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Planning changes provide a boost for the St Leonards CBD

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The St Leonards CBD has been targeted as a major business hub under new planning controls which are forecast to trigger significant development opportunities in the next property cycle.

The new Local Environment Plan (LEP) for St Leonards has been in the design phase for the past three years to meet NSW Department of Planning requirements for a standardisation of all council LEP's throughout NSW. Consent from the Department for the St Leonards LEP to go on final public exhibition is now imminent.

CB Richard Ellis Senior Director Brett Burridge said the LEP proposed significant changes to planning controls within the St Leonards commercial centre which should provide a real stimulus for increased development activity when the property cycle turned.

"This could well be the impetus that St Leonards needs to really establish itself as a major business centre," Mr Burridge said.

"We have seen with landmark projects such as the Forum and Space 207, both completed in the last "boom" phase of the cycle, that there is no shortage of demand from major user groups, provided St Leonards can deliver high quality buildings. Major corporates including Toyota Finance, Hutchison Telecommunications, UBS and Verizon all leased significant space in those projects."

Under the new LEP, the commercial area encompassed within the Lane Cove municipal boundaries has been divided into four blocks. Each block has a separate set of objectives, for example:

- Block 1 - Land between Pacific Highway Berry Road and Marshall Avenue
"To provide a gateway marker for St Leonards from the west with new development that achieves design excellence."
- Block 2 - Land between Pacific Highway, Lithgow Street and Christie Street
"To create a distinctive character onto Pacific Highway and the "heart" of the Southern side of St Leonards".

Block 3 - Land between Pacific Highway Nicholson Street and Christie Street
"To provide design excellence and iconic new development to mark the entry to St Leonards".

Block 4 - Land between Nicholson Street and Christie Street
"To provide improved amalgamation opportunities for development"

Under the St Leonards strategy adopted in 2006 by the three "stakeholder" councils - North Sydney, Willoughby and Lane Cove - Mr Burridge said one of the main objectives had been to promote opportunities for St Leonards to develop further as a "major employment centre for knowledge-based industries".

This strategy was also articulated under the NSW Department of Planning's Metropolitan strategy for Sydney, which was launched in 2006 as a plan for the future growth of Sydney for the next 25 years.

To achieve this, Lane Cove Council's strategic planners had, among other initiatives, proposed some substantial increases to both building height and Floor Space Ratio (FSR) controls under the new LEP in an endeavour to promote new development once the economic climate improved and new construction projects became feasible.

In Block 3, for example, the planners are proposing the introduction of height limits on some sites up to 72 metres (20 storeys) and FSR's up to 17:1. This will more than triple the potential floor space of even the largest existing buildings within this block.

"How long it will take before we see new construction is anybody's guess, but already some of the major players are beginning to put sites together, with Leighton and Winten, both experienced hands in the St Leonards market, having commenced aggregating sites in the last 12 months," Mr Burridge said

"The Lane Cove Council is to be commended for its vision in providing realistic incentives for new development to occur when the market turns."

Mr Burridge said St Leonards had much to offer as a business location with excellent public transport, including a new railway station, and substantial retail infrastructure, which had been completed as part of the Forum development. In addition, the lower north shore CBD was at the centre of a substantial residential catchment with a high socio-economic profile. The market was also very accessible to both the Sydney CBD and the airport.

"St Leonards also offers a competitive rental advantage, in the order of 15%, especially when parking is included in the equation, to its "big brother" North Sydney, a couple of kilometers to the south," Mr Burridge said.

"In addition, the Royal North Shore Hospital and its progressive redevelopment, will continue to have a massive influence on the area, both as a source of employment and by creating a spin off in demand for associated users."

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