appropriate) for meeting a certain standard set by Council, for example, 4 star Greenstar rating or above, meeting design excellence criteria established by Council.

Action 2.1 - Implement a rolling program of public domain upgrades

The consultation found that many businesses in North Sydney were contemplating relocating to other centres with better pedestrian amenity, attractive public domain, and vibrant public spaces. To encourage businesses to remain in North Sydney, and attract new businesses, a rolling program to improve the public domain of the local government area's centres should be implemented. Works to improve the legibility, accessibility and ease of the pedestrian experience in centres should be prioritised. A high-quality pedestrian environment and public domain will improve the amenity of the local government area's employment centres.

Action 7.2 - Conduct regular monitoring of the North Sydney commercial property market to identify gaps and opportunities

The report recommends keeping tabs on the economic activity across North Sydney's centres and providing multiple avenues to monitor employment trends. These include:

- *An online database of available sites and floorspace. Whilst this provides an opportunity for investors, developers and businesses to find out more about the supply stock of commercial floorspace and lands in the centres, the real motive behind this initiative would be to collect quality data on the who, what and why of potential tenants/investors who don't eventually do their business in North Sydney. Insights derived from this information eventually leads to more powerful and targeted market interventions*
- *Land audits which identify the use of individual lots across employment centres by industry, including recording vacant lots. This data can be useful to monitor changes in North Sydney's economic makeup on a more regular basis than the Census, which is collected every 5 years, and provide an indication of the floorspace used by different industries across the local government area.*

Action 22.1 - Assess the impact of shifting the focus of Neutral Bay away from Military Road

An opportunity exists to shift the retail and hospitality focus off Military Road to areas with an emerging retail and hospitality role along side streets to the north of Military Road (Grosvenor Lane and Young Street etc.). Development of retail and hospitality activity has naturally evolved along these streets,

anchored by The Oaks and the Woolworths north of Military Road, directing some pedestrian flows and economic activity away from Military Road. A focused shift would provide for a more pleasant and accessible pedestrian experience and improve the amenity of Neutral Bay. This may be complicated by the presence of retail anchors on both sides of Military Road and difficulties for pedestrians to cross Military Road. A similar focus on Rangers Road and Wycombe Road south of Military Road, where a smaller but similar retail and hospitality focus has developed, could help to counteract any risk of downgrading retail activity on the south side of Military Road.

It is recommended that a potential shift in Neutral Bay's focus of Military Road is investigated further by Council. Further assessment is required to determine which option provides the greatest benefits to workers, shoppers and visitors to Neutral Bay, including pedestrian amenity, traffic management, the amenity of public domain and general activity and vibrancy.

Actions 10.1 and 10.2 include encouraging businesses to operate into the evening, targeting the market for residents on their way home from work, and improving the public domain attractiveness to encourage evening activity. Actions 14.1 and 14.2 highlight public domain improvements are required in local centres to improve the retail experience and encourage business.

This Military Road Corridor Economic Analysis aims to explore the Military Road Corridor in more detail, using Council's *Economic Development Strategy* as a reference. This includes revisiting planning controls, identifying public domain improvements, and exploring market gaps to better specify commercial and retail land use.

A.4.3 North Sydney Affordable Housing Strategy 2015

North Sydney Council's Affordable Housing Strategy provides a range of activities aimed to increase the effectiveness and long-term sustainability of the Council's involvement in affordable housing. Generally, the aim is to retain and increase the amount of affordable rental stock in North Sydney LGA. The actions relevant to Military Road Corridor Economic Analysis include Council's following positions:

- *Notwithstanding SEPP ARH and the Ministerial Directive, Council will collect contributions to its Affordable Housing Fund for the loss of boarding houses and low-cost flats and units through redevelopment, conversion or strata subdivision under s94 of the Environmental Planning and Assessment Act 1979*
- *Council will give in-principle agreement to a share of the title on selected properties to Link Housing to enable sale or redevelopment of appropriate properties in order to increase stock, build Link Housing capacity, and reduce Council's maintenance liability pending review of stock to be transferred*
- *Council will provide in-principle support to increase the amount of affordable rental stock through debt-equity partnerships and use existing resources dedicated to affordable housing in the most effective way.*
- *Council considers the provision of affordable housing a key public benefit when undertaking local planning studies*
- *Council will utilise Voluntary Planning Agreements in conjunction with site-specific Planning Proposals to facilitate the provision of affordable housing.*

A.4.4 North Sydney Local Development Strategy 2009

Formally adopted in June 2011, the plan is for an additional 15,000 jobs by 2031. A small portion of this potential commercial floorspace is in the mixed-use areas along Military Road.

Residential targets for the North Sydney LGA sit at 6,199 additional dwellings from 2009-2031. Although these targets have changed since the Greater Sydney Commission's Region Plan was released, they indicate North Sydney's preference for facilitating dwelling targets. Targets have been appointed for the following dwelling numbers in each zone in Neutral Bay.

Table 44: Neutral Bay dwelling targets

	Medium Density Res (R3)	High-Density Res (R4)	Mixed Use (B4)	Total
Neutral Bay	79	272	509	860

Neutral Bay is identified as a local mixed-use centre. The strategy warns that restricting conditions to limit future growth of individual business types undermines the flexibility and viability of a retail centre. Also, strong clustering of individual business types within a permitted use category can also affect trade. This means that a diversity of businesses is important for the area to naturally form its own market.

A.4.5 Council Uses on Community Land Study, 2016

From 2013 to 2015, North Sydney Council undertook studies to identify opportunities to provide new community uses on existing Council-owned assets. The overall intent involved maximising the public benefit that these assets are presently providing to the community.

One of these assets was the Neutral Bay Community Centre on Military Road, backing onto Grosvenor Lane. Potential outcomes identified in the study include an upgrade of the community centre within a larger amalgamated site either on the site of the current Woolworths or the Military Road side (see Figure 23). This proposal would be facilitated via a public-private partnership, development contributions or voluntary planning agreements. Another option was to relocate the community centre to the site of the Barry Street Car Park.

Barry Street Car Park is another Council-owned asset situated 200 metres from the existing community centre, one street south of Military Road. The Barry Street Car Park could accommodate a 350 to 979 square metre community centre space with indoor sports facility included. Other options for the car park include redevelopment into a mixed-use residential development.

The Grosvenor Lane site and Barry Street carpark site present key opportunities for Council to deliver improved community facilities and public domain improvements. Planning for these two sites needs to be considered in the context of the overall needs for Neutral Bay Centre.

A.4.6 Grosvenor Lane Planning Study, 2014

A planning study has been prepared for the area surrounding the Grosvenor Lane Car Park in Neutral Bay. Council has, for some time, sought to maximise the benefits of this site to improve public car parking availability, the public realm and pedestrian amenity as well as exploring the possibility of creating a vibrant heart for the Neutral Bay Centre. The study outcomes informed the development of a planning framework for the site which is set out in North Sydney Development Control Plan (Section A.5.5).

The proposal includes:

- The provision of underground public car spaces
- The design and construction of a public plaza at ground level on the existing car park site
- The construction of a public through-site link between Military Road and the proposed plaza.

Figure 23: Potential for expanded public /pedestrian realm under high intervention strategy



A.4.7 Neutral Bay Shopping Centre Urban Design Study and Masterplan, 2000 and 2011

The principal objective of this study was to develop a comprehensive urban design strategy to revitalise the Neutral Bay Shopping Centre. It envisaged the development of a 'main street' atmosphere with easy pedestrian movement, outdoor dining, attractive public spaces and convenient parking with the expectation that these outcomes would be conducive to a more commercially successful precinct. The study concluded that landscaping works along Military Road and its tributary streets would help grow retail business in the area.

The smaller landscaping elements of this plan have been included in the North Sydney Development Control Plan. However, none of the anchor projects or plans for open space has progressed at this stage.

Figure 24: Urban Design Study



A.4.8 Neutral Bay streetscape upgrade

Council has committed to progressively upgrading the public domain through Neutral Bay Centre to make it more attractive for shoppers and to reinforce the "village vibe" by introducing:

- New footpath paving
- Better pedestrian access (safety, crossings, walkability)
- New lighting for safety and nighttime interest
- Street trees, vegetation and garden beds
- Seating such as benches and chairs
- Street furniture (bollards, signage, bins)
- Bicycle improvements (cycle routes, access and parking).

The streetscape upgrades will comply with a *Public Domain Style Manual and Design Codes* document released in March 2018, which acts as a guideline for small-scale urban design outcomes.

Community consultation was undertaken June-July 2018 for the proposed upgrade of Grosvenor Lane Shared Zone between Ben Boyd Road and Young Street, Neutral Bay. This proposal will see the laneway converted into a pedestrian priority space with cars limited to 10km/h, new pedestrian paving, planting and street furniture installed to bring the area in line with the Public Domain Style Manual. These streetscape upgrades will make a positive contribution to the centre's commercial and residential landscape.



A.4.9 Military Road Corridor Planning Study, Stage 1 – Engagement Outcomes

A project plan was developed for the Planning Study in June. The first phase of this work commenced with a community survey to better understand local values, issues and aspirations.

The community survey was conducted between Thursday 26 July 2018 and Wednesday 22 August 2018. The survey included a questionnaire, mapping tool and an opportunity for free-form comments. It was widely advertised via a mail out, online and print media and several information kiosks. Council received 497 responses from the engagement process.

The community highly value the village atmosphere of Neutral Bay Centre with restaurants and cafes offering the most popular places to socialise. The community highly regarded the excellent access to shops and services. Over 70 per cent of survey respondents identified the laneway network in and around Grosvenor Lane, Grosvenor Street and Young Street as their favourite area in Neutral Bay.

The top three issues expressed by respondents were for more 'beautiful public spaces', a more 'healthy and safe environment' and 'limited building heights'.

A total of 90 per cent of survey participants wish to see improvements made to the Military Road environment including better road crossing opportunities. Seventy-seven per cent of the respondents expressed a desire for 'more trees and vegetation' followed by 61 per cent for 'improved plazas for outdoor activities'. A significant proportion of the community would support a social facility like a library or community centre in Neutral Bay.

A.5 Local planning controls

A.5.1 North Sydney Local Environmental Plan 2013

A.5.2 Zoning

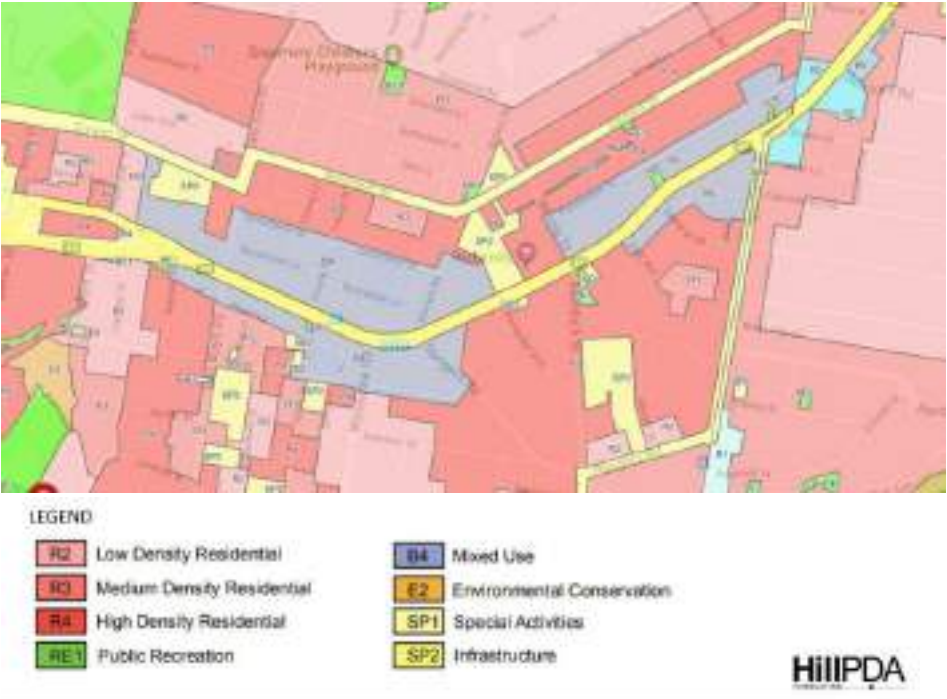
North Sydney Local Environmental Plan 2013 establishes land use zones for the study area as indicated in Figure 25. Most of the study area is zoned B4 – Mixed Use or R4 High-Density Residential. The objectives of the B4 zone are as follows:

- To provide a mixture of compatible land uses
- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling
- To create interesting and vibrant mixed-use centres with safe, high-quality urban environments with residential amenity
- To maintain existing commercial space and allow for residential development in mixed-use buildings, with non-residential uses concentrated on the lower levels and residential uses predominantly on the higher levels.

The following uses are permissible in the B4 Zone:

Amusement centres; Backpackers' accommodation; Boarding houses; Car parks; Centre-based child care facilities; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Hostels; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Roads; Seniors housing; Serviced apartments; Sex services premises; Shop top housing; Signage; Vehicle repair stations; Veterinary hospitals.

Figure 25: Zoning extract, North Sydney LEP 2013



A.5.3 Building height

Building height restrictions in the study area are indicated in Figure 26. Development up to 15 metres is permitted, although this is mainly limited to the existing commercial area.

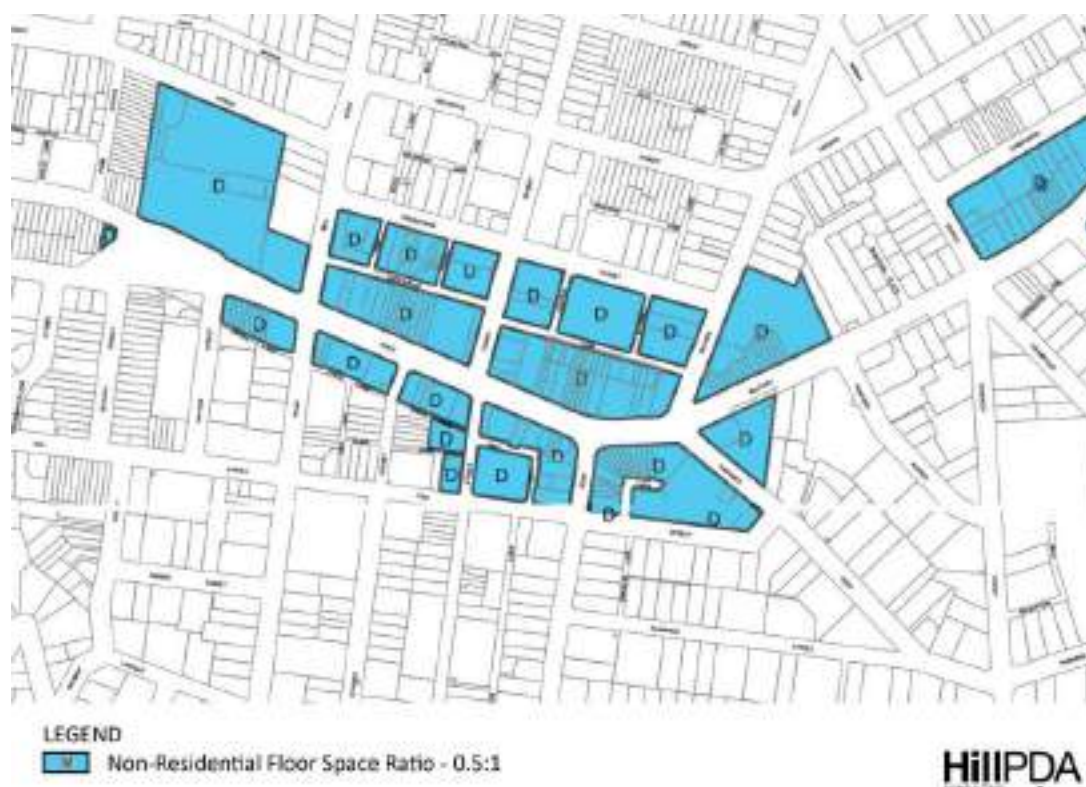
Figure 26: Maximum building height



A.5.4 Non-residential floorspace ratio

Clause 4.4A of North Sydney LEP 2013 applies to the B4 Mixed Use zone. The clause seeks to achieve development with a continuous and active street frontage and encourage an appropriate mix of residential and non-residential uses. It also aims to ensure that a suitable level of non-residential floorspace is provided to promote employment and reflect the hierarchy of commercial centres. A non-residential floorspace of 0.5:1 applies as indicated in Figure 27, meaning that all buildings must have a non-residential floorspace of no less than 0.5:1.

Figure 27: Non-residential floorspace ratio, North Sydney LEP 2013



A.5.5 Minimum lot size

There are no minimum lot size requirements in the study area.



A.5.6 North Sydney Development Control Plan 2013

The Development Control Plan for Mixed Use Areas is primarily to protect residential amenity while still encouraging a mix of commercial and residential.

The DCP for Commercial and Mixed Use Development includes the following relevant provisions among a number of objectives:

Function

- Non-residential buildings or components of buildings should incorporate a variety of different sized spaces that reflect a site's location in the commercial centre hierarchy (i.e. large floor plates should be provided in higher order centres with small floor plates in lower order centres)
- Mixed-use developments within the B1 – Neighbourhood Centre, B4 – Mixed Use or IN2 – Light Industrial zones should:
 - ensure all residential common areas of the building (including the principal entrance to the building) are accessible to all persons regardless of mobility; and
 - have the retail/commercial uses located on the ground floor, retail/commercial or residential uses on the first floor, and residential uses on upper floors.

Maximising the use of public transport

- Locate pick up and drop off points for public transport and taxi ranks as close as possible to public spaces and activities
- Locate short stay (ten minutes) parking spaces within or as close as possible to meeting places
- Limit the amount of long-stay commuter parking on site to that which existed at the time of gazettal of NSLEP 2001 (Amendment No.9 – North Sydney Centre) on the 28 February 2003
- Minimise any non-residential parking on site
- Bicycle storage facilities are provided in accordance with Part B: Section 10 - Car Parking and Transport of the DCP
- Provide showers for use by cyclists and people that walk to work.

Mixed residential population

- Mixed-use developments incorporating residential accommodation should aim to achieve a dwelling yield generally consistent with Council's Residential Development Strategy (2009)
- Mixed-use developments incorporating residential accommodation containing less than 20 dwellings must include, at least two of the following dwelling types:
 - studio
 - 1-bedroom
 - 2-bedroom
 - 3-bedroom.
- Despite the above, no more than 55 per cent of all dwellings must comprise a combination of both studio and 1-bedroom dwellings.

- Mixed-use developments incorporating residential accommodation containing 20 or more dwellings should provide a mix of dwelling sizes in accordance with the following:
 - Studio 10-20 per cent (of total dwellings)
 - 1 bedroom 25-35 per cent
 - 2 bedroom 35-45 per cent
 - 3 bedroom+ 10-20 per cent
- Variations to the dwelling mix within the above standards will not be considered unless the applicant can adequately demonstrate by an authoritative analysis of current and future market demand that the suggested mix is not reasonable
- A minimum of 15 per cent of dwellings in mixed-use developments containing more than 5 dwellings must comprise adaptable housing, and be designed and constructed to a minimum Class C Certification under AS 4299 – Adaptable Housing
- Where adaptable housing is to be provided, the adaptable housing components must: (a) be integrated into the overall design of the development, and must not be isolated; and (b) not use a different standard of materials and finishes to the remainder of the building
- Provide services and facilities within the development that meet the needs of different population groups and build flexibility into communal spaces to meet changing needs.

Noise

Noise emission associated with the operation of non-residential premises or non-residential components of a building must not exceed the maximum 1-hour noise levels (LAeq 1 Hour) specified in the following table:

Time of week	Period	Time	Max 1 hour noise level
Weekday	Day	7am – 6pm	60 dBA
	Evening	6pm – 10pm	50 dBA
	Night	10pm – 7am	45 dBA
Weekend	Day	8am – 7pm	60 dBA
	Evening	7pm – 10pm	50 dBA
	Night	10pm – 8am	45 dBA

However, the noise emission associated with the operation of non-residential premises or non-residential components of a building must not exceed 5 dBA above the background maximum 1-hour noise level during the day and evening and not exceeding the background level at night.



Through-site pedestrian links

- Provide linkages through sites to other streets and laneways as identified in the relevant area character statement (refer to Part C of the DCP) applying to the site or where enhancing pedestrian movement to public transport infrastructure
- Provide linkages to facilities, outdoor spaces and public transport
- Provide public access through pedestrian links from 6 am to 10 pm daily
- Pedestrian links must be lined with active uses along at least one side of the link to engage pedestrians
- Pedestrian links must be a minimum of 6m in width that is free from obstructions
- Escalators must be provided within the link where there is a substantial change in level
- The number of pedestrian entries to the link is maximised
- The extent of natural light to the link should be maximised where possible
- Signage must be provided at the entry to the linkage, indicating public accessibility and the street to which the connection links
- Opportunities for the integration of public art installations within the link are to be maximised
- The linkage is to be designed to positively respond to the “safer by design” principles.

Car parking

- Provide on-site car parking in accordance with Part B: Section 10 – Car Parking and Transport of the DCP
- All car parking must be provided underground
- Where security doors/gates are proposed to provide an intercom system to facilitate visitor/service access to underground parking areas
- Disabled and visitor parking spaces must be designated common property once the development is subdivided.

Adaptive reuse of buildings

- Where feasible, existing buildings are to be reused in preference to demolition
- Buildings should be designed to encourage adaptable office floorspace to accommodate changing occupier requirements.

The DCP contains area character statements for the following sub-precinct along the Military Road Corridor:



Grosvenor Lane Car Park

- Provide a fine-grain of retail and other frontages at the interface with the public realm, including the public plaza, to maximise the variety of uses
- Provide opportunities for outdoor dining
- Provide active frontages to the plaza and, where possible, to laneways
- Create a public plaza on the current public car park site
- Implement shared zones or widen footpaths where possible to improve pedestrian safety and amenity
- Design plaza to be flexible and able to accommodate passive recreation and special events
- Design of built form should facilitate the revitalisation and improvement of the public domain along Military Road
- Upgrade adjoining laneways to complement the public plaza
- Provide quality, active pedestrian links between Military Road and the public plaza
- Relocate public parking underground and provide additional public car spaces
- Maintain existing laneway network or provide an adequate alternative for small-scale loading, short-term parking and vehicular circulation
- Loading facilities should not impact on the amenity of the plaza and should ideally be provided underground
- Upgrade or relocate Neutral Bay Community Centre as part of any redevelopment incorporating the existing site
- Provide improved bus stop infrastructure on Military Road.

Section 10 of the DCP contains controls regarding car parking and transport. The general objectives refer to the reduction of traffic generation and containment of traffic, on-street parking is preserved, and the limitation of parking to minimise impacts on surrounding areas.

All of the above controls have implications for economic activity in the town centre, while also aiming to balance amenity consideration and other development related issues.

APPENDIX B : DA

Our analysis of future development applications revealed no development applications within the Neutral bay town centre study area however there were multiple anticipated development applications in the pipeline in the north Sydney centre west of the study area. Of the 32 projects 16 were commercial office developments, 11 were residential, 2 hotel and 3 student accommodation. The following table summarises the information.

Other Da's in LGA

Address / DA / Date	Site Area (sqm) GFA (sqm)	FSR	Storeys	Estimated Completion	Type
7-11 Mount St & 80 William St	10,079 site	NA	4 storeys	Jan-2023	Student
Demolition of existing structures including Anderledy Lodge & The Hermitage & the existing landscaped basement car park. Construction of a 4 storey building for a short term accommodation of pilgrims & visitors to Mary McKillop Place with associated amenities including dining facilities. Ground floor - Formal entrance foyer, reception, office & luggage storage areas, commercial kitchen & associated storage, servery & dining area, lounge area & associated bathroom facilities. Levels 1-3 - 18 bedrooms with ensuites (a total of 54 bedrooms) capable of accommodating a maximum of 2 persons & a housekeeping storeroom. Sandstone cladding, rendered cement, bricks & metal roof sheeting. Basement car parking for 43 vehicles including 3 accessible bays, 2 motorcycle & 6 bicycle bays. Associated landscaping.					
2-4 Blue Street & 1-5 William Street	- 10 storeys			Feb-2023	Offices
Demolition of 5 residential flat buildings, bulk excavation & tree removal. Construction of a 10 storey commercial building to comprise 9.5 storeys of A grade commercial office space & rooftop plant. 1.5 basement level car parking for 30 vehicles including 2 accessible spaces, 118 bicycle parking spaces & 10 motorcycles, associated end of trip facilities, 2 loading spaces & storage space. Associated landscaping.					
5-7 Doohat Avenue	1,800 site 2,442 GFA	1.4:1	4 storeys	Apr-2024	Residential
Demolition of existing buildings & associated structures. Construction of a 4 storey residential building with 29 apartments to comprise 5 x 1 bedroom, 16 x 2 bedroom, 1 x 2+study, 4 x 3 bedrooms, 3 x 3+study & 4 bedrooms. Brick & rendered concrete wall, metal & wood grain cladding, batten screening, aluminium framed windows & doors & glass balustrades. 2 levels of basement car parking for 41 vehicles including 9 visitor spaces, 5 accessible bays & 12 bicycle spaces. Associated landscaping.					
1 Eden Street	183 site 507 GFA	2.8:1	5 storeys	Oct-2024	Student
Demolition of existing structures. Construction of a 5 storey community & commercial building to comprise 2 ground floor commercial tenancies & a boarding house on levels 1-4 with 12 rooms/suites, (including manager's room) each with a bathroom, kitchenette & living area. Concrete lift core, colour coated metal roof & cladding, metal louvres, balustrade & door/window frames & frameless glass door. 12 bicycle bays & 1 motorcycle space. Associated landscaping.					
63-83 Walker Street	1,825 site 33,004 GFA	18.1:1	26 storeys	Feb-2025	Offices
Demolition of all existing structures & bulk excavation. Construction of a new commercial building consisting of 26 storeys including a podium & public domain, lobbies, basements, retail spaces & 23 levels of office accommodation. The building is to include terraces on level 4 as well a roof terrace on level 30.4/5 basement levels containing 73 car parking spaces & 34 bicycles.					
100-102 Walker Street	1,392 site 42,573 GFA	30.6:1	48 storeys	Sep-2025	Commercial
Proposed demolition of existing site improvements & excavation. Construction & operation of a 48 storey commercial building plus rooftop plant to comprise 35 levels of commercial office spaces (41476sq m) including terraces on the eastern elevation & building plant the low rise deck (Level 17), mid-rise deck (Level 31) & rooftop (Levels 45 & 46). Retail tenancies (1097sq m) including food & beverage premises & shops accommodated at lower ground, upper ground & basement Level 1. 6 levels of basement car parking for 74 vehicles, 2 loading bays & 397 bicycle bays. Associated landscaping.					
65-83 Walker St	1,825 site 33,004 GFA	18.1:1	26 storeys	Nov-2025	Commercial

Address / DA / Date	Site Area (sqm) GFA (sqm)	FSR	Storeys	Estimated Completion	Type
Proposed site preparation works including demolition of all existing structures & bulk excavation. Construction & use of a 26 storey commercial building to comprise lower ground floor & ground floor retail tenancies, dual podium & tower lobby divided by a central podium atrium, 23 commercial office levels, podium & rooftop terrace & top of building plant level. Powder coated curtain wall, vertical sunshade scallop form ceramic extrusion, podium facade glazed ceramic tiles, weatherproof louvres & clear vision glass. Part 4 & part 5 basement level for 82 vehicles & 34 motorcycle bays. Associated landscaping.					
2-6, 107 High Street	1,262 site 1,620 GFA	1.3:1	4 storeys	Dec-2025	Residential
Proposed demolition of all existing structures on site. Construction of a part 3 & part 4 storey residential building to comprise 10 x 3 bedroom units (including 2 adaptable units). Brickwork, sandstone cladding, fixed & operable glazing, metal louvres, balustrade, awning & window surround, flat steel bar fencing, sliding glazed doors, concrete edge profile & roof & timber soffit lining. 2 levels of basement car parking for 18 vehicles to include 15 residential & 3 visitor spaces. Associated landscaping.					
116 Miller Street & 173 Pacific Highway	- 33 storeys			Apr-2026	Offices
Demolition of existing 4 storey building & site improvements at 173 Pacific Highway to ground level. Construction of a new 33 storey commercial office building on the western part of the site including ground floor lobby accessed from the Pacific Highway with the potential of a pedestrian through-site connection to the Miller Street frontage of the site in the future, 6 floors of co-working offices & 22 floors of office tenancies, multi-function meeting space & collaboration lounge on Level 28, a cantilever on the southeastern corner of the building commencing at Level 7 & tapering outwards over the retained building in the east of the site (116 Miller Street) between Levels 14-18 & tapering inwards from Level 18 to the roof. 2 levels of basement for servicing, loading, 110 bicycle bays, 86 lockers & end of trip facilities utilising the existing basement footprint.					
105-151 Miller Street	74,000 GFA 27 storeys		27 storeys	Jul-2026	Offices
Construction of a 27 storey commercial building comprising 74,000sq m of net lettable area. Publicly accessible lower ground floor & ground floor containing retail tenancies, commercial lobby, passive recreation & dining facilities, 24 commercial office levels & mid & top of building plant levels. Total 73,756sq m GFA or 66,247sq m NLA. Floor plates ranging from 1,310sq m to 4,921sq m at the lower levels & 1,306sq m & 2,704sq m at the upper levels. 2 basement levels car parking for 123 vehicles, 802 bicycle parking spaces & associated end of trip facilities including 802 lockers & 72 showers & change cubicles. Landscaping.					
70-74 Berry Street & Walker Street	3,550 site 66,000 GFA	18.6:1	40 storeys	Oct-2026	Offices
Proposed construction of an approx 40 level, 66,000sq m office building.					
253-267 Pacific Highway	1,469 site 6,003 GFA	4.1:1	10 storeys	Dec-2026	Residential
Construction of an 8-10 storey mixed use development with 3 storey podium comprising 39 apartments GFA 4,351sq m & commercial/retail space approx 1,752sq m within podium & residential communal facilities. Integration of heritage item into the new podium development. Communal open space on the rooftop of the lower component of the tower. Activation to streets with a mix of commercial/retail & communal uses. Laneway widening to Church Lane. Car parking for 39 vehicles. Landscaping.					
110, 118 & 122 Walker Street	2,305 site 68,318 GFA	29.6:1	55 storeys	Dec-2026	Offices
Demolition of existing structures. Construction of a 55 storey commercial tower (inclusive of 2 level roof plant), roof terraces & retail premises. Total GFA 68,318sq m NLA approx 59,000sq m. Use of lower ground, ground floor, podium & rooftop retail tenancies to support office workers & site visitors. 1200sq m floor plates. 4,900sq m 4 level podium will cater for child care, co-working & wellness spaces as well as event spaces with a terrace to provide tenants with outdoor experiences in the form of functions & events. Through-site link from Walker Street to Little Spring Street, connecting to Denison Street & the Victoria Cross Sydney Metro station (partially on the site at 110 Walker St). Basement car parking over 7 levels for 170 vehicles, 547 bicycle parking spaces & end of trip facilities (547 lockers & 56 showers. Landscaping at the ground floor, level 4 terrace, rooftop & western green wall.					

Address / DA / Date	Site Area (sqm) GFA (sqm)	FSR	Storeys	Estimated Completion	Type
313 Pacific Highway	436 site 4 storeys	-	4 storeys	Feb-2027	Student
Demolition of the existing structures. Construction of a 4 storey community & commercial development to comprise retail/commercial space on the ground floor & new-age boarding house with 31 self-contained boarding rooms with kitchenette & bathroom facilities (the size of these rooms vary between 17sq m - 30sq m) & some with balconettes including manager's room. Rooftop communal outdoor space (45sq m) & communal living room & kitchen (59sq m) & communal laundry. Basement car parking for 5 vehicles including 1 service bay & 8 motorcycle bays. Associated landscaping.					
153 Walker St	- 46,000 GFA			Apr-2027	Offices
Construction of an office tower of 46,000sq m. Associated car parking. Landscaping.					
173-179 Walker Street & 11-17 Hampden Street	3,950 site 24,102 GFA	6.1:1	28 storeys	Aug-2028	Residential
Demolition of all existing structures. Construction of a residential development of up to 28 storeys with 4 storey podium comprising 3 components: Walker Street terraces: Part 3 to part 5 storey multi dwelling housing development to comprise 6 x 4 bedroom terraces. Hampden Street building component: Part 4 to part 5 storey residential apartment building comprising 24 apartments & rooftop communal open space. Tower component: Part 27 & part 28 storey residential apartment building, comprising 159 apartments & rooftop private open space. Apartments to comprise 3 studio, 41 x 1 bedroom, 68 x 2 bedroom, 68 x 3 bedroom & 3 x 4 bedroom apartments. Internal plaza to provide a link between Walker Street & Hampden Street. 1255sq m communal space & 1645sq m communal open space. Basement car parking over 3/part 4 levels for 240 vehicles, 19 motorcycle spaces & 208 bicycle spaces. Landscaping 1,193sq m.					
107 Mount Street	1,250 site 29,631 GFA	23.7:1	37 storeys	Feb-2029	Offices
Proposed demolition of the existing commercial office building & excavation to accommodate 8 basement levels. Construction of a new 37 storey commercial tower (29631sq m) including a 3 storey podium comprising 330sq m. Cafe tenancy at the corner of Mount & Little Walker Streets. 1068sq m conference/well-being facilities across Level 1 & Level 2. 27097sq m of commercial office across 30 tower levels. 726sq m restaurant tenancy & outdoor terrace at Level 34. 3 terraced rooftop areas & landscaped podium facades at Levels 1-2. 2 after-trip facilities including 2 facilities (male/female) with 13 showers/changing cubicles. Glazing & aluminium framed window & plant room louvres. 8 levels of basement car parking for 76 vehicles, 8 motorcycle & 280 bicycle spaces. Associated landscaping.					
45 McLaren Street	1,793 site 14 storeys	-	14 storeys	Jan-2030	Residential
Construction of a 10-14 storey mixed use development comprising 90 units with a fresh food retailer, cafe/dining outlets, shops (2,212sq m), a gym & rooftop terraces. Basement car parking for 169 vehicles. Landscaping					
Walker Street	1,928 site 51,967 GFA	27:1	43 storeys	Dec-2030	Offices
Demolition of the existing structure on site. Construction of a 43 storey mixed use commercial development to comprise 40 offices, 2 retail tenancies & restaurant. Basement levels 1-5 - 2 car park fan rooms, 4 storages, electrical room, mechanical room, switch room, substation, grease arrestor room & base building comms room. Lower ground - retail, storage, waste room, diesel generator room, lower ground lobby & security room. Ground floor - Retail, restaurant, reception, lobby lounge, upper ground lobby, shuttle lobby & outdoor retail area. Level 1 - End of trip area. Levels 2-26 & 28-41 - 40 offices. Levels 27, 42 & 43 - Plant rooms. Roof level - 3 cooling towers. 5 basement levels car parking for 130 vehicles to include 13 motorcycle & 480 bicycle spaces (lower ground). Associated landscaping.					
Ridge St	2,790 site 10,584 GFA	3.8:1	10 storeys	NA	Residential
Redevelopment of Ridge St Carpark. Option 1 (medium intervention) total GFA 6,128sq m, 3 split level public basement carparking for 220 vehicles. Option 2 (high intervention) comprises 4 level indoor sports facility, total recreational facilities 6973sq m, with retail 296sq m also on ground floor, 6 basketball courts, 18 badminton courts, 6 volleyball courts, 2 tennis courts, 373sq m community facilities & 8 levels of affordable & private housing above comprising 42 apartments, 22 x 1, 14 x 2 & 6 x 3 bedroom, new public plaza with seating and public art, basement carparking over 5 levels for 282 carparking spaces. Podium landscaping.					

APPENDIX C : SALES EVIDENCE

A.6 Residential sales

The following appendix details sale evidence for off the plan residential developments in Neutral Bay and surrounding areas. The following residential projects were analysed:

- 14-16B Thrupp Street, Neutral Bay NSW 2089
- 'Eleve' 131-139 Holt Avenue, Cremorne, NSW 2090
- 2 Sutherland Street Cremorne
- 229 Miller Street North Sydney
- 'Aura by Aqualand' 168 Walker Street, North Sydney, NSW 2060
- 'Eighty Eight', 88 Christie Street, St Leonards
- 'Landmark', 500 Pacific Highway, St Leonards
- 'The Newlands', 21-41 Canberra Avenue, St Leonards
- 'Elation', 1-3 Holdsworth Avenue, St Leonards
- 'Audrey', 13-19 Canberra Avenue, St Leonards.

7.5.1.1 14-16B Thrupp Street, Neutral Bay

This development currently selling off the plan is a part 4, part 5 storey residential building with 20 residential apartments. It comprises of 1 x 1 bedroom, 7 x 2 bedroom & 12 x 3 bedrooms (including 3 adaptable apartments). Each apartment has private open space in the form of either a terrace or balcony with an additional 183sqm of communal open space. The development includes car parking for 32 vehicles to comprise 21 car spaces (basement level) & 11 car spaces (lower ground level) including 5 visitor spaces, 3 accessible bays & 24 bicycle bays. Agents have indicated there are only 3-bedroom apartments left with asking prices detailed below:



Number	Type	Asking price	Internal Areas (sqm)	\$/sqm of NSA
LG02	3BR	\$3,975,000	144	\$27,604
G01	3BR	\$3,500,000	108	\$32,407
G06	3BR	\$3,600,000	111	\$32,432
101	3BR	\$3,300,000	108	\$30,556
106	3BR	\$4,300,000	126	\$34,127
Sales				
	Sale date	Sale price	Internal Areas (sqm)	\$/sqm NSA
2/14 Thrupp Street	03/11/17	1,150,000		-
1/14 Thrupp Street	03/11/17	2,975,000		-
2/16A Thrupp Street	19/10/17	1,100,000		-
3/16A Thrupp Street	19/10/17	1,100,000		-
4/16A Thrupp Street	19/10/17	1,100,000		-
1/16A Thrupp Street	19/10/17	1,100,000		-

Source: Selling agent, Cordell Connect and Domain website

7.5.1.2 'Eleve', 131-139 Holt Avenue, Cremorne

Presales grand opening last weekend and sold 10/22 residences on the first day. Completion anticipated September 2025. 22 residences, 2 & 3 bedroom residences, which have been specifically designed for empty-nesters and owner occupiers in the heart of Cremorne.

Table 45: Off the plan asking prices for 2 and 3 bedroom apartments in 'Eleve'

'Eleve', 131-139 Holt Avenue, Cremorne			
			
Type	Sale Price range	Internal Areas	\$/sqm of NSA
Two bedroom	2,750,000	95-100sqm	\$27,500-\$28,947
Three bedroom	4,200,000	130-160sqm	\$26,250-\$32,307

Source: Selling agent, Cordell Connect and Domain website*units include 15sqm balcony and 2 double lock up garages

7.5.1.3 'Eighty Eight', 88 Christie Street, St Leonards

Proposed project of mixed-use development comprising 10,363sqm of retail (including a supermarket), 19,297sqm of commercial space, public library, two residential towers (maximum 47 storeys) consisting of 654 apartments (consisting of 2 x studio, 197 x 1, 395 x 2, 56 x 3, 3 x 4 & 1 x 5 bedroom). Built over ten levels of basement car parking for 1,138 parking spaces (including 316 to be used as public parking). Date of completion is expected to be Q1 2023.

Table 46: Sales rate range of 'Eighty Eight', 88 Christie Street, St Leonards

'Eighty Eight', 88 Christie Street, St Leonards			
			
Type	Sale Price range	Internal Areas	\$/sqm of NSA
One bedroom	\$770,000-\$1,000,000	50-59sqm	\$15,400- \$16,949
Two bedroom	\$1,210,000-\$1,890,000	75-92sqm	\$16,133- \$20,543
Three bedroom	\$2,800,000-\$2,920,000	95-110sqm	\$26,545-\$29,474

Source: Selling agent, Cordell Connect and Domain website.

7.5.1.4 'Landmark', 500 Pacific Highway, St Leonards

Mixed use development comprising two towers of 7 storeys and 23 storeys with commercial floor space in the high rise tower. Low rise building comprising a 6 to 7 storey scale building to provide 52 residential apartments (18 x 2, 24 x 2, 10 x 3 bedroom). The high rise building proposed at the eastern end of the site will contain 29 levels comprising 217 apartments (21 x studio, 80 x 1, 89 x 2 & 27 x 3 bedroom). Built over three levels of basement carparking for 291 vehicles.

Table 47: Sales rate range of 'Landmark', 500 Pacific Highway, St Leonards

'Landmark', 500 Pacific Highway, St Leonards

Type	Sale Price range	Internal Areas	\$/sqm of NSA
One bedroom	\$685,000-\$795,000	64-74sqm	\$13,700 - \$15,900
Two bedroom	\$1,100,000-\$2,150,000	73-146sqm	\$10,274 - \$26,543
Three bedroom	\$2,538,000-\$4,200,000	168-270sqm	\$13,719 - \$19,345

Source: Selling agent, Cordell Connect and Domain website.

7.5.1.5 'Audrey', 13-19 Canberra Avenue, St Leonards

Table 48: Sales rate range 'Audrey', 13-19 Canberra Avenue, St Leonards

'Audrey', 13-19 Canberra Avenue, St Leonards

Type	Sale Price range	Internal Areas	\$/sqm of NSA
One bedroom	\$860,000 – \$975,000	61 – 68sqm	\$14,098.36 - \$14,338.24
Two bedroom	\$1,450,000	89sqm	\$16,292.13
Three bedroom	\$2,150,000	122sqm	\$17,622.95

Source: Selling agent, Cordell Connect and Domain website.

7.5.1.6 'The Newlands', 21 Canberra Avenue, St Leonards

Table 49: Sales rate range 'The Newlands', 21 Canberra Avenue, St Leonards

'The Newlands', 21 Canberra Avenue, St Leonards			
			
Type	Sale Price range	Internal Areas	\$/sqm of NSA
One bedroom	\$795,000 - \$995,000	53 – 59sqm	\$15,000.00 - \$16,864.41
Two bedroom	\$1,295,000 - \$1,950,000	76 – 90sqm	\$17,039.47 - \$21,666.67
Three bedroom	\$1,975,000 - \$3,250,000	102 – 181sqm	\$17,955.80 - \$19,362.75

Source: Selling agent, Cordell Connect and Domain website.

A.7 Sales

Street Address	Suburb	Bed	Bath	Car	Sale Price	Sale Date	NSA	\$/sqm NSA
101/58 Aubin Street	Neutral Bay	2	2	0	\$2,550,000	4-Mar-21	88	\$28,977
102/12 Grosvenor Street	Neutral Bay	3	2	0	\$2,250,000	5-Jan-22	125	\$18,000
203/12 Grosvenor Street	Neutral Bay	2	2	1	\$1,865,000	7-Apr-22	87	\$21,436
202/14 Grosvenor Street	Neutral Bay	3	2	2	Not Disclosed	28-Nov-22	122	
1/1 Lower Bent Street	Neutral Bay	3	2	1	\$2,900,000	6-Mar-21	127.4	\$22,763
3/1 Lower Bent Street	Neutral Bay	3	2	1	\$2,900,000	15-Apr-21	162	\$17,901
201/74 Merlin Street	Neutral Bay	2	2	1	Not Disclosed	8-Nov-22	81	

APPENDIX D : ADDITIONAL INFORMATION

A.8 Residential parking requirements NSDCP2013

Development type	Residential parking rate
Carparking (Maximum)	
Attached dwellings/ multi-dwelling housing	
Studio, 1 bedroom	1 space/dw
2 or more bedrooms	1.5 spaces/dw
Motorcycle parking	0.25 space/dw
Residential flat/Shop top	
Studio, 1 bedroom	0.5 space/dw
2 or more bedrooms	1 space/dw
Visitors	1 space/10 car spaces
Non residential	
Non-residential parking rate (Neutral Bay)	1 space / 60sqm non-residential GFA
Supermarkets (All other areas)	4 spaces/100sqn if GFA
Bicycle parking (minimum)	
Residential accommodation	Occupants: 1/dwelling Visitors: 1/10 dwellings
Office premises, business premises	Occupants: 1/150sqm GFA Visitors: 1/400sqm GFA
Bulky goods premises	Occupants: 1/600sqm GFA Visitors: 1/1000sqm GFA
Shop, Restaurant or café	Occupants: 1/250sqm GFA Visitors: 2+1/100sqm over 100sqm GFA

Source: North Sydney Development Control Plan 2013

NEUTRAL BAY TOWN CENTRE PUBLIC DOMAIN PLAN



simm

PREPARED BY SPACKMAN MOSSOP MICHAELS FOR NORTH SYDNEY COUNCIL
9 NOVEMBER 2023

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1 INTRODUCTION

Neutral Bay town centre is a vibrant local village centre that is characterised by transport, working, eating and shopping. Located only 1.6km from North Sydney CBD, 4.25km from Sydney CBD, and 7.4km from the coast at Manly, Neutral Bay is well connected to these key centres via Military Road, which bisects the town centre. The combination of Neutral Bay's local village character and its urban connectedness makes it a popular place in which to live, work, shop and visit.

North Sydney Council is concerned that the vibrancy and diversity of Neutral Bay town centre is under threat, due to the combination of:

- Declining local jobs under the existing planning controls
- Increasing pressures on the public domain and community facilities
- Significant development pressure with proposals that exceed the existing planning controls.

In response to these issues, North Sydney Council is establishing a new planning framework to manage and guide future development in Neutral Bay town centre and provide opportunities to improve its public spaces and community facilities.

As part of the establishment of the new planning framework, North Sydney Council has commissioned Spackman Mossop Michaels to prepare a Public Domain Concept Design (this study) for Neutral Bay town centre, with a focus on key future public open spaces at Grosvenor Lane and Rangers Road. The study provides a long term public domain concept for Neutral Bay town centre that helps to address the decline in local jobs and commercial spaces, insufficient public spaces and facilities, and future development pressure. It provides an opportunity to give the community more public space, and an improved public domain with increased amenity – including opportunities for more planting, shade, active transport, public art, play streets and water sensitive urban design (WSUD). These public domain improvements aim to create a more liveable, vibrant and healthy urban fabric for the community and the environment.

Figure 1-1: Urban context of Neutral Bay



THE STUDY AREA

The boundaries of the Neutral Bay Town Centre Public Domain concept are:

- Ben Boyd Road to the west
- Belgrave Street to the north
- Winnie Street and Murdoch Street to the east
- One block south of Yeo Street to the south.

While this study area is identical to that of the overarching *Neutral Bay Town Centre Planning Study*, the public domain concept focuses primarily on the two future public spaces at:

- Grosvenor Lane carpark, and
- 1-7 Rangers Road and 183-185 Military Road.

The study also examines other opportunities for public domain improvement within town centre, including: laneways, shared zones, street closures, footpaths and through site links.

BACKGROUND

Military Road Corridor Planning Study

The *Military Road Corridor Planning Study – Stage 1: Future Directions* report (adopted 2021; rescinded 2022) reviewed the current planning controls that apply along Military Road to deliver future housing and job growth to meet the needs of the current and future community. The key objectives of the study were to:

- Address the decline in employment floor space in the centre,
- Facilitate carefully planned development while maintaining the village atmosphere of the centre
- Leverage a range of community benefits from planned and managed growth.

The study found that while job demand is expected to increase by 40% by 2036, under the current planning controls supply would likely decrease by 2036 by approximately 47% – almost half. There is a clear need to revise the current planning controls to facilitate future local job growth and arrest the decline in commercial floor space within Neutral Bay town centre. Without change there would be a reduction in commercial activity within the town centre, and as a result residents would need to travel further for local work and services.

The study also found that there is demand for a new recreational facility, affordable childcare, a modernised community centre and improved open space. Changes to the planning controls brings the opportunity, through developer contributions, for significant



improvements to the amount of public open space and the quality of the public domain throughout the town centre.

The *Military Road Corridor Planning Study* identified the following public domain opportunities that could be associated with future developments within the town centre:

- Public domain improvements including two significant new public plazas:
 - a 1,000 square metre new Rangers Road Plaza
 - a 2,500 square metre new Grosvenor Lane Plaza
- Relocation of the Grosvenor Lane car park underground
- A new 1,000 square metre community centre with accessible public amenities and family room
- A 600 square metre creative makers art alley on the site of the existing community centre
- 28 secured regional commuter bicycle parking spaces.

In January 2022, Council rescinded the previously endorsed *Military Road Corridor Planning Study* in response to community concerns about the height and scale of redevelopment proposed by the planning

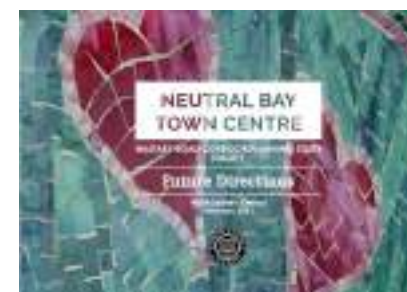


Figure 1-2: (left) The study area

Figure 1-3: (above) Military Road Corridor Planning Study

study. Moving forward, Council resolved to: *engage with the community and relevant stakeholders to prepare a revised recommendation that has a better balance between development height and the provision of additional public open space.*

This public domain concept design is developed in response to local community and stakeholder concerns. It forms part of the *Neutral Bay Town Centre Planning Study*, and informs and supports the revised planning recommendations therein.

2 PUBLIC DOMAIN ANALYSIS

2.1 COMMUNITY VALUES AND ASPIRATIONS

North Sydney Council has undertaken extensive community consultation for the *Military Road Corridor Planning Study – Stage 1: Future Directions* report (2021; rescinded 2022). This includes:

- Early engagement sessions (2018) – Council sought to understand community and stakeholder aspirations and values through:
 - Surveys
 - Online mapping tool
 - Submissions
 - Drop-in information kiosks
- Two discussion papers (2019) – based on the feedback from the early engagement, Council prepared and exhibited two discussion papers on the future of the Neutral Bay town centre:
 - Objectives and Ideas paper
 - Analysis paper

The papers explored a range of planning control changes to enable increased development and deliver public domain benefits.

The discussion papers were informed by additional stakeholder engagement, including:

- A business survey, which canvassed the Neutral Bay Chamber of Commerce, landowners and local businesses
- A transport questionnaire, which was conducted with 200 local workers and commuters

The discussion papers were placed on public exhibition in mid-2019 for further community feedback.

The Draft Future Directions report was subsequently prepared in-house by North Sydney Council. The planning strategies it put forward, including built form decisions and public benefit contributions, were underpinned by extensive research and consultation from the early community engagement sessions and two discussion papers. The draft report was placed on public exhibition between April and July 2020, from which a total of 433 responses was received.

The extensive consultation undertaken by Council thus far provides valuable insight into:

- The community's aspirations for the future of Neutral Bay Town Centre
- The values that the community want preserved and strengthened into the future, and
- The challenges to realising the community's aspirations and values.

The community's aspirations and values for Neutral Bay town centre remained consistent throughout the consultation process, providing clear directions for the development of the public domain concept.

COMMUNITY VALUES

The consultation process revealed that the attributes of Neutral Bay town centre that are most valued by the community are:

- The community feel and atmosphere
- The connectivity and proximity to Sydney and North Sydney CBDs
- The many restaurants, cafes and pubs for socialising
- The ease of access to shops and services.

The public domain concept plan is to ensure that these attributes are maintained and strengthened into the future of Neutral Bay town centre.

COMMUNITY ASPIRATIONS

The consultation process revealed that 'beautiful public spaces' is the community's single most important priority for the future of Neutral Bay town centre, with 70% of those surveyed in agreement. Public spaces are seen as important gathering places for the community and key contributors towards the character of the town centre. The importance of the town centre's public domain to the local community is evidenced by 85% of people surveyed supporting improved footpaths, parks and plazas in the area.

The consultation process also identified the following key public domain aspirations from the community:

- 77% of respondents want more trees and vegetation
- 61% of respondents want plazas for outdoor activities
- 56% of respondents want more outdoor dining
- 90% of respondents wish to see improvements to the Military Road environment, including better road crossing opportunities
- 78% of respondents support either a social facility such as a library or a community centre in Neutral Bay town centre.

The public domain strategies outlined in the Draft Future Directions report aimed to realise the community's aspirations through the creation of new public open spaces, new community facilities, and public domain upgrades such as footpath widening and streetscape improvements. The present public domain concept design further develops and extends these initial strategies.

2.2 MILITARY ROAD

Military Road is a key constraint to connectivity and community character in the Neutral Bay town centre. The busy six lane road physically bisects the town centre, presenting a significant barrier to pedestrian connectivity between north and south. Additionally, there is no north-south cross traffic within the town centre. Ben Boyd Road and Winnie Street/Murdoch Street, located respectively at the western and eastern extremities of the study area, are the closest vehicular cross streets to the town centre. While Rangers Road does cross Military Road to connect with Waters Road, traffic must turn onto Military Road at the intersection, as through traffic is not permitted. The result is that Military Road not only divides Neutral Bay physically, but perhaps more significantly, it divides the town centre experientially.

While Military Road functions as both a key part of the regional transport network as well as the focus of the local road network, the clear priority is swift passage for regional through traffic, which sit at odds with the connectivity needs of the local community. This is despite local circulation and connectivity being arguably the primary function of Military Road, or at least equal to its regional traffic role – as evidenced in a 2019 study by RMS, which found that the number of walking and bus journeys on the Neutral Bay section of Military Road during the AM peak was approximately double the number of car journeys.

Within the study area, the majority of Military Road is divided by central median barriers and fences, which visually reinforce the impression of a divided community, and are emblematic of the conflict between traffic and pedestrians. There are only two pedestrian crossings of Military Road within the middle of the town centre: one just west of Barry Street/Young Street, and the other at Wycombe Road. Two further pedestrian crossings are at either end of the town centre at Ben Boyd Road and Winnie Street. A pedestrian bridge provides an additional crossing opportunity at Hampden Avenue/Redlands School. The six lane carriageway on Military Road provides for two traffic lanes in each direction, while the two kerbside lanes accommodate bus stop zones, timed bus lanes and intermittent time restricted kerbside parking outside of peak hours. Consequently, there is minimal buffer between the footpaths and fast-moving traffic along Military Road, creating a main street environment that feels decidedly inhospitable to pedestrians.

The challenge is how to reconcile the regional traffic function of Military Road with the connectivity needs of the local community and the desire for local character and amenity within Neutral Bay town centre. Community consultation to date for the rescinded Military Road Corridor Planning Study has shown very strong (90%) community support for public domain improvements to Military Road, including:

- 71% of respondents supporting an improved Military Road environment
- 59% of respondents supporting better connections across Military Road
- 51% of respondents supporting improved footpaths along Military Road.



Figure 2-4: (above right) Military Road at Wycombe Road

Figure 2-5: (right) View to May Gibbs Place from Young Street Plaza. The two open spaces are separated by six lanes of traffic and a median fence

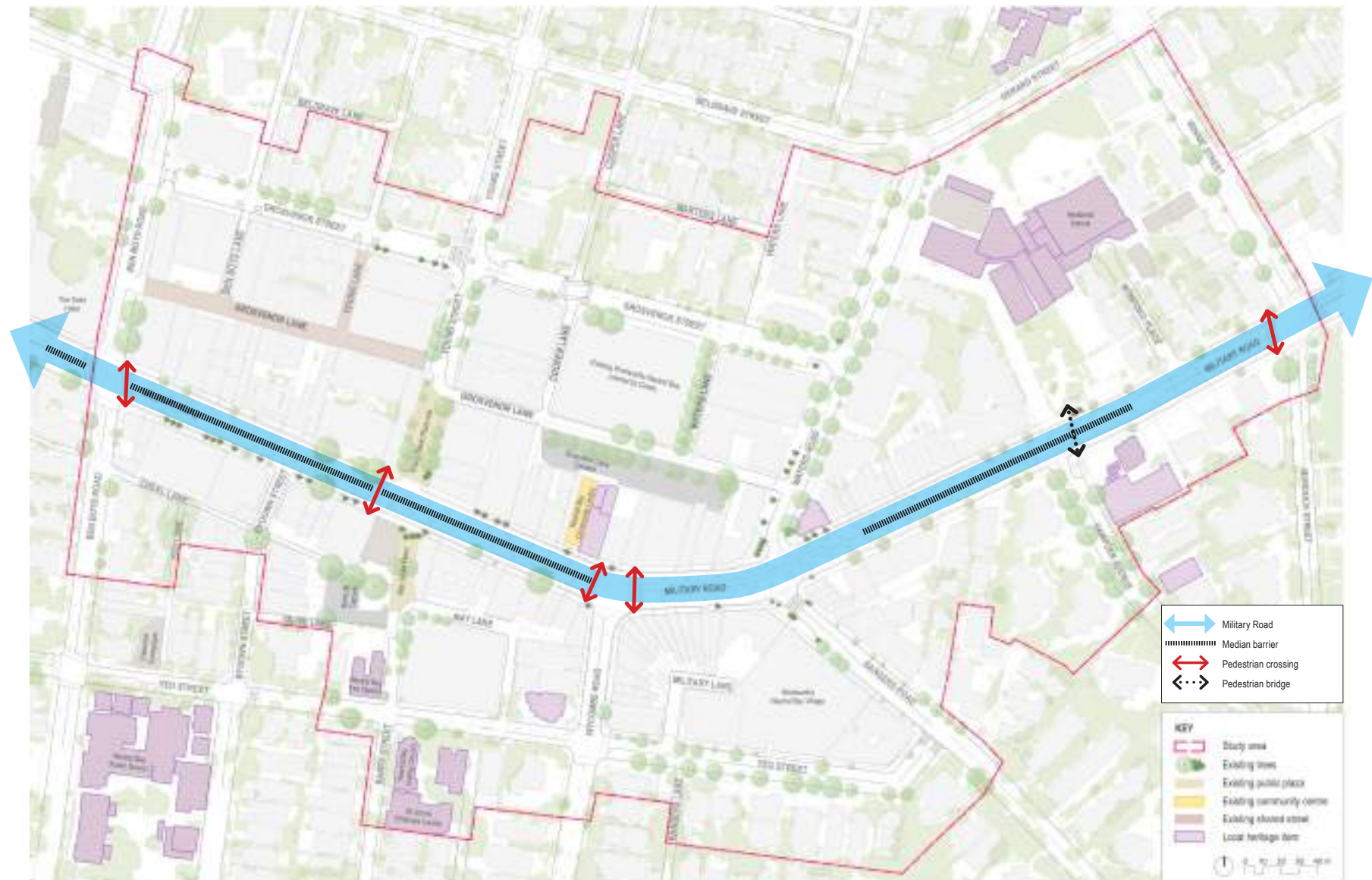


Figure 2-6: Military Road at Neutral Bay town centre

2.3 PUBLIC OPEN SPACES

North Sydney Council has less open space per person than every other northern Sydney council. Currently there are two small public open spaces within Neutral Bay town centre: May Gibbs Place and Young Street Plaza. Located opposite one another on Military Road, these two public open spaces were created from the closure, respectively, of Barry Street and Young Street at the intersection of Military Road.

May Gibbs Place is a small public open space on Military Road in the heart of Neutral Bay town centre. Formed by the closure of Barry Street between Military Road and May Lane, the approximately 380 square metre plaza celebrates the life of the renowned local artist May Gibbs, who lived and worked in Neutral Bay throughout her lifetime.

Young Street Plaza in its current form was implemented in November 2020 as an approximately 956 square metre temporary public open space for the community to trial. It is built from hired fixtures and elements that can be reused elsewhere. Community and stakeholder feedback on the trial plaza was sought between November 2020 and April 2021, with a total of 353 submissions received by Council, wherein:

- 56% of submissions supported the proposal
- 10% did not express support/opposition, or were neutral to the proposal
- 34% of submissions opposed the permanent plaza and road closure.

The Young Street Plaza trial also included a traffic impact assessment, which found that:

- Traffic has been wholly redistributed within the surrounding road network
- The network generally performs acceptably, with minor increases in overall time delays at some intersections in the immediate local network.

Additionally, a Human Movement Data Study (Heat Map) was undertaken to measure and analyse visitation to and from the plaza during the trial period. The Heat Map study found that:

- Visitation during the trial period was 27% higher than the prior 12 months
- Visitation levels were higher in the afternoons and evenings, and also on weekends.

Following the success of the trial, a design was developed in 2021 for a permanent Young Street Plaza that was informed by community feedback, traffic and pedestrian studies. Both the trial plaza and the permanent plaza are fully funded by Transport for NSW, as part of a funding agreement with Council for streetscape upgrades that complement the Northern Beaches B-Line Bus Service.

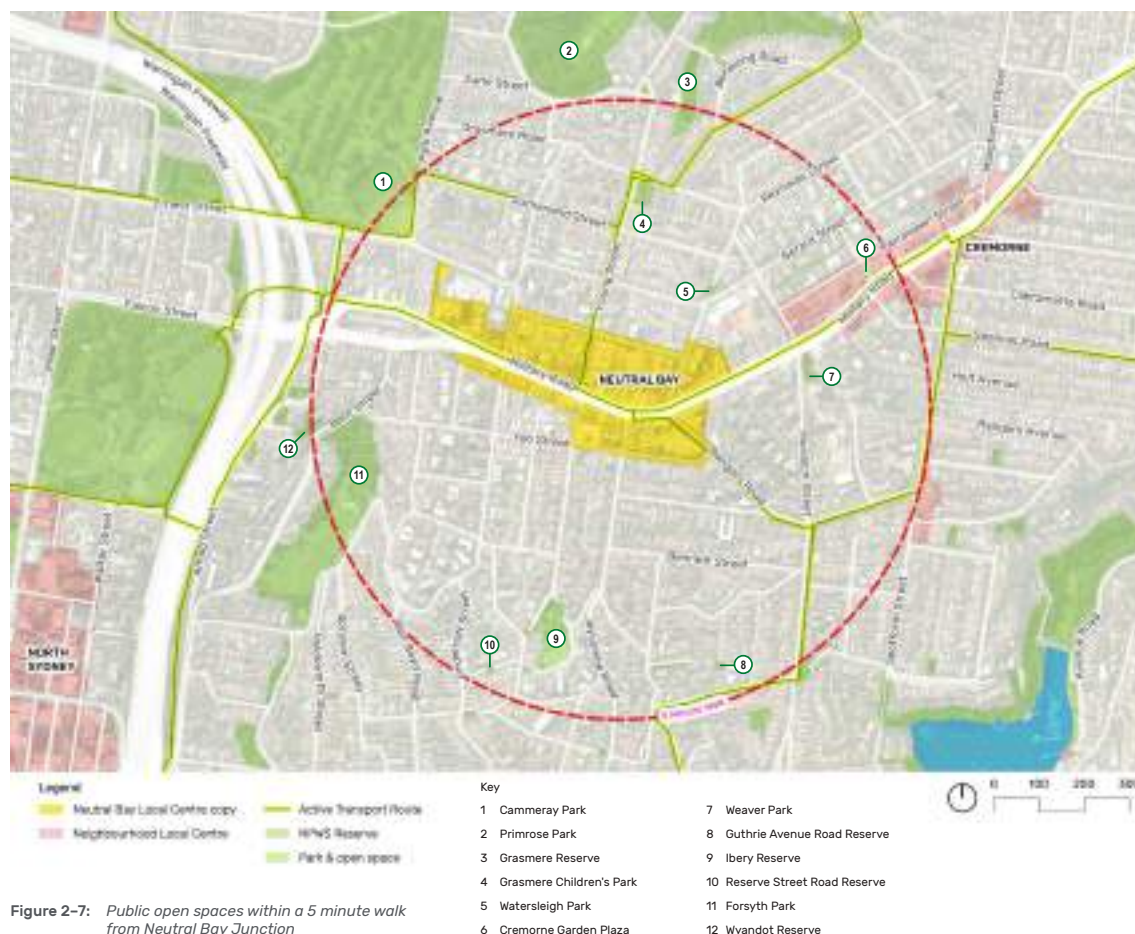


Figure 2-7: Public open spaces within a 5 minute walk from Neutral Bay Junction

Construction of the permanent Young Street Plaza was intended to commence in late 2021. However, in May 2022, North Sydney Council reversed its position, voting to abandon Young Street Plaza and reopen the Young Street closure to traffic. This will drastically reduce amount of public open space available in Neutral Bay town centre in the near future, until new public open spaces are developed. May Gibbs Place will be the only public open space in Neutral Bay Town centre.

The *Military Road Corridor Planning Study – Stage 1: Future Directions* report (2021; rescinded 2022) recognised the need for more public open space in Neutral Bay town centre. It included a Public Domain Strategy that aims to deliver:

- A major new public plaza on the existing Grosvenor Lane car park by relocating the majority of public parking underground
- A new public plaza on Rangers Road by relocating the existing Woolworths supermarket underground
- Shared zones on Waters Lane and Grosvenor Lane to improve existing public domain
- Through-site-links and ground floor setbacks throughout Neutral Bay town centre
- A shared zone along Barry Street, with links to May Gibbs Place and Young Street across Military Road.



Figure 2-8: Public open spaces in Neutral Bay town centre



Figure 2-9: May Gibbs Place



Figure 2-10: Young Street plaza (trial)



Figure 2-11: Young Street plaza (trial)

2.4 PUBLIC TRANSPORT

Bus services are the primary form of public transport access to Neutral Bay. The nearest railway station is located at North Sydney, approximately 1.6km from Neutral Bay town centre. Neutral Bay Wharf, which provides ferry connections to Sydney CBD via Circular Quay, is located 1.25km south of the town centre.

In 2019 Transport for NSW completed the B-Line bus program in Neutral Bay, which included corridor upgrades and bus priority measures along Military Road to improve the reliability of bus services between Mona Vale and Sydney CBD. Construction of the B-Line has created adverse public domain impacts along Military Road, particularly:

- Removal of kerbside parking, which previously provided a buffer between pedestrians along the footpaths and moving traffic on the road. This has created a less safe pedestrian environment and a perception of vulnerability along the footpaths
- Congestion at the B-Line bus stops, due to the conflict between people waiting at the bus stops and those moving along the footpaths.

The NSW State Government is providing additional funding for public domain improvements to help mitigate the B-Line impacts on pedestrian amenity, including:

- The permanent closure of Young Street to deliver more public domain along Military Road
- Relocation of the existing pedestrian crossing in line with May Gibbs Place and the proposed permanent Young Street Plaza
- Repaving of Military Road footpaths.



Figure 2-12: Crowded footpath at B-Line bus stop

2.5 PEDESTRIAN AND CYCLIST CONNECTIVITY AND AMENITY

Neutral Bay town centre currently experiences significant connectivity issues throughout its public domain. The key problem is undoubtedly Military Road. As discussed above, the traffic network function of Military Road as a regional road conflicts with its location within a local town centre. The absolute prioritisation of the needs of through traffic has resulted in a street environment that is uncomfortable for pedestrians and a town centre that is physically and experientially severed by its main street.

Currently, the scarcity of through site connections exacerbates the barrier effect along Military Road. There are currently three through site pedestrian links along Military Road within Neutral Bay town centre, all of which connect to the Grosvenor Lane carpark. These are: The Grove shopping centre, Theo's Arcade and Neutral Bay Community Centre – none of which is immediately obvious as a pedestrian connection within the busy street environment of Military Road. All three lack a clear line of sight between Military Road and Grosvenor Lane, and none compensate by providing effective signage to indicate the presence of a pedestrian connection. Furthermore, none of the existing through site connections meet current accessibility standards, as the level differences between Military Road and Grosvenor Lane carpark have resulted in steep paths (in the case of the Community Centre link) or necessitated the use of escalators (in the case of Theo's Arcade).

Stakeholder consultation for the current *Neutral Bay Town Centre Planning Study* (NBTCPS) found that 53% of respondents travel to the town centre by walking. Similarly, the *Military Road Corridor Planning Study* (2021; rescinded 2022) reported that 66% of residents travel to Neutral Bay town centre by either walking or cycling. The current public domain does not reflect the importance of these modes of access, and there is a clear need to prioritise the experience of pedestrians and cyclists throughout the town centre. This can be done through improvements to the connectivity, coherence, comfort and attractiveness of the network of streets and public spaces that comprise the public domain of Neutral Bay town centre.

Pedestrian amenity within the northern half of Neutral Bay town centre has been improved by the creation of shared zones in some of the laneways behind Military Road. While the shared zone of Waters Lane still retains a conventional 'back lane' character, Grosvenor Lane (between Ben Boyd Road and Young Street) and Young Lane have benefited from recent public domain upgrades that have transformed the character of the laneway environment by:

- Prioritising pedestrian amenity – through paving, lighting and planting
- Promoting social activity through active ground floor frontages
- Maintaining vehicular access and on street parking for residents and businesses, as well as for loading and servicing.



Figure 2-13: Grosvenor Lane west of Young Street



Figure 2-14: Existing through site links and shared streets precinct

2.6 LOCAL VEHICULAR ACCESS

The success of the Grosvenor Lane laneway precinct demonstrates that the prioritisation of pedestrian amenity need not compromise vehicular access and circulation. The project serves as a model for how other laneways throughout Neutral Bay town centre can be upgraded to create a safe, connected and engaging public domain that promotes walking and cycling.

North Sydney Council is also undertaking projects to improve cycling access to Neutral Bay town centre. In March 2022 Council resolved to create a separated cycleway along Young Street between Sutherland Street and Grosvenor Street with funding support from the NSW State Government. Detailed design for construction of the project is currently underway. Additionally, a design concept for improvements to the intersection of Young Street and Grosvenor Street was placed on public exhibition in July 2023. The design connects the upcoming Young Street cycleway to Neutral Bay town centre via Young Street plaza and includes a protected pedestrian and cyclist crossing and streetscape improvements.

These Young Street cycleway projects complete extension of the existing North Sydney to Mosman cycleway to connect with Neutral Bay. Future extension of the cycle connection would be facilitated by the relocation of the existing pedestrian crossing at Military Road to align with Young Street Plaza and May Gibbs Place, which is provided as part of the B-Line public domain improvements. The cycleway would then continue along Barry Street to connect with a planned cycleway along Yeo Street.



Figure 2-16: Artist impression of Young Street Cycleway at the Grosvenor Street intersection

Due to the prioritisation of Military Road for regional through traffic, the local streets and laneways throughout Neutral Bay town centre must cater for the majority of local vehicular access and circulation needs – including parking, loading, and servicing. Combined, this has created a vehicle-dominated public domain throughout the town centre, one where pedestrian needs and comforts are largely marginalised. This condition is confirmed by feedback from the community consultation process thus far.

While on-street parking and access to shops are key community concerns, there is also a strong desire for public domain improvements throughout the town centre. Community and stakeholder consultation for the current *Neutral Bay Town Centre Planning Study* found:

- 80% of respondents considered more trees and landscaping to be important or very important
- 74% considered comfort for pedestrians to be important or very important

- 70% considered additional public spaces to be important or very important

The *Military Road Corridor Planning Study – Stage 1: Future Directions* report (2021; rescinded 2022) included a strategy for transport and public domain improvements to address the dominance of motorised vehicles throughout Neutral Bay town centre. The strategy includes:

- Improved pedestrian amenity, especially along Military Road
- Improved intersections to support pedestrian and cyclist connections
- More shared zones, including streetscape upgrades that improve the pedestrian and cyclist experience
- More public open spaces



Figure 2-15: Future transport and public domain improvements for pedestrians and cyclists (MRCPS)



Figure 2-17: Mature avenue of Plane trees along Waters Lane



Figure 2-18: Parking, loading and servicing



2.7 ENVIRONMENTAL COMFORT

Street trees and planting make a significant contribution to the visual character and sense of comfort within a streetscape. While there are substantial mature street trees and planting to be found in the local streets throughout Neutral Bay town centre, urban redevelopments and the Northern Beaches B-Line project have resulted in accelerating canopy loss in recent years. Community consultation for *Military Road Corridor Planning Study – Stage 1: Future Directions* report (2021; rescinded 2022) revealed that 77% of survey respondents wanted more trees and vegetation. Similarly, community and stakeholder consultation for the current *Neutral Bay Town Centre Planning Study* found that 80% of respondents considered more trees and landscaping to be important or very important.

Despite the presence of some large plane trees and palm trees, Military Road has significantly less canopy coverage than the surrounding local streets. The main instances of prominent 'green' within the Military Road streetscape occur at intersections, where the large canopies of existing trees within the local streets are visible. The paucity of street trees and planting along Military Road exacerbates the uncomfortable pedestrian environment created by the six lanes of regional through traffic. Not only are the footpaths directly adjacent to heavy moving traffic with little to no respite provided by roadside planting or parking, the scarcity of planting along Military Road has exacerbated the heat island effect – as temperatures experienced along the main street are higher than those experienced in the surrounding local streets.

Typically, the presence of building awnings restrict the planting of street trees. However, the presence of awning cut-outs along create the opportunity to easily reinstate tree canopy cover within the town centre, particularly along Military Road and Grosvenor Street, where trees had previously been removed.

Figure 2-20: Urban heat island effect

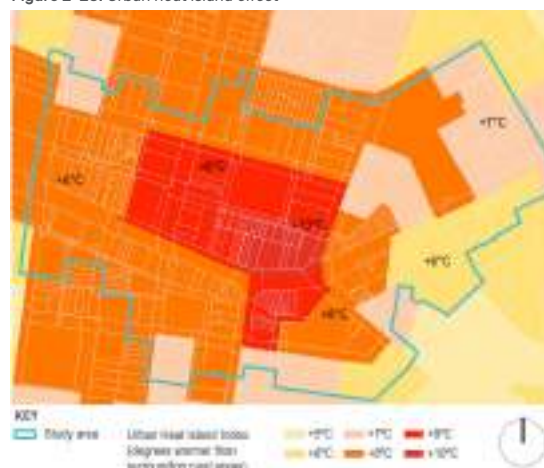


Figure 2-21: Existing tree cover

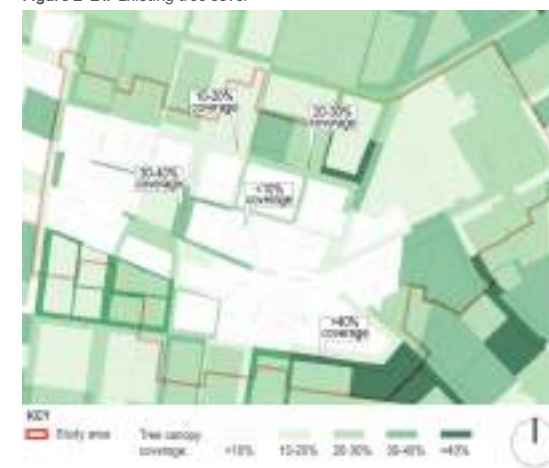


Figure 2-22: View of Young Street from Military Road

Figure 2-24: [right] Plane trees provide shade along Military Road

Figure 2-25: [centre] Palm tree at awning cutout on Military Road

Figure 2-26: [far right] awning cutout with no street tree on Military Road



Figure 2-23: Existing street trees and awnings



2.8 COMMUNITY FACILITIES

Neutral Bay Community Centre is a busy centre that plays an important role in the lives of many residents through the provision of:

- Valuable space for community activities, accommodating a regular weekly schedule of community dance classes, indoor sports, health discussions and self-help groups
- Initiatives and services for a range of groups including:
 - The Neutral Bay Senior Citizens Centre
 - The Daisy Centre for women's wellbeing

The community centre is located at 190-192 Military Road, which includes small retail tenancies at ground level and a narrow public pathway connecting Military Road to the Grosvenor Lane carpark. The laneway does not meet current accessibility standards. Access issues have also reduced the inclusiveness of Neutral Bay Community Centre, as some areas of the centre are inaccessible to wheelchair users and can be difficult to access for others. There is a clear need for an upgraded community centre to cater for the needs of the local community.

The community centre has minimal urban presence within the town centre, which does not reflect its civic and social importance within the local community. While prominent awning signage announces the location of the centre, this is only visible from the opposite (southern) side of Military Road across six lanes of heavy traffic. From along the northern footpath on Military Road, the community centre and laneway link have minimal visual presence within the busy streetscape. Similarly, the community centre has an unassuming presence facing the Grosvenor Street carpark. There is a clear need for improved wayfinding and a strong urban presence for the community centre within Neutral Bay's busy town centre.

The 'Community Centre for Neutral Bay Survey' conducted in May 2023 for the current *Neutral Bay Town Centre Planning Study* (NBTCPs) found that:

- 86% of respondents felt that a community centre in Neutral Bay is important or very important
- 86% of respondents felt that having the community centre situated on the Military Road to be important or very important
- The respondents' top three priorities for the community centre were:
 - Community rooms for activities such as special interest groups (e.g. arts, crafts, hobbies and educational)
 - Art and culture exhibition and workshop spaces
 - Outdoor space for wide range of events and activities

Furthermore, the North Sydney Council *North Sydney Council Arts & Cultural Strategic Plan 2019-2022* identified a need for more studio and

exhibition spaces to support local artists. The survey that underpinned the plan found that:

- 80% of participants identified the need for a dedicated art gallery or exhibition space in the area
- 70% recognised the need for local art studios.

Similarly, community feedback placed art, culture and creative event spaces as the second highest priority out of 25 strategic outcomes for the North Sydney Council *Community Strategic Plan 2018-2028*.

In support of the community's aspirations, the *Military Road Corridor Planning Study – Stage 1: Future Directions* report included a public domain strategy that proposed:

- Relocation of Neutral Bay community centre to a nearby location with larger floorspace for improved services. The planning study identified 185 Military Road as a potential site for a new 1,000 square metre Neutral Bay Community Centre, to be delivered as part of the site's redevelopment.
- A new creative makers art alley to be developed at 190-192 Military Road after the existing community centre is relocated. The art alley is intended to provide a mix of studio, exhibition and retail spaces for local artists, along with an improved public pedestrian connection between Military Road and the proposed new public square on the site of the existing Grosvenor Lane carpark.

Further planning investigations undertaken as part of the development of the NBTCPs have determined an alternative location for the new community centre. The new location would be on the southern side of Grosvenor Lane, as part of the redevelopment of properties along the northern side of Military Road. The new 1,000 square metre Neutral Bay Community Centre would have a prominent frontage to the new public plaza to be developed on the site of the Grosvenor Lane carpark. A supplementary community facility would be developed on the site of the existing community centre. The laneway connection between Military Road and Grosvenor Lane would be retained and upgraded to meet accessibility requirements.



Figure 2-27: Existing and proposed community centre sites



Figure 2-28: Community centre signage at Military Road entry



Figure 2-29: Community centre entry and public laneway



Figure 2-30: View of community centre from the southern side of Military Road

2.9 URBAN REDEVELOPMENT

Neutral Bay town centre is experiencing significant development pressure, with North Sydney Council receiving in recent years several proposals to redevelop land to heights that exceed the existing planning controls. In response to this pressure, Council initiated a planning study to examine how the redevelopment interest could be managed in the best interests of the local community.

The *Military Road Corridor Planning Study – Stage 1: Future Directions* report (adopted 2021; rescinded 2022) put forward planning strategies that aimed to:

- Promote new development for future growth
- Facilitate public domain upgrades, new community facilities and public open spaces for the benefit of the local community
- Maintain and strengthen the highly valued village atmosphere of the Neutral Bay town centre.

To achieve these aims, the following planning control changes were proposed:

- An increase to the non-residential floor space (FSR) control from 0.5:1 to 1.2:1, which would effectively require retail uses on the ground level and commercial uses on the first floor of new buildings.
- An increase to the maximum height limit from 5 storeys to 6 storeys, to accommodate the additional commercial floor space while

maintaining existing residential capacity in the town centre, and to ensure redevelopment is economically viable

- New building setbacks at key locations along Military Road and near public open space to create room for new street trees, widen footpaths and improve the public domain.

The planning study also proposed to leverage additional density increases (via increased FSRs or building heights) to derive public benefits through voluntary planning agreements (VPAs). These can take the form of a monetary contribution, dedication of land or an in-kind contribution. The study focussed on three key redevelopment sites for in-kind VPA contributions – whereby maximum building heights and non-residential FSRs could be increased through owner-initiated planning proposals for the subject sites in exchange for public domain improvements, new public open spaces and new community facilities. The three key sites identified were:

- Site 1: Grosvenor Lane North
- Site 2: Grosvenor Lane South
- Site 3: Rangers Road

Further planning investigations undertaken as part of the development of the *Neutral Bay Town Centre Planning Study* have identified additional redevelopment opportunities that have expanded the proposed key redevelopment sites. Additionally, the proposed built form controls have been updated as part of the planning study revisions. The proposed key development sites are summarised below.

Site 1: Grosvenor Lane North

Site 1 is located at 43-51 Grosvenor Street and is currently occupied by a large supermarket with entrances on both Grosvenor Street and Grosvenor Lane. The planning strategy allows for Council to consider planning proposals that seek to:

- Increase the height limit on this site to a maximum of 8 storeys along Grosvenor Street, stepping down to 2 storeys along Grosvenor Lane
- Improve solar access to Grosvenor Lane through the combination of a 1.5 metre whole of building setback and a 10 metre above podium setback along the southern edge of the site.
- Facilitate the creation of a major new public square on the site of the existing Grosvenor Street Carpark, with a 1.5 metre building setback increasing the available space for the new square and the stepped building envelope enabling more solar access to the new square
- Upgrade Waters Lane with an additional 4 metre building setback to facilitate traffic movement changes and improve the pedestrian experience



Figure 2-32: Heritage building at 194-196 Military Road, adjacent to the existing community centre

- Includes a new 1000 square metre community centre and contribution towards Grosvenor Plaza public domain improvements.

Site 2: Grosvenor Lane south

Site 2 is an amalgamation of multiple lots located along the northern side of Military Road between Young Street and Waters Road. The site currently supports multiple local shops and businesses, and includes the through site links at: the existing Neutral Bay Community Centre, Theo's Arcade and The Grove shopping centre. The building at 194-196 Military Road is a local heritage item and will be retained, splitting Site 2 into two portions. The planning strategy allows for Council to consider planning proposals that seek to:

- Increase building heights to a maximum of 8 and 12 storeys in designated areas within the subject site
- Relocate the Grosvenor Lane public parking underground, and deliver:
 - A new Grosvenor Lane public plaza
 - Through site links that provide generous pedestrian connections between the new Grosvenor Lane square and Military Road
 - A new creative makers art alley, including a mix of studio, exhibition and retail spaces, on the Neutral Bay Community Centre site after the existing centre is relocated
 - Public parking for cars and bicycles



Figure 2-31: Key redevelopment sites

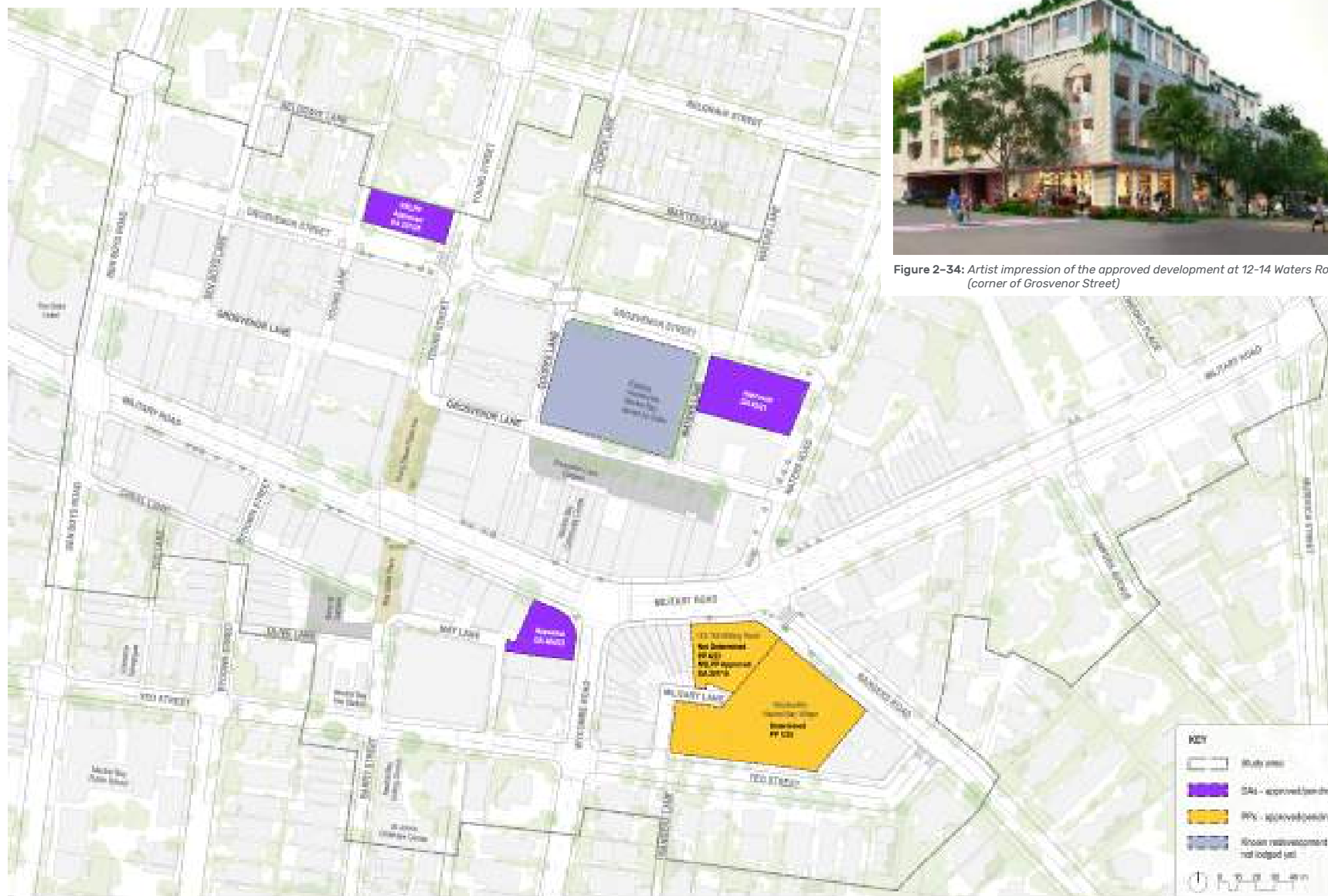


Figure 2-33: Current and upcoming developments



Figure 2-34: Artist impression of the approved development at 12-14 Waters Road (corner of Grosvenor Street)

- Increase footpath space along the northern side of Military Road with the following building setbacks:
 - 2.5 metre whole of building setback along Military Road between Young Street and the heritage building at 194–196 Military Road, to create additional space alongside the B-Line bus stop
 - 1.5 metre whole of building setback along Military Road between the heritage building at 194–196 Military Road and Waters Road.

Site 3: Rangers Road

Site 3 is an amalgamation of multiple lots located along the southern side of Military Road between Wycombe Road and Rangers Road, excluding: 155 Wycombe Road and 9 Rangers Road. The site has frontages on Military Road, Rangers Road and Yeo Street. The planning strategy allows for Council to consider planning proposals that seek to:

- Increase building heights to a maximum of: 12 storeys fronting Military Road, 8 storeys at Rangers Road and 6 storeys at Yeo Street
- Relocate the existing supermarket on Rangers Road underground and deliver a new 1000 square metre public plaza fronting Rangers Road, including a through site pedestrian link between the plaza and Yeo Street
- Increase footpath space along the southern side of Military road alongside the B-Line bus stop with a 2.5 metre whole of building setback between Wycombe Road and Rangers Road.

The planning control changes proposed in the *Military Road Corridor Planning Study* are currently under review, due to Council's decision to rescind its previous endorsement of the study and its recommendations. The rescission was in response to community concerns over the height and scale of redevelopment that would be allowable under the proposed planning control changes. Nonetheless, the public domain upgrades proposed in the study—including the creation of new public open spaces, improvements to pedestrian amenity and connectivity, and improvements to the Military Road environment—were strongly supported by the community. It is the potential public domain improvements that would be made possible by planning control changes that the present public domain concept seeks to develop.



Figure 2-35: Proposed building setbacks

3 PUBLIC DOMAIN VISION & DESIGN PRINCIPLES

PUBLIC DOMAIN VISION

The vision that guides the development of the public domain concept for Neutral Bay town centre is:

A pedestrian friendly town centre with a lively local village atmosphere, inviting and green public open spaces, and comfortable access to shopping, dining and community services.

This vision responds to:

- Existing site conditions
- An understanding, gained through prior community and stakeholder consultation outcomes, of:
 - The community's issues with the existing public domain
 - The qualities of the town centre that are highly valued by the community
 - The community's needs and aspirations for the future public domain throughout Neutral Bay town centre
- Opportunities for public domain improvements enabled by urban redevelopment, as identified through prior planning studies documented in the *Military Road Corridor Planning Study – Stage 1: Future Directions* report (2021; rescinded 2022).

PUBLIC DOMAIN AIMS

To achieve the public domain vision for Neutral Bay town centre, the following public domain aims have been identified:

- To retain and enhance the much valued village atmosphere of Neutral Bay town centre
- To increase pedestrian amenity, accessibility and safety throughout the town centre
- To increase the quantity, and improve the quality, of public spaces throughout the town centre – including footpaths, shared zones, through site links, and open spaces
- To improve pedestrian amenity along Military Road to help mitigate the impacts of heavy traffic on the street environment
- To encourage more walking and cycling for the associated public health benefits, and to reduce road congestion throughout the town centre
- To enhance the social and cultural life of Neutral Bay with more spaces to gather, rest, socialise and participate in community events.

PUBLIC DOMAIN DESIGN PRINCIPLES

The following design principles have been developed to support the public domain vision and aims:

- Prioritise pedestrian needs, connectivity and comfort throughout the Neutral Bay town centre
- Increase the amount of space for pedestrians and cyclists throughout the public domain – via footpath expansions, more shared zones, and through site links
- Retain existing canopy trees wherever possible
- Increase the amount of canopy trees throughout the town centre, particularly along Military Road
- Increase the amount of landscape planting throughout the public domain
- Maintain and create physical connections between public spaces to facilitate a pedestrian friendly local town centre
- Ensure clear visual connections between public spaces, and to local landmarks within Neutral Bay town centre, to maximise the legibility of the public domain and to assist with intuitive wayfinding
- Celebrate local history and culture in the design of new public spaces and public domain upgrades.

4 CONCEPT DESIGN

The Neutral Bay town centre public domain concept design has been guided by the public domain vision, aims and principles identified above. The public domain concept includes and expands upon the recommendations of the public domain strategy put forward in the *Military Road Corridor Planning Study – Stage 1: Future Directions* report (MRCPS) (2021; rescinded 2022), namely:

- A new 2,500 square metre public square situated in the heart of Neutral Bay town centre, on the existing Grosvenor Lane carpark site
- A new 1,000 square metre public plaza on Rangers Road, situated on the site of the existing supermarket and 183-185 Military Road
- A new Neutral Bay community centre with increased space for community services and improved accessibility for all members of the community
- Enhanced through site pedestrian links, including:
 - three existing links that connect Grosvenor Lane and Military Road with potential relocation and upgrade, and
 - a new pedestrian laneway (Yeo Lane) to connect Rangers Road and Yeo Street via the new Rangers Road plaza
- Footpath widening on Military Road near B-Line bus stops, enabled by increased building setbacks at redevelopment sites, to allow more space for pedestrian activity and public domain enhancements – particularly street trees
- New shared zones and associated public domain upgrades on Grosvenor Lane, Waters Lane, Barry Street and Bydown Street.

The public domain concept also explores additional interventions and strategies to further enhance the public domain experience throughout Neutral Bay town centre, including:

- Military Road streetscape upgrades to improve pedestrian amenity, landscape quality and overall village character
- Improved pedestrian crossings on Military Road
- A network of public open spaces

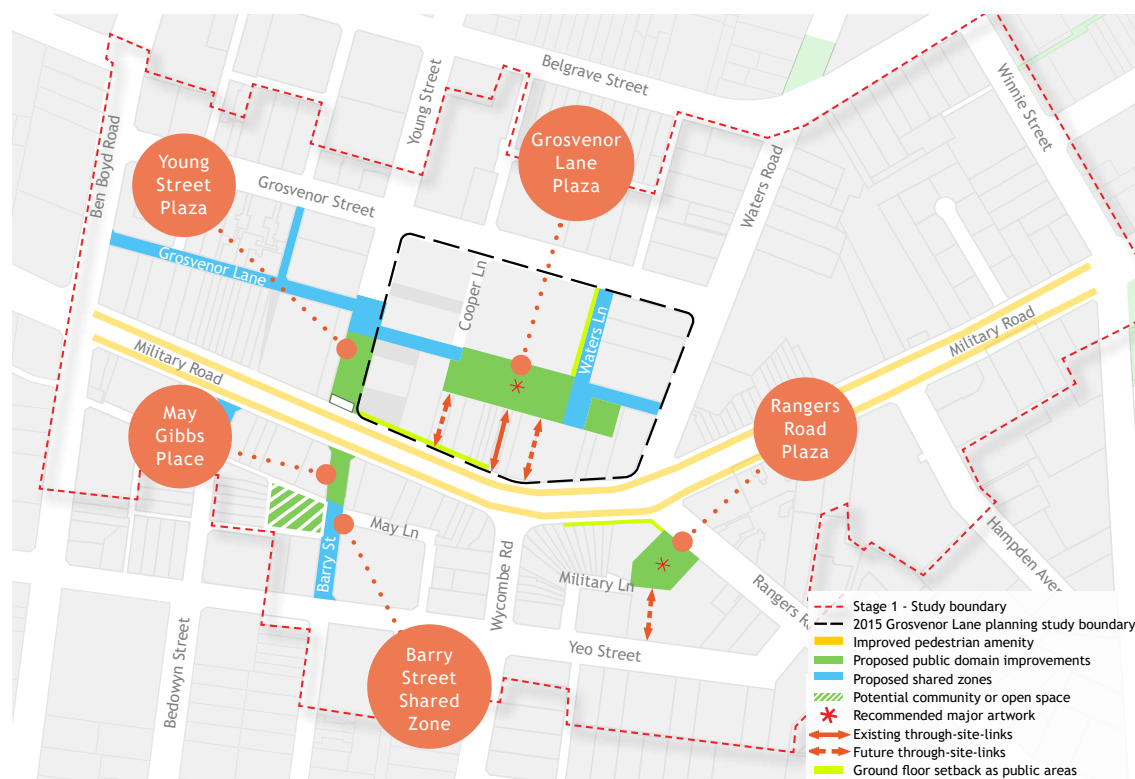


Figure 4-36: Public domain strategy – Military Road Corridor Planning Study

4.1 NEUTRAL BAY TOWN CENTRE PUBLIC DOMAIN PLAN



4.2 MILITARY ROAD STREETScape UPGRADES

The regional traffic function of Military Road has created a street environment that is inhospitable to pedestrians, characterised by:

- Six lanes of heavy through traffic
- Footpaths located directly adjacent to the constant flow of traffic in the kerbside lanes, with no measures to mitigate the impact of the traffic on the pedestrian environment
- Median barriers and fences that visually and physically reinforce the prioritisation of regional through traffic over local pedestrian amenity
- Limited opportunities for pedestrians to cross Military Road
- Intermittent street trees and no landscape planting along the footpaths.

There is a critical need to improve the street environment along Military Road to:

- Cater for pedestrian comfort and connectivity along and across Neutral Bay's main street
- Create an inviting public domain that supports local businesses and community experience
- Expresses a distinctive local village character along the Neutral Bay section of Military Road, for both pedestrians within the town centre and motorists who are passing through.

The following interventions are recommended to achieve a radically improved street environment along Military Road that focuses on pedestrian comfort, amenity and connectivity and expresses the local village character of Neutral Bay:

Street tree planting

Additional street tree planting along both sides of Military Road to infill gaps where street trees have previously been removed. As the new street trees would need to meet the clearance requirements of the double-decker B-Line buses, there are two possible approaches to species selection:

- Mature transplant of Plane trees to reinforce existing plantings. The trees would need to be specially grown and pre-pruned to achieve the required shape for bus clearance.
- Mature transplant of another tree species with a high spreading canopy to maximise the visual impact of tree cover within the streetscape. An ideal option would be Spotted Gum (*Corymbia maculata*), which would create a more native landscape character along Military Road.

Consideration should be given to replacing the existing palm trees with larger canopy trees, as they currently provide limited shade or visual prominence along Military Road.

The new street trees could be an immediate intervention, utilising infrastructure that already exists within the street – such as empty tree pits and awning cutouts. As redevelopments occur, additional street trees should be planted as infill to further enhance the avenue effect along Military Road.

Kerbside planting

Substantial continuous kerbside planting should be implemented along both sides of Military Road, to physically and experientially separate the footpaths from the fast-moving roadway, creating a sense of safety and respite within the pedestrian environment.

The Cleveland Street hedging project is a highly successful example of this approach. Completed in 2015, the project introduced kerbside hedges along both sides of a 2.3 kilometre stretch of Cleveland Street to create a continuous green corridor that links Victoria Park to Moore Park. The thick hedges have transformed the pedestrian experience along Cleveland Street, offering a sense of separation and respite from the busy roadway. The hedges have not impacted the functionality of the street; they are set back from the kerb with regular breaks for access to bus stops, pedestrian crossings, and parked cars outside of clearway restrictions. The hedges occupy the kerbside zone of the footpaths, which is rarely used for pedestrian movement and is typically occupied by street furniture and tree planting.

The kerbside planting could be implemented in the immediate to short term, as it is not dependent on other developments or projects.

Removal of median barriers and fences

The median barriers and fences on Military Road within Neutral Bay town centre should be removed to reduce the impression of urban and community severance created by heavy traffic on the town centre's main street.

The median barriers and fences could be implemented in the short term, following the introduction of kerbside planting. As demonstrated by the transformation of Cleveland Street, kerbside hedging can discourage pedestrians from crossing the road outside of designated crossing points. In contrast to median barriers and fences, the hedging can simultaneously provide pedestrian safety and, along with other streetscape improvements, create an inviting 'local village' atmosphere within the main street.

Footpath widening

The built form controls proposed by the *Neutral Bay Town Centre Planning Study* (NBTCPS) allow for the footpaths along Military Road to be widened to provide more space for pedestrian activity and public

domain enhancements. Creation of the widened footpaths would be enabled by:

- 1.5 metre whole of building setbacks at redevelopment sites
- 2.5 metre whole of building setback at redevelopment sites adjacent to the B-Line bus stops to facilitate the coexistence of waiting passengers with pedestrian through movement

The widened footpaths would be achieved incrementally over time as redevelopments occur.

Paving, street furniture and lighting

To achieve a unified visual expression to the streetscape, all new paving and street furniture shall be consistent with North Sydney Council's *Public Domain Style Manual and Design Codes* (2022).

Street lighting shall also comply with the style guide and design codes. Consideration should also be given to the implementation of under awning atmospheric lighting to create an inviting village atmosphere that supports the local night-time economy.



Figure 4–37: Kerbside hedging along Cleveland Street, Surry Hills

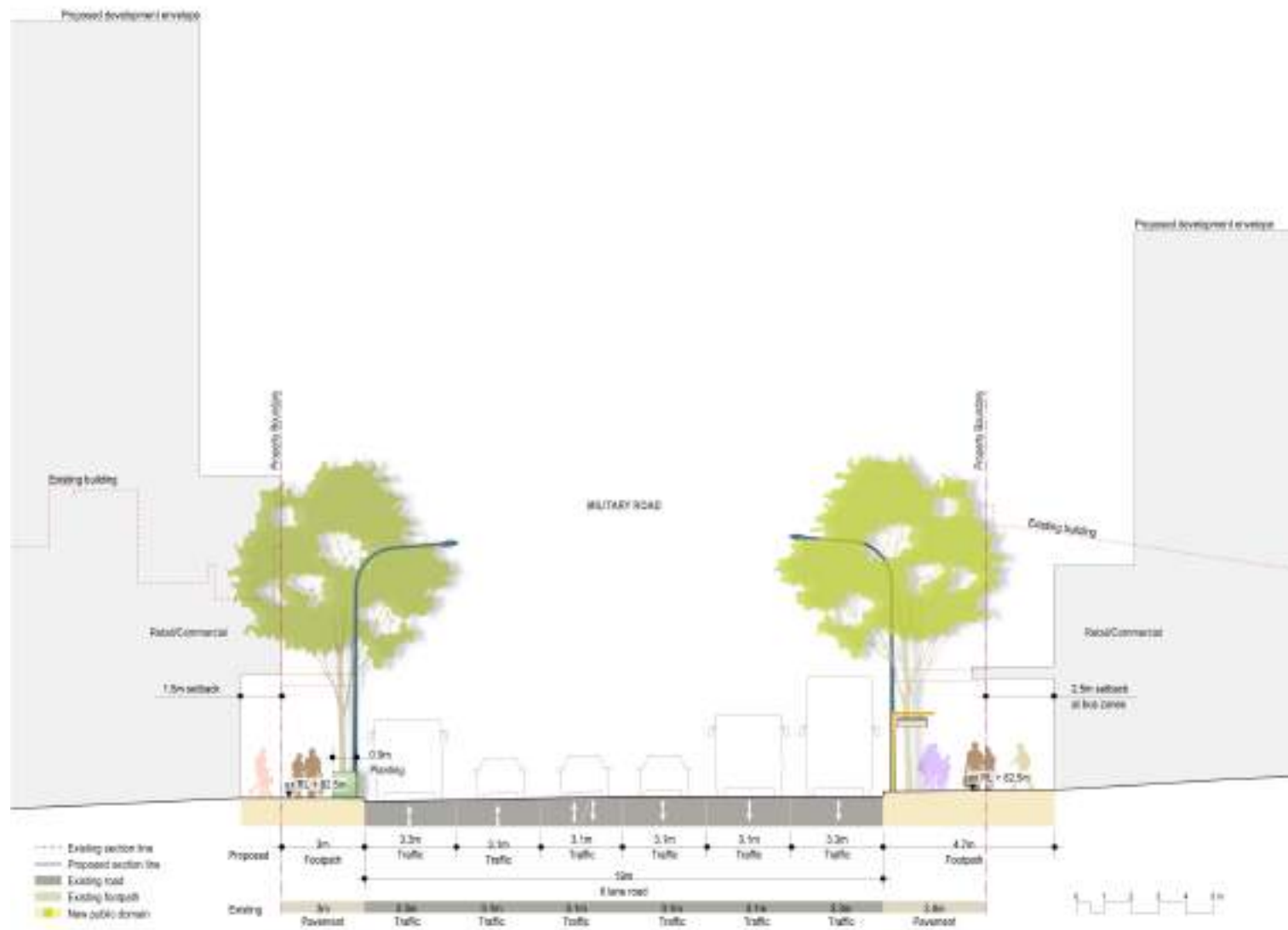


Figure 4-38: Proposed typical section through Military Road



Figure 4-39: Artist's impression of Military Road proposed improvements

4.3 IMPROVED PEDESTRIAN CROSSING OPPORTUNITIES ON MILITARY ROAD

Improved pedestrian crossing opportunities will help to reduce the urban barrier effect of Military Road.

Young Street – Barry Street

The existing pedestrian crossing west of Young Street should be relocated to align with Young Street Plaza and May Gibbs Place. This opportunity was identified in the *Military Road Corridor Planning Study – Stage 1: Future Directions* study (MRCPS) (2021; rescinded 2022) and is funded by the NSW State Government as part of the B-Line impact mitigation measures.

The realignment of the Young Street crossing would also enable cyclists on the upcoming Young Street Cycleway to continue along Barry Street to connect with the planned cycleway extension along Yeo Street.

Rangers Road – Waters Road

An additional pedestrian crossing of Military Road is recommended on the western side of the Rangers Road/Waters Road intersection. The additional crossing would improve north-south pedestrian connectivity within the town centre, and create an easily accessible pedestrian connection between the new Rangers Road plaza and the new public square at Grosvenor Lane via both Waters Road and the nearby through site link on Military Road.

The new pedestrian crossing should strongly align with the new Rangers Road plaza, both physically and visually. This can be achieved by increasing the depth, and slightly modifying the orientation, of the ground level building setback at the redevelopment of 183–185 Military Road to create a clear line of sight from the northern side of Military Road, along the new pedestrian crossing to the new Rangers Road plaza.

As the proposed Rangers Road crossing is situated closer to the existing crossing at Wycombe Road than is typical, additional study is required to resolve the implications for traffic signalling on Military Road.

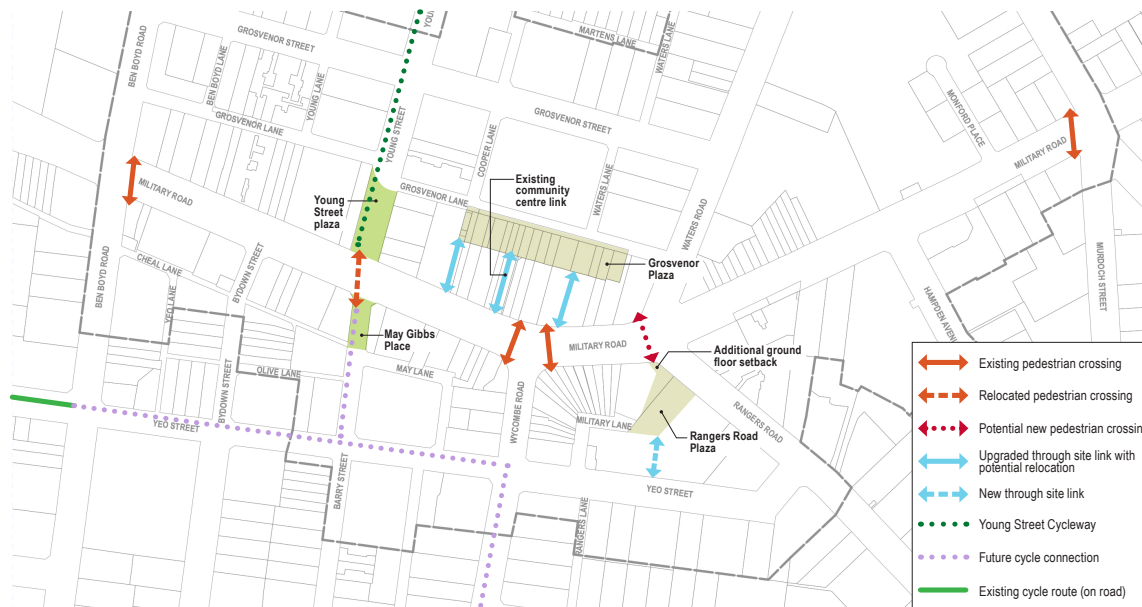


Figure 4-40: Pedestrian crossings on Military Road



Figure 4-41: View across Military Road from Rangers Road



Figure 4-42: View across Military Road from Waters Road

4.4 A NETWORK OF PUBLIC OPEN SPACES

There is a clear need for more public open spaces within Neutral Bay town centre. At present, there are only two: May Gibbs Place and Young Street Plaza.

Community engagement for the MRCPS found that:

- 70% of those surveyed identified 'beautiful public spaces' as the single most important issue for the future of the town centre
 - 77% of respondents wanted more trees and vegetation
 - 61% of respondents wanted improved plazas for outdoor activities
- Additional community and stakeholder consultation for the current *Neutral Bay Town Centre Planning Study* (NBTCPs) found:
- 80% of respondents considered more trees and landscaping to be important or very important
 - 70% considered additional public spaces to be important or very important

In response to this indisputable demand, a network of connected public open spaces is proposed to significantly increase the amount, variety, amenity and accessibility of public spaces within Neutral Bay town centre. The network consists of: public open spaces, shared streets and public through site links that are also coordinated with the upcoming and planned cycle connections.

Public open spaces

A series of public open spaces is proposed for Neutral Bay town centre, comprising a mix of existing, new and potential spaces including:

1. May Gibbs Place – currently the sole permanent public open space in Neutral Bay town centre
2. Young Street Plaza – a potential public plaza opportunity, with the current trial plaza upgraded to a permanent design with high quality finishes
3. Grosvenor Plaza – a new public plaza on the site of the existing Grosvenor Lane carpark
4. Rangers Road Plaza – a new public plaza created primarily on the site of the existing supermarket fronting Rangers Road
5. Bydown Street shared street – streetscape upgrade and conversion to a shared street environment between Cheal Lane and Military Road. This space was identified in the MRCPS
6. Barry Street Park – a potential new public open space and small community facility on the site of the existing Barry Street Carpark. This project was identified in the MRCPS and requires further investigation
7. Wycombe Road Plaza – a potential future public plaza on Military Road, created by the closure of Wycombe Road at Military Road. This would result in changes to vehicular access and circulation within Neutral Bay town centre, which would require further traffic planning investigations.



Figure 4-43: Public open space network and connections



Figure 4-44: View to Barry Street through May Gibbs Place at Military Road



Figure 4-45: Bydown Street at Military Road

Shared streets

A series of existing and new shared streets is proposed to link the public open spaces to each other and to the surrounding streets. Both shared streets and shared zones allow pedestrians, cyclists and motor vehicles to mix in a low speed (10km/h limit) environment. However, streets further prioritise the pedestrian experience through streetscape improvements such as continuous paving (with no separate road space), landscape planting, street tree planting and street furniture. The recent upgrade of Grosvenor Lane between Ben Boyd Road and Young Street, as well as Young Lane, is a good example of a successful shared street precinct.

In addition to the recently completed Grosvenor Lane shared street precinct, the following shared streets are proposed for Neutral Bay town centre:

- Grosvenor Lane between Young Street and Waters Road, an existing shared zone adjacent to the Grosvenor Lane public carpark. The section of Grosvenor Lane between Cooper Lane and Waters Lane would be accessible to emergency vehicles only, to maximise the amount of public space available for the new Grosvenor Square
- Waters Lane, an existing shared zone with an avenue of mature Plane trees along the western side of the laneway
- Barry Street between May Lane and Yeo Street, an existing shared zone that connects to May Gibbs Place
- Military Lane, a service lane that connects Yeo Street to the proposed Rangers Road Plaza

Consideration should also be given to creating shared streets at Ben Boyd Lane and Copper Lane to fully realise a pedestrian priority precinct between Grosvenor Street and Military Road.

Public through site links

There are currently three through site links that provide valuable public connections between the northern side of Military Road and Grosvenor Lane carpark, the proposed site of Grosvenor Plaza. Redevelopment of the properties between Military Road and the proposed Grosvenor Plaza provide the opportunity to upgrade these links to improve pedestrian amenity, make stronger connections between the main street and the new public square, and provide universal access for people with limited mobility, in accordance with current standards and best practice.

Through site links, as either laneways (open to the sky) or arcades (covered) also have the added benefit of providing more frontages for retail or other small businesses within the town centre. Consideration should also be given to providing additional through site links either end



Figure 4-46: Shared streets at the corner of Grosvenor Lane and Young Lane



Figure 4-47: Mature Plane tree avenue on Waters Lane



Figure 4-48: Narrow and steep laneway at Community Centre



Figure 4-49: Entrance to Theo's Arcade at Grosvenor Lane

of the new Grosvenor Plaza, to enhance activation through increased connectivity with the surrounding streets and public spaces, including:

- A link at the western end of Grosvenor Plaza that would connect with Young Street Plaza
- A link at the eastern end of the square that would connect with the corner of Military Road and Waters Road, aligning with the potential pedestrian crossing to Rangers Road and the proposed Rangers Road Plaza. This link is identified as a future opportunity that requires further investigation.

On the southern side of Neutral Bay town centre, a new through site link, in the form of a laneway, is proposed to connect the proposed Rangers Road Plaza to Yeo Street. Consideration should also be given to an additional through site links between Rangers Road Plaza and:

- The B-Line bus stop on Military Road, via Military Lane
- The potential future Wycombe Road Plaza, via Military Lane. This link is identified as a future opportunity that requires further investigation.

The case for a permanent Young Street Plaza

The temporary road closure and trial public plaza at Young Street should be made permanent, with a public domain upgrade that includes high quality finishes and new plantings as originally intended. The creation of a permanent Young Street plaza provides much needed additional public open space within Neutral Bay town centre, consistent with the community's expressed needs and aspirations for the town centre's public domain.

Young Street Plaza is an ideally located addition to the expanding network of public spaces within Neutral Bay town centre. The plaza has a strong visual presence on Military Road, curtesy of the large existing street trees (Plane trees) that provide much needed shade and a voluminous 'green' presence within the streetscape. The plaza is located directly opposite May Gibbs Place, which is currently the only public open space within Neutral Bay town centre. The two spaces are connected across Military Road by the existing pedestrian crossing on the western side of Young Street, which is proposed to be relocated and realigned to directly connect the two public spaces.

Furthermore, Young Street Plaza could become an integral part of a new pedestrian and cyclist spine that is developing along Young Street and Barry Street, with plans for a shared zone and streetscape upgrade on Barry Street and a cycleway that is under development on Young Street.



Figure 4-51: Current (temporary) Young Street Plaza



Figure 4-52: Artist impression of the original design for a permanent Young Street Plaza



Figure 4-50: Original design for a permanent Young Street Plaza

4.5 GROSVENOR PLAZA

The public domain strategy in the *Military Road Corridor Planning Study – Stage 1: Future Directions* report (MRCPS) (2021; rescinded 2022) recommended the development of a major new public space in the heart of Neutral Bay, on the site of the current Grosvenor Lane carpark. Key features of the proposed public square outlined in the MRCPS included:

- Relocation of the existing public parking in the Grosvenor Lane carpark into a parking facility in an adjacent redevelopment site. Access to the carpark is to be located on private land, with pedestrian access to be located at the edges of the square
- New landscape planting, paving, major artwork, on-street bicycle parking and street furniture
- Redirection of traffic through Waters Lane and Coopers Lane with sufficient manoeuvring space to turn large vehicles
- Preservation of good solar access to the public space through appropriate built form controls for the surrounding redevelopment sites
- Preservation of the natural slope of the land, avoiding stairs where possible to allow seamless connections between existing and future development. This also allows for deep soil opportunities
- Encouragement of fine grain active retail frontages and outdoor dining around the square
- The ability to host events, markets, food trucks within the public square.

Additional detailed design parameters and principles have been developed as part of the current public domain study to shape the proposed design for the square. These include:

- Retention of the existing trees wherever possible, to preserve the landscape character and provide shade within the new square. This requires preservation of the existing ground levels within the root/canopy zone of the existing trees and limiting any building works, especially excavation, to outside of this zone
- Provision of loading access to properties on the southern side of the new square. This access would be time limited (typically early morning) to allow for uninterrupted pedestrian activity during trading hours
- Provision of a small surface level carpark at the eastern end of Grosvenor Plaza, including 4 disable parking spaces and 6 parking spaces suitable for loading
- Provision of a 600 square metre Creative Hub
- Provision of 28 regional secured commuter bicycle parking spaces within the square.

The design proposal for Grosvenor Plaza delivers the above requirements and is also guided by the design principles established from the public domain vision and aims. Key features of the proposal include:

- Closure of **Grosvenor Lane** between Cooper Lane and Waters Lane, to maximise the amount of space available to for the public square. Vehicular access to this section of Grosvenor Lane would be limited to emergency vehicles only
- Relocation of the existing Grosvenor Lane **public parking** into an underground parking facility as part of the redevelopment of Site 1. Vehicular access to the underground parking would be located on Grosvenor Street. Pedestrian access would be located on the northern side of Grosvenor Plaza, combined with the customer parking access for the proposed ground floor supermarket in the Site 1 redevelopment, to create a **public lobby** to both the supermarket and the public square. The public lobby would be generously sized, have a clear frontage to the square, and be fully accessible to the public at all times
- Creation of a **shared street precinct** at Grosvenor Lane, Cooper Lane and Waters Lane to improve the pedestrian amenity of the laneways around Grosvenor Plaza. The laneway upgrades would include new paving, landscape planting, street tree planting and

street furniture. In the case of Waters Lane, the existing avenue of mature Plane trees is to be preserved

- Upgrade of the **three through site links** from Military Road to Grosvenor Plaza:
 - The central alleyway associated with the current community centre would be retained and upgraded as a 3 metre wide laneway (open air) connection that meets accessibility standards
 - The link to the west would be upgraded as part of the redevelopment of Site 2 (west). This link would be a 6 metre wide laneway (open air) connection aligned with Cooper Lane. Due to the significant level difference between Military Road and Grosvenor Plaza in this location, a public lift would be required to provide access for people with limited mobility
 - The link to the east would be upgraded as part of the redevelopment of Site 2 (east). This link would be a 6 metre wide laneway (open air) connection aligned with Waters Lane and upgraded to meet accessibility standards
- Potential **additional through site links** to further improve connections between Grosvenor Plaza and the surrounding streets and public spaces:



Figure 4-53: Example of a shared street at Wulaba Park, Waterloo



Figure 4-54: Shared street at Hatbox Place, Wulaba Park, Waterloo

Figure 4-55: Grosvenor Plaza plan



- An additional laneway connection could be developed between Grosvenor Plaza and Young Street Plaza as part of the redevelopment of Site 2 (west)
- An additional arcade connection could be developed at the eastern end of Grosvenor Plaza as part of the redevelopment of Site 2 (east). The arcade would connect to the corner of Military Road and Waters Road, in line with the potential new pedestrian crossing to Rangers Road and the proposed Rangers Road Plaza. This connection is identified as a future opportunity that requires further investigation
- A new **Neutral Bay Community Centre** located adjacent to the new Waters Lane through site link. The community centre would be a 1,000 square metre space located on the first floor of the new development at Site 2 (east), with a lobby on the ground floor facing Grosvenor Plaza.
The new community centre is to be designed with a strong visual presence to Military Road and Grosvenor Plaza, as befits its civic and community importance to the local community. Located prominently at the corner of the building and facing both Grosvenor Plaza and the new laneway, the lobby is designed to be visually transparent and inviting.
The lobby would include access to the library on the first floor, as well as accessible public toilets for community use
- A new secondary community facility developed as a '**Creative Hub**' on the site of the existing community centre. The new facility would provide a mix of studio, exhibition and retail spaces for local artists, as identified in the MRCPS. Additionally, it would also include spaces for tech-related short courses.
- A **public terrace** along the southern side of the square, which supports outdoor dining, accessibility for people with limited mobility, and timed loading to the adjacent retail frontages
- An **urban terrace** along the northern side of the square, within the Grosvenor Lane road reserve and adjacent to the proposed supermarket on the ground floor of the Site 1 redevelopment. The urban terrace would include paving, planting and seating to create a welcoming public interface between Grosvenor Plaza and the adjacent public lobby to the underground carpark
- An expansive **village green** with existing trees and lawn areas to provide flexible spaces for passive recreation, markets and community events
- A **children's playground** with interactive sculptural play elements that cater for a wide range of ages. The play elements offer an opportunity for collaborative design with public artists
- A **community hub**, including parking for notionally 28 bicycles and a small cafe located under architecturally designed weather canopies. The community hub is prominently located adjacent to the new community centre, in the paved space between Waters Lane and the new through site link. Designed as beautiful park structures, the cafe and canopies provide an architectural landmark and flexible under cover space for outdoor dining, public gatherings and community events
- A major new **public artwork** to be commissioned by Council. The artwork would be prominently located near the new community centre.



Figure 4-56: Village green at The Canopy, Lane Cove



Figure 4-57: Terrace adjacent to village green at The Canopy, Lane Cove



Figure 4-58: (top) Centennial Park cafe and bike hub

Figure 4-59: (above) Surry Hills Library and adjacent park

Figure 4-60: Grosvenor Plaza detailed plan

GROSVENOR PLAZA DETAILED PLAN





Figure 4-63: Long section-elevation through Grosvenor Plaza



Figure 4-64: Playground at The Canopy, Lane Cove



Figure 4-65: Playground at Jubilee Park, Glebe



Figure 4-66: Playground at Braithwaite Park, WA



Figure 4-67: Artist's impression of proposed Grosvenor Plaza, looking west along Grosvenor Lane urban terrace towards Cooper Lane



Figure 4-68: Little Hay Street, Sydney



Figure 4-69: Hardware Lane, Melbourne



Figure 4-70: Long section-elevation of Cooper Lane through site link



Figure 4-71: *'Between two worlds'* public artwork by Jason Wing, Kimber Lane, Sydney

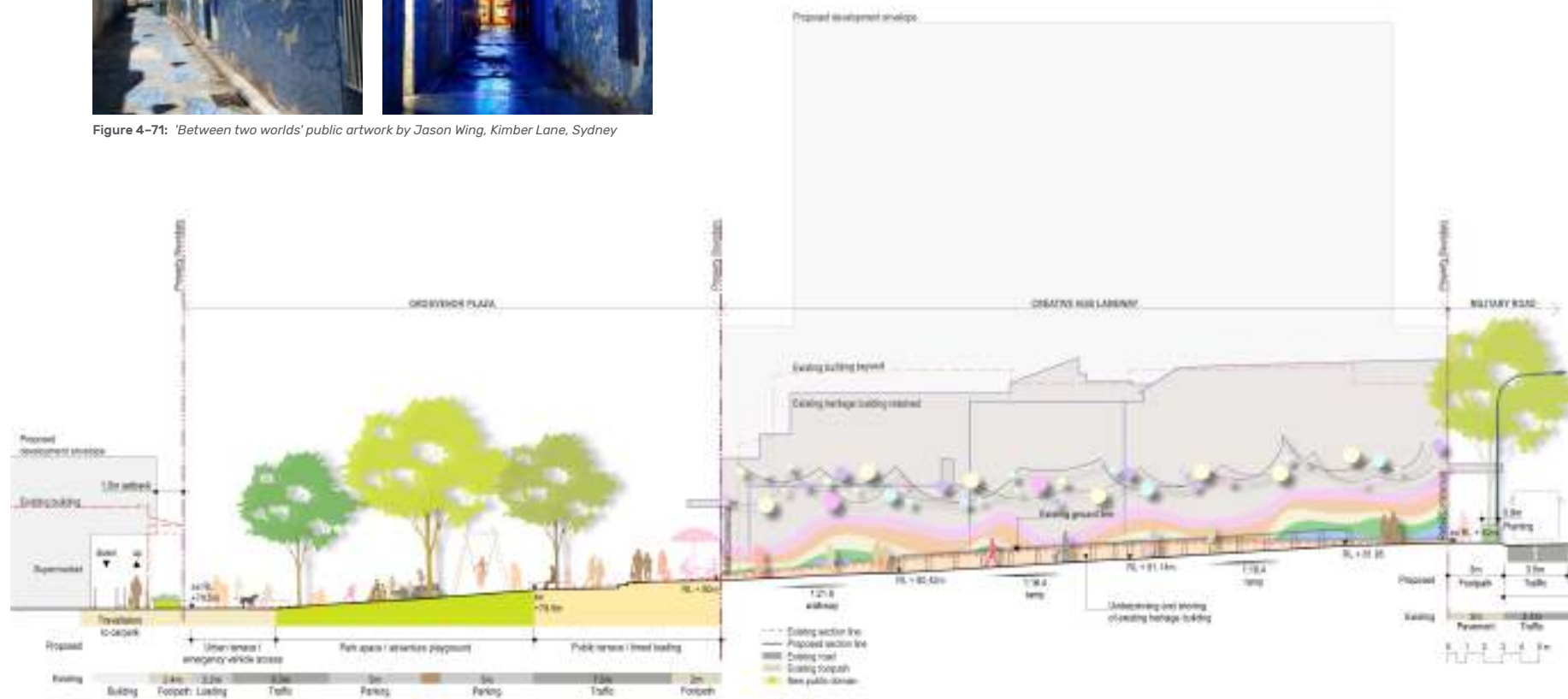


Figure 4-72: Long section-elevation of Creative Hub laneway – through site link upgrade at the former community centre site



Figure 4-73: *Steam Mill Lane, Sydney*

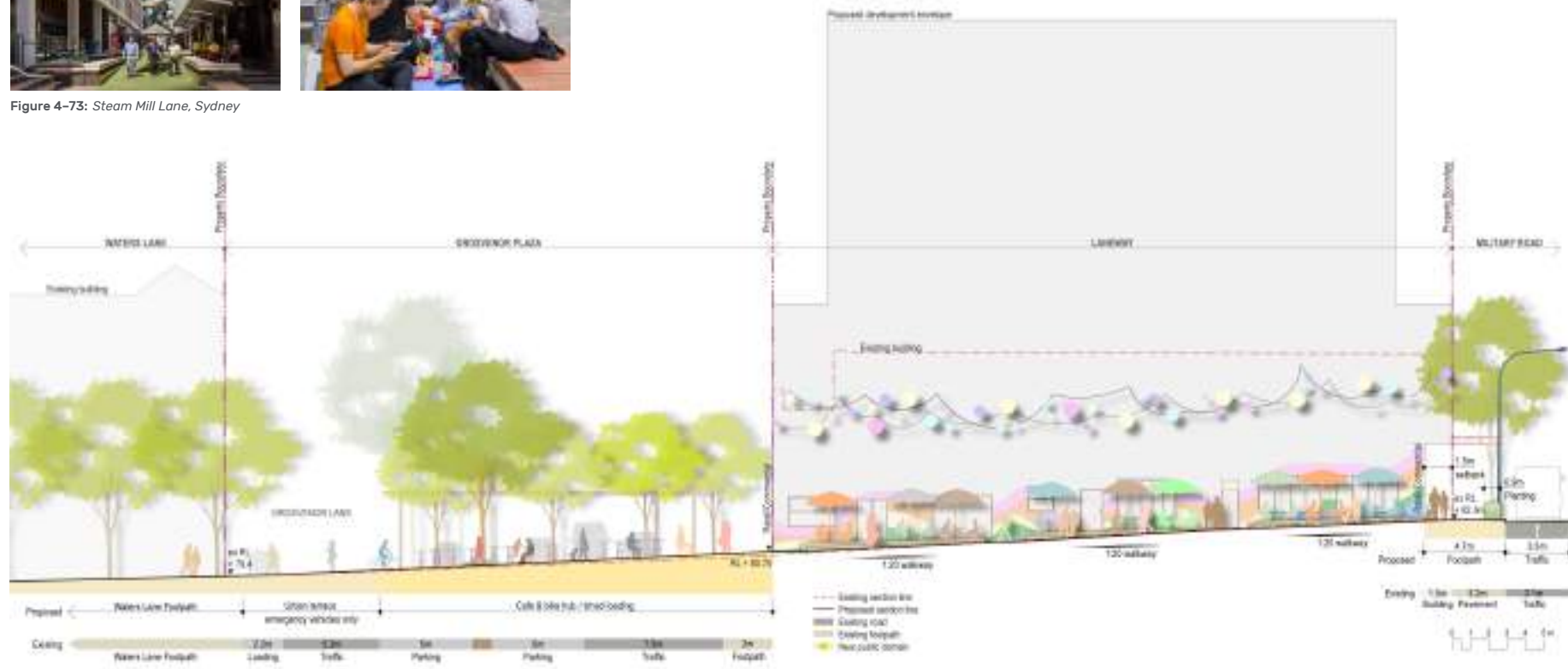


Figure 4-74: Long section-elevation of Waters Lane through site link



Figure 4-75: Artist's impression of proposed Grosvenor Plaza, looking south from public carpark lobby towards new community centre and through site link aligned with Waters Lane

4.6 RANGERS ROAD PLAZA

The public domain strategy in the *Military Road Corridor Planning Study – Stage 1: Future Directions* report (MRCPS) (2021; rescinded 2022) made recommendations for a new public open space on Rangers Road near the corner of Military Road – primarily on the site of the existing supermarket, which would be relocated underground.

Key features of the proposed public plaza outlined in the MRCPS included:

- Relocation of the existing supermarket underground, to enable the creation of a 1,000 square metre public plaza that has good year-round solar access
- A through site link, in the form of a laneway (open air) from the new plaza to Yeo Street
- Active edges around the plaza for retail, cafes and outdoor dining. This includes a continuous line of fine-grain retail flowing into the space from Military Road
- Encouragement of alfresco dining and other late-night trading opportunities in the plaza
- Entries into the supermarket or underground parking integrated along the edges of the plaza to ensure the plaza is not encumbered by built form structures
- Landscaping planting, paving, major artwork, on-street bicycle parking and street furniture

The design proposal for Grosvenor Plaza delivers the above requirements and is also guided by the design principles established from the public domain vision and aims. Key features of the proposal include:

- Modification of the building setback at the corner of Rangers Road and Military Road to align with the proposed new pedestrian crossing of Military Road. The increased setback would be at the ground level only and would create a clear line of sight from the new Rangers Road plaza, along the new pedestrian crossing, to Waters Road on the northern side of Military Road
- Inclusion of an interactive playground catering primarily for young children. The playground set back from the street and well serviced by surrounding cafes and retail. It would include a decorative shade canopy and interactive sculptural play elements, including water

play elements, which offer an opportunity for collaborative design with public artists

- Creation of a shared zone and laneway upgrade at Military Lane to provide an additional pedestrian friendly connection to Rangers Road plaza. While Military Lane would retain its service and loading function, the creation of a shared street would also encourage the development of small ground floor tenancies that would further activate space while also offering greater diversity of retail and commercial space available within Neutral Bay town centre
- Potential for arcade through site links to Rangers Road Plaza via Military Lane as part of the redevelopment of Site 3. The arcades could connect to the B-Line bus stop on Military Road and the potential public plaza on Wycombe Road, providing further support for the activation of Military Lane. The latter connection is identified as a future opportunity that requires further investigation.



Figure 4-76: Duralya Square, Waterloo



Figure 4-77: Playground at Westfield Plenty Valley, Mill Park



Figure 4-78: Water play at Yagan Park, WA

Figure 4-79: Rangers Road Plaza plan



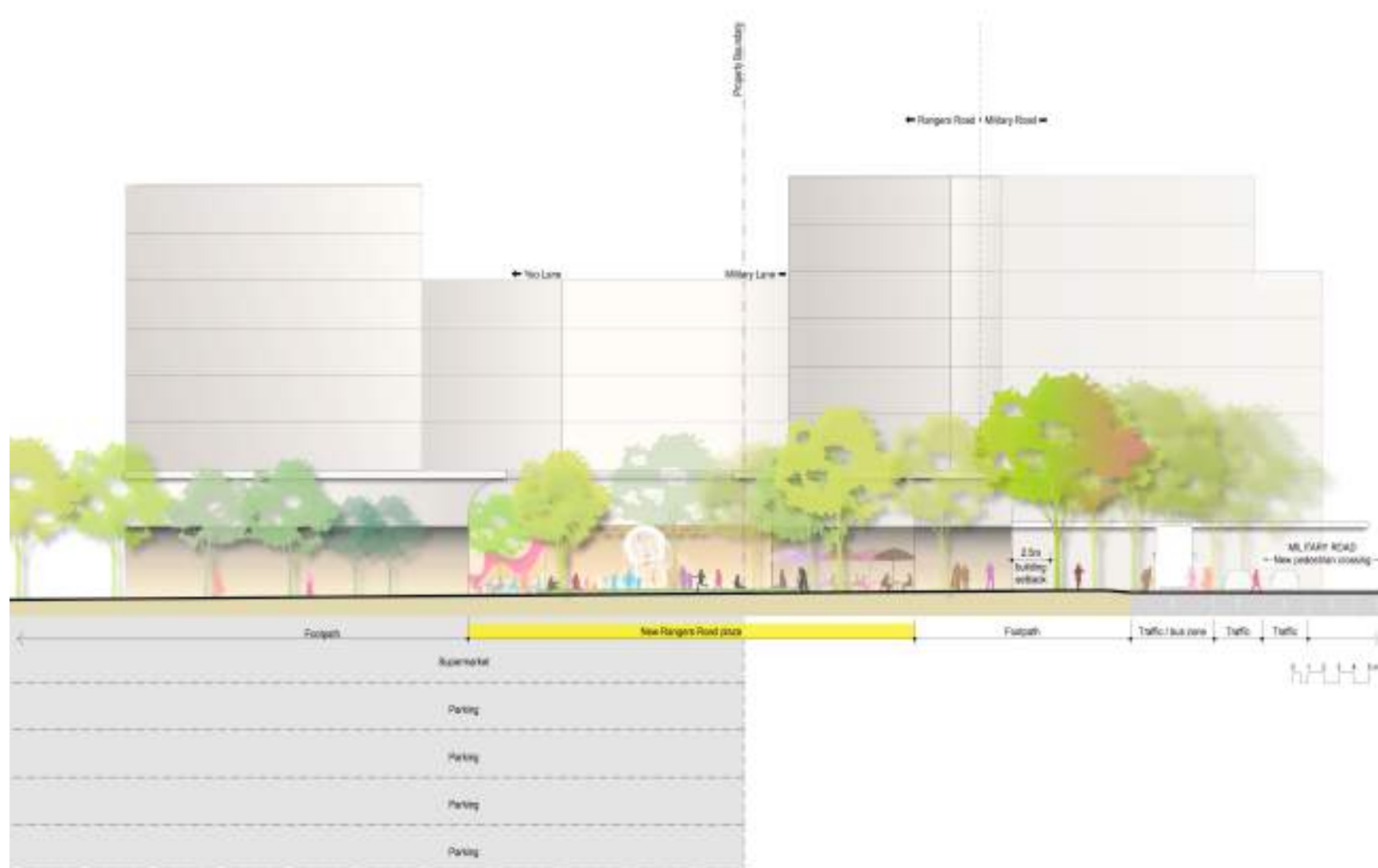


Figure 4-80: Elevation of Rangers Road Plaza from Rangers Road

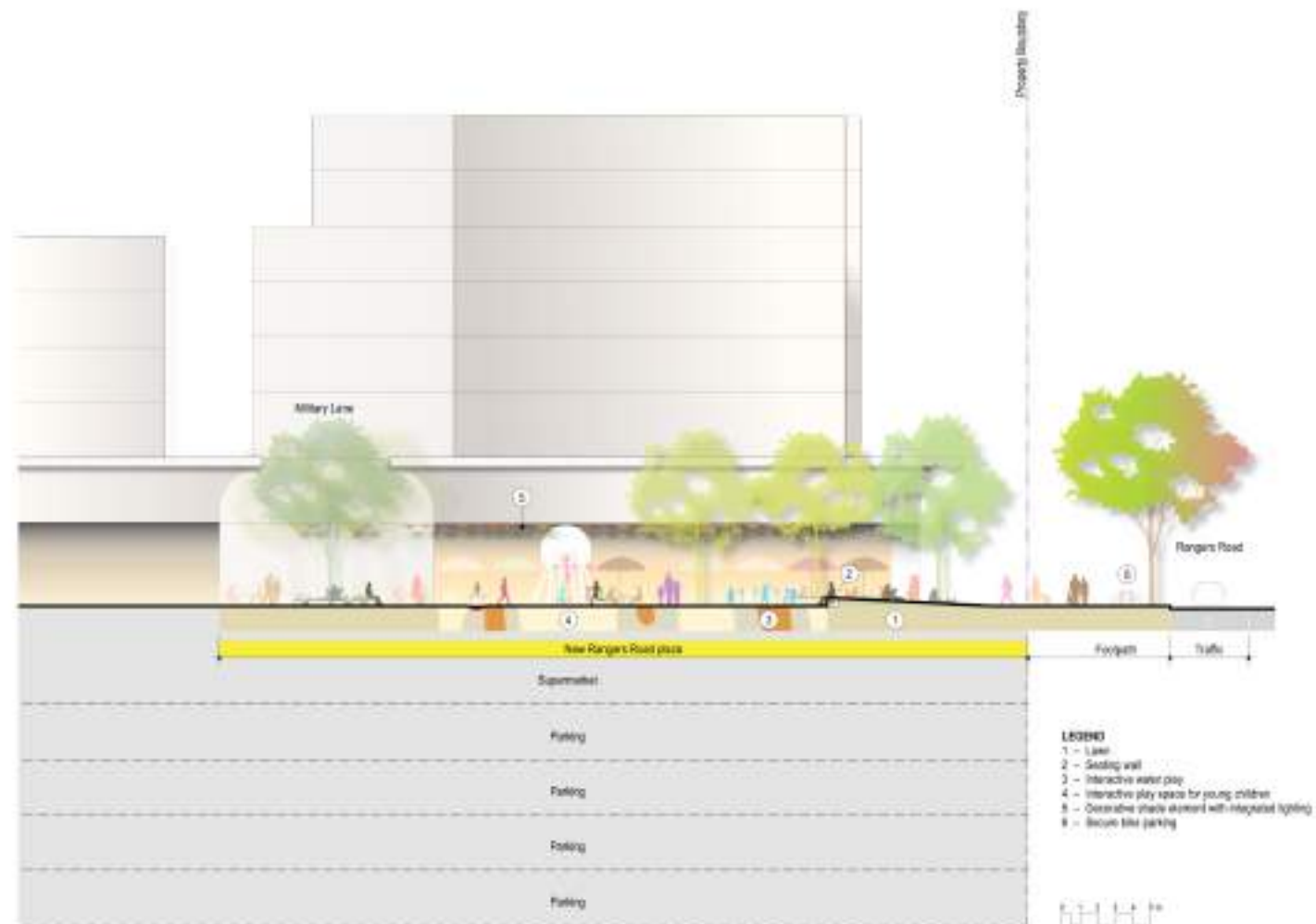


Figure 4-81: Cross section-elevation of Rangers Road Plaza

Figure 4-82: Rangers Road Plaza detail plan



