

Residents at the upper level of nearby neighbouring apartments benefit from existing views over the RFW basketball courts to Manly Beach. These views will be adversely impacted should any building with a 3.5 metre setback be erected on the site. The impact would only be marginally improved where the proposal adopts the recommended 3.5 metre setback to South Steyne.

The Proponent has undertaken a view loss analysis of various submitters properties and assessed the impacts against the principles set down by the NSW Land & Environment Court. This analysis determined that, although in some instances the view loss is adverse, it is acceptable considering:

- the site's location on a commercial promenade on the fringe of a business precinct;
- the level of retained views is a reasonable outcome considering the location;
- the site always has had prime development potential considering its location; and
- the principles of a "sharing views" philosophy is achieved in this development proposal.

On this basis the findings of the analysis are supported as the likely impacts are acceptable for a shared viewing situation, particularly where the proposal has responded to concerns by increasing the proposed view corridor to retain a greater percentage of the existing views.

Department's Position:

Department officers inspected a number of the objectors premises fronting South Steyne ("Carrisbrook" Apartments) and Wentworth Street ("Peninsula" Apartments) to undertake a visual analysis of the existing situation and potential view loss for these properties.

Figures 21, 23 and 25 illustrate the current views available to the inspected premises whilst the modified photographs at **Figures 22, 24, 26 and 27** illustrate the approximate view loss attributable to the EA design (green and red combined) and the PPR design (red). These figures clearly illustrate that the view loss outcome will range from minor to severe depending upon the different apartment layouts and level positions, particularly as these views are unimpeded where they are across the existing basketball court area.

The apartments illustrated in the below figures provide a reasonable cross-section of the likely impacts on existing apartments and general view loss for residents. These photos have been taken from the living areas, kitchen or balcony/terrace areas of the apartments from seated and standing positions.

It is noted that some apartments, such as the one illustrated in **Figures 25 and 26** are positioned or orientated in such a manner that they will be adversely impacted regardless of the development that occurs in the South Steyne portion of the site. The illustrated apartment will lose the existing beachfront views but retain water and distant foreshore views. The only alternative would be to prohibit any form of reasonable development in the eastern portion of the site in order to retain those views. This would be an unreasonable outcome as the Council's Design Guidelines for the site also recommend 4-5 storey structures in this portion of the site. The majority of apartments impacted by the proposed development will have minor to moderate view loss impacts and this is considered a reasonable outcome opposite a recognised development site.

Apartments shown in **Figures 22, 24 & 27** will be impacted by the proposed building. However, due to their positioning within the existing apartment complex, at mid-level or rooftop levels, this view loss is unlikely to be significantly improved by any form of complying development occurring on the subject land as the bulk of the built form would be in a similar location. The orientation of these apartments towards the beach/water relies on the existing Wentworth Street view corridor which would be reduced by any form of reasonable development on the land that complies with the Guidelines.

The PPR proposal now provides for an improved outcome from that originally proposed under the EA concept. Further, the stepping in of the building façade along Wentworth Street generally conforms with Manly Council's DCP Guidelines for view sharing by achieving a similar total setback and a wide viewing corridor along the street.



FIGURE 21: View from "Carrisbrook" upper level



FIGURE 22: View loss after PPR Proposal.

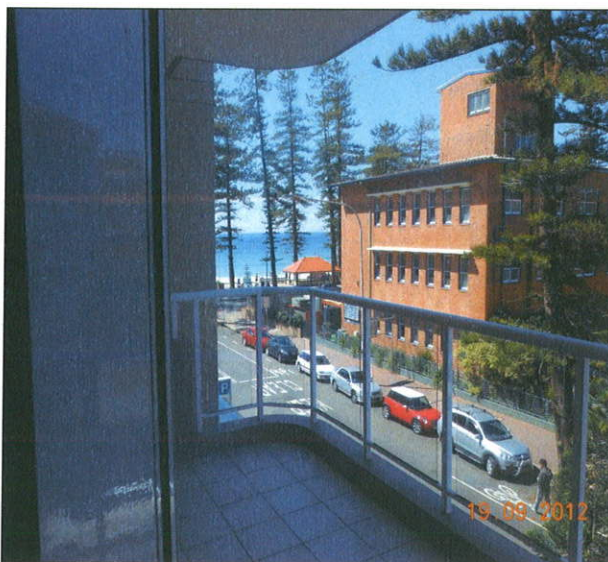


FIGURE 23: View at Mid-Level "Peninsula"

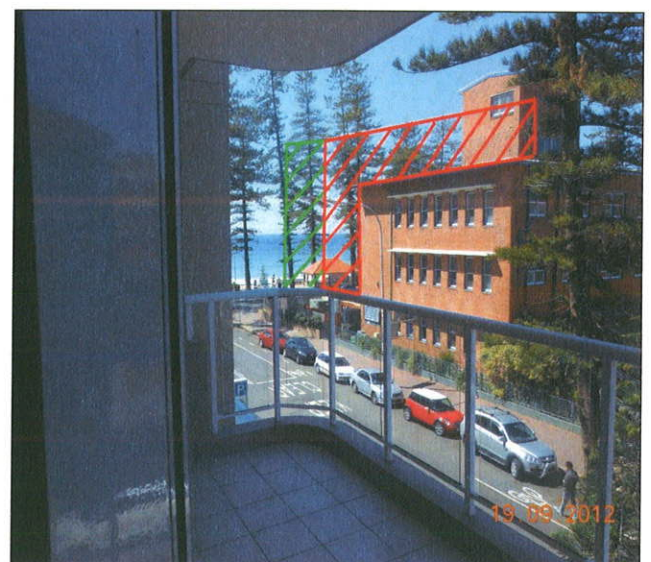


FIGURE 24: View loss after PPR Proposal

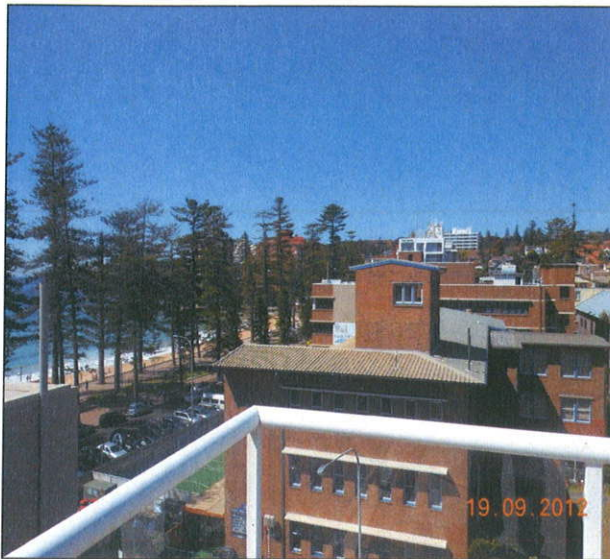


FIGURE 25: View at Upper Level "Peninsula"

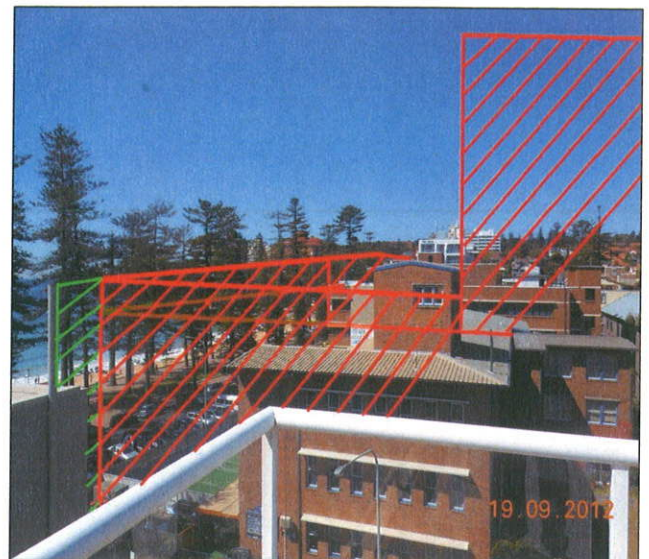


FIGURE 26: View Loss after PPR Proposal.



FIGURE 27: View loss from second floor level position of the "Peninsula" apartments

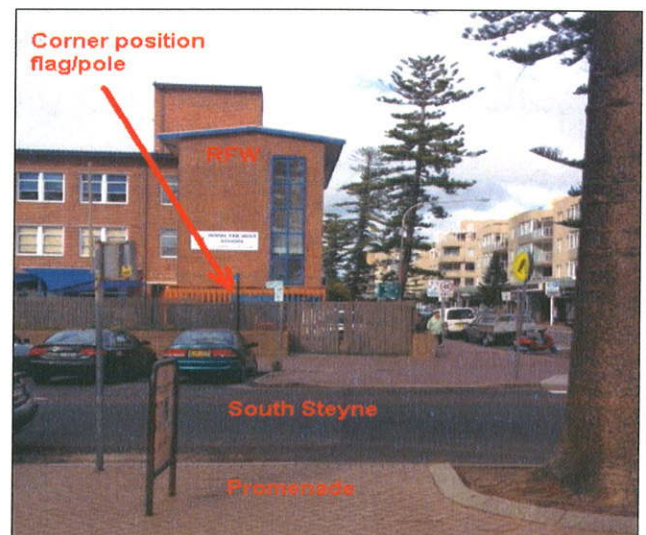


FIGURE 28: PPR facade corner pole

This form of development, although setback at the upper level under the Guidelines, would have a similar impact upon views as that proposed by the modified PPR proposal.

Figure 28 illustrates the location of a corner flag erected by the Proponent which identifies the proposed corner of the development at the South Steyne and Wentworth Street intersection, being six metres south of the Wentworth Street boundary alignment.

In general terms the building element at the corner of Wentworth Street and South Steyne is consistent with the overall building form proposed under Council's Guidelines which provides for a 15 metre high element on the corner that joins with an upper level recessed floor above the 12 metre high street element, as illustrated in **Figure 29** below:

Figure 29 is extracted from Manly Council's Guidelines for development of the Royal Far West site. It illustrates that although the presentation to the street will be a wall height of 12m the primary podium level would be 15m in height when assessing view loss from elevated neighbouring apartments opposite the site.

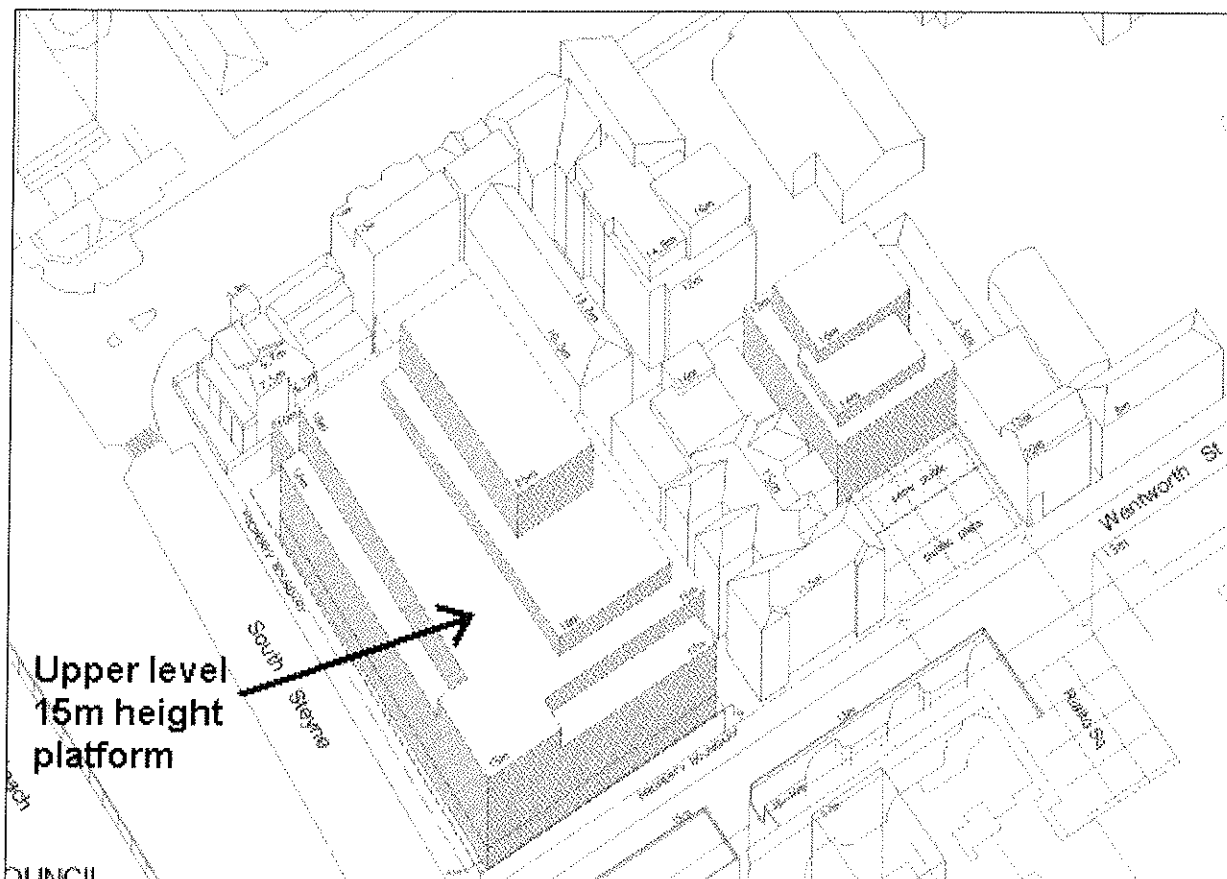


FIGURE 29: Upper Level 15m Platform in Council Guidelines

SOURCE: Manly Council Urban Design RFW Guidelines, October 2011

Having regard to the View Analysis submitted with the PPR and based on the above assessment, the Department is satisfied that:

- the modified PPR Concept Plan would have, in general, an improved outcome for residents concerned with water and beach view loss (particularly for lower level apartments), as the 6m setback along Wentworth Street would widen the existing view corridor;
- the PPR modifications to the original EA design generally improve the potential view loss outcomes; and
- the assessment of view loss under the Land and Environment Court principles indicate that the view sharing arrangement, particularly when considered against Council's Guidelines controls, are reasonable and acceptable.

It is acknowledged that in some instances this view loss impact may be assessed as severe where existing elevated views along the beach are lost. **Figures 25 and 26** illustrate the potential reduction in view loss from the originally submitted EA (Green and Red outline) to the PPR proposal (Red outline). However, this outcome is comparable to the view loss impact of development that would generally comply with Council's Guidelines for development of the site.

The modified PPR Concept Plan satisfactorily addresses the potential view losses and achieves an acceptable level of view sharing outcomes.

5.4. Visual Impacts

Visual Impacts relate to:

- Visual intrusiveness of the built form when viewed from water and other foreshore positions;
- Visual impact on the beach and promenade from building bulk and form; and
- Visual impact when viewed from the public domain of Wentworth Street and South Steyne.

Visual Impact when Viewed from the Waterway and Foreshore:

The Proponent has submitted a visual impact analysis report which provides photographic representations of the proposed development when viewed from various positions across the water and at vantage points along the foreshore.

Considering the scale of existing structures along South Steyne and the height of the existing Norfolk Island Pines along the foreshore, the proposed development would have a minimal impact when viewed from a distance.

Within the Manly beachfront locality the site will be highly prominent due to its South Steyne orientation. The Proponent's photographic assessment of the locality, and site assessment by Departmental officers, support the Proponent's contention that the proposed form of building development is unlikely to significantly detract from the existing foreshore built form along South Steyne. The South Steyne locality has a variety of built form, and the proposed building positioning is considered to be complementary to the existing building envelopes. The fine detail on building design and articulation, including final setbacks and corner and balcony treatments, will be addressed in greater detail as part of any future development application.

Visual Impact when Viewed from Manly Beach and the Promenade:

When the proposal is viewed directly from the promenade and beach, the development will have a more dominant presence compared to the existing low level scale of development on the site. The five storey podium style front section of the development will generally be consistent with the height of other structures along the waterfront. The hotel tower at nine storeys is a more dominant feature, even though it will be setback 21 metres from the street alignment.

The Concept Plan provides a building form that introduces similar podium and tower positioning as that proposed in Council's Guidelines for the site. The primary differences is the additional five metres in height and the 54 metre width of the tower building proposed by the Proponent. The current Concept Plan building form sets this tower structure back some 21 metres from South Steyne and this would have the effect of softening the scale and presence of the building when viewed from the public domain. Further, a proposed modification to the Concept Plan to articulate and/or create tower separation would also have positive impacts on the visual presence of the tower form, see **Modification B2**.

Figure 30 provides an aerial presentation of the project fronting onto South Steyne and Manly Beach. The beach front setback of the hotel tower is designed to be consistent with the existing setback provided by the "Peninsula" Apartments tower. **Figure 30** also illustrates that the tower, with the setback of 21 metres to South Steyne, will have an acceptable appearance at the promenade/beach level, subject to appropriate modification dealing with façade appearance and modulation

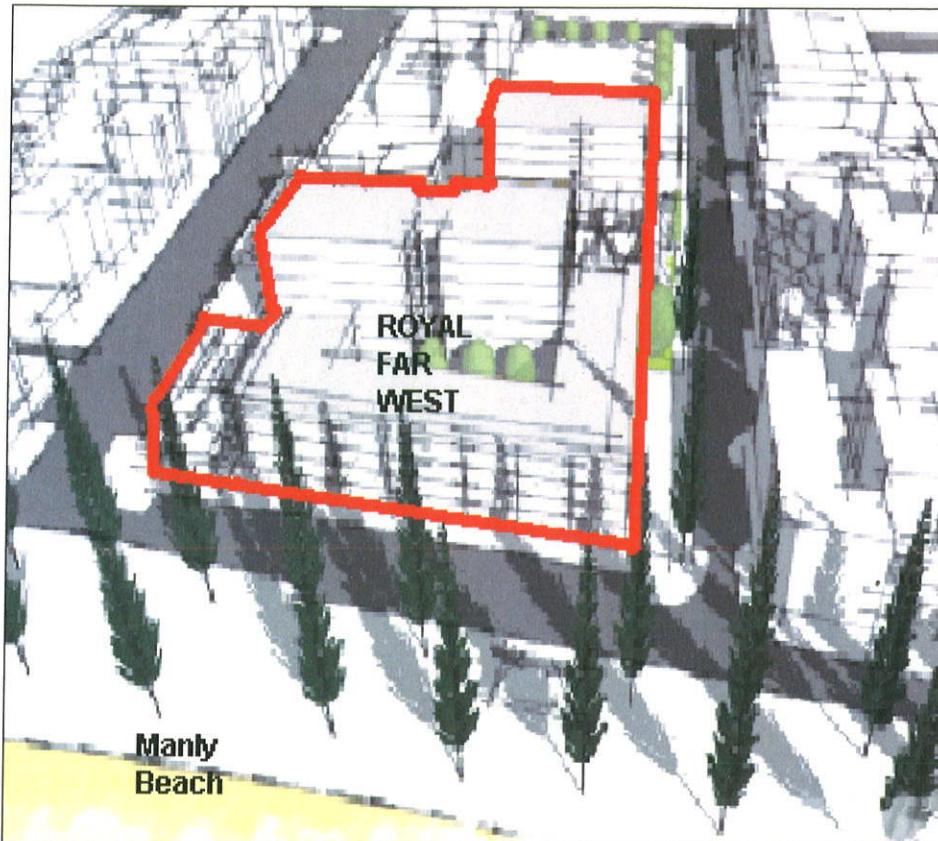


FIGURE 30 – Model presentation to Manly Beach
SOURCE: Preferred Project Report, Urbis, August 2012

Visual Impact when viewed from Public Domain – Wentworth Street & South Steyne:

The proposal's presentation to South Steyne will be a five storey podium with a further four storey tower beyond which is setback approximately 21 metres from the street alignment. The five storey podium is consistent with the scale and positioning of development north along South Steyne (**Figures 31-34**). The tower, being setback within the site, would not be visible from the western side of the roadway but would become more visible further towards the beach.

The proposed height is 4.8 metres above the Council's Guidelines and 2 metres above the height of the "Peninsula" and "Sebel" Hotel developments. This equates to a 2/3 floor difference in height. The more dominant feature is the bulk and 54 metre width of the proposed tower. This bulk can be softened through articulation of the structure or by providing a more pronounced division of the structure.

The proposal's modified presentation to Wentworth Street, providing a 6 metre setback is a positive response to public concerns regarding the scale of the proposal and achieves an acceptable view sharing outcome. The tower elements, being the eastern and western buildings, are setback from the street alignment and will appear as a stepped building design. The 6 metre setback opens up the view corridor along the street and promotes Drummond House as it is located forward of the new building alignments.

The PPR proposal includes a further wrapping around of the five storey podium adjacent to Drummond House. This may have the effect of creating an enclosure around the heritage item. On this basis it is recommended that the building be modified to step back the fourth and fifth floors at a 45° angle from Drummond House to preserve the curtilage of the local heritage item, as discussed further below.

FIGURES 31- 34: Streetscapes and Building Alignments in Locality.

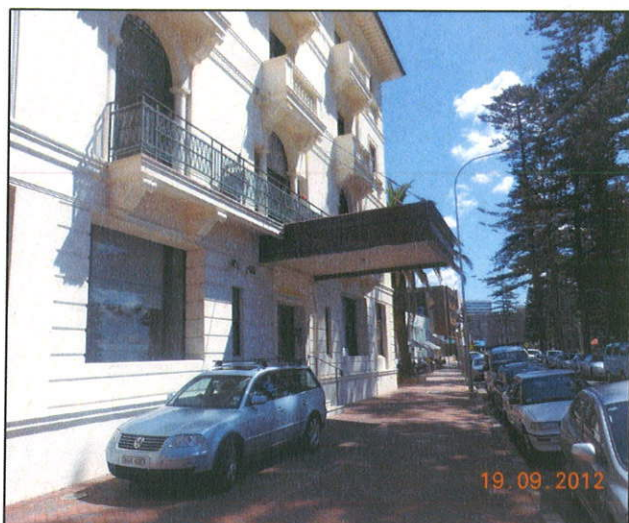


FIGURE 31: Sebel Hotel

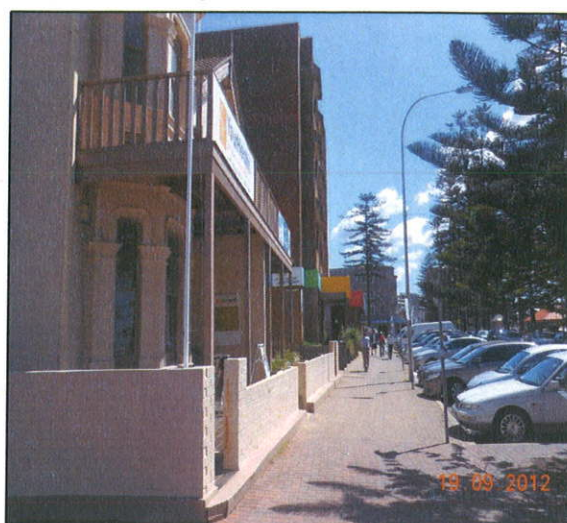


FIGURE 32: South Steyne/Victoria Parade



FIGURE 33: Victoria Pde/South Steyne corner

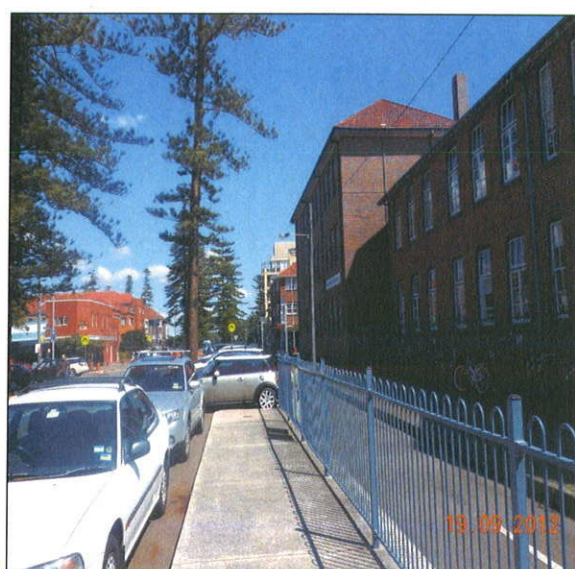


FIGURE 34: Victoria Pde/Manly Village School

Department's Position:

The basic concept of a 4-5 storey podium with a central tower element is evident in both the Guidelines and the Concept Plan design. The Concept Plan design provides a form of development that is comparable to that adopted by the Manly Council Guidelines for this site, notwithstanding that the towers are taller and wider than recommended by Council.

The proposal is a Concept Plan and the final detailed design will further articulate the development to reflect the design principles that State Environmental Planning Policy No.65, the Residential Flat Design Code and Council's Design Guidelines rely upon to achieve a quality design outcome. The Concept Plan provides a simple envelope format which will be further refined as part of the final application. These principles are reflected in the requirements of **Modification B2** which requires the proposal to achieve design excellence as part of future applications approved for each stage of the proposal.

In order to achieve an acceptable outcome for this site it is recommended that the concept be modified to include the following design modifications:

- Levels 4 & 5 of the podium level of the eastern building fronting Drummond House in Wentworth Street to be stepped back at a 45° angle to Drummond House commencing at the floor level of the fourth floor on the western façade;
- The hotel tower element of the eastern building to be designed to reduce its overall bulk by one or any combination of the following measures:
 - use of appropriate colours/materials;
 - use of open balconies at the extremities; and
 - suitable articulation by stepping back the upper levels.

5.5. Traffic Management

The subject site currently has three vehicular crossings including one via South Steyne and two via Wentworth Street. Car parking for approximately 20 vehicles is available onsite and is accessed off Wentworth Street. Service vehicle access is via South Steyne.

The proposal will accommodate 184 car park spaces in two basement levels. The basement car parks are proposed to be serviced by two street crossings:

- one at the north-western corner off Wentworth Street servicing the RFW and residential portions of the complex; and
- one to the north-east along Wentworth Street servicing the remainder of the complex.

It is noted that with the closure of existing vehicular crossings there will be a net increase of two on street car parking spaces as part of the proposed development.

The total onsite car parking exceeds the requirements of Manly Council DCP. The Proponent has determined the total on-site car parking as outlined in **Table 4**.

Type	GFA/Yield	Manly DCP	Spaces Required	Spaces Provided
Residential	46 units	1 space per dwelling +0.2 per 2 bed unit +0.5 per 3 bed unit +0.25 visitors per dwelling	71	71
Hotel	164 rooms	1 space per 4 rooms	41	41
Retail	1327m ²	1 space per 40m ²	33	11
Royal Far West		n/a	n/a	61
Totals			145	184

TABLE 4: Manly Parking Rate and RFW Provisions

Source: TRAFFIX “*Transport and Accessibility Study*: June 2012

The parking requirement for the RFW facility has been determined on the basis of one space per two employees and 16 visitor spaces. This results in a total of 61 spaces.

The only variance to Manly Council’s DCP relates to the car parking proposed for the retail component of the development. Based upon standard floor space generated numbers the DCP requires 33 spaces to be provided whereas the Proponent’s consultants contend that 11 spaces, servicing the tenants and staff only, is more appropriate considering:

- retail patrons are likely to be predominately pedestrians rather than arriving by car;

- the majority of persons visiting this locality will arrive via public transport (buses or ferries);
- the shops are likely to be linked to the Hotel or RFW activities, which will be suitably serviced with basement car parking; and
- observed actions in this area indicate that patrons would generally prefer to park at street level, if available.

Traffic generation concerns were raised by the general public and Manly Council with regard to the capacity of Wentworth Street and preferred access/egress points for the basement carpark. The TRAFFIX report concludes that the Wentworth Street capacity is acceptable:

"It is evident that the traffic impacts from the proposed development have a minimal effect on the road network and the additional trips are readily accommodated. The additional modelling undertaken for the intersection of Wentworth Street and South Steyne demonstrates that there is a minor increase in delay by 2.3 seconds in the AM peak period and 0.3 seconds in the PM peak. This minor increase is negligible and it is evident that the intersection will continue to operate satisfactorily."

The TRAFFIX report relied on data collected during the Wednesday, Thursday and Friday peak periods. Public submissions raised concerns that the data does not include Saturdays, which at certain times can result in grid-lock situations along Wentworth Street and at the South Steyne intersection. In response to the Departments letter of 30 January 2012 a further study was undertaken of weekend traffic generation impacts along Wentworth Street. The study found that:

"... Rialto Lane (intersection with Wentworth Street) experiences its peaks during the weekend period. At this time, the subject development generates significantly reduced activity that is spread over the day, with no evident peaks occurring. Accordingly, conditions on weekends will remain essentially unchanged. Conversely, the proposed development generates its maximum traffic generation during the weekday AM and PM peak periods."

On the basis of this report it is agreed that the Wentworth Street system should adequately accommodate the proposed development traffic generation.

The general findings of the TRAFFIX report were that:

Parking for the proposed development is generally in accordance with Council's Development Control Plan.....

The proposed access driveways and internal design aspects are appropriate from the concept design and will operate satisfactorily.....

In addition to these findings the Proponent modified the proposed traffic control measures in the following manner:

- relocation of the pedestrian crossing on South Steyne and Wentworth Street some 15-25 metres to improve queuing capacity at the intersection for the left turning vehicles;
- provision of a raised pedestrian crossing across Wentworth Street at mid-block for benefit of vehicle and pedestrian flow to:
 - provide additional safe pedestrian crossing along Wentworth Street; and
 - promote safe exit from Rialto Lane and the RFW complex via regular traffic flow stops at this crossing.

The Proponent considers that the above traffic management modifications are not necessary to accommodate traffic generated by the proposed development at RFW but would be of assistance to the general traffic flow along Wentworth Street.

Manly Council has raised concern with the adequacy of the traffic assessment for the proposal and considers that the proposed development will adversely impact traffic management and car parking in the Wentworth Street and South Steyne locality.

Additionally, Council has concerns with the environmental amenity impacts that may result from increased traffic along Wentworth Street. The Proponent contends that the predicted traffic generation will be adequately catered for within the capacity of the existing road network and thus would not result in unacceptable environmental and amenity impacts.

Department's Position:

As the locality generally does not provide off-street car parking, apart from Council's public car park under the "Peninsula" apartments, the Department agrees with the TRAFFIX report contained within the EA, that the predominant mode of travel would be via public transport and pedestrian movements. The on-site parking proposed of 184 spaces exceeds that required by 39 spaces and is considered acceptable.

The TRAFFIX report states that Wentworth Street and the intersection with South Steyne are operating near peak capacity during the peak periods, however, the subject proposal will not significantly impact operation of these facilities. Although there would be minor delays at the intersection this was considered acceptable. The department is satisfied that the proposal will have negligible impact on the operation of the surrounding road network.

Wentworth Street and South Steyne intersection is of a design width and construction type to adequately accommodate the expected traffic generated by the proposal. The intersection is likely to be impacted most during normal weekday peak periods, however, the projected added traffic delay of 2.3 seconds is considered to be acceptable.

The Proponent's proposed traffic management modifications are supported. As the local road network is operated and managed by Manly Council (as the local traffic authority) the road works would need to be considered as part of any future development application for the site.

5.6. Commercial & Retail Use

The proposal seeks a combination of the following commercial/retail/tourism land uses as part of the development:

- 1,315m² of retail floor space provided at ground level in the proposed eastern building;
- 450m² of commercial floor space within the original Terrace Houses; and
- 8,005m² of hotel floor space in the tower structure of the eastern building.

These land uses equate to 44% of the total proposed 22,290m² of floor space, with the remainder being allocated to the RFW, residential apartments and associated works.

The inclusion of these particular land uses on the RFW site has been disputed in submissions as unnecessary and inappropriate for a site which has operated as a not-for profit organisation for 85 years. Public submissions on the proposed development further dispute the need for the RFW to sell off land or portions of the site in order to refurbish the RFW buildings.

The RFW argues, however, that the existing buildings are generally in a poor condition and require significant capital (exceeding \$100 million) to upgrade them to a suitable standard in order to guarantee long term functions. The proposed commercial development is an essential ingredient in the redevelopment of the site as it assures the long term operation of the centre. In support of the mixed use development proposal the RFW states that:

"The intent of the RFW proposal is, and always has been, to realise the best commercial value for the surplus assets of the RFW. The value realised will be used for the development of a new "Centre for Excellence" and any surplus funds will be used for the ongoing delivery of services as part of the RFW's long term commitment to country children and to Manly.

Even if the RFW invested in major renovations, that investment would not address the inefficiencies inherent in the existing buildings and they could not cope with the Centre of Excellence concept. The only way to achieve the Centre of Excellence is a major redevelopment."

An additional issue with the alternative land uses is the potential social issues associated with the hotel operation, providing for the service of alcoholic beverages particularly, where the facility is open to the general public and trades late in the evenings. The Concept Plan does not provide specific details on how the hotel would operate, but its primary function is as an accommodation venue and the hotel function would primarily provide services for the hotel patrons rather than the general public. This situation would be similar in nature to the operation of the Sebel Hotel in South Steyne or any other quality hotel chain which may operate the facility in the long term. Control of this situation could be achieved via an appropriate condition for any future development application.

In support of the proposed mixed use development, Draft Manly LEP seeks to rezone the site to Business B2 (Local Centre). Within this zoning the school, commercial, hotel and residential aspects of the proposal would be permissible. Hence, it is evident that Council is providing for a mixed use development potential for the subject land.

Department's Position:

The primary issues for the land uses proposed with the Concept Plan relate to the resultant height, scale and floor space proposed. The scale of retail proposed (1,315m²) is considered appropriate to a development of this scale and not one which will negatively impact on the Manly retail centre.

The final proposal has an FSR of 3.2:1, while Council had envisaged an FSR for the site of 3.0:1. The variation from this standard equates to 0.2:1 or 7%. This scale of variation is reasonable given the substantial community benefit provided with the retention of the RFW on the site. As demonstrated earlier in this report, the scale and form of the proposed buildings is compatible with the surrounding locality and the Manly town centre. Also, the amenity impacts on the adjoining properties is reasonable.

On this basis it is considered that the total amount of commercial, retail and hotel floor space in the proposal is acceptable for a site of this size and location.

5.7. Heritage Buildings

The site accommodates two local heritage items in:

- Drummond House; and
- Terraces at 15-16 South Steyne.

In addition, the land adjoins local heritage items at:

- 29-31 Victoria Parade (The Carlton and Newstead Flats);
- 12 Wentworth Street (former School of Arts); and
- 10 Wentworth Street (old School building).

Also in the immediate vicinity are the following local heritage items

- 7-14 South Steyne (retail buildings);
- Beach reserve of South Steyne (the Promenade);
- Public shelters on South Steyne; and
- Streetscape Trees along Victoria Parade and Wentworth Street.

The Proponent engaged Urbis Pty Ltd to undertake a Heritage Impact Assessment (HIA) and a Conservation Management Plan (CMP) for the proposal. The Urbis reports acknowledge the local significance of the existing local heritage items.

The findings of the HIA and CMP are that the development can be undertaken on the land subject to suitable protection of the items and safeguard measures being implemented. Both the HIA and CMP have provided guidelines for the protection and preservation of the identified heritage items. The primary recommendations under these documents are addressed below.

The final recommendations of the HIA included:

- *any link from Drummond House to the new eight storey RFW building should be designed to be light weight in form and should aim to minimise the impact on fabric (brickwork and openings) and the overall built form of the building;*
- *if new services or signage are proposed to Drummond House and the Terraces (heritage listed buildings) as part of future design development works, it should include a heritage impact assessment; and*
- *any new plantings should not obscure principal façades of Drummond House and the Terraces (heritage listed buildings) or be located directly adjacent to the buildings where they may cause long-term water damage (unless protection measures are in place).*

The final recommendations of the CMP included:

- *Conservation policies and guidelines have been prepared in Section 5 of this CMS to guide the management and maintenance of the site, especially the two heritage buildings. Background discussion is given to the issues, opportunities and constraints that have produced the policies;*
- *When proposing changes at the site or undertaking maintenance to the heritage buildings, these conservation policies should act as a guide to retain the places heritage significance; and*
- *There are guidelines for compliance with heritage legislation, and conservation policies in relation to managing the sites archaeology resource, heritage significance, development potential, interpretation of the sites heritage significance and implementation and review for this CMS.*

The Proposal was referred to the Heritage Branch of the Department of Environment and Heritage for comments. The Heritage Branch advised it concurred with the HIA and CMP recommendations and noted as follows:

The scale and bulk of the proposed multi-storeyed (seven, eight and twelve-storey) buildings adjacent the three-storey and two-storey heritage buildings on site will have an adverse impact on the setting and streetscape views of the heritage buildings. It is, however, noted that the design of the buildings in terms of siting, and setbacks follow the Conservation Management Policies for 'New Development' and mitigate the impacts to some extent. The new building adjoining 'Drummond House' to the west has been set back to retain significant streetscape views of the building, while development along South Steyne reinforces the built form along the street.

The Heritage Branch further concluded that the Proponent should submit:

- an archaeological assessment report as part of any future application;
- conservation/restoration works as part of any future application; and
- revised plans addressing the bulk and scale as part of the PPR submission.

As mentioned previously, the Proponent has provided modified plans as part of the PPR submission which proposes to step back the buildings along Wentworth Street to preserve

public domain views to the beach and to enhance views along the street to Drummond House.

The Heritage Branch provided further comments as part of the PPR exhibition. This included recommending conditions relating to archaeological impact mitigation, which are recommended to be attached as 'Advisings' for any future application. In addition, concerns were raised over potential impacts on the Manly Beach Precinct, as follows:

..... give consideration to the cumulative impact of this development on the significance of the broader precinct of Manly Beach in terms of:

- the bulk, scale and massing of the development's presentation to the promenade, beach, South Steyne and associated public domain;*
- views to and from the promenade, beach, and South Steyne and all heritage items in the vicinity of the development, including oblique views as noted by council;*
- overshadowing of the beach, promenade and associated public domain in all daylight hours; and*
- retaining and reinforcing positive characteristics of this streetscape which contribute to the significant setting of the beach and promenade.*

These issues were discussed with the Heritage Branch and it is acknowledged that a reduction in mass of the building form would reduce the potential dominance of the proposal when viewed from the street. This issue has been discussed previously in this report and the department is satisfied that it can be resolved through appropriate modifications and future assessment requirements dealing with separation and articulation.

Department's Position:

The Proponent has adequately addressed the heritage values of the site and mitigation measures to protect retained heritage buildings through the HIA, CMP and the Archaeological Assessment. Further, the Proponent has provided Statements of Commitments, see **Appendix G**, which provide commitments for the preservation of the heritage items and mitigation measures to offset residual impacts.

The Heritage Branch's primary concerns relates to the visual and amenity impacts the proposed development would have on local heritage items, particularly with regard to bulk and scale. These concerns are addressed through the imposition of suitable modifications and future assessment requirements to reduce the proposal's bulk and scale when viewed from the public domain, as was recommended under Section 5.5 of this Report and as reflected in **Modifications B1 and B2 of Appendix F**.

These modifications would require that any future application for the proposal provide for suitable articulation, building separation and extremity treatments (e.g. balconies on corners) to be introduced in order to soften the bulk, improve articulation and provide suitable separation from the heritage items. These modifications will enable a suitably modified building form to be submitted at the development application stage and will ensure the final outcome will be a development that is responsive to its local context.

5.8. Affordable Housing Removal

Public submissions raised concerns that the demolition of the Elsie Hill Building would remove affordable housing from the site as it had been used as a boarding house for many years. The RFW Board advised that the premises had only been used as a boarding house during recent years. Initially, Elsie Hill House was used as a nursing dormitory and offices up until 2001-2002. The Board contends that the premises are not affordable housing. This issue is addressed in further detail by the proponent as part of the assessment at **Appendix T** of the PPR.

Under State Environmental Planning Policy (Affordable Rental Housing) 2009 any use started after 28 January 2000 for affordable housing is excluded from the provisions of the Policy.

Department's Position:

An Affidavit has been provided by the Proponent relating to the manner in which the Elsie Hill Building had begun being used as an affordable housing facility. That statement is further supported by RFW Board documents which indicate that the building was not being utilised for affordable housing as at the relevant date of 28 January 2000. On this basis it is agreed with the Proponent that the facility would not have provided affordable housing as of the relevant date and therefore no further consideration of this issue is required. It is noted that the RFW operation provides a significant public benefit and therefore no additional impost through a requirement for affordable housing should be imposed.

6. CONCLUSION

The department has assessed the merits of the proposal, taking into consideration the issues raised in government authority, special interest group and public submissions, and is satisfied that the impacts have been addressed in the EA and PPR and related documentation (including the Statement of Commitments), recommended modifications to the Concept Plan and future assessment requirements. The department is satisfied that the site is suitable for the proposed development and that the project will provide environmental, social and economic benefits to the locality and region.

The key issues considered in the assessment of the proposal relate to:

- Height, bulk and scale and finished form of the proposal;
- Traffic management and car parking on site; and
- Amenity impacts including minimising overshadowing and view loss.

The key changes which have occurred as a result of the Department's assessment include:

- Provision of a 6m setback to Wentworth Street to retain more of the existing view corridor down Wentworth Street towards Manly Beach;
- A one storey reduction to the RFW (western) building to reduce the overshadowing impact to Manly Village Public School;
- A requirement to further articulate the hotel tower to minimise the scale and form of the tower when viewed from the public domain; and
- A requirement for future applications to demonstrate design excellence in accordance with the Director General's Design Excellence Guidelines.

The department acknowledges that the Royal Far West Centre for Excellence provides a desirable and essential community service for NSW and in order to provide that service requires modern and efficient facilities. It is further acknowledged that the mixed use development proposal will provide the necessary capital for the redevelopment of the site, to construct modern facilities and to potentially provide a long term income stream for the RFW in order to ensure its continued viability.

The department considers that the proposal also offers an opportunity to provide tourist and residential development adjacent to an existing shopping centre suitably serviced with public transport. The proposal meets the objectives of the Metropolitan Plan 2036 and draft Northeast Sub-Regional Strategy.

The height and bulk of the proposed buildings, as modified, are acceptable given the unique opportunities for urban renewal and increased residential densities whilst providing for surety in the future operation of the Royal Far West Centre for Excellence. The modifications to increase the building setback along Wentworth Street will assist in preserving a major portion of the beach/ocean view corridor currently existing along Wentworth Street for existing apartment buildings.

The department is satisfied that the projected dwelling yield of approximately 46 units is an acceptable housing accommodation outcome for this particular site. The department also considers that the limited retail portion of the proposal will not result in unacceptable impact upon the existing retail centres in this locality in the long term.

The proposed Concept Plan is considered appropriate for the following reasons:

- The redevelopment and preservation of, the functions of the Royal Far West Centre for Excellence hospital in a modern and functional new hospital;
- The preservation of the existing local heritage items on the site through their integration into the overall development;
- The proposal will provide for a mixed community, tourist, residential, retail and commercial complex in a recognised commercial centre;

- The proposal will contribute to housing stock in the Manly LGA, in a location which is highly accessible to transport, services, facilities and employment opportunities; and
- The proposal will deliver a new and modern hospital facility to service the wider community needs.

The submitted Concept Plan provides sufficient detail to establish that the future staged development will have a bulk and scale that is appropriate for the locality. The modified development, together with the Proponent's Statement of Commitments, will ensure that the final form of the project will achieve a high quality modern design providing efficient and environmentally sustainable accommodation for Sydney's growing tourist and residential population.

Overall, the benefits of the scheme, construction of a new hospital and educational facility, outweigh any impacts that may occur during the construction and operational phases of the development. The works and final development form and land use mix are considered to be in the public interest.

The Department recommends that the Concept Plan be approved, subject to the modifications and future assessment requirements set out in the attached instrument.

7. RECOMMENDATION

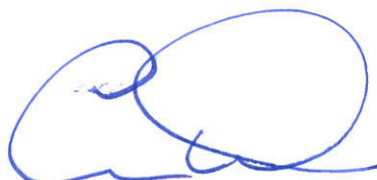
It is recommended that the Planning Assessment Commission, as delegate for the Minister for Planning and Infrastructure:

- consider the recommendations of this Report;
- Approve** the Concept Plan application under the repealed Section 75O of part 3A of the *Environmental Planning and Assessment Act. 1979*, and
- Sign** the attached Instrument of Approval (**Appendix F**).

Endorsed by:



Director 21/12/12
Metropolitan & Regional Projects South



7.1.13

Acting Deputy Director-General
Development Assessment & Systems Performance

APPENDIX A ENVIRONMENTAL ASSESSMENT

See the Department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=4258

APPENDIX B SUBMISSIONS

See the Department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=4258

APPENDIX C PROPONENT'S RESPONSE TO SUBMISSIONS

See the Department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=4258

APPENDIX D CONSIDERATION OF ENVIRONMENTAL PLANNING INSTRUMENTS

SECTION 5 OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

The Minister's consideration and determination of an application under Part 3A must be informed by the relevant provisions of the Act, consistent with the objects of the Act. The Department has considered the Objects of the Act, including the encouragement of ESD in the assessment of the application. The project does not raise significant issues with regards to the Objects under the Act.

Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *the precautionary principle—namely, that if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation. In the application of the precautionary principle, public and private decisions should be guided by:*
 - (i) *careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment, and*
 - (ii) *an assessment of the risk-weighted consequences of various options,*
- (b) *inter-generational equity—namely, that the present generation should ensure that the health, diversity and productivity of the environment are maintained or enhanced for the benefit of future generations,*
- (c) *conservation of biological diversity and ecological integrity—namely, that conservation of biological diversity and ecological integrity should be a fundamental consideration,*
- (d) *improved valuation, pricing and incentive mechanisms—namely, that environmental factors should be included in the valuation of assets and services, such as:*
 - (i) *polluter pays—that is, those who generate pollution and waste should bear the cost of containment, avoidance or abatement,*
 - (ii) *the users of goods and services should pay prices based on the full life cycle of costs of providing goods and services, including the use of natural resources and assets and the ultimate disposal of any waste,*
 - (iii) *environmental goals, having been established, should be pursued in the most cost effective way, by establishing incentive structures, including market mechanisms, that enable those best placed to maximise benefits or minimise costs to develop their own solutions and responses to environmental problems.*

The Department has considered the proposed development in relation to ESD principles and has made the following conclusions:

Precautionary Principle –The site currently occupies the existing RFW buildings and has no evidence of accommodating any habitat.

Inter-Generational Principle – The proposal represents a sustainable use of the site as the redevelopment will utilise existing infrastructure and make more efficient use of the site. The redevelopment of this site will also have positive social, economic and environmental impacts. The location of new residential development on a site with excellent access to public transport will enable residents to make sustainable travel choices which will protect the environment for future generations.

Biodiversity Principle – Following an assessment of the proponent's EA and Preferred Project Report (PPR) document it is considered with appropriate certainty that there is no threat of serious or irreversible environmental damage as a result of the proposal.

Valuation Principle – The valuation principle is more appropriately applied to broader strategic planning decisions and not at the scale of this application. The principle is not considered to be relevant to this particular Concept Plan application.

The Proponent submitted an assessment of the ESD initiatives available to the development, including building materials, methods of heating and cooling, renewable energy and water conservation. It is recommended that a future assessment requirement be imposed which requires the development to incorporate best practice ESD measures. On this basis, the Department is satisfied that the proposal is consistent with the principles of ESD.

SECTION 75I(2) OF THE ACT & CLAUSE 8B OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2000

The Royal Far West Centre for Excellence Major Project is detailed at the Departments website as follows:

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=4258

The DG's report to the Minister for the proposed project satisfies the relevant criteria under Section 75I of the Act as follows:

Section 75I(2) criteria	Response
Copy of the proponent's environmental assessment and any preferred project report.	The Proponent's EA and Preferred Project Report are located on the Department's website address for this project as detailed above.
Any advice provided by public authorities on the project.	A summary of the advice provided by public authorities for the Minister's consideration is set out in Section 4 of this report.
A copy of any report of the Planning Assessment Commission in respect of the project.	No report by the Commission has been required at this time.
A copy of or reference to the provisions of any State Environmental Planning Policy that substantially govern the carrying out of the project.	Each relevant SEPP that substantially governs the carrying out of the project is identified within this Appendix below.
Except in the case of a critical infrastructure project – a copy of or reference to the provisions of any environmental planning instrument that would (but for this Part) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project under this Division.	An assessment of the development relative to the prevailing environmental planning instrument is provided below in this Appendix.
Any environmental assessment undertaken by the Director General or other matter the Director General considers appropriate.	The environmental assessment of the project application is this report in its entirety.
A statement relating to compliance with the environmental assessment requirements under this Division with respect to the project.	In accordance with section 75I of the EP&A Act, the department is satisfied that the Director-General's environmental assessment requirements have been complied with.

The DG's report to the Planning Assessment Commission (Delegate of the Minister for Planning and Infrastructure) for the proposed project satisfied the relevant criteria under Clause 8B of the EP&A Regulation as follows:

Clause 8B criteria	Response
An assessment of the environmental impact of the project.	An assessment of the environmental impact of the proposal is discussed in Section 5 of this report.
Any aspect of the public interest that the Director-	The public interest is discussed in

General considers relevant to the project.	Section 5 of this report.
The suitability of the site for the project.	The site is considered to be suitable for this redevelopment for the reasons set out in Section 5 of this Report.
Copies of submissions received by the Director-General in connection with public consultation under Section 75H or a summary of the issues raised in those submissions.	A summary of the issues raised in the submissions is provided in Section 4 of this report and the public submissions are available at Appendix B .

ENVIRONMENTAL PLANNING INSTRUMENTS (EPIs)

To satisfy the requirements of Section 75I(2)(d) and (e) of the Act, this report includes references to the provisions of the environmental planning instruments that govern the carrying out of the project and have been taken into consideration in the environmental assessment of the project.

The primary controls guiding the assessment of the proposal are:

- State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004;
- State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development;
- State Environmental Planning Policy (Major Development) 2005 and
- Manly Local Environmental Plan 1988.

Other controls to be considered in the assessment of the proposal are:

- State Environmental Planning Policy (Infrastructure) 2007
- State Environmental Planning Policy 55- Remediation of Land

The provisions of development standards of local environmental plans are not required to be strictly applied in the assessment and determination of major projects under Section 75R Part 3A of the Act. Notwithstanding, the objectives of the above EPIs, relevant development standards and other plans and policies that govern the carrying out of the project are appropriate for consideration in this assessment in accordance with the DGRs.

State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004

SEPP - BASIX aims to establish a scheme to encourage sustainable residential development across New South Wales. The current targets of BASIX for Residential Flat Buildings commenced on 1 July 2006 and require all new residential dwellings in NSW to meet targets of a 20% reduction in energy use and 40% reduction in potable water.

It is noted that the proposal is a Concept Plan only and that fine detail analysis of BASIX requirements would normally be undertaken at a future project application stage. Hence, the Proponent has not provided BASIX certificate documentation but a report prepared by Urbis Pty Ltd, a member of Green Building Council Australia, on ecological sustainability of the concept proposal has concluded that:

“Although the legislation does not apply at the concept stage, many of the concepts and principles of multi unit BASIX have been considered in the plans and this ESD report and the proposed GBCA Green Star target should exceed the requirements of BASIX”

On the basis of this advice it is considered that the subject proposal is likely to comply with BASIX requirements.

State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development and the Residential Flat Design Code

SEPP 65 seeks to improve the design quality of residential flat development through the application of a series of 10 design principles. An assessment against these principles is given in the below table.

Although only a concept plan, a SEPP 65 Architectural Design Statement have been provided by Architectus Group Pty Ltd. The Statement outlines that the proposal has been designed having respect to the design quality principles.

Key Principles of SEPP 65	Department Response
Principle 1: Context	The site is located within an established area. Although buildings proposed are taller and bulkier than those in the immediate area, the buildings have been designed and setback in a manner that respects the context of its surrounds. The proposed buildings would not have unreasonable impacts on the amenity of surrounding development or the natural features of the locality
Principle 2: Scale	The proposed buildings will be slightly higher than immediately surrounding development, i.e Sebel Hotel and Peninsula Apartments. To minimise impacts on the character of the locality, the scheme has been designed to incorporate a range of heights between 5 and 9 storeys with the highest element positioned centrally on the site for the hotel. The size of the subject site together, with the transition of building heights across the site, will ensure that the overall development scale does not directly conflict with the established built character of this locality. The majority of the surrounding lands are residential or commercial/retail in nature.
Principle 3: Built Form	The scale of the buildings are similar to that of the surrounding built form of Manly Village. The proposed redevelopment of the site will not significantly alter the overall character of the village. The new building envelopes allow for a variety in building articulation to provide high levels of amenity for future residents and maintain reasonable view corridors for neighbouring properties.
Principle 4: Density	The site is located within an established commercial village precinct with mid-rise residential housing. The development has been designed to accommodate a mix of uses commensurate with the village style zoning. The density of the development will be slightly greater than that envisaged for the site by Manly Council, however, the building layout and proposed traffic/parking arrangements ensures that the additional density will have minimal impact upon the locality. Additionally, the residential housing will have excellent access to infrastructure, public transport, community facilities and environmental quality along the beachfront.
Principle 5: Resource, Energy and Water Efficiency	The Proponent has designed the Concept Plan to maximise solar access and natural ventilation opportunities to reduce reliance on artificial heating and cooling. A future assessment requirement has also been recommended to require ESD measures be incorporated into the future design, construction and operation of the development.
Principle 6: Landscape	The Concept Plan landscaping proposal accepts that the site proximity to public open space, including the Manly Beach/promenade and Manly Village Public School grounds provide additional landscaped outlooks from the complex. Internally landscaped areas have been provided as outdoor play area for the Centre for Excellence as well as between the proposed residential apartments and the hotel complex. The level of landscaping proposed is considered to be acceptable for this form of development in a locality with great public domain benefits.
Principle 7: Amenity	The development would not result in any loss of solar access to surrounding residential development and will not result in unreasonable privacy or view loss impacts, see section 5 of the

	main report. The new development will be able to comply with SEPP 65 Design Quality of Residential Flat Development principles and the Residential Flat Design Code guidelines. The Concept Plan demonstrates that a range of unit sizes are proposed. All units are capable of attaining appropriate room dimensions and layouts to comply with the RFDC.
Principle 8: Safety and Security	The proposal has been designed to activate the street frontages along Wentworth Street and South Steyne. The retail component along South Steyne and residential apartments above, will all provide passive surveillance to the street and communal open areas, including Manly Beach/Promenade. The generous 6 metre setback along Wentworth Street provides opportunity for active recreational/dining operations to occur which will enliven this street and provide for open surveillance of the locality. External lighting will be required to ensure adequate pedestrian safety is achieved. The residences will have secure access arrangements in place and buildings are designed in a manner to minimise potential dark non visible areas.
Principle 9: Social Dimensions and Housing Affordability	The redevelopment of the Royal Far West site will provide additional diversity of housing mix within the Manly LGA. The introduction of various sized units will provide increased housing choice for the local population.
Principle 10: Aesthetics	The building envelopes have been designed to include a range of varied and complimentary materials.

An assessment of the proposal against the Residential Flat Design Code can be found at **Section 5** of the DG report. This assessment indicated that there are minor non-compliances with building separation and building/dwelling depth which are achievable through minor design modifications as part of any future development application.

State Environmental Planning Policy (Major Development) 2005

The *Major Development SEPP* applies to the project as discussed in **Section 3** of this report.

Manly Local Environmental Plan 1988

The MLEP1988 applies to the project as discussed in **Section 3** of this report. The mixed use form of development proposed is partly prohibited on the subject land which is zoned Special Uses 5A although any works associated with the Centre for Excellence hospital/education functions would be permissible. No other provisions of the MLEP1988 directly relate to the subject development

The MLEP1988 has no height or floor space controls relating to the Special Uses 5A zoning. Manly Council has, however, adopted Development Design Guidelines for this particular site in October 2011. The proposal does not conform with these guidelines with a greater FSR and height than that recommended, as discussed in section 3 and 5 of the main report.

The issues of FSR and height are addressed in the consideration of the overall bulk and scale of the proposal and the appropriateness of the development within the context of the surrounding area is discussed in **Section 5.5** of this report.

Draft Manly Local Environmental Plan 2011

Draft Manly Local Environmental Plan 2011 finished public exhibition on the 29 June 2012. At the time of preparation of this report the Draft Plan has been forwarded to the Department for final determination under section 68 of the Act. It is noted that the subject land is proposed to be zoned B2 "Local Centre" and the proposed mixed use development would be generally consistent with the objectives of the zoning:

- *To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.*

- *To encourage employment opportunities in accessible locations;*
- *To maximize public transport patronage and encourage walking and cycling.*

The Local Centre zoning would prohibit the majority of the land uses associated with the Concept Plan, including “*business premises*”, “*restaurants or cafes*”, “*hotels*”, and “*residential accommodation*”. It is also noted that the existing “*hospital*” operation would be a prohibited use under the Draft Plan whilst “*medical centres*”, “*veterinary hospitals*” and “*health consulting rooms*” would be permitted. In some instances land uses may be contended to be part of alternative land use definitions permitted under the Local Centre zoning, including “*commercial premises*”, and “*shop top housing*”.

In order to operate the proposed land uses the Proponent would rely on the land uses identified at section 8.2 of the Preferred Project Report, dated August 2012, as part of any approval for the Concept Plan proposal, although, this list is not exhaustive for a site which is within a prime seafront location. Any approval of the Concept Plan would provide for development of the site in accordance with the building envelope form proposed, subject to any design modifications recommended conditionally, and to accommodate the proposed land uses identified within the Concept Plan and PPR.

The Draft Plan also sets down a maximum floor space ratio of 3.0:1 and a height envelope control similar in nature to Council’s adopted RFW Urban Design Guidelines 2011.

Notwithstanding that the proposal would have prohibited uses and exceed the FSR and height controls, the proposal may be considered under the transitional Part 3A provisions of the Act.

COMPLIANCE WITH OTHER CONTROLS

State Environmental Planning Policy (Infrastructure) 2007

Schedule 3 of the SEPP requires referral of applications for traffic generating development to the Roads and Traffic Authority (now the Roads and Maritime Services- RMS) for concurrence. The proposed works are not defined as traffic generating development. The proposal was referred to the RMS who raised no concern with proposal subject to the provision on site of bicycle parking and share car arrangements which would be reflected in a Workplace Travel Plan (WTP) and/or Travel Access Guide (TAG).

The preferred proposal adequately responds to the issues raised by the RMS and will be further responded to as part of the final Construction Traffic Management Plan and Travel Access Guide to be required as part of any future development application (see **Future Assessment Requirement 3, 8 and 15**). These Plans are to be finalised prior to the issuing of any development consent for any future stage of the development.

State Environmental Planning Policy 55- Remediation of Land

The SEPP requires the preparation of a report that specifies the findings of a preliminary investigation of the land concerned. The EA was accompanied by a *Phase 1 – Contamination Report* prepared by Douglas Partners.

The Report general findings were:

“Whilst most of the identified potential contamination issues are only likely to have resulted in localised and/or easily remediated impacts (e.g. off-site disposal of any impacted soils), USTs that have leaked can have more significant impacts..... The impact may be limited by time and the expected tidal flushing of groundwater.

..... As the proposal is in its conceptual stage, it is considered appropriate for the intrusive investigation to be undertaken at the project application stage.”

The Report concluded that the site is considered to be suitable for the proposed development subject to:

- Intrusive investigation to obtain data on the contaminant concentrations at the areas of potential environmental concern identified in Section 7 (of their report); and
- Based on the results of the intrusive investigation, if required, remediation of the site to meet the requirements of the proposed land use.

A future assessment requirement has therefore been imposed, requiring compliance with the recommendations as stated within the report (see **Future Assessment Requirement 13**).

APPENDIX E POLITICAL DONATION DISCLOSURES

See the Department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=4258

APPENDIX F RECOMMENDED CONDITIONS OF APPROVAL
