

**Item No:** C1216 Item 6  
**Subject:** 67 - 73 LORDS ROAD, LEICHHARDT - PLANNING PROPOSAL PUBLIC EXHIBITION

**File Ref:** 16/4718/135319.16

**Prepared By:** Roger Rankin - Team Leader Strategic Planning, Leichhardt

**Authorised By:** Phil Sarin - Director, Planning and Environment

### **SUMMARY**

The Planning Proposal to rezone 67-73 Lords Road, Leichhardt from light industry to residential and to increase the FSR to 2:4:1 has been placed on exhibition by the Sydney Central Planning Panel (SCPP) - formerly the Joint Regional Planning Panel (JRPP). The closing date for submissions on the Planning Proposal is Wednesday 21 December 2016. The former Leichhardt Council opposed this Planning Proposal when it was submitted back in 2014 and the current exhibited proposal is effectively unchanged. The Council's original concerns remain and changing circumstances since 2014 plus Gateway Review Recommendations and Gateway Determination conditions that have not been addressed in the exhibited proposal have added to these concerns.

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### **RECOMMENDATION**

#### **THAT COUNCIL:**

- 1. Note that the Planning Proposal to rezone 67-73 Lords Road, Leichhardt from IN2 Light Industrial to R3 Medium Density Residential and increase the maximum permissible floor space ratio (FSR) from 1:1 to 2.4:1 has been placed on public exhibition by the (SCPP); and**
- 2. Endorse the attached draft submission (Attachment 3) which strongly objects to the Planning Proposal and recommends that the SCPP not support the proposal.**
- 3. Requests the SCPP to extend the public exhibition of the Planning Proposal by a further 28 days given the timing of the exhibition period.**
- 4. Request the Sydney Central Planning Panel as relevant planning authority holds a hearing on the issues raised in this submission under section 57(5) of the Environmental Planning and Assessment Act 1979 No 203.**

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### **BACKGROUND**

#### **1.0 PROPOSAL**

The Planning Proposal seeks to amend the Leichhardt Local Environmental Plan 2013 and Leichhardt Development Control Plan 2013 as follows:

- Rezoning from Industrial (IN2) to Medium Density Residential (R3).
- An uplift in FSR from 1:1 to 2.4:1.
- Site to accommodate 315 units in four (4) residential blocks ranging in height from four (4) storeys to eight (8) storeys.
- Create a one way, shareway through the site from Lords Road to Davies Lane.
- Establish a separate basement parking entrance and exit off Lords Road.
- Create a central communal open space area.
- Include childcare centre and café uses.

A Voluntary Planning Agreement offer was included in the original proposal, but is not a part of this exhibited proposal.

## **2.0 KEY ISSUES**

The key concerns with the proposal are summarised below:

- Recent rezonings, Parramatta Road Urban Transformation Strategy (PRUTS) and WestConnex will result in the loss of 85.3% of the Leichhardt LEP area's industrial land supply. The proposal would lead to loss of an important local industrial precinct and jobs when the Greater Sydney Commission draft District Plan advocates a precautionary approach to the protection of industrial land for urban services. The former Leichhardt Council's recent industrial land studies demonstrate that Lords Road should be retained as an industrial precinct. The exhibited proposal's Industrial Rezoning Economic Justification is dated October 2013 and does not take account of any of these matters.
- The site is identified in the PRUTS for rezoning to residential and a higher FSR, but the exhibited proposal does not meet the detailed requirements of the PRUTS Planning and Design Built Form Guidelines.
- The PRUTS Implementation Plan 2016 - 2023 has a requirement that a Taverners Hill precinct wide traffic study and supporting modelling should be completed before any rezoning is commenced and that this study will identify road improvements that a rezoning project should provide. This work has not been done so this proposal is premature.
- The proposal does not fully comply with the PRUTS Implementation Plan 2016 - 2023 "Out of Sequence" Checklist for Planning Proposals in the PRUTS corridor that come forward prior to publication of new Local Environmental Plan controls for the corridor.
- The JRPP Gateway Review recommended that if exhibited the proposal should demonstrate compliance with the Apartment Design Guide (ADG). The exhibited proposal does not comply with a number of requirements of the ADG and also the proposed Development Control Plan, the related Concept Design Report and other supporting material obfuscate a number of other design matters so that it is impossible to establish with confidence that these elements would comply with the ADG.
- The site is affected by High Hazard Category flooding and the exhibited proposal has not addressed this issue adequately.
- The PRUTS, the Greater Sydney Commission District Plans and the Inner West draft Council Affordable Housing Strategy (due to be considered by Council for adoption on 6 December 2016) set higher targets for affordable rental housing provision in perpetuity, especially for very low and low income households compared to the 5% for 10 years in the exhibited proposal, which would only be affordable for the very top of the moderate household income band. The proposal should provide at least 15% of its units in perpetuity as genuinely affordable rental units for very low and low income households as defined in the Affordable Rental Housing State Environmental Planning Policy (SEPP).
- Changes to the WestConnex alignment will significantly increase traffic in the neighbourhood, especially on Tebbutt Street into which Lords Road traffic feeds. The exhibited proposal does not address this issue.
- The lack of provision for definite contributions to the cost of local, PRUTS and Greater Sydney Commission District Plan infrastructure.

## **3.0 BACKGROUND INFORMATION**

67 - 73 Lords Road, Leichhardt is one of the most important local industrial precincts left in the former Leichhardt Council LGA. It is one of few remaining locations that can accommodate local urban services and it houses approximately 30 businesses with around 60 employees.



SGS established as part of their 2014 Industrial Land Study for Leichhardt Council that it was earning the owner double the average rental levels of other industrial properties in the LGA.

The former Council resolved in August 2014 (C263/14) to not support this proposal for the following reasons:

- a. *in the context of persistent demand and a low and decreasing supply of industrial land, a rezoning would dilute Councils ability to provide sufficient industrial land to accommodate demand; and*
- b. *the Planning Proposal is inconsistent with s.117 Direction 1.1 Business and Industrial Zones on the following grounds:*
  - i. *the Planning Proposal is not justified by relevant strategies in relation to the retention of employment lands, including the Draft Metropolitan Strategy for Sydney to 2031 and the Draft Inner West Sub-regional Strategy.*
  - ii. *the Planning Proposal is not adequately justified by an economic study prepared in support of the Planning Proposal*
  - iii. *loss of this employment land would be of substantial significance to the local government area's employment land supply.*
- c. *the proposed rezoning would result in a net loss of jobs in the local government area*
- d. *the proposed rezoning would result in the loss of an economically viable employment lands precinct containing local services, light industrial and other non-industrial activities which contribute to the diversity of the economy, community activities and employment opportunities*
- e. *the proposal does not have merit when assessed against the criteria established by the Leichhardt Employment and Economic Development Plan 2013-2023*
- f. *the Planning Proposal is not supported by an appropriate Net Community Benefit Test as it does not address the wider issue of cumulative loss of employment lands in the local government area*
- g. *the Planning Proposal is not supported by an adequate, comprehensive Social Impact Assessment*
- h. *the proposed zoning of R3 Medium Density Residential is inconsistent with the Draft Metropolitan Strategy for Sydney to 2031, Appendix D: Glossary of Terms as it relates to R3 Medium Density Residential. The proposed building heights and residential density are, instead, consistent with the R4 High Density Residential Zone which is not included in the Leichhardt Local Environmental Plan 2013.*
- i. *the proposed Floor Space Ratio and building heights would result in unacceptable amenity impacts on the local area including:*
  - i. *overlooking of Davies Street properties,*
  - ii. *inadequate location and quantity of common and private open space*
  - iii. *visual impact from the bulk and scale of buildings*
  - iv. *overshadowing of open space areas*
  - v. *inconsistency with the local character*
- j. *the Planning Proposal proposes that 15.8% of the site be communal open space and therefore does not meet the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code which requires the provision of 25-30% of the site for communal open space*

- k. the Planning Proposal is not consistent with Section 3.3.3 (Clause 3.3.1) of the Leichhardt Affordable Housing Strategy (2011) which seeks a 10% affordable housing contribution*
- l. the proposed reduction in the width of existing streets to accommodate public domain works is unacceptable*
- m. the proposed one-way share way vehicular movement system would result in an unacceptable number of vehicle movements in Davies Lane*
- n. the proposal would result in significant additional traffic impacts, particularly in relation to intersections, which have not been adequately addressed in the supporting studies*
- o. the Planning Proposal does not adequately address the strategic context of major NSW State government projects including:
  - i. Bays Precinct Urban Renewal*
  - ii. Parramatta Road Urban Renewal*which may result in further, significant loss of employment land and an increased demand for non-residential goods and services arising from a growing population in the inner west*
- p. Council has not been provided with adequate information to be satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55 Remediation of Land.*
- q. the Planning Proposal does not address issues associated with the proposed WestConnex Motorway including:
  - i. traffic generation*
  - ii. location of air quality stacks*
  - iii. location of motorway entry and exit portals**

The background for some of these points has changed and the key issues summary in Section 2.0 now incorporates the Inner West Council's position on this proposal. A copy of the Leichhardt Council 2014 report is, however, attached for information (**Attachment 2**) as most of the important assessment points remain the same.

In September 2014 the proponent requested a Pre-Gateway Review (PGR) from the NSW Department of Planning and Environment (the Department). The Department referred the PGR to the Sydney East Joint Regional Planning Panel (JRPP) for advice. In October 2015 Council made a submission to the PGR process opposing the proposed rezoning on the same grounds it had for not supporting the Planning Proposal.

In December 2015, the JRPP made a formal recommendation to the Department that the Planning Proposal should be submitted for a Gateway Determination. The JRPP that reviewed the Planning Proposal had 5 members and the Panel made a majority decision with 2 members voting against the recommendation. One opposed the recommendation on the grounds that industrial land should be retained and the other on the grounds that as the Parramatta Road Urban Transformation Strategy was still in draft form the rezoning would be premature.

The JRPP also advised that the Planning Proposal should be updated to:

- demonstrate consistency with the Parramatta Road Urban Transformation Strategy;*
- include a satisfactory arrangements provision for contributions to State public infrastructure designated under the Parramatta Road Urban Transformation Strategy;*
- and*

- *demonstrate that the proposed controls enable a development that complies with the Apartment Design Guide and does not significantly impact the amenity of the surrounding low density residential neighbourhood, consistent with the Panel's recommendation.*

Council's opposition to the loss of industrial land was supported by an SGS Industrial Land Study, which had been partly completed by August 2014. This Industrial Lands Study was finalised and approved by Council in February 2015. It was then submitted to the PGR process prior to the JRPP's consideration of the Planning Proposal.

In February 2016 the Department informed Leichhardt Council that it had decided to refer the Planning Proposal for a Gateway Determination after having considered the JRPP recommendation and Council's advice. The Department also asked Council if it wished to be the Relevant Planning Authority (RPA) for the proposal.

Council resolved on 23 February 2016 (C44/16) to decline this invitation and on 23 May 2016 the Department appointed the JRPP as the RPA.

The December 2015 recommendation of the JRPP that the Planning Proposal should be submitted for a Gateway determination was made in advance of the completion of the second stage of the SGS Leichhardt Industrial Precinct Planning work and its consideration by Council. An interim report was presented to the former Leichhardt Council in April 2016 and the final document in May 2016.

On 20 July 2016 Inner West Council received a Gateway Determination from the Department's Deputy Secretary that he as the delegate of the Greater Sydney Commission (GSC) had determined that the Planning Proposal should proceed to public exhibition, subject to a number of conditions.

These conditions included exhibition requirements, a timeframe and the following specific issues:

1. *Prior to public exhibition, the planning proposal is to be updated to:*
  - a) *address the social impact of the proposal, including consideration of the capacity of existing, and future need for affordable housing, education, health and emergency services;*
  - b) *demonstrate consistency with s.117 Direction 4.1 Acid Sulfate Soils and Direction 4.3 Flood Prone Land; and*
  - c) *include current and proposed Land Zoning and Floor Space Ratio maps (in accordance with the Standard Technical Requirements for Spatial Datasets and Maps).*
  - d) *include a satisfactory arrangements provision for contributions to designated State public infrastructure identified as part of a draft or final strategic planning review for the Parramatta Road corridor.*
2. *Prior to finalisation the planning proposal is to be amended to demonstrate consistency with any available findings of a draft or final strategic planning review for the Parramatta Road corridor.*

Council requested a Post Gateway Review on the following grounds:

- *After the Planning Proposal was referred to the Gateway Process in February 2016 the former Leichhardt Council completed and adopted (C04/15P) its Industrial Precincts Planning Study, which provided clear evidence as to why all the industrial land should be retained with an industrial zoning.*

- *The Draft Parramatta Road Urban Transformation Strategy was still not finalised and consequently this Planning Proposal remained premature.*
- *The Greater Sydney Commission was preparing the Draft District Plan for the area and initial indications from joint workshops with the GSC were that protection of existing industrial land would be a critical element of the District Plan.*
- *The Gateway Determination conditions did not include a requirement for provision of an updated economic impact assessment, despite requiring such updates for affordable housing, education, health and emergency services.*

The GSC now has responsibility for deciding Gateways and Gateway Reviews and Council considered it or its delegate the NSW Department of Planning & Environment should alter the Determination to one where the Planning Proposal should not proceed past the Gateway.

The Department of Planning & Environment rejected the Council's request for the Gateway Review on the basis that Council had declined to be the Relevant Planning Authority. Advice was received that there were no grounds for challenge on this policy decision.

The current Planning Proposal is essentially the same as the one that was not supported by Council in 2014. There are some minor updates of the proposal that partly, but inadequately, reflect the recommendations of the Gateway Determination and the JRPP recommendation. Overall, however, the exhibited proposal is the same as the version submitted in 2014 and many of the supporting documents were prepared in 2013. The proposal is out of date in terms of how circumstances in the area have changed since 2013 and premature in that it does not address these changes or the requirements of the PRUTS and the draft Central District Plan.

#### **FINANCIAL IMPLICATIONS**

Nil.

#### **OTHER STAFF COMMENTS**

Nil.

#### **PUBLIC CONSULTATION**

The Sydney Central Planning Panel is the relevant planning authority for this Planning Proposal (previously the JRPP) and is responsible for its public exhibition. Local residents were notified of the key points of this report in advance of the 6 December Council meeting.

As outlined previously, submissions on the Planning Proposal are due by Wednesday 21 December 2016. Given the timing of the exhibition of the proposal leading up to the Christmas/New Year period it is recommended that the Council request the SCPP to extend the exhibition period by a further 28 days. Most councils have notification policies which require an extended notification period during this time of the year so it would be reasonable to expect a major proposal of this type to also be subject to a similar process.

The exhibited Proposal is unacceptable from both a strategic and site specific perspective. The Proposal is premature in relation to the Parramatta Road Urban Transformation Strategy (PRUTS), draft Central District Plan and Council policies and studies. It cannot be assessed properly because of a lack of accurate information and because of its inconsistent, badly presented design documents. Most of the supporting information has not been updated since submission of the original proposal to Council in 2014. As a consequence the Sydney Central Planning Panel as relevant planning authority is requested to hold a public hearing on the issues raised in this submission under section 57(5) of the Environmental Planning and Assessment Act 1979 No 203

## **CONCLUSION**

A detailed draft submission to the exhibition of the Planning Proposal has been prepared and is attached. This submission continues to express Council's strong opposition to this proposal and includes, among many other matters, the following points:

- Inadequate response to previous issues raised by the former Leichhardt Council, which remain relevant.
- No updated economic impact assessment.
- No updated details in response to the PRUTS.
- Poor interface with the character of the area and compatibility with surrounding heritage items.
- Non-compliance with the requirements of the Apartment Design Guide.
- Inadequate response to Acid Sulphate Soils and Flood Prone Land concerns.
- The site's feasibility in relation to electricity, drainage and maintenance easements for the adjacent light rail corridor.
- Inadequate response to current affordable housing requirements.
- Significant concerns regarding traffic, transport and parking, which have not been updated.

The exhibited proposal is unacceptable from both a strategic and site specific perspective and is premature in relation to the PRUTS, draft Central District Plan and Council policies and studies. It cannot be assessed properly because of a lack of accurate information and because of its inconsistent, badly presented design documents. Most of the supporting information has not been updated since submission of the original proposal to Council in 2014.

The Planning Proposal has not complied with or fully addressed Gateway recommendations and conditions and continues to be one that will lead to an unacceptable loss of industrial land and an overdevelopment of the site with serious impacts on the amenity of the surrounding area.

It is therefore recommended that Council reinforce its strong opposition to the proposal and forward the attached submission to the Sydney Central Planning Panel for consideration.

## **ATTACHMENTS**

1. Gateway Determination
2. Council's Report of 26 August 2014
3. Submission
4. Submission Cover Letter





Ms Vanessa Chan  
Interim General Manger  
Inner West Council  
Leichhardt Service Centre  
7-15 Wetherill Street  
Leichhardt NSW 2040

Our ref: PP\_2016\_LEICH\_002\_00 (16/06383)

Dear Ms Chan

**Planning Proposal (PP\_2016\_LEICH\_002\_00) to amend *Leichhardt Local Environmental Plan 2013* to rezone land and amend floor space ratio control at 67-73 Lords Road, Leichhardt.**

I am writing with regard to the request for a Gateway determination under section 56 of the *Environmental Planning and Assessment Act 1979* by Sydney East Joint Regional Planning Panel as the Relevant Planning Authority in respect of the planning proposal to rezone land and amend the floor space ratio control at 67-73 Lords Road, Leichhardt.

As delegate of the Greater Sydney Commission, I have now determined that the planning proposal should proceed subject to the conditions in the attached Gateway determination.

I can advise that, on 23 May 2016, the Secretary of the Department of Planning and Environment appointed the Sydney East Joint Regional Planning Panel as the Relevant Planning Authority to progress this matter.

Should you have any queries in relation to this matter, I have arranged for Andrew Watkins of the Department's Sydney Region East office to assist you. Mr Watkins can be contacted on 02 9228 6558.

Yours sincerely



Marcus Ray  
Deputy Secretary  
Planning Services

14/07/2016  
End: Attachment 1 – Gateway determination





## Gateway Determination

*Planning proposal (Department Ref: PP\_2016\_LEICH\_002\_00): to rezone land from IN2 Light Industrial to zone R3 Medium Density Residential and amend floor space ratio controls at 67-73 Lords Road, Leichhardt.*

I, the Deputy Secretary, Planning Services at the Department of Planning and Environment, as delegate of the Greater Sydney Commission, have determined under section 56(2) of the *Environmental Planning and Assessment Act 1979* that an amendment to the *Leichhardt Local Environmental Plan 2013* to rezone land from IN2 Light Industrial to R3 Medium Density Residential, and increase the maximum permissible floor space ratio from 1:1 to 2.4:1 at 67-73 Lords Road, Leichhardt should proceed subject to the following conditions:

1. Prior to public exhibition, the planning proposal is to be updated to:
  - (a) address the social impact of the proposal, including consideration of the capacity of existing, and future need for affordable housing, education, health and emergency services;
  - (b) demonstrate consistency with s.117 Direction 4.1 Acid Sulfate Soils and Direction 4.3 Flood Prone Land; and
  - (c) include current and proposed Land Zoning and Floor Space Ratio maps (in accordance with the Standard Technical Requirements for Spatial Datasets and Maps).
  - (d) include a satisfactory arrangements provision for contributions to designated State public infrastructure identified as part of a draft or final strategic planning review for the Parramatta Road corridor.
2. Prior to finalisation, the planning proposal is to be amended to demonstrate consistency with any available findings of a draft or final strategic planning review for the Parramatta Road corridor
3. Community consultation is required under sections 56(2)(c) and 57 of the *Environmental Planning and Assessment Act 1979* as follows:
  - (a) the planning proposal must be made publicly available for a minimum of **28 days**; and
  - (b) the relevant planning authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in section 5.5.2 of *A Guide to Preparing Local Environmental Plans* (Department of Planning & Infrastructure 2013).

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4. Consultation is required with the following public authorities:

- Roads and Maritime Services;
- Department of Education;
- NSW Health;
- Department of Family and Community Services;
- Housing and Community Services;
- Ambulance Service of NSW;
- NSW Police Force;
- Fire and Rescue NSW;
- Sydney Water;
- Energy Australia;
- Environment Protection Agency; and
- Urban Growth NSW.

Each public authority is to be provided with a copy of the planning proposal and any relevant supporting material, and given at least 21 days to comment.

Should any of the public authorities require any additional information, or specify any additional matters to be addressed, the planning proposal is to be updated to respond to any such submission, a copy of which is to be included with the updated planning proposal.

5. A public hearing is not required to be held into this matter by any person or body under section 56(2) (e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).
6. The time frame for completing the Local Environmental Plan is to be **12 months** from the week following the date of the Gateway determination.

Dated *14<sup>th</sup>* day of *July* 2016.



Marcus Ray  
Deputy Secretary  
Planning Services  
Department of Planning and Environment

Delegate of the Greater Sydney Commission

LEICHHARDT PP\_2016\_LEICH\_002\_00 (16/06383)

**PLANNING PROPOSAL 67 - 73 LORDS ROAD, LEICHHARDT**

<b>Division</b>	Environment and Community Management
<b>Author</b>	Manager – Environment and Urban Planning Team Leader - Strategic Planning Willana Planning Consultants
<b>Meeting date</b>	26 August 2014
<b>Strategic Plan Key Service Area</b>	A Sustainable Environment Sustainable Services And Assets Community Well-Being Place Where We Live And Work

**SUMMARY AND ORGANISATIONAL IMPLICATIONS**

<b>Purpose of Report</b>	The purpose of this report is to provide Council with: 1. Background to 67 – 73 Lords Road, Leichhardt landowner’s request that Council prepare a Planning Proposal to amend <i>Leichhardt Local Environmental Plan 2013</i> by rezoning the site from IN2 – Light Industrial to R3 –Medium Density. 2. An assessment of the merits of the proponent’s Planning Proposal for the proposed LEP amendment and a recommendation as to whether Council should support the making of this amendment.
<b>Background</b>	Pre-Planning Proposal submission meetings were held with Council Officers and the proponents on a number of occasions between 2012 and the lodgement of the Planning Proposal request in 2014. At these meetings, the proponent sought advice from Council Officers regarding the specialist reports that would be required to support the rezoning request.
<b>Current Status</b>	The owner of 67 – 73 Lords Road, Leichhardt has requested that Council prepare a Planning Proposal for an amendment to <i>Leichhardt Local Environmental Plan 2013</i> , which would rezone the site from IN2 Light Industrial to R3 Medium Density Residential and introduce a Floor Space Ratio (FSR) of 2.4:1.
<b>Relationship to existing policy</b>	This report assesses the merits of the Planning Proposal against relevant Council policies.
<b>Financial and Resources Implications</b>	Fees have been paid pursuant to Council Adopted Fees and Charges to cover the costs of processing a Planning Proposal.

Recommendation	
	<ol style="list-style-type: none"> <li data-bbox="683 320 1225 495">1. That Council resolve to receive and note the information contained in this report and Attachments as it relates to an assessment of the merits of a Planning Proposal (dated May 2014) for 67-73 Lords Road, Leichhardt</li>   <li data-bbox="683 524 1225 1747">2. That Council resolve not to support the request to prepare a Planning Proposal (dated May 2014) to rezone 63-67 Lords Road from Industrial (IN2) to Medium density Residential (R3) and not to progress the draft Voluntary Planning Agreement in relation to 67-73 Lords Road, Leichhardt for the following reasons:               <ol style="list-style-type: none"> <li data-bbox="762 786 1225 960">a. in the context of persistent demand and a low and decreasing supply of industrial land, a rezoning would dilute Councils ability to provide sufficient industrial land to accommodate demand; and</li>   <li data-bbox="762 990 1225 1630">b. the Planning Proposal is inconsistent with s.117 Direction 1.1 Business and Industrial Zones on the following grounds:                   <ol style="list-style-type: none"> <li data-bbox="826 1106 1225 1339">i. the Planning Proposal is not justified by relevant strategies in relation to the retention of employment lands, including the Draft Metropolitan Strategy for Sydney to 2031 and the Draft Inner West Sub-regional Strategy.</li> <li data-bbox="826 1346 1225 1485">ii. the Planning Proposal is not adequately justified by an economic study prepared in support of the Planning Proposal</li> <li data-bbox="826 1491 1225 1630">iii. loss of this employment land would be of substantial significance to the local government area's employment land supply.</li> </ol> </li>   <li data-bbox="762 1659 1225 1747">c. the proposed rezoning would result in a net loss of jobs in the local government area</li> </ol> </li> </ol>



	<ul style="list-style-type: none"><li>d. the proposed rezoning would result in the loss of an economically viable employment lands precinct containing local services, light industrial and other non-industrial activities which contribute to the diversity of the economy, community activities and employment opportunities</li><li>e. the proposal does not have merit when assessed against the criteria established by the Leichhardt Employment and Economic Development Plan 2013-2023</li><li>f. the Planning Proposal is not supported by an appropriate Net Community Benefit Test as it does not address the wider issue of cumulative loss of employment lands in the local government area</li><li>g. the Planning Proposal is not supported by an adequate, comprehensive Social Impact Assessment</li><li>h. the proposed zoning of R3 Medium Density Residential is inconsistent with the Draft Metropolitan Strategy for Sydney to 2031, Appendix D: Glossary of Terms as it relates to R3 Medium Density Residential. The proposed building heights and residential density are, instead, consistent with the R4 High Density Residential Zone which is not included in the Leichhardt Local Environmental Plan 2013.</li><li>i. the proposed Floor Space Ratio and building heights would result in unacceptable amenity impacts on the local area including:<ul style="list-style-type: none"><li>i. overlooking of Davies Street properties,</li><li>ii. inadequate location and quantity of common and private open space</li></ul></li></ul>
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	<ul style="list-style-type: none"> <li>iii. visual impact from the bulk and scale of buildings</li> <li>iv. overshadowing of open space areas</li> <li>v. inconsistency with the local character</li>   <li>j. the Planning Proposal proposes that 15.8% of the site be communal open space and therefore does not meet the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code which requires the provision of 25-30% of the site for communal open space</li>   <li>k. the Planning Proposal is not consistent with Section 3.3.3 (Clause 3.3.1) of the Leichhardt Affordable Housing Strategy (2011) which seeks a 10% affordable housing contribution</li>   <li>l. the proposed reduction in the width of existing streets to accommodate public domain works is unacceptable</li>   <li>m. the proposed one-way share way vehicular movement system would result in an unacceptable number of vehicle movements in Davies Lane</li>   <li>n. the proposal would result in significant additional traffic impacts, particularly in relation to intersections, which have not been adequately addressed in the supporting studies</li>   <li>o. the Planning Proposal does not adequately address the strategic context of major NSW State government projects including: <ul style="list-style-type: none"> <li>i. Bays Precinct Urban Renewal</li> <li>ii. Parramatta Road Urban Renewal</li> </ul> </li> </ul> <p>which may result in further,</p>
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	<p>significant loss of employment land and an increased demand for non-residential goods and services arising from a growing population in the inner west</p> <p><b>p.</b> Council has not been provided with adequate information to be satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55 Remediation of Land.</p> <p><b>q.</b> the Planning Proposal does not address issues associated with the proposed West Connex Motorway including:</p> <ul style="list-style-type: none"> <li>i. traffic generation</li> <li>ii. location of air quality stacks</li> <li>iii. location of motorway entry and exit portals</li> </ul>
<p><b>Notifications</b> <b>Attachments</b></p>	<ol style="list-style-type: none"> <li>1. Planning Proposal for 67 – 73 Lords Road, Leichhardt – May 2014</li> <li>2. Draft Amendment Development Control Plan 2013 – Site specific controls for 67 -73 Lords Road, Leichhardt</li> <li>3. Proponent Economic Justification – October 2013</li> <li>4. SGS – Economic Assessment of the Suitability of Industrial Land at 67 – 73 Lords Road for Rezoning – August 2014</li> <li>5. Net Community Benefit test – May 2014</li> <li>6. Concept Design Report for the Development of 67 – 73 Lords Road, Leichhardt</li> <li>7. Voluntary Planning Agreement Offer</li> <li>8. Housing Affordability Assessment for 67 – 73 Lords Road, Leichhardt – January 2014</li> <li>9. Elton Consulting – Peer Review of Social Impact Assessment and Housing Affordability Studies for 67 – 73 Lords Road, Leichhardt – August 2014</li> <li>10. Traffic and Parking Assessment Report – May 2014</li> <li>11. Site Contamination Assessment Letter of Advice – November 2013</li> <li>12. Social Impact Assessment Report – December 2013</li> <li>13. Flooding and Stormwater Advice Letter – July</li> </ol>

**Item 6**

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	2013 14. Revised Voluntary Planning Agreement Offer
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**Attachment 2**

**Purpose of Report**

The purpose of this report is to provide Council with:

1. Background to 67 – 73 Lords Road, Leichhardt landowner's request that Council prepare a Planning Proposal to amend *Leichhardt Local Environmental Plan 2013* by rezoning the site from IN2 – Light Industrial to R3 –Medium Density.
2. An assessment of the merits of the proponent's Planning Proposal for the proposed LEP amendment and a recommendation as to whether Council should support the making of this amendment.

**Recommendation**

1. That Council resolve to receive and note the information contained in this report and Attachments as it relates to an assessment of the merits of a Planning Proposal (dated May 2014) for 67-73 Lords Road, Leichhardt
2. That Council resolve not to support the request to prepare a Planning Proposal (dated May 2014) to rezone 63-67 Lords Road from Industrial (IN2) to Medium Density Residential (R3) and not to progress the draft Voluntary Planning Agreement in relation to 67-73 Lords Road, Leichhardt for the following reasons:
  - a. in the context of persistent demand and a low and decreasing supply of industrial land a rezoning would dilute Council's ability to provide sufficient industrial land to accommodate demand; and
  - b. the Planning Proposal is inconsistent with s.117 Direction 1.1 Business and Industrial Zones on the following grounds:
    - i. the Planning Proposal is not justified by relevant strategies in relation to the retention of employment lands, including the Draft Metropolitan Strategy for Sydney to 2031 and the Draft Inner West Sub-regional Strategy.
    - ii. the Planning Proposal is not adequately justified by an economic study prepared in support of the planning proposal
    - iii. the Planning Proposal is of substantial significance to the local government area's employment land supply.
  - c. the proposed rezoning would result in a net loss of jobs in the local government area
  - d. the proposed rezoning would result in the loss of an economically viable employment lands precinct containing local services, light industrial and other non-industrial activities which contribute to the diversity of the economy, community activities and employment opportunities



- e. the proposal does not have merit when assessed against the criteria established by the Leichhardt Employment and Economic Development Plan 2013-2023
- f. the Planning Proposal is not supported by an appropriate Net Community Benefit Test as it does not address the wider issue of cumulative loss of employment lands in the local government area
- g. the Planning Proposal is not supported by an adequate, comprehensive Social Impact Assessment
- h. the proposed zoning of R3 Medium Density Residential is inconsistent with the Draft Metropolitan Strategy for Sydney to 2031, Appendix D: Glossary of Terms as it relates to R3 Medium Density Residential. The proposed building heights and residential density are, instead, consistent with the R4 High Density Residential Zoning which is not included in the Leichhardt Local Environmental Plan 2013.
- i. the proposed Floor Space Ratio and building heights would result in unacceptable amenity impacts on the local area including:
  - i. overlooking of Davies Street properties,
  - ii. inadequate location and quantity of common and private open space
  - iii. visual impact derived from the bulk and scale of buildings
  - iv. overshadowing of open space areas
  - v. inconsistency with the local character
- j. the Planning Proposal proposes that 15.8% of the site be communal open space and therefore does not meet the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code which requires the provision of 25-30% of the site for communal open space
- k. the Planning Proposal is not consistent with Section 3.3.3 (Clause 3.3.1) of the Leichhardt Affordable Housing Strategy (2011) which seeks a 10% affordable housing contribution
- l. the proposed reduction in the width of existing streets to accommodate public domain works is unacceptable
- m. the proposed one-way share way vehicular movement system would result in an unacceptable number of vehicle movements in Davies Lane
- n. the proposal would result in significant additional traffic impacts, particularly in relation to intersections, which have not been adequately addressed in the supporting studies
- o. the Planning Proposal does not adequately address the strategic context of major NSW State government projects including:

- i. Bays Precinct Urban Renewal
- ii. Parramatta Road Urban Renewal

which may result in further, significant loss of employment land and an increased demand for non-residential goods and services arising from a growing population in the inner west

- p. Council has not been provided with adequate information to be satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55 Remediation of Land.
- q. the Planning Proposal does not address issues associated with the proposed West Connex Motorway including:
  - i. traffic generation
  - ii. location of air quality stacks
  - iii. location of motorway entry and exit portals

## **Background**

### **1. The Site**

The Planning Proposal relates to 67 – 73 Lords Road, Leichhardt. The legal description of the site is:

- Lot 1 DP 940543
- Lot 1 DP 550608

The southern boundary of the site fronts onto Lords Road. The inner west, light rail line, is located adjacent to the western boundary of the site and Lambert Park is located to the north of the site. Davies Lane is to the east of the site, which separates the site from a low density, residential area fronting Davies Street. (Refer Figure 1 below).

The locality generally slopes down to the Hawthorne Canal (west of the site). The high point of the site is the Davies Lane (eastern boundary) and the low point is the western boundary.

The site is currently occupied by a series of attached, brick buildings and associated parking. The site currently contains a range of uses including a gymnasium, art school, karate school, storage and other light industrial uses (such as an insulation and roof space cleaning business).



Figure 1: Aerial view of the subject site

The Proponent has advised that the total number of people employed at the site (as of July 2014) are listed in Table 1 below.

**Table 1 Employment figures for 67 – 73 Lords Road, Leichhardt (July 2014)**

<b>TENANT</b>	<b>No. Workers</b>
Lee Mathews Workroom	10.0
Country Road Clothing	0.5
Granville Smith Restorations	2.0
Art Est Pty Ltd	2.0
United Displays	3.0
James Lee-Warner Furniture	4.0
The Sports Pit	2.0
Plex Pty Ltd	10.0
CSR	4.0
David Buckley	3.0
John Cosco	1.0
Isherwoods	3.0
Showtime Production Services	3.0
Gavin Clarke Building Services	2.0
Compudrive / Storesafe	3.0
Slabseal Australia	2.0
Head Academy Kung Fu	1.0

The Sports Pit	1.0
Sydney Next Church	0.5
Arthouse Auctions	2.0
Ecocern Pty Ltd	3.0
<b>Total</b>	<b>62.0</b>

## 2. History of the development of Council's Policy in Relation to the Loss of Employment Lands

Over time Council has considered a number of matters that are relevant to the current proposal. A summary of relevant events, reports and Council resolutions is provided in Table 2.

**Table 2 Loss of Employment Lands – Policy Development and Context in Relation to the 67 – 73 Lords Road, Leichhardt**

Date	Description
May 2010	<p><b><i>Re-zonings, Planning Proposals and potential Affordable Housing sites</i></b></p> <p>Council considered a report in relation to “Re-zonings, Planning Proposals and potential Affordable Housing sites”. The report identified a number of potential sites and corridors where Affordable Housing outcomes could be explored. The sites and corridors identified included:</p> <ul style="list-style-type: none"> <li>• Darling Street, Balmain Road and Norton Street</li> <li>• Victoria Road</li> <li>• Parramatta Road</li> <li>• Sydney Regional Environmental Plan No. 26 Land – the former Goods Yard and rail line stretching from White Bay to Lilyfield</li> <li>• Lilyfield to Dulwich Hill Light Rail Extension</li> <li>• Campbell’s Cash and Carry, Allen Street, Leichhardt</li> <li>• Roche Site, Balmain Road, Rozelle – opposite Callan Park</li> </ul> <p>In response, Council resolved (C202/10) that:</p> <ol style="list-style-type: none"> <li>(1) The report be received and noted.</li> <li>(2) Council staff prepare a draft Policy Framework for future consideration by Council.</li> </ol> <p>The Employment Lands Study, described below, began this process.</p>
February 2011	<p><b><i>SGS Economics &amp; Planning Employment Lands Study 2011</i></b></p> <p>In November 2007, SGS Economics and Planning (SGS) were engaged by Leichhardt Council to undertake the Employment Lands Study (the Study). The Study was completed in November 2010 and endorsed by Council in February 2011 (Refer Resolution C29/11).</p>



Date	Description
	<p>The Study included detailed analysis of the employment land; an evaluation of the significance of a number of strategic sites and their potential for rezoning, including:</p> <ul style="list-style-type: none"> <li>• Kolotex, George Street, Leichhardt</li> <li>• Balmain Road, Rozelle - Roche</li> <li>• Terry Street, Rozelle – ANKA</li> <li>• Six fragmented industrial sites, including 67 – 73 Lords Road, Leichhardt</li> </ul> <p>The Study did not identify the subject site for rezoning. At page 158 of the Study, it states that “the Lords Road site should retain its light industrial zoning (or be retained for employment land uses) due to its proximity to the Rozelle Goods line corridor.” The Study states that “<i>alternative uses may be considered when the status of the Rozelle Goods Line Corridor is established.</i>”</p> <p>The Study proposed a methodology for confirming the potential of existing industrial sites to be re-zoned for non-industrial purposes. This methodology was integrated into the Council’s adopted <i>Employment and Economic Development Plan 2013</i>.</p>
<b>April 2011</b>	<p><b><i>ANKA Planning Proposal, 118 – 124 Terry Street Rozelle</i></b></p> <p>On 19 April 2011, Council endorsed (Refer Resolution C128/11) a pre-Gateway Planning Proposal to rezone the ANKA site from Industrial to Residential. In doing so, Council resolved to enter into a Voluntary Planning Agreement requiring:</p> <ul style="list-style-type: none"> <li>• contributions equal to the current State Government imposed s.94 contributions to be used for the purposes that s.94 funds are traditionally used for;</li> <li>• additional Contributions – equivalent to the difference between Council’s adopted Section 94 Plans and the current State Government imposed s.94 contributions pursuant to s.94E – the sum to be dedicated towards the provision of affordable housing; and</li> <li>• a further contribution of \$270,000 for affordable housing.</li> </ul> <p>This was the first of the strategic sites mentioned above, to be rezoned under the potential Affordable Housing report and the Employment Lands Study. The Planning Proposal that was exhibited to become Amendment 19 to <i>Local Environmental Plan 2000</i>:</p> <ul style="list-style-type: none"> <li>• confirmed the rezoning of this industrial site to R1 Residential;</li> <li>• increased the Floor Space Ratio to 1.5:1; and</li> <li>• included controls on building heights.</li> </ul> <p>It was supported by a site specific Development Control Plan that:</p> <ul style="list-style-type: none"> <li>• introduced a new street;</li> <li>• had an overall height limit of 6 storeys; and</li> <li>• limited overshadowing onto adjoining residences.</li> </ul>



Date	Description
	<p>It also included a Voluntary Planning Agreement that related to the new street and various financial contributions.</p>
<b>November 2011</b>	<p><b><i>City of Sydney Study – on behalf of the Inner City Mayors, Investigating the Supply of Affordable Housing in Inner Sydney</i></b>            Council received and noted (Refer Resolution C627/11) the final report regarding the supply and barriers to the creation of additional Affordable Housing in inner city Sydney.</p> <p>Twenty two specific sites throughout the inner city were assessed for their suitability for the delivery of Affordable Housing. The Lords Road site was not included in the case studies, but the outcomes are relevant to the current Planning Proposal. The site analysis comprised three elements:</p> <ul style="list-style-type: none"> <li>• a local market assessment;</li> <li>• site assessment; and</li> <li>• a review of the existing planning context.</li> </ul> <p>The key conclusions drawn from this study were that:</p> <ul style="list-style-type: none"> <li>• site specifics of developments are important as they determine the overall bulk and scale (the design context) of development and what the market will pay (feasibility based on residual land value);</li> <li>• the multiplicity of planning controls across local government areas is too complicated;</li> <li>• more height and density are required to create opportunities for more housing;</li> <li>• intervention by planning authorities is required to ensure that in areas where more height and density is contemplated, the benefits are shared equally across the community;</li> <li>• proposals should be assessed on merit not just compliance with numeric standards;</li> <li>• uplift in value must not be given away;</li> <li>• uplift alone may not always work if the market is not ready for affordable housing; and</li> <li>• the community needs to be well informed of the benefits and burdens of strategic planning to ensure effective long term agreement.</li> </ul>

Date	Description
June 2013	<p data-bbox="450 353 1248 380"><b><i>Employment and Economic Development Plan 2013 - 2023</i></b></p> <p data-bbox="450 385 1248 497">In June 2013, the <i>Leichhardt Employment and Economic Development Plan</i> (the Plan) was adopted (Refer Resolution C286/13). The Plan incorporated the following criteria for the assessment of proposals to re-zone industrial land:</p> <ul data-bbox="507 501 1248 1146" style="list-style-type: none"> <li>• Would the rezoning result in insufficient industrial land being available for current and future demand for industrial land in the Local Government Area, at a minimum?</li> <li>• Would the rezoning of the site result in the fragmentation of a larger industrial precinct or erode the viability of a locally or regionally significant industrial precinct?</li> <li>• Would the rezoning be consistent with adopted Council and/or State Government Policy regarding the future role and demand for industrial land? What impact would it have on Council's employment targets?</li> <li>• Does the site have characteristics required by light or high tech industrial uses and other uses permitted in the zone/seeking floorspace in the Local Government Area or subregion (e.g. floorspace, access, proximity to economic infrastructure, parking, infrastructure, storage, building configuration and land value)?</li> <li>• Would it be economically viable to improve the site to attract new tenants or to adapt to changing industry requirements and to ensure that the land uses on the site address compatibility with surrounding uses?</li> <li>• Would the retention of industrial uses on the site result in a positive net benefit to the community as a whole?</li> </ul> <p data-bbox="450 1178 1248 1321">The Employment and Economic Development Plan also states that those rezoning proposals that can best respond to the above criteria may be considered to have merit. All rezoning proposals should be based on a thorough market analysis and Economic Impact Assessment by an independent party.</p> <p data-bbox="450 1352 1248 1496">The criteria should also be considered in light of the supply and demand analysis provided by the SGS Leichhardt Employment Lands Study 2011 (or as updated by Council); the NSW Employment Lands Development Programme and any other relevant policy, publication or research.</p>

Date	Description
<b>March 2014</b>	<p data-bbox="507 349 1305 409"><b><i>Kolotex and Labelcraft Sites – 22 and 30 – 40 George Street, Leichhardt</i></b></p> <p data-bbox="507 409 1305 521">After a number of years of negotiation, regarding the Kolotex site the former Minister for Planning gazetted the rezoning of the site from IN2 – Light Industrial to R3 – Medium Density Residential and B4 – Mixed Use.</p> <p data-bbox="507 555 1305 667">The landowners entered into a Voluntary Planning Agreement with the former Minister for Planning for the construction, dedication and leasing of Affordable Housing apartments at the site. The Voluntary Planning Agreement has been executed.</p>
<b>May 2014</b>	<p data-bbox="507 696 1305 725"><b><i>141 &amp; 159 Allen Street, Leichhardt – Planning Proposal</i></b></p> <p data-bbox="507 725 1305 815">At its meeting of 27 May 2014, Council resolved to publicly exhibit the Planning Proposal for 141 and 159 Allen Street, Leichhardt, pursuant to the Gateway Determination by the former Minister for Planning.</p> <p data-bbox="507 848 1305 994">The Planning Proposal seeks to amend <i>Leichhardt Local Environmental Plan 2013</i> to establish R1- General Residential land use zone; revised Floor Space Ratio and Development Controls to facilitate the redevelopment of 141 and 159 Allen Street, Leichhardt. The site is currently zoned IN2 - Light Industrial.</p> <p data-bbox="507 1028 1305 1057">In summary, the key features of the Planning Proposal are:</p> <ul data-bbox="563 1057 1305 1617" style="list-style-type: none"> <li>• an uplift in Floor Space Ratio to 1.5:1 across the total site;</li> <li>• the ability of the two separate ownerships at 141 and 159 Allen Street to be developed independently;</li> <li>• minimum setbacks of 3 metres from each property boundary to ensure compliance with <i>State Environmental Planning Policy 65 – Design Quality of Residential Flat Development (SEPP 65)</i> and the <i>Residential Flat Design Code</i>;</li> <li>• separate vehicle access points to 159 Allen Street from Allen Street and access to 141 Allen Street from Flood Street (in the event that the sites are amalgamated, then a single access point from Flood Street is acceptable);</li> <li>• a maximum 3 storey, built form, to Allen and Flood Streets;</li> <li>• a fourth storey to be setback a minimum 6 metres from the 3 storey, built form, fronting Flood and Allen Street frontages; and</li> <li>• a maximum of 6 storeys in height on the larger 141 Allen Street property and maximum of 5 storeys in height on 159 Allen Street so long as overshadowing to neighbouring properties is minimised.</li> </ul> <p data-bbox="507 1650 1305 1785">Council considered a report on two alternative draft Voluntary Planning Agreements at its Building and Development meeting on 12 August 2014. One draft offered a monetary contribution above standard developer contributions to support the delivery of Affordable Housing in the Local Government Area. The other draft offered to</p>

Date	Description
	construct and dedicate a certain number of Affordable Units to a Community Housing provider.
<b>June 2014</b>	<p><b><i>Leichhardt Industrial Lands Study</i></b>            In June 2014, Council commissioned consultants, SGS Economics &amp; Planning (SGS), to undertake an Industrial Lands Study for the Leichhardt Local Government Area. The preparation of the Industrial Lands Study is in response to the number of recent rezonings of industrial land parcels in the Local Government Area; the State Government's WestConnex and associated Parramatta Road Urban Revitalisation Project, as well as the recently announced Bays Urban Renewal Program; the changing nature of industries and demand and supply of industrial land and the future of the Camperdown Industrial Precinct.</p> <p>The final report by SGS is expected in September 2014.</p>
<b>August 2014</b>	<p><b><i>Economic Assessment of the Suitability of Industrial Land at 67 – 73 Lords Road for Rezoning</i></b>            In July 2014, Council commissioned SGS to prepare a report on the suitability of rezoning industrial land at 67 – 73 Lords Road, Leichhardt. The exercise is complementary to the Leichhardt Industrial Lands Study. (Refer Section 4.1.4 Strategic Assessment for SGS detailed comments and <b>Attachment 4</b> for full report)</p> <p>SGS assessed the value of rezoning industrial land at the site, given the preliminary outputs from the Industrial Lands Study. While some critical parts of the Industrial Lands Study are still in progress (most notably the demand forecasts and supply-demand gap assessment), it was still possible for SGS to draw some initial conclusions from the work to date. Relevantly, the Economic Assessment findings include that:</p> <ul style="list-style-type: none"> <li>• The site is economically viable in its current form.</li> <li>• The precinct is fully tenanted and is functioning well, therefore the loss of this precinct as industrial space would be significant. According to the Proponent's data, the precinct currently employs 62 workers. The proposed residential development with childcare facility would result in fewer workers and result in a net loss of jobs. However, given that there are no vacancies at the Lords Rd precinct, and there are relatively low stocks of industrial land elsewhere in the Local Government Area, coupled with some significant demand side drivers (such as WestConnex and the Bays Precinct Urban Renewal) SGS have advised that a rezoning of the site is not appropriate before a full supply-demand gap assessment is completed.</li> </ul>



### 3. Site History

Pre-Planning Proposal meetings were held with Council Officers and the Proponents on a number of occasions between 2012 and lodgement of the Planning Proposal request in 2014. At these meetings, the Proponent sought advice from Council Officers regarding the information that would be required to support the rezoning request. In addition, Council Officers and the Proponents engaged in ongoing discussions regarding the progress of the *draft Leichhardt Local Environmental Plan 2013* (Council's Standard Instrument Local Environmental Plan) and the *Leichhardt Economic and Employment Development Plan 2013 – 2023*. Council officers provided no indication as to the planning merits of the proposal during these meetings..

### 4. Process

The preparation of a Planning Proposal is the first step in making a Local Environmental Plan or an Amendment to a Local Environmental Plan. Planning proposals can be prepared by councils, landowners or developers seeking to change the planning controls for a particular site.

Before a planning proposal is prepared by a landowner or developer it is submitted to the relevant planning authority, which is normally a council. That council then decides whether to support that planning proposal for submission to the Gateway process.

The State Government changed Part 3 of the *Environmental Planning and Assessment Act 1979* on 2 November 2012. The changes allow both councils and proponents to request an independent review of some Department of Planning and Environment or council decisions on Planning Proposals.

The grounds for a proponent requesting a Pre-Gateway review of a council decision are:

1. a council decides not to support a Planning Proposal; or
2. a council fails to support a Planning Proposal within 90 days of its submission.

The Gateway is an integral part of the process for preparing Local Environmental Plans and Planning Proposals. The purpose of a Gateway determination is to ensure that there is sufficient justification, early in the process, to proceed with a Planning Proposal.

If the Proponent seeks a Pre-Gateway Review the Joint Regional Planning Panel will examine the Planning Proposal and recommend to the Minister for Planning whether the proposal should proceed to Gateway determination under clause 56 of the *Environmental Planning and Assessment Act 1979*.



**Report****1. Planning Proposal Request**

The Planning Proposal (**Attachment 1**) request submitted to Council by the Proponent, Lord Sixty Seven Pty Ltd in May 2014 seeks to amend *Leichhardt Local Environmental Plan 2013* to establish R3 Medium Density Controls to facilitate the redevelopment of 67 – 73 Lords Road, Leichhardt. The Planning Proposal request is accompanied by a proposed amendment to Leichhardt Development Control Plan 2013 (**Attachment 3**), which includes site specific controls for the property.

The key components of the Planning Proposal request are:

- a change in zone under the *Leichhardt Local Environmental Plan 2013* from Industrial (IN2) to Medium Density Residential (R3);
- an uplift in Floor Space Ratio to 2.4:1 across the site;
- four (4) residential blocks ranging from four (4) storeys to 8 (eight) storeys resulting in approximately 315 residential units;
- a oneway, shareway through the site, entering off Lords Road and exiting onto Davies Lane;
- a separate basement parking entrance and exit off Lords Road;
- a communal open space area located as a central feature of the site;
- childcare centre and café located within the southern most building (Building D);
- a Voluntary Planning Agreement Offer (**Attachment 7**) including:
  - The provision of 5% of total dwellings for Affordable Housing.
  - Public domain elements including streetscape enhancements; pedestrian and cycling paths; proposed children's playground and fitness circuit, located on Council owned land, south of the site; common open space within the development to be publically accessible and improved streets and footpaths at a total cost of \$1.079 million.
  - Provision of a pedestrian path benefitting Council with the potential to connect to Marion Street Light Rail Station in the future.

*Note: the initial Voluntary Planning Agreement Offer (refer Attachment 7) has been amended as a result of the Proponent's post-submission realisation that the existing open space, adjacent to the site and proposed for some of the public domain enhancements, is owned by Sydney Railways and not Council (refer to Figure 6 – Extract of Figure G45 – Public Domain and Open Space Plan 67 – 73 Lords Road, Leichhardt, Draft Development Control Plan – May 2014). The Proponent is in discussion with Sydney Railways regarding the use of their land for public open space purposes. The outcome of those discussions are unknown at this stage.*

*A Revised Voluntary Planning Agreement (Attachment 14) offer has been submitted which now indicates that all the proposed public domain enhancements would be on Council land. This would involve narrowing Kegworth Street and Lords Road to create the space to take the proposed fitness circuit and children's playground that were previously partly located on Sydney Railways land. The proponent intends to also undertake basic landscape embellishment of the Sydney Railways land, but this would be*

*outside the scope of the Voluntary Planning Agreement and not involve Council.*

The Planning Proposal request and proposed amendments to the Development Control Plan have been the subject of detailed review by Council Officers and consultants appointed by Council. The detailed assessment of the Planning Proposal request has identified issues relating to the planning merits of the proposal including:

1. loss of Employment Lands and the cumulative impact of the loss of Employment Lands
2. the adequacy of the supporting specialist documents lodged with the Planning Proposal request, including the Economic Justification Report (**Attachment 3**) and Social Impact Assessment (**Attachment 12**).
3. the strategic 'fit' of the proposal as assessed against the aims and objectives of:
  - a) *Leichhardt Local Environmental Plan 2013*
  - b) *Leichhardt Development Control Plan 2013*
  - c) *Leichhardt Employment and Economic Development Plan 2013 - 2023*
  - d) *Leichhardt 2025+*
  - e) *Leichhardt Integrated Transport Plan 2013 - 2023*
  - f) *Leichhardt Community and Culture Plan 2011 - 2021*
  - g) *Leichhardt Environmental Sustainability Strategy 2010 - 2014*
  - h) *Leichhardt Council Climate Change Plan*
  - i) *Leichhardt Public Art Policy 2015 - 2024*
  - j) *Metropolitan Plan for Sydney 2036*
  - k) *Draft Metropolitan Strategy for Sydney to 2031*
  - l) *Inner West Subregion Draft Subregional Strategy (July 2008)*
4. that the design merits of the Planning Proposal are unsatisfactory in relation to its:
  - built form, height and bulk particularly adjacent to Lords Road and Davies Lane;
  - potential amenity impacts including overshadowing and overlooking of adjacent properties;
  - inadequate open space in terms of its size, location and overshadowing;
  - traffic and parking impacts; and
  - non-compliance with *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development* (SEPP 65) and the *Residential Flat Design Code* controls.
5. prematurity of the proposed rezoning given the uncertainty of the status of surrounding industrial lands within the Leichhardt Local Government Area as a result of NSW State Government announcements in relation to:
  - a) WestConnex Motorway and Urban Revitalisation Projects.
  - b) NSW Government Bays Precinct Urban Renewal Program.

**2. Proposed Amendments to Leichhardt Local Environmental Plan 2013**

The Planning Proposal seeks to amend the *Leichhardt Local Environmental Plan 2013* as follows:

- Amend the Land Zoning Map to rezone the site at 67 – 73 Lords Road, Leichhardt (Lot 1 in DP 940543 and Lot 1 DP 550608) from IN2 - Light Industrial to R3 - Medium Density Residential in accordance with the proposed Land Zoning Map shown in Figure 2;
- Amend the Floor Space Ratio Map to identify a site specific Floor Space Ratio of 2.4:1 for 67 – 73 Lords Street, Leichhardt as shown in Figure 3.

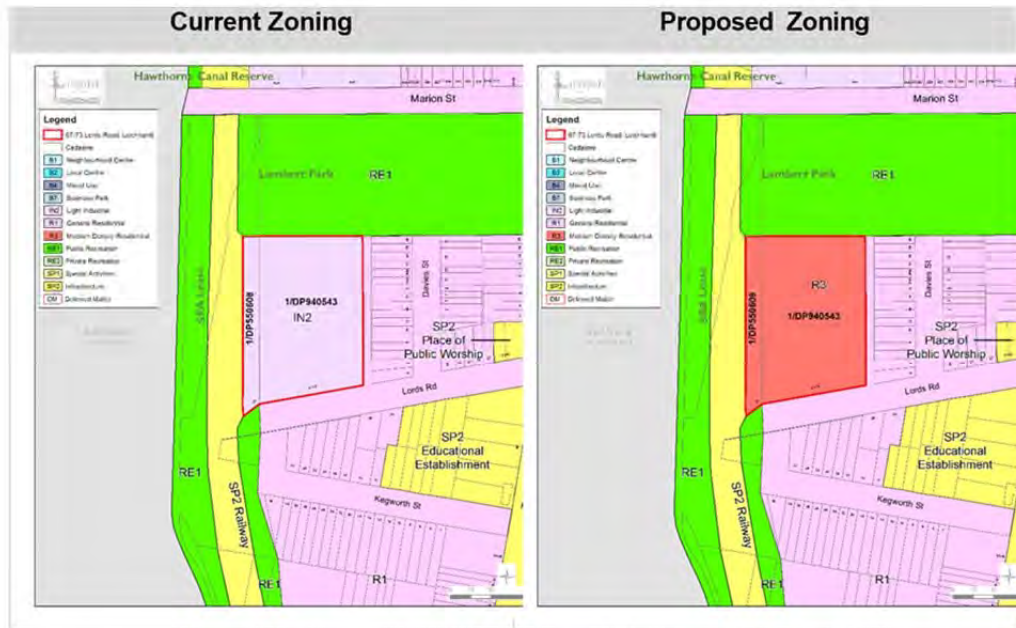


Figure 2 Zoning under Leichhardt Local Environmental Plan 2013

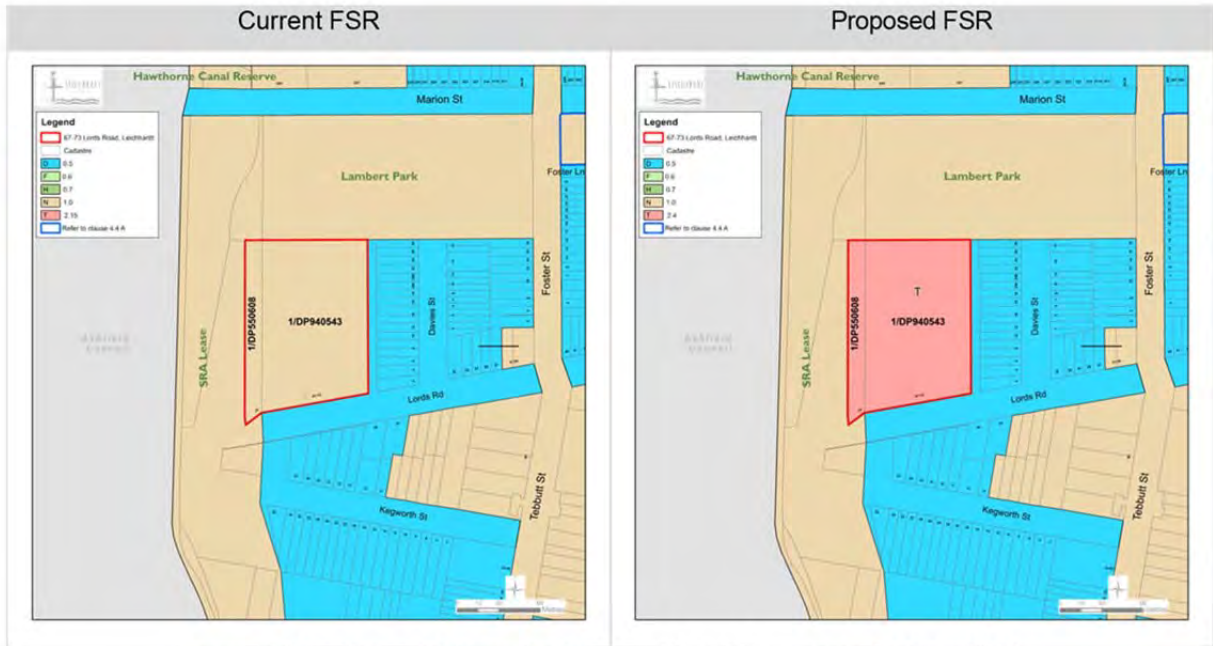


Figure 3 Floor Space Ratio under Leichhardt Local Environmental Plan 2013



### 3. Amendment to Leichhardt Development Control Plan 2013

The Planning Proposal request proposes that a site specific Development Control Plan (**Attachment 2**) be prepared to support the proposed amendments to *Leichhardt Local Environmental Plan 2013*.

The application proposes that the site specific Development Control Plan would include a height control to permit building heights up to eight (8) storeys. In addition, the Proponent's site specific Development Control Plan includes objectives and controls relating to:

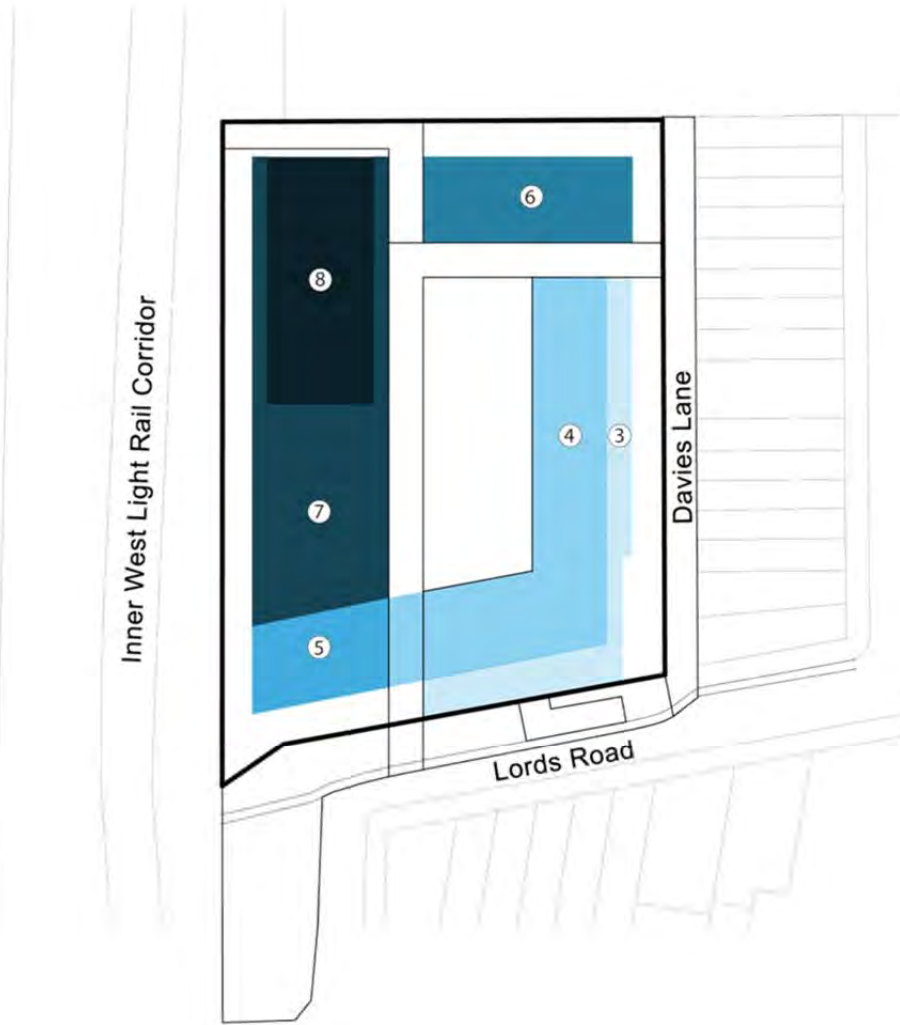
- setbacks and building siting
- unit mix
- solar access
- acoustic amenity
- visual privacy
- open space
- landscaping
- tree provision
- public domain and accessibility
- car park entry design
- parking
- drainage and water management

The proposed objectives in the Proponent's site specific Development Control Plan include:

- O1 Provide a range of housing types including Affordable Housing;
- O2 Take advantage of good public transport and high quality open space that is in close proximity to the site;
- O3 Provide pedestrian and bicycle connections connecting to the light rail corridor;
- O4 Provide high quality architectural design that responds to the surrounding topographical features, surrounding land uses and takes advantage of the site's north-south orientation;
- O5 Provide a development that takes advantage of the site's characteristics to minimise any impact on surrounding developments;
- O6 Provide a development that reinforces the street and relationship to Lambert Park, while being sympathetic to the fine grain development pattern of the area.

The Proponent's site specific Development Control Plan includes the following height, setbacks and public domain and open space plans (amongst other supporting plans), as provided on the following pages (refer to Figures 4, 5 and 6). These pages provide a conceptual indication of the scale of the development proposed at the site.





**BUILDING HEIGHT AND STOREY PLAN**

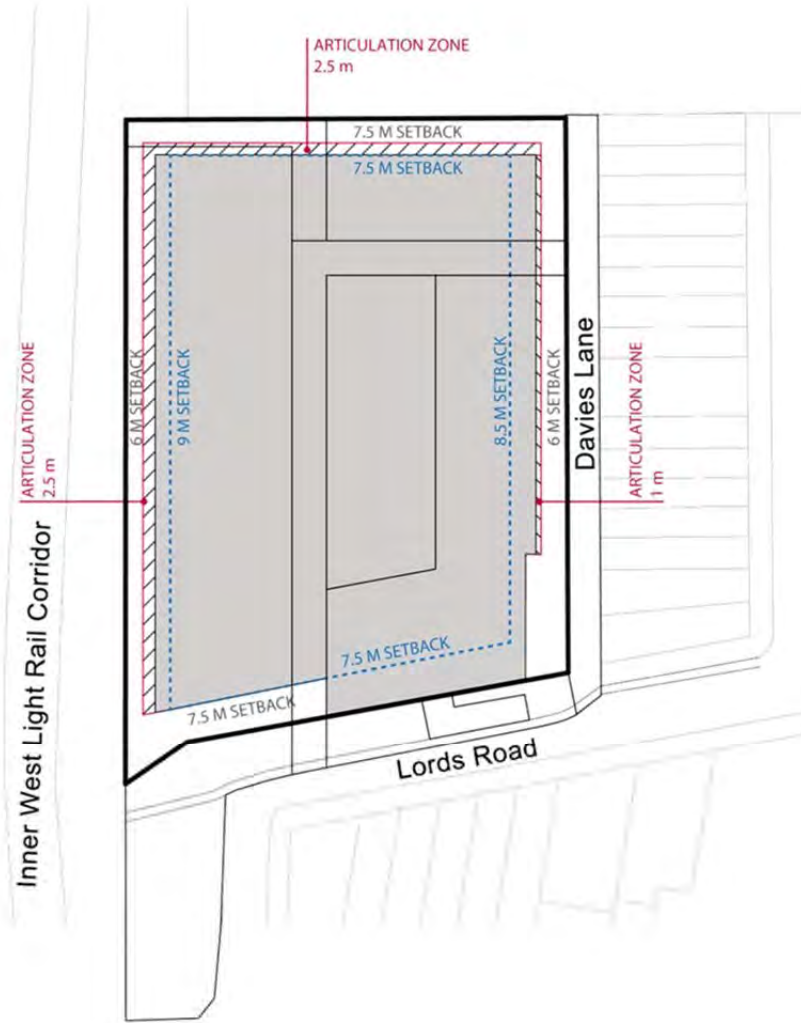
- 3 STOREYS AHD 18.5 m
- 4 STOREYS AHD 22.5 m
- 5 STOREYS AHD 22.5 m
- 6 STOREYS AHD 25.5 m
- 7 STOREYS AHD 27.5 m
- 8 STOREYS AHD 31.5 m

0m 50m



DCP

Figure 4 Extract of Figure G40 – Height Plan – 67 – 73 Lords Road, Leichhardt, Draft Development Control Plan – May 2014



**SETBACK PLAN**

- GROUND FLOOR SETBACK
- TOP FLOOR SETBACK
- ARTICULATION ZONE 2.5 m
- ARTICULATION ZONE 1 m



DCP

PLANNING AND DEVELOPMENT SERVICES

Figure 5 Extract of Figure G41 – Setback Plan – 67 – 73 Lords Road, Leichhardt, Draft Development Control Plan – May 2014



Figure 6 Extract of Figure G45 – Public Domain and Open Space Plan 67 – 73 Lords Road, Leichhardt, Draft Development Control Plan – May 2014

#### **4. Description and explanation of key issues of the Planning Proposal request for 67 – 73 Lords Road, Leichhardt**

The Planning Proposal request has been assessed against the aims and objectives of the strategic framework that guides the development of the site, as outlined below.

In addition, the Planning Proposal request must be contemplated within the context of the State Government's broader vision for the Inner West, including the WestConnex Urban Revitalisation Project and the recently announced Bays Precinct Urban Renewal Program, which includes State Government owned land at Rozelle Bay, White Bay Power Station and the Rozelle Rail Yards. Commentary in this regard, is also provided below.

##### **4.1 Strategic Context**

###### **4.1.1 Metropolitan Plan for Sydney 2036 (the Plan)**

The Metropolitan Plan is a broad planning framework used to guide the development of Sydney to 2036. The Plan proposes population growth, new housing, new jobs, increases in industrial land, and commercial and retail floor space over a 25 year period for the whole of Sydney. Some key features of the Plan include:

- Locate at least 70 per cent of new housing within existing urban areas;
- Subregional net additional dwelling targets for the Inner West (including Leichhardt Local Government Area) are 35,000 new dwellings by 2036. The targets are to be reflected in Local Environmental Plans (Action D1.2);
- Increase employment opportunity within the inner west through the provision of an additional 25,000 new jobs by 2036;
- Monitor the supply and demand for Employment Lands, identify and retain strategically important Employment Lands and plan for new Employment Lands.

A detailed assessment of the consistency of the Planning Proposal request against the relevant objectives and actions of the Metropolitan Plan for Sydney 2036, is provided in **Appendix A** of this report.

###### **4.1.2 Inner West Subregion Draft Subregional Strategy (July 2008)**

Implementation of the Metropolitan Plan for Sydney 2036 is, in part, achieved through the breakdown of areas into subregions. Leichhardt Local Government Area is located within the Inner West Subregion. Accordingly, strategic development decisions and tools are informed by the goals set by the *Inner West Subregion Draft Subregional Strategy (July 2008)*.

Along with identifying specific growth targets in relation to new housing and job creation, the *Inner West Subregion Draft Subregional Strategy* (the Strategy) identifies and categorises Employment Lands for retention. The subject site is identified in Figure 4 Inner West Subregion Structure Plan as employment land and later identified in Table 6 Schedule of Future Role of Employment Lands in the Inner West as being Category 1 Employment Land.



Category 1 Employment Land, was to be retained for industrial purposes. Sites identified as Category 1 Employment Lands were those which functioned as industrial areas at the time the 2008 Strategy was published, and considered to perform a regional/national, subregional or local economic role. Sites within this Category were seen as being collectively vital to the health of local and regional economies. The Strategy recommended that Category 1 sites be retained to accommodate and support a range of services.

Consistency of the Planning Proposal with the relevant objectives and actions of the *Inner West Subregion Draft Subregional Strategy* is considered in detail in Appendix A.

#### 4.1.3 Draft Metropolitan Strategy for Sydney to 2031 (draft Strategy)

The *Draft Metropolitan Strategy for Sydney to 2031* is designed to set out a new plan for the city's future over the next two decades. It is expected that by 2031, 1.3 million more people will be located in the city. The draft Strategy aims to provide 545,000 new homes and 625,000 new jobs spread across the Metropolitan area. The draft Strategy aims to enable greater choice of housing that is more affordable and create jobs closer to homes.

The *Draft Metropolitan Strategy for Sydney to 2031* is designed to align with the *NSW Long Term Transport Master Plan* and the *State Infrastructure Strategy*. Consistency of the Planning Proposal with the relevant objectives and actions of the *Draft Metropolitan Strategy for Sydney to 2031* are considered in Appendix A.

#### 4.1.4 Strategic Assessment

The Planning Proposal request is consistent with some of the objectives and actions of the *Metropolitan Plan for Sydney 2036*; the *Inner West Subregion Draft Subregional Strategy* and the *Draft Metropolitan Strategy for Sydney to 2031*, but fails to achieve consistency with key objectives, strategies and actions including those outlined as follows:

- Action D2.1 of the *Metropolitan Plan for Sydney 2036* which states that there is a need to “*Ensure local planning controls include more low-rise medium density housing in and around small centres*”. The Planning Proposal request is inconsistent with the relevant objective, strategy and actions in the Metropolitan Plan because it is not a low rise (three storeys or less) medium density (between 25 and 60 net dwellings per hectare) development as it has the characteristics of a high rise (six storeys or more), high density (more than 60 net dwellings per hectare) residential development
- the Planning Proposal request does not achieve the minimum requirements of SEPP 65 and the *Residential Flat Design Code* and therefore does not meet Objective D4 of the Metropolitan Strategy – “*To improve the quality of new housing development and urban renewal*”
- the site is zoned industrial and listed as Category 1 Employment Land in the *Draft Inner West Subregional Strategy*, is economically viable in its current form and the loss of the precinct as employment land would be significant



- *Metropolitan Plan for Sydney 2036* - Strategic Direction 'E' – Growing Sydney's Economy, and in particular, Objective E3 – To provide Employment Lands to support the economy's freight and industry needs and Action 3.2 - Identify and retain strategically important Employment Lands;
- *Inner West Subregion Draft Subregional Strategy* Key Directions 'A' – Economy and Employment, IW A1.1.1 Inner West Local Councils to prepare Principal Local Environmental Plans which will provide sufficient zoned Commercial and Employment Land to meet their employment capacity targets, IW A1.2.3 Council to ensure retention of sufficient small Employment Lands parcels to support local service industries; and
- *Draft Metropolitan Strategy for Sydney to 2031*– Objective 13 – Provide a well located supply of industrial lands.

The *Leichhardt Employment Lands Study 2011* and *Leichhardt Employment and Economic Development Plan 2013* (EEDP) identify the site as a fragmented industrial site surrounded by residential development. These documents suggest that intensive industrial use of the site is restricted due to potential adverse impacts on surrounding dwellings. The site is only accessible via residential collector streets and is not located close to major arterial roads or freight lines.

However, Council's EEDP does not identify the site for rezoning solely for residential uses. The EEDP, which was based on the findings of the *Leichhardt Employment Lands Study 2011*, states that a number of fragmented industrial sites, such as Lords Road, could be investigated for a broader range of employment uses and/ or rezoning.

The Proponent's request to prepare a Planning Proposal is supported by an Industrial Rezoning Economic Justification Report prepared by Macro Plan Dimasi (Attachment 3). The Macro Plan Dimasi report does not include investigations into a broader range of employment uses that could operate from the site, rather the report focuses on the viability of traditional industrial/ factory uses.

The Macro Plan Dimasi Economic Justification Report incorrectly states "Council is correct in identifying the land's appropriateness for mixed use residential development in the EEDP..." The EEDP was informed by the Socio-Economic Analysis undertaken by Hill PDA, which identified that there is a potential opportunity for the site to be converted to residential/ mixed use due to the nature of the surrounding area. The EEDP and the preceding *Leichhardt Employment Lands Study 2011* do not specifically recommend the rezoning of the site to residential, but do identify its potential for broader employment uses and affordable housing for key workers.

The total number of people employed at the site is 62. The proposed residential development with childcare facility would produce few workers and would result in a net loss of jobs. SGS Economic and Planning have undertaken an assessment of the suitability of rezoning industrial land at 67 – 73 Lords Road, Leichhardt (Attachment 4) for Council. This is in addition to being commissioned to undertake a Council wide Industrial Lands Study (to be completed in September 2014). SGS

have concluded in their assessment of the site that at this stage it is not possible to quantify the effect of rezoning in terms of the ability of the Local Government Area to meet job targets under the 2008 *Inner West Subregion Draft Subregional Strategy*. This is in light of the number of recent and proposed rezonings of industrial sites in the Local Government Area, in addition to the State Government's proposals for the WestConnex Parramatta Road Regeneration and the Bays Precinct Urban Renewal. Consequently, rezoning before a full supply-demand gap assessment is completed would be inappropriate.

The site is currently zoned IN2 – Light Industrial under *Leichhardt Local Environmental Plan 2013* and listed as Category 1 Employment Land in Table 6 of the 2008 *Inner West Subregion Draft Subregional Strategy*. Table 6 also shows that in 2008 there were 108.9ha of Employment Lands in Leichhardt Local Government Area. The Lords Road site, with an area of 1.07ha, is a relatively small precinct that represents less than 1% of total industrial land in the Leichhardt Local Government Area.

The percentage of Industrial land in the Leichhardt Council Area is however decreasing with the recent and pending rezonings of industrial land at the:

- Kolotex and Labelcraft site (approximately 1.46ha)
- ANKA site – Terry Street, Rozelle (approximately 1.42ha)
- 141 and 159 Allen Street site, Leichhardt (approximately 1ha)

If the Allen Street and Lords Road sites were to be rezoned to residential uses, then in combination with the already rezoned Terry Street and Kolotex and Labelcraft sites, the total loss of employment land at these four sites would be 4.95 ha, which is 4.5 % of the 2008 industrial land supply in the Local Government Area.

In addition, there is the recently announced State Government Urban Renewal Program for the Bays Precinct, incorporating some 75.8 hectares of industrial zoned land in the Leichhardt Local Government Area. The Parramatta Road revitalisation which is planned as part of the WestConnex road development, could also result in the loss of up to another (approximately) 12.2ha of industrial land.

As stated above, the 2008 *Inner West Subregion Draft Subregional Strategy* identifies 108.9ha of Employment Lands in the Leichhardt Local Government Area. The potential loss of the Bays Precinct (75.8ha) and Parramatta Road Employment Lands (12.2ha associated with the WestConnex project) could result in the total Employment Lands in the Local Government Area being reduced to approximately 20.9ha. Subtract from this the Employment Lands lost as a result of the rezoning of the Terry Street, Kolotex and Labelcraft sites (totalling 2.88ha), the resulting Employment Lands in the Local Government Area remaining would be 18.02ha.

The Bays Precinct Urban Renewal Program and WestConnex Parramatta Road Revitalisation Program will not necessarily result in the loss of all 88.0ha of Employment Land in these Program areas. In a worst case scenario, however, if all this land were lost to non-employment uses, the result would only leave Leichhardt with 18.02ha of its 2008 supply of Employment Lands. The proposed rezonings of Allen Street and Lords Road could reduce this by a further 2.07ha, to 15.95ha left across the Local Government Area. Lords Road, with a site area of 1.07ha, would

represent a potential loss of 6.72% of the worst case residual industrial land supply of 18.02ha.

Council engaged SGS Economics and Planning to undertake an Industrial Lands Study (**Attachment 4**) in order to provide Council with baseline information against which to consider proposals for rezoning industrial land; provide Council with an understanding of the cumulative impact of the loss of Employment Lands in the local government area and guide future decision making in relation to industrial land within the Local Government Area. The Industrial Lands Study will be available in September 2014. SGS were also commissioned to undertake an Economic Assessment of the suitability of industrial land at the site for rezoning (Attachment 4). The SGS site specific Economic Assessment is complementary to the Leichhardt Industrial Lands Study.

SGS Economics & Planning have assessed the value of rezoning industrial land at the site, given the preliminary outputs from the Industrial Lands Study. While some critical parts of the Industrial Lands Study are still in progress (most notably the demand forecasts and supply-demand gap assessment), it was still possible for SGS to draw some initial conclusions from the work to date. Relevantly, the SGS Economic Assessment (Attachment 4) findings include that:

- The site is economically viable in its current form and has no vacant space. Rents at the precinct appear to be relatively high when compared with other industrial precincts such as Moore Street and Allen Street, Leichhardt. Although assessment of market positioning and the subregional role is incomplete at this stage of the LGA wide Industrial Lands Study, at face value, the precinct seems to be functioning well as a local service/ light industrial precinct.
- As the precinct is functioning well, the loss of this precinct as industrial space would be significant. Although having a local service/ light industrial character, the precinct also supports some non-industrial activity (martial arts centre, art auction rooms, church, etc.) as well as having a small office component (5% of gross floor area). Consequently, the precinct may be suitable as a more flexible industrial area, and one that could be well positioned to attract creative businesses and/ or higher value light manufacturing activity if spaces are suitably configured. The provision of the light rail service boosts attractiveness for these functions (just as it boosts suitability for medium density residential development).
- According to the Proponent's data, the precinct currently employs 62 workers. The proposed residential development with a childcare facility would produce fewer workers and result in a net loss of jobs. At this stage it is not possible to quantify the effect of rezoning in terms of the ability of the LGA to meet job targets. However, given that there are no vacancies at the Lords Rd precinct, and there are relatively low stocks of industrial land elsewhere in the LGA coupled with some significant demand – side drivers (such as WestConnex and the Bays Precinct renewal)SGS advise that a rezoning would not be appropriate before a full supply-demand gap assessment is completed.
- As the precinct is currently functioning well, rezoning would have an impact. Whether this is outweighed by the provision of housing (and affordable housing in particular) largely depends on whether the loss of this industrial precinct would jeopardise the ability of the local government area to meet its



employment targets and/ or whether it would result in insufficient supply of local service industrial land given the needs of the current and projected population.

The Proponent has not adequately justified the proposal against the objectives and actions of the *Metropolitan Plan for Sydney 2036*, the Draft *Metropolitan Plan for Sydney 2031* or the *Inner West Subregion Draft Subregional Strategy*, in relation to Employment Lands. In addition Council is awaiting the outcomes of the Council wide Industrial Lands Study. Consequently, the Planning Proposal request is not justified against these Strategic Metropolitan and Regional higher order planning documents, and the Planning Proposal request is considered premature.

#### 4.1.5 Leichhardt 2025+ Strategic Plan

The *Leichhardt 2025+ Strategic Plan, July 2013*, was developed by Council with the local community to guide and direct Council and the community in achieving their development goal of a “sustainable, connected and liveable community”. *Leichhardt 2025+* is the strategic plan for the Leichhardt Local Government Area that identifies the community’s main priorities and aspirations for the future and guides the delivery of Council services over the next ten years.

The plan provides a framework for future development of the community over key areas that include:

- Community Wellbeing;
- Accessibility;
- Place Where We Live & Work;
- Sustainable Environment;
- Business in the Community; and
- Sustainable Services & Assets.

A review of the Planning Proposal request against the strategies contained in *Leichhardt 2025+* indicates that the Proposal is not consistent with some of the key goals and strategies of the Plan, including:

- *‘Promote a high standard of urban design in the public and private domain’*
- *Maintain and enhance the character of the urban environment*
- *Promote affordable, accessible, adaptable and diverse housing types*
- *Support and share innovation and creativity to develop the local economy*
- *Strategically manage the LGA’s economic assets for current and future generations*

#### 4.1.6 Leichhardt Employment Lands Study 2011 (the Study)

Local implementation of the 2008 *Inner West Subregion Draft Subregional Strategy* is realised through Local Environmental Plans (Local Environmental Plan). A series of specialised studies were undertaken to support preparation of *Leichhardt Local Environmental Plan 2013*. In this regard, Leichhardt Municipal Council commissioned the *Leichhardt Employment Lands Study 2011*, which was used to identify the local demand and supply of Employment Lands and their capacity to meet the projected targets of the *Metropolitan Plan for Sydney to 2036* and the *Inner West Subregion Draft Subregional Strategy*. The final report of the *Leichhardt Employment Lands Study*, compiled by SGS, was published in January 2011.

The Study utilised gap analysis to determine the availability of Employment Lands based on three scenarios and the opportunities and constraints that each site or precinct offered in achieving economic and employment growth within the Leichhardt Local Government Area.

In relation to specific sites, SGS developed a model to assess the interaction of supply and demand under each scenario. This involved the removal of the subject Industrial zoned land areas from the model in order to identify the potential implications of their removal on the capacity of the Leichhardt Local Government Area to accommodate forecast employment

The results of the analysis confirmed that as industrial sites are removed and the resulting supply deficits are relocated to other suitable areas, the overflow demand can be redistributed to other suitable alternative areas (both industrial and business zoned lands) without resulting in supply deficits.

The report made the following observations in respect to the subject site and its future use:

Leichhardt Industrial A and Lords Road

These sites contain local light industrial land uses within Leichhardt Industrial A also containing special land uses (Church). The location has the following implications for future land uses:

- The site is currently inappropriate for residential development given the proximity to the Rozelle Goods line corridor.
- Additional retail and commercial landuses are inappropriate given the identified proximate Leichhardt Market Place centre.

It may be appropriate to retain a light industrial zoning until the status of the corridor is established, then alternative uses may be considered in this location.

In the context of the above, SGS also proposed the following methodology for confirming the potential of existing industrial sites to be re-zoned for non-industrial purposes.

Describe the characteristics of the land being considered for rezoning?

- Access arrangements -proximity to transport nodes/ arterials
- Building age and condition
- Land and property values
- What current function does the land perform in the Employment Lands market
- What is the land's future potential as employment land

Describe the operational requirements of the affected businesses?

- Cost of land/ property
- Access
- Neighbouring uses/ buffering
- Site and floor areas



Describe what alternative locations satisfy these requirements?

- The character of identified alternatives in terms of access, cost, neighbouring uses, site and floor areas
- Describe what capacity exists in these areas in existing buildings and on vacant sites within the Local Government Area.

Council approved the Leichhardt Employment Lands Study in February 2011 as a strategic tool to assist the:

- management of Employment Lands;
- preparation of the new Local Environmental Plan; and
- development of the Employment and Economic Development Plan

#### **4.1.7 Leichhardt Employment and Economic Development Plan (EEDP) 2013**

The Council adopted the above plan in June 2013. The 10 Year Strategic plan acknowledges that the 2011 Employment Land Study had recognised that the Lords Street site “could be investigated for a broader range of employment uses and / or rezoning”.

The 10 Year Plan also builds on the SGS industrial site review methodology by setting out a more detailed analytical approach for the review of proposed rezoning of Employment Lands.

In practical terms, this approach has three key steps:

1. A co-ordinated approach to reviewing sites (and where possible concurrent) to ensure a Local Government Area wide perspective is maintained particularly in relation to the need for, and suitability of, the sites for various uses both today and in the future;
2. Consistency is achieved by reviewing the sites against the standard criteria outlined below; and
3. Where sites are found to be surplus to requirements and proposed to be rezoned, their suitability against a range of alternative uses discussed in the EEDP is considered. For example, their potential rezoning and use for creative industries, commercial office space or affordable housing.

Step 2 above refers to standard criteria for assessing the suitability of an employment site for rezoning. In greater detail, this Plan advocates the use of standardised criteria which have been designed to qualify the suitability of sites from a quantitative perspective (i.e. is there enough industrial land to meet current and forecast demand), a qualitative perspective (i.e. does the industrial land have the attributes required by potential tenants) and from the perspective of economic viability (i.e. are industrial uses viable on the land).

SGS were engaged by Council to prepare report on the suitability of rezoning the subject site (**Attachment 4**). The aim of SGS’s submission report was to independently assess the value of rezoning industrial land at 67 – 73 Lords Road, Leichhardt, given the preliminary outputs from the Council wide Industrial Lands Study they are currently undertaking. The adopted EEDP incorporated criteria for the assessment of proposals to re-zone industrial land. SGS’s conclusions of their rezoning suitability report have been organised under the criteria for rezoning

assessment established in the EEDP. The Proponent's response to each criteria and SGS's assessment is provided below.

- **Would the rezoning result in insufficient industrial land being available for current and future demand for industrial land in the Local Government Area, at a minimum?**

#### **Proponent's Response**

"No. There is unutilised capacity in the surrounding area which is outlined in the SGS Leichhardt Employment Lands Study and the Employment Lands Development Program – Inner West Subregion 2010 report.

The EEDP also acknowledges that the Lords Road site is not of strategic significance to the economic development and growth of Leichhardt and presents an opportunity for rezoning and redevelopment.

Further, the close proximity of the site to the approved Marion Street Light Rail Station provides a significant point of differentiation from other existing industrial sites."

#### **SGS Conclusion**

"Although a relatively small precinct, it functions well as local light industrial land. The loss of the land must also be seen in the context of both supply-side pressures. On the supply side, the LGA has relatively low stocks of industrial land that have continued to dwindle in recent years. On the demand-side, population growth, a likely increase in the 'competitive offer' of the precinct following WestConnex completion, and the Bays Precinct renewal are likely to place more pressure on industrial land availability in the Local Government Area.

In the context of persistent demand and low supply, a rezoning would seem likely to dilute the ability of Council to provide sufficient land to accommodate demand. However, it is not possible to answer this question fully without completing a quantitative assessment of industrial floorspace demand and a local supply-demand gap assessment."

#### **Planning Assessment**

The EEDP recognises that the site could be investigated for a broader range of employment uses and / or rezoning.

Council has engaged SGS to undertake a Council wide Industrial Lands Study in order to provide certainty regarding Council's Employment Lands. Since the EEDP was adopted in 2013, a number of employment land sites have been approved for rezoning or are in the process of seeking approval to be rezoned.

In addition, there may be further loss of Employment Lands associated with the WestConnex Parramatta Road Revitalisation Program and the Bays Precinct Urban Renewal Program, State Government programs.

The ambiguity of these major initiatives means that the proposal is premature and cannot progress with any certainty, as it is not possible at this stage for Council to fully assess the impact of the loss of the site as Employment Lands, this is

particularly so, given that the site is currently fully tenanted, economically viable and employing 62 people.

- **Would the rezoning of the site result in the fragmentation of a larger industrial precinct or erode the viability of a locally or regionally significant industrial precinct?**

#### **Proponent's Response**

"No. The site currently incorporates buildings reaching the end of their useful economic lifespan and the site is not well located for industrial users.

The site does not have desirable heavy vehicle access as it is located in the middle of a residential area, and does not have good access to heavy vehicle routes. Industrial users are increasingly seeking large unencumbered sites in Western Sydney, with little conflict with surrounding uses and excellent access to major roads and heavy vehicle routes."

#### **SGS Conclusion**

"Rezoning of the site would not result in the fragmentation of a larger industrial precinct or erode the viability of a locally or regionally significant precinct.

A rezoning would remove this land from the supply of local service/ light industrial land in the LGA. The precinct is fully tenanted and is functioning well so the loss of this precinct as industrial space would be significant. Although having a local service/ light industrial character, the precinct also houses some non-industrial activity (martial arts centre, art auction rooms, church, etc.) as well as having a small office component (5% of gross floor area). In this light, the precinct may be a good example of a flexible industrial area and one that could be well positioned to attract creative businesses and/ or higher value light manufacturing activity if spaces are suitably configured. The provision of light rail service boosts attractiveness for these function (just as it boosts suitability for medium density residential and mixed use development)."

#### **Planning Assessment**

While the site is a constrained industrial site, it may be suitable for a broader range of employment uses, as concluded by SGS (**Attachment 4**) and supported under the EEDP. The Proponent has assessed the viability of the site for more traditional industrial uses. The current IN2 – Light Industrial zoning provides for a wider range of employment uses. The objectives of the IN2 – Light Industrial zone under *Leichhardt Local Environmental Plan 2013* include:

#### **Zone IN2 Light Industrial**

##### **1 Objectives of zone**

- To provide a wide range of light industrial, warehouse and related land uses.
- To encourage employment opportunities and to support the viability of centres.
- To minimise any adverse effect of industry on other land uses.



- To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area.
- To support and protect industrial land for industrial uses.
- To retain existing employment uses and foster a range of new industrial uses to meet the needs of the community.
- To ensure the provision of appropriate infrastructure that supports Leichhardt's employment opportunities.
- To retain and encourage waterfront industrial and maritime activities.
- To provide for certain business and office premises and light industries in the arts, technology, production and design sectors.

SGS have advised that the site is currently fully tenanted, employs 62 people and the precinct is functioning well. Until SGS have completed the Local Government Area wide Industrial Lands Study (scheduled to be completed by September 2014), there is no certainty as to whether or not, the loss of 67 – 73 Lords Road, as industrial zoned land would threaten the ability of the Local Government Area to meet its employment targets and / or whether it would result in insufficient supply of local service industrial land.

Consequently, it is considered that the proposed Planning Proposal request for Lords Road is premature and should be deferred until the completion of the SGS Local Government Area wide Industrial Lands Study.

- **Would the rezoning be consistent with adopted Council and/or State Government Policy regarding the future role and demand for industrial land? What impact would it have to Council's employment targets?**

#### **Proponent's Response**

"The site is not considered of strategic importance in Council's EEDP, Metropolitan Plan 2036 or the more recent Draft Metropolitan Strategy to 2031. The site is isolated, relies upon access through residential streets and is disconnected to major arterial roads and freight movements. The dated content of the Draft Sub-Regional Strategy has been supplanted by recent strategic planning and economic analysis, which identifies that this site, has reached the end of its economic life and is suitable for consideration for rezoning to a more appropriate land use, much like other fragmented sites across the Local Government Area."

#### **SGS Conclusion**

"According to Mecone data, the precinct currently employs 62 workers. The proposed residential development with childcare facility would produce few workers and result in a net loss of jobs.

At this stage it is not possible to quantify the effect of rezoning in terms of the ability of the LGA to meet job targets. However, given that there are no vacancies at the Lords Road precinct, and there are relatively low stocks of industrial land elsewhere in the LGA coupled with some significant demand side drivers (such as WestConnex and the Bays Precinct renewal) we suggest that a rezoning would not be appropriate before a full supply-demand gap assessment is completed.



**Planning Assessment**

The Proponent has not adequately justified the Planning Proposal against the objectives and actions of the *Metropolitan Plan for Sydney to 2036*; the *Draft Metropolitan Plan for Sydney 2031* or the *Inner West Subregion Draft Subregional Strategy*, in relation to Employment Lands. In addition, Council is awaiting the outcomes of the Council wide Industrial Lands Study. Consequently, the Planning Proposal request is not justified against these Strategic Metropolitan and Regional higher order planning documents, and the Planning Proposal request is considered premature.

- **Does the site(s) have characteristics required by light or high tech industrial uses and other uses permitted in the zone/seeking floorspace in the Local Government Area or subregion (e.g. floorspace, access, proximity to economic infrastructure, parking, infrastructure, storage, building configuration and land value)?**

**Proponent's Response**

"No. The site currently incorporates buildings reaching the end of their useful economic lifespan and the site is not well located for industrial users.

The site does not have desirable heavy vehicle access as it is located in the middle of a residential area, and does not have good access to heavy vehicle routes. Industrial users are increasingly seeking large unencumbered sites in Western Sydney, with little conflict with surrounding uses and excellent access to major roads and heavy vehicle routes."

**SGS Conclusion**

"Suitability mapping has shown that the Lords Road precinct achieves a lower score than similarly zoned precincts elsewhere in the Local Government Area. This is largely the result of other sites having better access to major roads. We acknowledge that these scores would likely change as a result of WestConnex completion – further improving the competitive offer of the precinct. It should also be noted that 'less suitable' certainly does not mean 'unsuitable' for local light industrial use. The site fulfils the requirements of local service/ light industrial business.."

**Planning Assessment**

While the site is a constrained industrial site, it may be suitable for a broader range of employment uses. The Proponent has not provided adequate information in this regard.

- **Would it be economically viable to improve the site to attract new tenants or to adapt to changing industry requirements and to ensure that the land uses on the site address compatibility with surrounding uses?**

**Proponent's Response**

"No. The rents for industrial uses on the site are low in comparison to equivalent rents in Sydney and are similar to rents achieved on low value land on the periphery of the metro area, not in inner suburbs.

No. Redevelopment of the site for industrial uses would result in a loss as the current site is not viable and industrial users are seeking alternative facilities with good access to major heavy vehicle transport routes and industrial clusters with no potential conflicts with surrounding residential uses. It is evident that there is no incentive to undertake an industrial development on the site"

**SGS Conclusion**

"The site is economically viable in its current form. While its road accessibility is unlikely to be improved, public transport accessibility is very good. There may be potential to reconfigure spaces on site to allow higher office components or more flexible space that would appeal to higher value and higher employment density uses (such as creative business)."

**Planning Assessment**

The Proponent's assessment is at odds with SGS. SGS reports that the site is currently fully tenanted and has no vacant space, and that rents at the site appear to be relatively high when compared with other industrial precincts in the Local Government Area, such as Moore Street and Allen Street. They further report that "although assessment of market positioning and the subregional role is incomplete at this stage of the industrial lands study, at face value, the precinct seems to be functioning well as a local service/ light industrial precinct".

It is considered that the proposed Planning Proposal request for Lords Road is premature and should be deferred until the completion of the SGS report Local Government Area wide Industrial Lands Study.

- **Would the retention of industrial uses on the site result in a positive net benefit to the community as a whole?**

**Proponent's Response**

The Proponent has undertaken a Net Community Benefit test (**Attachment 5**) which concludes that rezoning the site to residential, with a childcare centre will have more net positive impacts than costs to the community.

**SGS Conclusion**

"As the precinct is currently functioning well, rezoning would clearly have an impact. Whether this is outweighed by the provision of housing (and affordable housing in particular) largely depends on whether the loss of this industrial precinct would

jeopardise the ability of the Local Government Area to meet its employment targets and or whether it would result in insufficient supply of local service industrial land given the needs of the current and projected population. This question will be answered as part of the industrial lands study.”

### **Planning Assessment**

The Proponent's Net Community Benefit Test ignores the wider issue of the cumulative loss of Employment Lands in the Leichhardt Local Government Area. This is an important consideration in terms of access to local jobs and the overall economic impact of the loss of Employment Lands.

Council has engaged SGS Economics & Planning to undertake an Industrial Lands Study across the Local Government Area to:

- Provide Council with baseline information against which to consider proposals for the rezoning of industrial land.
- Identify the trends and long-term demand and supply for industrial zoned land in the context of the Local Government Area and the subregion.
- Establish the relative strategic positioning of the industrial precincts within the Local Government Area.
- Consider the Study Area (all land zoned IN2 - Light Industrial under the *Leichhardt Local Environmental Plan 2013*), against criteria for the rezoning of industrial land.
- Assess the capacity of the industrial zoned land within the Local Government Area to accommodate future demand for industrial land.
- Establish if there is a basis for change in the Study Area.
- Consider what uses may need to be accommodated in Leichhardt's Industrial zoned land in the future.
- Guide future decision making in relation to industrial land within the Local Government Area.
- Understand the implications of WestConnex on industrial zoned land within the Local Government Area.
- Make recommendations for the Camperdown Industrial Precinct to inform the direction of the Strategic Sites, Centres and Corridors Project and future amendments to the *Leichhardt Local Environmental Plan 2013* and *Development Control Plan 2013*.
- Make recommendations for the industrial precincts of Moore Street, Lords Road, Balmain Road, Terry Street (Rozelle), Leichhardt A (Marion Street) and Victoria Road South.

The study is expected to be completed in September 2014. Council is not in a position to make a decision on the net community benefit of the loss of the Lords Road site, until the report is complete. Supporting a rezoning of the site at this stage is not appropriate until a full supply-demand gap assessment is completed.

The EEDP also states that those rezoning proposals that can best respond to the above criteria may be considered to have merit. All rezoning proposals must be based on a thorough market analysis and economic impact assessment by an independent party. Based on the information provided by the Proponent and SGS to date,



however, the assessment of the proposed rezoning against the criteria under the EEDP indicates that the proposal does not have merit.

It is considered that the proposed rezoning of Lords Road is premature.

#### **4.1.8 S117 Directions**

*A Guide to Preparing Planning Proposals (2012)* prepared by the former Department of Planning and Infrastructure states that "each planning proposal must identify which, if any, section 117 Directions are relevant to the proposal, and whether the proposal is consistent with the direction. Where the planning proposal is inconsistent with any of the relevant directions, those inconsistencies must be specifically explained and justified in the planning proposal".

The Proponent's Planning Proposal report (Attachment 1) includes an assessment of the Planning Proposal request against the relevant S117 Directions, determining that the proposal is consistent with all relevant Directions.

Direction 1.1 Business and Industrial Zones is applicable to the proposal. The objectives of Direction 1.1 include:

- (1) The objectives of this direction are to:
- (a) encourage employment growth in suitable locations,
  - (b) protect employment land in business and industrial zones, and
  - (c) support the viability of identified strategic centres.

Clause (4) of Direction 1.1 includes what a relevant planning authority must do if this direction applies:

#### **What a relevant planning authority must do if this direction applies**

- (4) A planning proposal must:
- a) give effect to the objectives of this direction,
  - b) retain the areas and locations of existing business and industrial zones,
  - c) not reduce the total potential floor space area for employment uses and related public services in business zones,
  - d) not reduce the total potential floor space area for industrial uses in industrial zones, and
  - e) ensure that proposed new employment areas are in accordance with a strategy that is approved by the Director-General of the Department of Planning.

Clause (5) of direction 1.1 outlines when a planning proposal may be inconsistent with the terms of this direction as follows:

#### **Consistency**

(5) A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) that the provisions of the planning proposal that are inconsistent are:

- a) justified by a strategy which:
  - (i) gives consideration to the objective of this direction, and



- (ii) identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites), and
- (iii) is approved by the Director-General of the Department of Planning, or
- b) justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this direction, or
- c) in accordance with the relevant Regional Strategy or Sub-Regional Strategy prepared by the Department of Planning which gives consideration to the objective of this direction, or
- d) of minor significance.

As outlined in the preceding sections of this report, Council's policy documents, including the EEDP and high level strategic planning documents such as the *Inner West Subregion Draft Subregional Strategy* do not support or justify the loss of Lords Road as Employment Land. In addition the SGS Economic Assessment Report (**Attachment 4**) on the suitability of rezoning the site concludes that the site is economically viable in its current form, but acknowledges that residential uses would be more profitable. The site is fully tenanted, commanding higher rents than similar industrial lands in the Local Government Area and employs 62 people. The loss of the site as industrial space would be significant. The precinct may be suitable for a more flexible industrial area and could be well positioned to attract creative businesses and/ or higher value light manufacturing activity if spaces are suitably configured. The provision of light rail service supports this potential as a flexible industrial use site as it does medium or high density residential development.

It is also considered that without further direction from the State Government on proposed outcomes for Council's Employment Lands, as a result of the WestConnex Urban Revitalisation Project and the Bays Precinct Urban Renewal Program, the impact of the loss of this Employment Lands site cannot be justified.

The proposal is inconsistent with Direction 1.1 and cannot be supported.

#### **4.2 Site Specific Studies**

There are a number of possible land use changes, as well as infrastructure developments which will exert a strong influence on land use planning within Leichhardt. These proposed projects have the potential to influence the volume, nature and distribution of Employment Lands within the Local Government Area. The year in which the projects are proposed to be completed may also influence potential timing of demand.

There are two, major, State led proposals that will impact on the Local Government Area and in particular, the quantity of Employment Lands. These two projects are:

- WestConnex Parramatta Road Urban Revitalisation
- Bays Precinct Urban Renewal Program

The WestConnex project is more certain given funding has been allocated to construct the new motorway. Council is awaiting advice from the State Government

regarding whether the Lords Road Planning Proposal Request is premature in relation to the WestConnex / Urban Activation prospects.

The State Government's objectives for the Parramatta Road Urban Renewal Project and what impacts the WestConnex Motorway will have on the area are unclear. Matters for consideration in relation to the subject site include the location of exhaust stacks and how traffic feeds onto and off the WestConnex motorway through the Leichhardt Local Government Area. In addition, the Parramatta Road may result in the loss of IN2 Light Industrial land within the Local Government Area.

The Bays Precinct Urban Renewal Program covers approximately 80 hectares of Government owned land and includes sites within the Leichhardt Local Government Area such as the heritage-listed White Bay Power Station, Glebe Island, White Bay, Rozelle Bay and the Rozelle Rail Yards. This area is categorised under the *Inner West Subregion Draft Subregional Strategy* as Category 2 Employment Lands (land with potential to allow a wider range of employment uses). The sites within the Leichhardt Local Government Area total approximately 75.8ha of Employment Lands.

The rezoning of the employment lands in the Bays Precinct and Parramatta Road areas would have a significant impact on the local supply of Employment Lands and local economy. It is considered premature to continue to rezone industrial sites within the Leichhardt Local Government Area until more certainty is provided from the State Government regarding the cumulative impact of major proposals that affect the area.

#### **5. Merits Assessment of Planning Proposal Request**

As Section 4 of this report indicates above, there is minimal strategic justification for the Proponent's Planning Proposal request. An assessment has also been undertaken to understand the potential of the site planning, urban design and local implications of the proposed scheme on the immediate community and environment. The following section of this report summarises the Proponent's Planning Proposal and supporting reports and provides an assessment of the resulting amenity impacts of the Proposal. Each table has the following four components:

1. A brief explanation of expected key outcomes
2. The Proponent's position
3. Assessment
4. Conclusion

**5.1 Land Use Zone**

<p><b>Key outcomes</b></p> <p><i>Leichhardt Local Environmental Plan 2013</i> land use zones are intended to provide suitable sites and meet the housing, community and business needs.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's Planning Proposal requests the re-zoning of the site from IN2 Light Industrial to R3 Medium Density Residential. The Proponent's justification for rezoning is provided below:</p> <ul style="list-style-type: none"> <li>• The site has reached the end of its economic life. The Leichhardt Employment and Economic Development Plan advocates transforming appropriate industrial land (such as the Lords Road site) into different land uses including affordable housing for key workers and students.</li> <li>• Places downward pressure on cost of living by improving housing affordability and availability.</li> <li>• Supports state government plans for light rail line and the Parramatta Road Corridor through increased housing supply in proximity to these projects.</li> <li>• Increased housing in the vicinity of WestConnex.</li> <li>• Contributes to more intense housing, increased housing choice and affordability in a transport accessible area.</li> <li>• Assists in achieving the aims and targets of the Metro Plan as it will provide new dwellings in an existing urban area, which is highly accessible and close to essential services.</li> <li>• Assists with achieving housing targets for the Central Subregion.</li> <li>• Takes advantage of one of the limited opportunities for brownfield development in the Leichhardt Local Government Area for a range of residential dwelling types, providing housing choice and affordability in a prime location.</li> <li>• Provides additional child care places in a location close to schools to assist working households</li> <li>• Revitalises a site which is currently underutilised ensuring high quality design that is aesthetically pleasant and environmentally sustainable.</li> <li>• Redevelops the site in a way that is compatible with existing and future surrounding land uses.</li> </ul>
<p><b>Assessment</b></p> <ul style="list-style-type: none"> <li>• The characteristics of the proposed development are more akin to a high density, residential development scenario, not a medium density development.</li> <li>• The Proposal is considered inconsistent with the R3 - Medium Density Residential Objectives under <i>Leichhardt Local Environmental Plan 2013</i> which are: <ul style="list-style-type: none"> <li>- To provide for the housing needs of the community within a medium density residential environment.</li> <li>- To provide a variety of housing types within a medium density residential environment.</li> <li>- To enable other land uses that provide facilities or services to meet the</li> </ul> </li> </ul>



day to day needs of residents.

- To permit increased residential density in accessible locations so as to maximise public transport patronage and to encourage walking and cycling.
- To ensure that a high level of residential amenity is achieved and maintained.

- The proposal is seeking an FSR of 2.4:1 and heights from four (4) to eight (8) storeys.
- The proposed dwelling yield is 315 units with 150 – 253 parking spaces.

The Draft Metropolitan Strategy for Sydney to 2031, Appendix D: Glossary of Terms includes the following definitions:

**Building Height**

**Low rise** – three storeys or less, including terraces, townhouses, shop-top housing, semi-detached housing and small residential flat buildings.

**Medium rise** – four to five storeys, includes residential flat buildings and shop-top housing.

**High rise** – six storeys or more, includes residential flat buildings, shop-top housing and large mixed use developments, such as offices and shops with housing above.

**Residential density**

The number of dwellings within land zoned for housing, not including land for open spaces, roads, etc, defined as:

**Low density** – fewer than 25 net dwellings per hectare.

**Medium density** – between 25 to 60 net dwellings per hectare

**High density** – more than 60 net dwellings per hectare. High density does not necessarily mean ‘high rise’, there are a number of development forms that result in medium and high density which are low or medium rise. See also, building height.

The proposal is a high-rise, high density development. It has an overall height of greater than six (6) storeys and a density of greater than 60 net dwellings /ha. The Proposal is not consistent with the proposed R3 - Medium Density zoning. As *Leichhardt Local Environmental Plan 2013* does not include an R4 - High Density Residential zoning, a more appropriate zoning for the site, should it be considered for residential development, and consistent with the surrounding locality is the R1 – General Residential Zoning.

The R1 objectives under *Leichhardt Local Environmental Plan 2013* include:

- To provide for the housing needs of the community.
- To provide for a variety of housing types and densities.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To improve opportunities to work from home.
- To provide housing that is complementary to, and compatible with, the character, style, orientation and pattern of surrounding buildings, streetscapes, works and landscaped areas.



The R1 zoning permits more varied land use outcomes, including opportunities for employment uses, opportunities to work from home and light industries. Uses that are consistent with some of the current uses operating from the site. Importantly, the R1 zoning requires that new housing is complementary to and compatible with the character of the locality.

**Conclusion**

- The Proposal is not a medium density development, it is a high density development.
- The R3 – Medium Density zone is not consistent with the character of the area.
- Given the site is within a low density residential area, it is important that any higher density residential outcome for the site passes the local character test.

**5.2 Urban Design and Development Control Plan**

<b>Key outcomes</b>			
<p>Good urban design should improve urban form, legibility and coherence. It should also achieve beneficial social, economic and environmental outcomes. Leichhardt Development Control Plan 2013 seeks to maximise opportunities for good urban design to make a positive contribution to streetscapes and public spaces, while promoting amenity and business prosperity.</p>			
<b>Proponent's position</b>			
<p>The Proponent has submitted an Urban Design Concept Study (<b>Attachment 6</b>) to support the Planning Proposal request. The Urban Design Study analysed the topography, landscape, streetscape and building typology, floor space ratios, vistas and transport issues.</p> <p>The Urban Design Study considered design options that involved built form, yield analysis, street massing, basement parking, building heights, solar access and privacy for adjoining properties. The Urban Design Study favourably compared the Planning Proposal to a number of other redevelopment sites in the Inner West as outlined below.</p>			
<b>Name</b>	<b>No. of storeys</b>	<b>FSR</b>	<b>LOCAL GOVERNMENT AREA</b>
Lewisham Apartments	Up to 10 storeys	3.04:1	Marrickville
Summer Hill Flour Mill	13 storeys	1.6:1	Marrickville
Bay St, Glebe	33m	3.85:1	City of Sydney
Harold Park	Up to 8 storeys	1.25:1	City of Sydney
<b>Assessment</b>			
<p>The circumstances and characteristics of the listed sites above are not directly comparable to the subject site, except that for their proximity to the Inner West Light Rail Line. The sites listed above either formed part of a greater precinct master plan and / or are more accessible to public transport, including heavy rail. The height and FSR at Bay Street, Glebe is as a result of increased Affordable Housing and sustainability measures.</p> <p>149 - 151 Allen Street, Leichhardt is more comparable and located approximately 900m from the subject site. That site is fragmented industrial land surrounded by residential development, is going through the Planning Proposal process and has been approved at Gateway by the Department of Planning and Environment. The proposed zoning is R1 - General Residential; proposed FSR for the site is 1.5:1, and street frontage buildings are to be limited to 3 storeys in height.</p>			

Maximum overall height limit for the site is 6 storeys on the basis that there are minimal amenity impacts as a result of the number of storeys.

The FSR and height controls proposed at Allen Street are as a result of extensive urban design analysis. These controls are proposed to minimise environmental impact on surrounding residential properties.

The Proposal at Lords Road, with a maximum FSR of 2.4:1 and height of up to 8 storeys, is not compatible with the existing character of the locality. The Proposal would result in undesirable overshadowing of common open space areas and proposed public playground and fitness area. In addition, the Proposal does not comply with the *Residential Flat Design Code* controls for minimum common open space or ground floor private open space. The Proposal also presents undesirable opportunities for overlooking into the rear yards of properties fronting Davies Street, and unacceptable traffic and transport impacts.

These amenity impacts are a result of the proposed overdevelopment of the site and undesirable bulk and scale of the buildings. A reduced bulk and scale is desirable to minimise environmental and amenity impacts.

#### **Conclusion**

The key built form issues are:

- Building height and the resultant potential for overlooking to the rear of Davies Street properties and overshadowing of open space areas on site.
- Inadequate location and quantity of common and private open space.
- Poor solar access to open space areas.
- The Proposal is not a medium density development, it is a high density development. Given the site is within a low density residential area, it is important that any higher density, residential outcome for the site, passes the local character test. The Proposal, as submitted, is not consistent with the character of the local area.

The Proposal is an overdevelopment of the site. A reduction in FSR and building height is required to address issues concerning compatibility with the existing character of the local area, visual impact, and overshadowing of open space areas within the development.

**5.3 Building Heights**

<p><b>Key outcomes</b></p> <p>Disproportionately tall buildings can have adverse impacts on solar access for open space privacy, the public domain; overshadow living space in other dwellings; and compromise the interface with smaller adjoining buildings. Their overall bulk can become an overly dominant feature within the streetscape.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's scheme includes 4 buildings varying in height from 4 to 8 storeys (refer to Figure 4 – Extract of Figure G40 – Height Plan – 67 – 73 Lords Road, Leichhardt Draft DCP and Figure 5 – Extract of Figure 41 – Setback Plan – 67 – 73 Lords Road, Leichhardt, Draft DCP – <b>Attachment 2</b>, including:</p> <ul style="list-style-type: none"> <li>• Street frontage building to Davies Lane – 3 storeys with 2.5 metre setbacks to a 4th storey. The first 3 storeys are setback by 6.0 metres from Davies Lane and the top storey is setback 8.5 metres from Davies Lane,</li> <li>• Street frontage building to Lords Road – 3 storeys with 0 setback from the street and a 7.5m setback from Lords Road to 4th storey.</li> <li>• Southern setback building from Lords Road is 5 storeys with a 7.5m setback to Lords Road and up to 8 storeys adjacent to the northern boundary with Lambert Park and is setback 7.5m from Lambert Park.</li> <li>• One building of 6 storeys is adjacent to Lambert Park, setback 7.5m from the Lambert Park boundary.</li> </ul>
<p><b>Assessment</b></p> <p>Concern is raised regarding the bulk and scale of the proposed buildings:</p> <ul style="list-style-type: none"> <li>• 4 storeys to Davies Lane is unacceptable. This is a narrow lane and overlooks rear yards of dwellings fronting Davies Street. It is recommended that a Character Assessment is undertaken. Preference for 2 storeys to Davies Lane with 3rd storey setback.</li> <li>• 3 storeys to Lords Road is more compatible with the character of the area.</li> <li>• Concern regarding overshadowing of proposed common central open space as a result of the proposed heights of the buildings.</li> <li>• 8 storeys is out of character, unexpected and a dominant element in the streetscape as viewed from raised light rail track, particularly the Marion Street Station.</li> </ul>
<p><b>Conclusion</b></p> <p>The Proposal is an overdevelopment of the site. A reduction in building height is required to address issues concerning compatibility with the existing character of the local area, visual impact, and overshadowing of open space areas within the development.</p>



**5.4 Solar Access, Overshadowing and Visual Privacy**

<p><b>Key outcomes</b></p> <p>Residential development should be designed to maximise sunlight and daylight to improve amenity and energy efficiency, while minimising overshadowing of neighbours and protecting the visual privacy within new dwellings and nearby residences.</p> <p>Public open space areas, including playgrounds, should have good solar access.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's Urban Design Analysis suggests that testing of solar access indicates that the development will easily be able to satisfy solar access requirements of the <i>Residential Flat Design Code</i>. Moreover, shadow testing also indicates that there will be no additional overshadowing of surrounding residential properties.</p> <p>The Proponent has included shadow studies for mid-winter and the equinox to indicate that there is minimal overshadowing of adjoining areas.</p> <p>The Proponent's site specific draft Development Control Plan (<b>Attachment 2</b>) proposes that:</p> <ul style="list-style-type: none"> <li>• 70% of dwellings have a minimum of <b>2 hours</b> direct sunlight to the main living rooms between 9am and 3pm during the winter solstice;</li> <li>• Communal open space would receive a minimum of <b>2 hours</b> direct sunlight over 50% of the communal open space between 9am and 3pm at the winter solstice.</li> </ul> <p>Regarding visual privacy, the Proponent suggests a height of up to 4 storeys is an appropriate scale for the pedestrian environment (Davies Lane) (refer to Figure 7 below) and that the existing vegetation on the eastern boundary would provide a visual buffer between the site and the existing residential area to the east.</p> <div style="text-align: center;"> </div>
<p>Figure 7 – Extract of Figure G42 – Setback Sections, 67 – 73 Lords Road, Leichhardt Draft Development Control Plan</p>

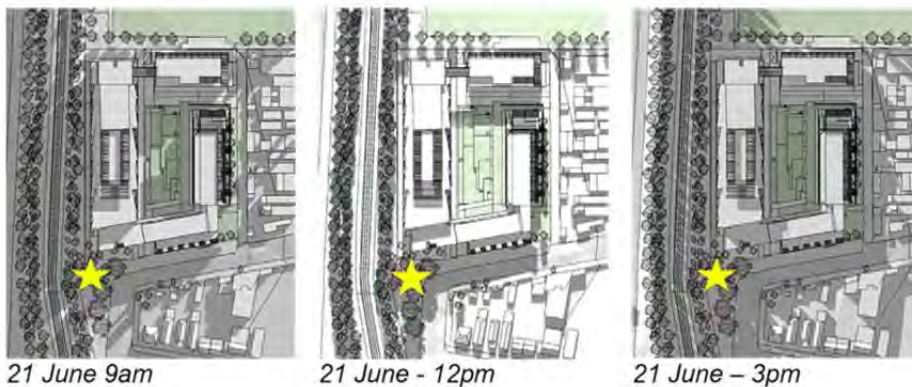
**Assessment**

The *Residential Flat Design Code* requires that living rooms and private open space for at least 70% of apartments in a development should receive a minimum of **3 hours** direct sunlight between 9am and 3pm in mid-winter. Under the *Residential Flat Design Code*, the common open space area should also achieve a minimum 3 hours direct sunlight for over 50% of the communal open space.

Given the scale of the site, the Proposal should be able to comply with the 3 hour preferred solar access requirements of the *Residential Flat Design Code*. Compliance with the minimum solar access requirements could be achieved through reducing the height and density of the development.

The Proponent's Voluntary Planning Agreement Offer (**Attachment 7**) and Revised Voluntary Planning Agreement Offer (**Attachment 14**) includes the construction of a playground and fitness area to the south of the development. The Proponent's shadow diagrams indicate that these areas will have poor amenity due to overshadowing. The location of the playground and fitness area are unsatisfactory given the overshadowing.

An extract of the Proponent's shadow diagrams (**from Attachment 6**) indicating the location of the children's playground that forms part of the Voluntary Planning Agreement is provided below.



★ - Children's playground

In addition, further solar access analysis of common open space in the centre of the site is required.

Four storeys to Davies Lane is considered excessive given the low density scale of residential dwellings to the east. The orientation of balconies to the east and scale of the building along Davies Lane, raises concerns regarding visual privacy to the rear yards of properties fronting Davies Street.

<b>Conclusion</b>
The Proposal is an overdevelopment of the site. A reduction in building height is required to address incompatibility issues with the existing character of the local area, visual impact, and overshadowing of open space areas within the development.

### 5.5 Floor Space Ratio

<b>Key outcomes</b>
The <i>Leichhardt Local Environmental Plan 2013</i> Floor Space Ratio objectives are to ensure residential development is compatible with the desired future character of the area in relation to building bulk, form and scale and provides a balance between landscaped areas and the built form.
<b>Proponent's position</b>
The Proponent's scheme has an estimated yield of 315 units with an overall Floor Space Ratio of 2.4:1.
<b>Assessment</b>
The current R1 Floor Space Ratio for this part of Leichhardt is 0.5:1.  The bulk and scale of the current scheme results in a development with little regard for the character of the area; amenity impacts such as potential overlooking to the rear of Davies Street properties and overshadowing of a common central open space, and proposed playground and fitness area. A reduced FSR is recommended in order to achieve: <ul style="list-style-type: none"> <li>• a higher quality urban design outcomes for streetscape character;</li> <li>• minimal amenity impacts on existing properties;</li> <li>• better outcomes for the residents of the proposed development in respect of elements such as solar access and extent of landscaped area.</li> </ul>
<b>Conclusion</b>
The Proposal is an overdevelopment of the site. A reduction in building height is required to address issues concerning compatibility with the existing character of the local area, visual impact, and overshadowing of open space areas within the development.



**5.6 Amenity and open space**

<p><b>Key outcomes</b></p> <p>Residential developments should enhance the lives and amenity of their residents and the residents of surrounding areas. Private open space needs to be provided for every new dwelling to meet recreational needs; serve as outdoor extensions of internal living space; ensure access to air and sunlight and balance visual privacy with casual surveillance of the public domain.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's proposed Urban Design Analysis (<b>Attachment 6</b>) indicates that the landscape and open space will:</p> <ul style="list-style-type: none"> <li>• Retain, reveal and enhance the natural features. This includes the fall in the land and the existing trees.</li> <li>• Create a relationship between the ground floor and the ground plane that enhances both.</li> </ul> <p>Amenity objectives indicate that to ensure that the apartments and apartment buildings have a high level of amenity they will:</p> <ul style="list-style-type: none"> <li>• Have clear, safe visible places which create a sense of entry</li> <li>• Have direct vertical and horizontal circulation throughout the buildings</li> <li>• Have well designed useable private open spaces</li> <li>• Have well designed useable communal open spaces that are generous and can accommodate large scale planting</li> <li>• Have apartments that meet SEPP 65 requirements</li> <li>• Provide a range of housing choices.</li> </ul> <p>Under the Proponent's site specific draft Development Control Plan (<b>Attachment 2</b>), the proposed landscaping provisions include:</p> <p>"G8.11 Open Space</p> <ul style="list-style-type: none"> <li>• A minimum of 1,690m<sup>2</sup> of publicly available communal open space is to be provided in accordance with Figure G45;</li> <li>• C2 Private open space is to be provided for each dwelling in accordance with the table below;</li> <li>• C3 Ground Floor dwellings are to be provided with private open space in the form of an enclosed courtyard with a minimum dimension of 3 metres and a minimum area of 12m<sup>2</sup>.</li> </ul> <p>G8.12 Landscaping</p> <ul style="list-style-type: none"> <li>• A landscaped area that is at least 1 metre wide and comprises at least 25% of the site area; and</li> <li>• The site coverage does not exceed 55% of the site area;</li> <li>• Landscaping areas are to be provided in accordance with Figure G44." </li></ul>



**Assessment**

*State Environmental Planning Policy 65 - Residential Flat Design Code (Residential Flat Design Code)* rules of thumb for assessment include:

- Areas of communal open space should generally be at least between 25 and 30% of the site area. Larger sites and brownfield sites may have potential for more than 30%.
- Where development are unable to achieve the recommended communal open space, such as those in dense urban areas, they must demonstrate that residential amenity is provided in the form of increased private open space and/ or in a contribution to open space.
- The minimum recommended area of private open space for each apartment at ground level or similar space on a structure, such as on a podium or car park, is 25m<sup>2</sup>, the minimum preferred dimension in one direction is 4m.

When Council's controls are considered:

- *Leichhardt Local Environmental Plan 2013* does not include specific landscaped area requirements for development in the R3 Medium Density Zone, but Clause 4.3A of *Leichhardt Local Environmental Plan 2013* requires a landscaped area that is at least 1 metre wide and comprises at least 10% of the site for any site zoned R1 General Residential.
- Draft Amendment to *Leichhardt Local Environmental Plan 2013* in respect of Clause 4.3A and R1 zoned land requires that at least 20% of site area (for sites greater than 235sqm) is landscaped area and that the site coverage does not exceed 60% of the site area.

The Proposal provides for 15.8% of the site area for communal open space. There are no constraints for development of this large site that would prevent achievement of the *Residential Flat Design Code* communal open space requirement, of at least between 25 and 30% (2,673m<sup>2</sup> – 3,207m<sup>2</sup>) of the site area.

The Proposal includes a Voluntary Planning Agreement Offer (**Attachment 7**) to develop a playground and fitness circuit to the south of the site. The location of the proposed public playground and fitness circuit means they would be overshadowed for much of the day in mid-winter and the equinox. Consequently, these proposed recreational areas do not achieve minimum amenity requirements and do not compensate for the development not achieving the minimum *Residential Flat Design Code* communal open space requirements on site.

Design amendments would be necessary to ensure minimum 3 hours direct sunlight to 50% of the communal open space.

Council's Parks and Open Space Planner has raised concerns regarding the quantity of open space; the overshadowing of the proposed open space; the location of the proposed children's playground and fitness circuit pedestrian, linkages and connections. Concern has also been raised regarding light spillage from the floodlights at Lambert Park impacts on the amenity of future residents in buildings located along the northern boundary of the site.

The Voluntary Planning Agreement Offer suggests enlarging Sydney Railways land (as it is currently a narrow strip between the road and the Light Rail corridor) by narrowing Kegworth Street to the east and Lords Road to the north-east of the Rail Corp land. This enlargement would be on Council's land, as owner of the streets, and should not be supported.

Developing an outdoor gym in this location is not supported by Council's Parks and Open Space Planner. The site is inconsistent with the principles of Crime Prevention Through Environmental Design, located on a narrow strip adjacent to potential hiding places along the Light Rail corridor. A preferred outcome would be more open space on the development site, which could be activated to support the proposed residential development and the surrounding neighbourhood. Contributions towards Lambert Park playground and linkages to the existing playground would be a preferred outcome of the Voluntary Planning Agreement Offer.

**Conclusion**

The open space associated with the development (common open space, private ground floor open space and recreational area for children's playground and fitness circuit) have been poorly planned. The Proposal fails in terms of quantity and quality of open space. Any development at the site should achieve the minimum rules of thumb requirements of the *Residential Flat Design Code* for common and private opens, in terms of the location, size and solar access.

**5.7 Housing Types and Mix**

<p><b>Key outcomes</b></p> <p>There is an under supply of key housing types in Leichhardt including supported living for people with a disability; integrated ageing in place accommodation (low to high care); affordable rental housing and affordable purchase housing (see comment in next subsection 5.8 on affordable rental housing).</p> <p><i>Leichhardt Local Environmental Plan 2013</i> Diverse Housing Clause 6.13 requires that at least 25% of dwellings in residential flat and mixed use developments are studios or one-bedroom dwellings and no more than 30% are three bedroom dwellings.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's scheme proposes a unit mix as outlined below:            Studio – 15% – 30%            1 bedroom – 25% - 45%            2 bedroom – 25% - 45%            3+ bedroom – 7% - 15%</p> <p>A minimum of 50% of apartments shall be Studio and 1 Bedroom apartments.</p> <p>This mix complies with clause 6.13 Diverse housing of <i>Leichhardt Local Environmental Plan 2013</i>.</p>
<p><b>Assessment</b></p> <p>The exact mix of housing in any new residential development is defined at the Development Application stage and is not fixed in detail at the Planning Proposal stage. Given the existing dwelling mix in Leichhardt, capacity issues of social infrastructure - particularly for families with children, proximity to public transport and needs for housing affordability – the proposed high proportion of dwellings for smaller households, with 1 and 2 bedrooms is supported.</p>
<p><b>Conclusion</b></p> <p>The proposed housing mix can be supported.</p>

**5.8 Affordable Housing**

<p><b>Key outcomes</b></p> <p>To achieve more Affordable Housing there is a need for intervention in the planning process. In the past when considering rezoning requests for industrial sites, Council has sought additional developer contributions to ensure that some of the benefits of growth and change extend to the whole community– for example, the ANKA proposal in Terry Street, Rozelle.</p>
<p><b>Proponent’s position</b></p> <p>The Proponent has submitted an offer to enter a Voluntary Planning Agreement (<b>Attachment 7</b>) with Council that would include the delivery of affordable housing. The offer includes the provision of 5% of total dwellings for affordable housing (approximately 16 dwellings).</p> <p>The Proponent’s Housing Affordability Assessment (<b>Attachment 8</b>) claims that the proposal will be one of limited number of opportunities for Council to facilitate delivery of new affordable housing. The current plans indicate delivery of:</p> <ul style="list-style-type: none"> <li>• 5% affordable rental housing for eligible households - typically key workers in essential services, managed by a community housing provider and to remain rented for 10 years</li> <li>• 46% of units for sale priced at a level where they will be affordable for local Leichhardt residents to purchase</li> </ul> <p>The Proponent’s Housing Affordability Assessment claims that by delivering more than 50% affordable homes on the Site, the scheme will exceed Council’s 10% affordable housing aspirations. As the dwellings are generally smaller than existing homes in the neighbourhood (55% are studios and one bedroom), in the Proponent’s opinion, they will remain relatively affordable in the medium and long term.</p>
<p><b>Assessment</b></p> <p>Council commissioned Elton Consulting to undertake a peer review of the Social Impact Assessment (SIA) and Housing Affordability Assessment (HAA) for 67 – 73 Lords Road, Leichhardt. Elton Consulting have reported that both the SIA and HAA appear to be well researched and essentially sound documents in support of the Planning Proposal, although they also report that the scope of each document is limited to particular issues (<b>Attachment 9</b>).</p> <p>The Proponent’s Voluntary Planning Agreement Offer is consistent with Council’s only rezoning related Voluntary Planning Agreement and the draft Voluntary Planning Agreement for Allen Street. However, the Offer falls short of Council’s adopted policy on Affordable Housing under the <i>Leichhardt Affordable Housing Strategy (2011)</i> as set out in Section 3.3.3 Developing Affordable Housing Policy, Clause 3.3.1:</p> <p>Action 1: Council to consider the provision of diverse, affordable and adaptable housing when land is rezoned and seek a minimum 10% affordable housing contribution for all new significant development projects, being: Government land,</p>



major developments (residential components) and significant rezoning (change in use to residential or an increase in residential density).

The Proponent argues that 46% of units for sale will be priced at a level which will be affordable for local Leichhardt residents to purchase. The proponent's HAA suggests that as the dwellings are generally smaller than existing homes in the neighbourhood (55% are studios and one bedroom), they will remain relatively affordable in the medium and long term. It claims that by delivering more than 50% affordable homes on the site, the scheme will exceed Council's 10% affordable housing aspirations.

Elton's have advised that the price-points for the proposed apartments (\$350,000 for studios, \$450,000 for 1 bedroom units and \$700,000 for 2 bedroom units) are not that different from median market prices. This implies that this dwelling mix in this location does not offer significant affordability benefits in the local housing market. The claim in the Proponent's report that the proposed development keeps the price-points for apartments moderate enough "such that many homes will be affordable to local people on moderate incomes" (Housing Action Group 2014, p. 16) may not be realised when dwellings are brought on to the market.

The Proponent's HAA does not discuss the mismatch between the size of the affordable dwellings and their suitability for the targeted groups (young people, key workers and older people on low incomes). By definition, the majority of affordable units for sale or rent will be small (studios or 1 bedrooms). However, Elton's calculations indicate that none of these properties would be considered to be 'affordable' to individuals on a median income. Studios and 1 bedroom units would be affordable to most median income households and all median income families. However, studio and 1 bedroom apartments are unlikely to be appropriate for most family households. Properties with two or more bedrooms are at the higher range of affordability for this group.

Elton Consulting's report includes that "In summary, while there are clearly strong arguments for an increase in small and affordable apartments to augment the supply of dwellings within the Local Government Area, the sale properties to be included within this development are not likely to be affordable to the target market considered in the HAA report, such as the key workers and others for whom there is the greatest need..."

**Conclusion**

The Proponent's Voluntary Planning Agreement Offer of 5% (16 units) of total housing will be Affordable Housing is relatively generous compared to other local developments which have incorporated at most only 3.7% of dwellings as affordable rental housing. The offer would restrict the availability of these 16 units as Affordable Housing to 10 years, after which it appears they would be sold by the developer.

Smaller dwellings for sale on the private market are not likely to be affordable to singles on median incomes, although they would be affordable to households and families on a median income. This represents a likely mismatch and risks not meeting the 10% affordable housing target in Council's adopted Affordable Housing Strategy (2011).

**5.9 Traffic and Transport**

<p><b>Key outcomes</b></p> <p>Rezoning and redevelopments should have a positive or neutral traffic and transport impact on the amenity of their residents and of existing local residents.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's Traffic and Transport Report (Attachment 10) used 315 units and a childcare centre facility with a floor area of approximately 450m<sup>2</sup>, accommodating 60 children and 10 staff as its benchmark generating 149 vehicles per hour in the morning peak and 177 vehicles per hour in the afternoon peak. The minimum and maximum number of parking spaces allowed under Leichhardt Development Control Plan 2013 for the Proposal is 178 (minimum) and 270 spaces (maximum) with 1 car share space.</p> <p>It also stated that full industrial use of the site could generate up to 103 vehicles per hour, two-way, during peak hours. (Comments in relation to parking are provided in the next subsection 5.10).</p> <p>The Proponent's Report states that an analysis of the operating performance of nearby intersections using the SIDRA capacity analysis program found that these intersections would continue to operate at current Levels of Service, with increases in total average vehicle delays expected to be in the order of 1-2 seconds per vehicle under the projected additional traffic demands. The capacity analysis component suggests that the proposed development will not have unacceptable traffic implications in terms of road network capacity and that no road improvements or intersection upgrades would be required as a consequence of the development proposal.</p>
<p><b>Assessment</b></p> <p>The Proposal includes a one-way share-way system through the site, entering from Lords Road and exiting on Davies Lane as illustrated below. The Proposal will significantly increase traffic to Davies Lane, which is a service lane accessing rear garages for properties fronting Davies Street.</p> <p>Davies Lane is a six-meter wide, two-way laneway with some on-street parking. Currently Davies Lane is estimated to carry approximately 10 vehicle trips during the morning and afternoon peak periods, with only occasional trips and parking activity during the day. The proposed one way, internal, road system will significantly increase the traffic movements in Davies Lane throughout the day, increasing the potential for opposing vehicle conflicts in a narrow carriageway. There is also sub-standard provision for pedestrian movements along Davies Lane, particularly as a large residential building would front this roadway and as the proposed childcare centre is on the corner of Davies Lane and Lords Road.</p> <p>The Proposal represents a significant increase of traffic along a narrow lane. No commentary has been provided by the Proponent on how traffic in the Lane is to be managed. For example, would an eventual development include turning the Lane into a one-way street, forcing residents of the Davies Street properties,</p>



whose properties back onto the Lane, to drive through the proposed new development; or would the Lane remain two-way, which would create a conflict with cars parked in the Lane.

Council's Traffic and Transport Assessment advises that additional consideration should be given to improving sightlines for turns out of Davies Lane onto Lords Road. In addition, a movement management system must be considered for Kegworth Street to reduce potential pedestrian/cycle/vehicle conflict, particularly during school pick-up and set-down peaks.



Lords Road has been identified as a road safety concern during school pick-up and set down periods. As no traffic data has been provided for this period, it is not possible to accurately determine the likely increase in conflict, however it is considered that any increase in the number of vehicles using Lords Road and Kegworth Street during these periods is of concern.

Council's Traffic and Transport Assessment advises that it would also be beneficial to consider other major intersections in the road network that are likely to be impacted by the development, in further traffic and parking analysis studies, including:

- Foster Street/Marion Street;
- Tebbutt Street/Hathern Street;
- Flood Street/Lords Road

In particular, Council's Traffic Assessment raises a concern about significant additional right turn movements from Tebbutt Street into Kegworth Street, given that only one shared through/right turn lane is available on Tebbutt Street during the AM and PM peaks.

Given the site's proximity to the Marion Light Rail Station, Leichhardt Marketplace and Lambert Park, the parking and traffic analysis should include an assessment of weekend conditions (particularly when a sporting fixture is on at Lambert Park). The Proponent's Traffic Assessment did not include an assessment of the impact of the development on traffic and parking on weekends. The proposed development, if approved, could exacerbate traffic and parking conditions in the area through an increased demand for on-street parking and public transport.

As Lords Road is a designated strategic bike route to the GreenWay and Haberfield increased traffic on Lords Road would add to conflict between bicycles and vehicles. This is of particular concern given the potential of the Lords Road cycleway to become increasingly important as the GreenWay moves toward completion.

Overall the current Proposal is likely to result in unacceptable traffic and transport impacts which would reduce local amenity and increase pedestrian/ bicycle/ vehicular conflict.

The Proponent's Traffic and Parking Assessment has been prepared in light of the current conditions at the site and in the vicinity of the development. A considered assessment of the traffic and transport implications of the development cannot be finalised until the State Government has provided further information in relation to the WestConnex Motorway development and associated WestConnex Revitalisation Program. Currently, it is unknown as to where and how traffic will flow through the Local Government Area to enter and exit the Motorway; the impact on surrounding streets of Parramatta Road following any Urban Renewal and Revitalisation Program or where the exhaust stacks for the Motorway will be located.

The proposed Planning Proposal request is considered premature. A realistic Traffic and Transport Assessment cannot be undertaken until further detail from the State Government has been provided on the WestConnex development.

**Conclusion**

The Proposal, as submitted, does not adequately address relevant traffic and transport considerations.

Further justification would be required in relation to the one-way share-way, its operation, management and impact on Davies Lane to satisfy Council that the system could operate without unreasonable loss of service to residents fronting Davies Street, who have rear access to Davies Lane.

In addition, further Traffic and Parking Assessment is required to include other major intersections in the vicinity of the site and traffic and parking analysis for Saturdays to take into account the site's proximity to Leichhardt Marketplace and Lambert Park.

Finally, the Proposal is considered premature in light of the State Government's WestConnex Motorway proposal and Parramatta Road Revitalisation Program.



**5.10 Car Parking**

<p><b>Key outcomes</b></p> <p><i>Leichhardt Development Control Plan 2013</i> objectives for parking in residential developments seek to achieve a balance between encouraging public transport, walking and cycling catering for the parking needs of on-site residents and visitors and protecting existing residential amenity. The Development Control Plan provides a range of parking rates for residential developments with the maximum rate limit providing a way of reducing car dependency.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's proposed car parking provision is a range from approximately 150 to 253 cars.</p>
<p><b>Assessment</b></p> <p>A Planning Proposal for a residential outcome for the site should achieve a mid-point of the <i>Development Control Plan 2013</i> parking rate range for residential developments. This is the rate applied to the ANKA Terry Street, Rozelle Planning Proposal, the subsequent development of that site and the 141 and 159 Allen Street Planning Proposal. It is also the rate applied to the original Council approved site specific Development Control Plan for the Balmain Leagues site at Rozelle.</p> <p>The minimum and maximum number of parking spaces allowed under the <i>Development Control Plan 2013</i> would be 178 to 270 spaces with a mid-point of 224.</p> <p>Council's traffic assessment raises the following issues:</p> <ul style="list-style-type: none"> <li>• The location of the basement carpark, immediately adjacent to the proposed childcare centre, together with the adjacent 90 degree parking, would result in significant vehicle/vehicle, vehicle/pedestrian and vehicle/bicycle conflict. In addition, the increase in traffic from Davies Lane will increase the conflict in this area, particularly due to the lack of vehicular/pedestrian sight lines at the Davies Lane/ Lords Road intersection.</li> <li>• The Proposal would attract additional kerbside parking in Davies Lane which would result in access from the existing garages on Davies Lane being blocked.</li> <li>• The proposed Landscape Plan for Lords Road shows angle parking in front of the proposed childcare facility and significant road narrowing. Whilst road narrowing is supported to provide a lower speed environment in this location it would result in unsafe opposing vehicle paths at the 90 degree road bend, particularly for large vehicles making the turn. In addition, the angled parking in Lords Road for the childcare drop off/pick up immediately adjacent to the basement car park access due to conflicting vehicle movements is not supported.</li> <li>• The proposed access road is located close to the 90 degree road bend which may result in unsafe conditions for vehicle making a right turn into the site in respect of opposing vehicles in Lords Road.</li> <li>• The overall loss of existing on-street parking, as a consequence of the</li> </ul>

<p>proposed modifications to Lords Road, is not supported as it will have a significant impact on available parking in the area. The loss of on-street parking on the southern side of Lords Road is considered acceptable as this section of road has very few on street parking spaces due to the existing driveways.</p> <ul style="list-style-type: none"> <li>The loss of on-street parking adjacent to the proposed Fitness Circuit is of concern. This could only be supported if the loss of parking could be offset nearby, for example, 90 degree parking on the Lords Road frontage of the site to Lords Road, this may assist in achieving this offset. The location of the basement access and new road intersection for the site would significantly reduce the number of parking spaces that could be provided at this location due to No Parking/Stopping setbacks that would be required at each access point.</li> </ul>
<p><b>Conclusion</b></p> <p>A mid-point of the Development Control Plan 2013 parking rate should apply to any residential zoning outcome for the site and the proposal does not adequately address car parking considerations.</p>

### 5.11 Contamination

<p><b>Key outcomes</b></p> <p>Council adopts a precautionary approach in dealing with potential contamination issues at an early stage in the planning process and the reuse of sites for residential use can only occur after a site contamination assessment has been undertaken in accordance with <i>Leichhardt Development Control Plan 2013</i> and <i>State Environmental Planning Policy No 55 Contaminated Land</i>.</p>
<p><b>Proponent's position</b></p> <p>The Proponent has provided an Interim Site Contamination Assessment for the site (Attachment 11).</p>
<p><b>Assessment</b></p> <p>Council Officers have reviewed the Contamination Reports provided by the Proponent against the <i>State Environmental Planning Policy No 55 Contaminated Land</i> (SEPP 55) and at this stage, Council is not satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55. Further investigation is required in the form of a current Preliminary Site Investigation and a follow up Detailed Site Investigation /Remedial Action Plan if required.</p>
<p><b>Conclusion</b></p> <p>The Proponent has not provided sufficient information to determine whether or not the site can be made suitable for the proposed residential development.</p> <p>The Proposal, as submitted, cannot be supported.</p>

**5.12 Social infrastructure – schools**

<p><b>Key outcomes</b></p> <p>The NSW Department of Education and Community has requested a Schools Assessment that would include number and mix of dwellings proposed; the intended staging program and lead times for construction and projections of public primary and high school age student residents of future dwellings.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's Social Impact Assessment (SIA) (Attachment 12), prepared by Cred Community Planning, specifically focuses on the implications of the proposed development on child care and school places in the Leichhardt Local Government Area. The conclusion of the assessment report was that existing public school infrastructure would be able to accommodate the number of school age children expected to live in the proposed development.</p>
<p><b>Assessment</b></p> <p>The Department of Education and Community has advised that both Kegworth Public School and Sydney Secondary College, Leichhardt Campus and Blackwattle Campus are projected to have capacity to accommodate government school students residing in future dwellings on the site.</p> <p>The Department of Education and Communities also advised that they are in the process of preparing a planning strategy for schools in the Inner West as a means to understanding and addressing the cumulative impact of urban developments, including the number of approved and proposed Employment Land residential rezoning requests in the Inner West.</p> <p>It is considered premature to progress the Lords Road Planning Proposal request, until such time as the Department of Education and Communities has completed their planning strategy for schools in the Inner West. It is imperative that the Government School system can accommodate any new children moving to the area as a result of the changing urban environment.</p>
<p><b>Conclusion</b></p> <p>The Proposal is premature. Further analysis will be required following the Department of Education and Communities planning strategy study.</p>

**5.13 Social infrastructure – other**

<b>Key outcomes</b>
Leichhardt's Social Impact Assessment (SIA) Policy supports Council's commitment to achieving the vision within the Leichhardt 2025+ Community Strategic Plan. The purpose of the SIA policy is to support Council in the creation of a sustainable and liveable community that meets the needs of the present without compromising the ability of future generations to meet their needs.
<b>Proponent's position</b>
The Proponent's SIA does not provide an assessment of the broader social implications of the Planning Proposal request. The Proponent has undertaken a Net Community Benefit Test ( <b>Attachment 5</b> ).
<b>Assessment</b>
<p>Council commissioned Elton to prepare a peer review of the proponent's Social Impact Assessment and Housing Affordability Studies (<b>Attachment 9</b>) which informed the overall assessment of the potential social impacts the Planning Proposal could have in the area.</p> <p>The Proponent's Assessment of Net Community Impacts is flawed in a number of respects. The report is limited as it ignores state and local level government policy in relation to the loss of Employment Lands in Section 2 of the document. The Assessment of Net Community Impacts at Table 6 of Mecone's report is also unreliable. Job creation is ranked as a neutral impact between the base case scenario (i.e. no change to the IN2 – Light Industrial zoning) compared to the Planning Proposal request.</p> <p>There will be loss of jobs if the site is rezoned from IN2 – Light Industrial to R3 – Medium Density housing. There are currently 62 people employed at the site. As a result of the proposed rezoning, there will be a significant number employed during the construction of the development, however, the permanent number of employees associated with the proposed child care centre and café will be substantially less than 62 people.</p> <p>Regarding environmental amenity, the Proponent's report rates the Proposal's impacts as moderately positive. The potential environmental impacts of the proposed site specific Development Control Plan (<b>Attachment 2</b>) have been assessed at Section 5.2 – Urban Design and Development Control Plan, Section 5.3 – Building Heights, Section 5.4 – Solar Access, Overshadowing and Visual Privacy, Section 5.5 – Floor Space Ratio and Section 5.6 – Amenity and Open Space above. The assessment indicates that the development outcomes from this Planning Proposal would have undesirable environmental amenity outcomes. The key built form issues are:</p> <ul style="list-style-type: none"> <li>• Building height, potential overlooking to the rear of Davies Street properties and shadow impacts on open space areas in the site.</li> <li>• Location and quantity of common and private open space.</li> <li>• Solar access to open space areas.</li> </ul>



The Proposal is an overdevelopment of the site. The impacts of the Proposal on the environmental amenity of future residents at the site and existing surrounding residents will be negative.

The Proponent suggests these would be positive social impacts. The location of the common open space, proposed playground and fitness circuit however, would not achieve minimum solar access requirements.

The Proponent has assessed the loss of industrial lands as moderate negative impacts. The EEDP recognises that the site could be investigated for a broader range of employment uses and / or rezoning.

Council has engaged SGS to undertake an Industrial Lands Study to provide certainty regarding Council's Employment Lands. Since the EEDP was adopted in 2013, a number of Employment Land sites have been approved for rezoning or are in the process of seeking approval to be rezoned.

In addition, there may be further loss of Employment Lands associated with the WestConnex Parramatta Road Revitalisation Program and the Bays Precinct Urban Renewal Program, State Government programs.

The uncertainty of these major initiatives means that the Proposal is premature and cannot progress with any certainty, as it is not possible at this stage for Council to fully assess the impact of the loss of the site as Employment Land.

Council's Traffic Assessment concludes that the current Proposal is likely to result in an unacceptable impact which reduces local amenity and increases pedestrian/ bicycle/ vehicular conflict (refer to 5.9 above).

**Conclusion**

The Proponent's Planning Proposal request is not supported by a robust SIA. The SIA submitted with the application has a limited scope, focussing on school and childcare numbers and not the wider social impacts of the development.

The Proponent's Assessment of Net Community Impacts is not supported as it is limited in its application and does not provide a thorough assessment of community and social impacts.

**5.14 Infrastructure – Flood and sustainable water management**

<p><b>Key outcomes</b></p> <p><i>Leichhardt Development Control Plan 2013</i> promotes water sensitive urban design to minimise development impacts on the water cycle and consequences for the environment, community and local economy. These measures also underpin flood risk management.</p>
<p><b>Proponent’s position</b></p> <p>The Proponent’s proposed site specific development controls specified that, as well as meeting existing <i>Leichhardt Development Control Plan 2013</i> requirements, the development should achieve a higher level of sustainability than would typically apply to such a development.</p>
<p><b>Assessment</b></p> <p>Council’s Stormwater and Development Assessment team has significant concerns regarding flooding at the site and raised the following issues:</p> <ul style="list-style-type: none"> <li>• The site and in particular the south western corner is affected by High Hazard Category flooding.</li> <li>• The Proponent engaged NPC to provide a desktop review (<b>Attachment 13</b>) of flood behaviour at the site and preliminary flood advice. NPC advice to the Proponent recognises the extent of flooding affecting the site and makes appropriate recommendations in relation to floor levels and access to the basement carpark.</li> <li>• The proposed building in the currently undeveloped south western corner of the site would result in a significant loss of existing informal flood storage which would raise flood levels within and beyond the property.</li> </ul> <p>The proposed conversion of the site from industrial use to residential purposes and the development of the site would significantly increase the number of people living in and travelling to and from this high hazard flood risk site. The development has the potential to substantially increase the impact and cost of flooding with an associated increased in risk of property damage and loss of life.</p> <p>To manage the risks to the existing and incoming communities, the development would have to include infrastructure upgrade works to reduce the flood risk affecting the site. Specifically, the development should include an upgrade of the existing stormwater drainage system between the site and Hawthorne Canal and an upgrade of the stormwater drainage system within Lords Road.</p>
<p><b>Conclusion</b></p> <p>The proposed site specific draft Development Control Plan in association with the existing <i>Development Control Plan 2013</i> requirements for development applications would ensure good flood and sustainable water management outcomes. There is an opportunity for Council to require upgrading of the existing stormwater drainage system between the site and Hawthorne Canal, together with an upgrade of the stormwater drainage system of Lords Road, potentially as part of a Voluntary Planning Agreement negotiations.</p>

**5.15 Sustainability**

<p><b>Key outcomes</b></p> <p><i>Leichhardt Development Control Plan 2013</i> promotes sustainable places and spaces through optimising the environmental performance of buildings for energy and water consumption, production and recycling.</p>
<p><b>Proponent's position</b></p> <p>The Proponent's proposed site specific Development Control Plan does not include controls relating to Environmental Performance or sustainability rating.</p>
<p><b>Assessment</b></p> <p>The Leichhardt Environmental Sustainability Strategy encourages the use of Voluntary Planning Agreements as a mechanism to achieve development above NSW Government BASIX SEPP requirements.</p> <p>The Sustainability Strategy theme Land includes the following Objective for Sustainable Building: "Maximise the sustainability of new development within the municipality, with the corresponding action: L3 Investigate opportunities for improved environmental outcomes, including residential performance above BASIX targets, for large redevelopment sites via Voluntary Planning Agreements."</p> <p>It could be appropriate to encourage a Voluntary Planning Agreement in which the developer would confirm the sustainability outcomes that the project will target, such as 5-10% above BASIX for water and energy and 10% improvement on the SEPP 65 solar access and ventilation guidelines. SEPP 65 requires this development to achieve 3 hours of solar access in mid-winter as opposed to the 2 hours shown in the Planning Proposal.</p> <p>Such an approach is also consistent with the objectives of the Council's Climate Change Plan which encourages adaptation to climate change via Water Sensitive Urban Design, energy efficiency, renewable energy, sustainable building materials, connected, walkable neighbourhoods, active and public transport, greening and shading.</p> <p>Green Star is a voluntary environmental assessment tool which can be used to rate multi-unit developments and give scope to assess sustainability outcomes based on site opportunities and constraints presented by a development. It is suggested that an Environmental Performance Report be provided with the Development Application submission to demonstrate the performance of the development against the Green Star Multi-Unit Residential v1 rating tool. It could be appropriate to negotiate a Voluntary Planning Agreement in which the developer would confirm a plan to achieve the environmental equivalence of a 4 or 5 star rating under this tool.</p> <p>The recent Allen Street Planning Proposal and associated site specific Development Control Plan specifies that as well as meeting existing <i>Leichhardt Development Control Plan 2013</i>, the development should achieve a higher level of sustainability than would typically apply to such a development. The proposed</p>



site specific controls cover water, building management, indoor air quality, transport, building materials, emissions and innovation. The Allen Street Proponent's site specific Development Control Plan included an objective to maximise Greenstar rating objective, in association with existing *Development Control Plan 2013* requirements for Development Applications will ensure strong sustainability outcomes for the redevelopment of this site. Such commitment has not been demonstrated in the Lords Road Planning Proposal.

**Conclusion**

The Proponent's site specific Development Control Plan does not include any controls relating to Environmental Performance or sustainability rating. Consequently, the Planning Proposal request is considered inadequate in this regard.

**6. Voluntary Planning Agreement**

A "Voluntary Planning Agreement" is a legally binding document between the Relevant Planning Authority and an applicant or Proponent – normally a land owner and/or developer.

In August 2008, Council considered an Item in relation to "Voluntary Planning Agreements" and resolved "That Developers applying to Council for a change to or the making or revocation of use of an environmental planning instrument to allow a change of use (such as from Industrial to Residential Zoning) be advised that development contributions and/or material public benefits will be negotiated subject to a valuation of the likely increase in market value of the land as a result of the proposed change." (Refer Minute SC03/08 of Strategy Committee on 19 August 2008).

The Proponent has submitted a Voluntary Planning Agreement Offer (**Attachment 7**) and a revised Voluntary Planning Agreement Offer (**Attachment 14**). In summary, the proposed Voluntary Planning Agreement offers would deliver:

- Affordable Housing – the provision of 5% of total dwellings for affordable housing (approximately 16 dwellings) to be available for rental for 10 years.
- Public domain upgrades – A range of upgrades to enhance the streetscape, increase and improve open space areas, provide pedestrian and cycling paths and improved streets and footpaths at a total cost of \$1,079,385.
- Future pedestrian link through the site benefiting Council with potential to connect to Marion Street Light Rail Station in the future. The proposed contribution to Council is an easement through the site.

The only difference between the two offers is that the revised offer locates the proposed fitness circuit and children's playground entirely on Council land and the original offer showed these facilities as being partly on Sydney Railways land.

The Proponent's Voluntary Planning Agreement Offer, in relation to Affordable Housing, is consistent with Council's only implemented rezoning related Voluntary



Planning Agreement and the draft Voluntary Planning Agreement which offers for Allen Street. However, the Affordable Housing offer is 50% less than Council's policy under the Leichhardt Affordable Housing Strategy (2011), which is to seek a minimum 10% affordable housing contribution for all new significant development projects, such as those on Government land, major developments (residential components) and significant rezoning (change in use to residential or an increase in residential density).

The Voluntary Planning Agreement includes an offer to develop a children's playground and fitness circuit to the south of the development. These areas will have unacceptable amenity due to overshadowing from the development and are not supported. The Proponent has offered to enlarge the existing Sydney Railways open space storey by narrowing Lords Road and Kegworth Street. These streets are Council owned and Council Officers do not support this proposed reduction in size.

If Council was to enter negotiations on a Voluntary Planning Agreement, it is recommended that it should seek upgrade works to the existing stormwater drainage system between the site and Hawthorne Canal, together with an upgrade of the existing stormwater drainage system Lords Road.

Finally, there would also be scope in Voluntary Planning Agreement negotiations to seek improved sustainability outcomes, in accordance with Council's Environmental Sustainability Strategy.

## **7. Summary/ Conclusions**

The proposed rezoning of 67 – 73 Lords Road, Leichhardt is not consistent with Council and State strategic plans and policies. It is recommended that Council does not support the Planning Proposal request for the site.

**Appendix A**
**Table 3 Consistency of the Planning Proposal with the relevant objectives and actions of the Metropolitan Plan for Sydney 2036**

Strategic Direction	Objectives/ Actions	Comment
Strategic Direction 'A' – Strengthening a City of Cities	Objective A1 To promote Regional Cities to underpin sustainable growth in a multi-centred city.	<p>The inner west, including Leichhardt Local Government Area (LGA), has a low proportion of jobs to working age residents, as it has long served as a residential “dormitory” suburb for the inner city due to a high degree of access to public transport and employment.</p> <p>The subject site is located approximately 150m from the Marion Light Rail Station combined with regular bus services and routes available from Marion Street that connect the site to major strategic centres.</p> <p>The proposal would contribute to increasing residential density around transport routes and networks within walking distance of local and town centres and contribute to the creation of a sustainable city. However, the proposal would also result in the loss of employment lands within the LGA. The precinct has been assessed as being fully tenanted, functioning well and is currently economically viable. The loss of the precinct as industrial space would be significant. Potentially the loss of the employment lands is potentially contrary to Objective A1 as the proposed rezoning may not result in growth of the economy.</p> <p>To fully understand the implications of the loss of the Lords Road precinct as Employment Land, Council has engaged SGS to undertake a Council wide Industrial Lands Study, which is due to be completed in September 2014. SGS have advised that a rezoning of the site is not appropriate before a full supply-demand gap assessment is completed, as part of their Industrial Lands Study.</p>
	Objective A3 To contain the Urban Footprint and achieve a balance between	<p>Leichhardt LGA is an established area located within 6.6 kilometres of the Sydney CBD, serviced by existing infrastructure and public transport connections.</p> <p>The proposed rezoning of the land to permit infill</p>

Strategic Direction	Objectives/ Actions	Comment
	Greenfields Growth and renewal in existing urban areas.	residential development would contribute to urban consolidation and renewal of the area. However, creative businesses/ industries and higher-value light manufacturing could also contribute to the renewal of the area.
	Objective A8 To plan and coordinate delivery of Infrastructure to meet Metropolitan Housing and Employment Growth rates.	<p>The 2008 <i>Inner West Subregion Draft</i> has a target of <i>Subregional Strategy</i> of an additional 2,000 new dwellings within the Leichhardt LGA by 2031. The major urban renewal sites in the Leichhardt Residential Development Strategy Stage 1 (2010) and additional residential sites such as the Allen Street Planning Proposal with current possible dwelling yields are presented in Table 4 below.</p> <p>Table 4 shows that in the six years since 2008, the dwelling yields from Planning Proposals and development applications on larger sites could produce between 600 and 1000 new dwellings. Consequently, Lords Road is not essential to ensuring and that adequate supply of residential land in the Leichhardt LGA is created by 2031.</p> <p>The rezoning of the subject site may, however, compromise the ability of Council to achieve employment growth targets, particularly in the light of the recent rezonings of a number of other industrial land sites in the LGA. In addition, there will be further loss of employment land through the Bays Urban Renewal Program and the WestConnex Parramatta Road Urban Activation Precinct.</p> <p>Council has commissioned SGS to undertake a Council wide Industrial Lands Study, which will particularly investigate the cumulative impact of the loss of employment lands with the recent spate of proposed rezoning of industrial land in the LGA. The SGS LGA wide study will be completed in September 2014, and will test whether proposed rezonings will leave an adequate supply of employment lands within the LGA.</p> <p>In July 2014, Council also commissioned SGS Economics &amp; Planning to prepare a report on the specific suitability of rezoning industrial land at 67 – 73 Lords Road, Leichhardt. That report</p>

Strategic Direction	Objectives/ Actions	Comment
		<p>(Attachment 4) concluded that:</p> <p>The site is economically viable in its current form.</p> <ul style="list-style-type: none"> <li>• The precinct is fully tenanted and there are 62 people currently employed at the site.</li> <li>• The loss of this precinct as industrial space would be significant.</li> </ul>
Strategic Direction 'B' – Growing and Renewing Centres	Objective B1 To focus activity in accessible centres.	The site is located within walking distance of Leichhardt Market Place Village and close to the Norton Street, Leichhardt Town Centre. SGS noted in their Economic Assessment of the that the proximity of the site to Marion Light Rail Station (i.e. it is an accessible site) makes it an attractive quality for creative businesses/ industries as it is for residential development.
	Action B1.3 Aim to locate 80 per cent of all new housing within the walking catchments of existing and planned centres of all sizes with good public transport.	The site is located within the walking catchment of the Leichhardt Market Place Village and existing public transport routes, including the Marion Light Rail station which connects the site to major strategic centres.
Strategic Direction 'C' – Transport for a Connected City	Action C2.1 Ensure subregional housing and employment targets are informed by analysis of current and planned public transport capacity availability.	<p>The site is located on existing public transport corridors. Increasing the provision of housing within proximity of the light rail corridor is consistent with the objective of the <i>Metropolitan Plan for Sydney 2036</i> to foster increased residential development close to public transport to reduce car dependence and road congestion.</p> <p>SGS identified that the precinct may be a good example of a flexible industrial area that could be well positioned to attract creative businesses and/ or higher value light manufacturing activity if spaces are suitably configured. It is noted that the provision of light rail service boosts attractiveness for these functions (just as it boosts suitability for medium density residential development).</p> <p>Council's Traffic and Parking Assessment</p>



Strategic Direction	Objectives/ Actions	Comment
		<p>recommends that a genuine mixed use development (particularly if there is a component of Live/Work) is preferable to a completely residential development, in terms of achieving dispersal and dilution of peak period traffic/transport movements. This is because of the inherent ability of mixed use development to reduce the tidal flow of patrons (e.g. residents exiting while employees arrive).</p>
<p>Strategic Directions 'D' – Housing Sydney's Population</p>	<p>Objective D1 To ensure adequate supply of land and sites for residential development.</p>	<p>The site is located within an established urban area supported by existing services and infrastructure. This Planning Proposal would increase the residential land supply in the Leichhardt LGA.</p> <p>As previously highlighted, Table 4 below presents the dwelling yield that might arise from large possible residential or mixed use sites, without dwelling yields from the WestConnex/ Parramatta Road Urban Activation Precinct and the Bays Precinct Urban Renewal Program.</p> <p>Table 4 also shows that since the publication of the 2008 Inner West Subregion Draft Subregional Strategy the dwelling yield from sites identified in the Leichhardt Residential Development Strategy / NSW Metropolitan Development Programme in combination with recent rezonings and development consents is likely to be between 600 and 1000. This potential yield is approaching half of Council's dwelling target with 17 years to go to achieve the full 2000 dwelling target by 2031.</p> <p>Lords Road is therefore not crucial to ensuring an adequate supply of residential land in the Leichhardt LGA.</p>
	<p>Action D2.1 Ensure local planning controls include more low-rise medium density housing in and around small centres.</p>	<p>The <i>Metropolitan Plan for Sydney 2036</i> identifies a need to provide a total of 35,000 new dwellings within the inner west, which includes the Leichhardt local government area. The Lords Road Planning Proposal request is a high density residential development, not a medium density development. The proposal is considered inconsistent with Action D2.1.</p>

Strategic Direction	Objectives/ Actions	Comment
	Objective D3 To improve Housing Affordability	<p>Increasing the quantum of residential land available within the Leichhardt LGA, combined with improving the provision of diversity in housing form and typology will contribute to the supply of dwellings and housing affordability within the area.</p> <p>The Proponent's Voluntary Planning Agreement Offer of 5% of total housing as Affordable Housing is relatively generous compared to other local developments which have incorporated at most only 3.7% of dwellings as affordable rental housing. This affordable housing would however only be available for rental for 10 years.</p> <p>The Proponent's Housing Affordability Assessment (HAA) concludes that the development would contribute over 50% of the 315 dwellings at either moderate price-points or as affordable rental housing, achieving well over Council's 10% affordable housing target.</p> <p>Elton's provided Council with a Peer Review of the Proponent's HAA. Elton's conclude that smaller dwellings within the proposed development site (which are typically more affordable) for sale on the private market are not likely to be affordable to singles on median incomes, although they would be affordable to households and families on a median income. This represents a likely mismatch and risks not meeting the 10% affordable housing target in Council's adopted Affordable Housing Strategy (2011).</p>
	Objective D4 To improve the quality of new housing development and urban renewal	<p>The site is currently used for industrial warehousing and a range of local services that might be seen detracting from the surrounding visual and residential amenity.</p> <p>If the Planning Proposal request is supported, redevelopment of the site must contribute to improved streetscape and residential amenity.</p> <p>An assessment of the proposed built form, envisaged under the Planning Proposal request indicates that the proposal is an overdevelopment of the site. The Proponent's development</p>

Strategic Direction	Objectives/ Actions	Comment
		<p>concept and the draft site specific development control plan do not satisfy minimum requirements of <i>SEPP 65</i> and the <i>Residential Flat Design Code</i>, resulting in undesirable amenity impacts such as overshadowing, overlooking, a bulk and scale out of character with the surrounding area, negative traffic impacts and inadequate common open space.</p> <p>Consequently, the proposal and supporting documentation will not result in an improvement to the quality of new urban housing and does not achieve this objective.</p>
Strategic Direction 'E' – Growing Sydney's Economy	Objective E3 To provide employment lands to support the economy's freight and industry needs	<p>The site is a fragmented industrial land surrounded by residential development. Intensive industrial use of the site could be restricted due to potential adverse impacts on surrounding dwellings. The site is only accessible via residential collector streets and is not located close to major arterial roads or freight lines.</p> <p>However, the total number of people employed at the site is 62, and previous Employment and Economic Development Plan background studies identify the site for investigation into a broader range of employment uses and / or rezoning.</p> <p>An investigation into the broader range of employment uses has not been undertaken and therefore the potential use of the site for a broader range of employment uses cannot be ruled out at this stage.</p> <p>SGS in their Economic Assessment of the suitability of rezoning the site concluded that given the site is currently functioning well and is economically viable, the precinct may be a good example of a flexible industrial area that could attract creative businesses/ industries. The proximity of the site to the Marion Light Rail Station boosts the attractiveness of the site for these creative or higher value light manufacturing activities.</p>
	Action E3.2 Identify and retain strategically important	The site is currently zoned industrial and listed as Category 1 Employment Land (i.e. land to be retained for industrial purposes) in Table 6 of the <i>Inner West Subregion Draft Subregional Strategy</i> .

Strategic Direction	Objectives/ Actions	Comment
	employment lands	<p>Recent employment yield (2014) figures, provided by the Proponent, indicates that there are 62 employees currently at the site. Until SGS Economics &amp; Planning have concluded their Council wide Industrial Lands Study, it is premature to comment on whether the site yield of 62 is, or is not, strategically important.</p> <p>SGS have provided Council with a site specific Economic Assessment of the proposed rezoning of the site. SGS concluded that the site is economically viable in its current form, and the loss of the precinct as Employment Lands would be significant.</p>
Strategic Direction 'G' - Change and Protecting Sydney's Natural Environment	Objective G8 To minimise household exposure to unacceptable noise level	<p>The Planning Proposal to rezone the site from industrial to residential will remove the existing potential land use conflicts that could arise from noise and heavy vehicular traffic movements associated with the operation of industrial uses.</p> <p>However, the proposal does include new dwellings to be located adjacent to the Inner West Light Rail line, which could be a potential noise nuisance source for future residents (see comment in regard to Action G8.1 below).</p>
	Action G8.1 Avoid noise based land use conflict through strategic planning and development assessment processes	<p>The Planning Proposal request to rezone the land for residential purposes will remove potential land use conflicts that could arise from the operation of the warehouse buildings, including noise and heavy vehicle traffic.</p> <p>The site is located an area that may be affected by:</p> <ul style="list-style-type: none"> <li>• Rail noise (light rail)</li> <li>• Noise from Lambert Oval</li> </ul> <p>The levels of noise generated by the identified sources could be resolved through appropriate and site responsive design and suitable construction methods. These matters would be addressed at Development Application stage and are matters for consideration under s.79C of the <i>Environmental Planning and Assessment Act 1979</i>.</p>
Strategic Direction 'I' –	Objective I4 To ensure LEPs	The Planning Proposal request to rezone the site would contribute to the quantum of residential



Strategic Direction	Objectives/ Actions	Comment
Delivering the Plan	deliver the intent and yield anticipated under the Metropolitan Plan	<p>land available to assist Leichhardt LGA provide an additional 2,000 new dwellings by 2031 as required by the <i>draft Inner West Subregion Draft Subregional Strategy</i>.</p> <p>However, Table 4 below shows that in recent years the possible dwelling yields from Planning Proposals and development applications on larger sites in the LGA could generate up to new between 600 and 1000 additional dwellings. Table 4 does not include the likely increase in supply of residential sites as a result of the WestConnex / Parramatta Road Urban Activation Precinct or the Bays Precinct Urban Renewal Program.</p> <p>Consequently, Lords Road is not critical to ensuring an adequate supply of residential land in the Leichhardt local government area.</p>

**Table 4 Leichhardt Council Dwelling Yields**

Major sites – Potential Additional Residential Dwellings	Sites in Leichhardt Residential Development Strategy Stage 1 / NSW Metropolitan Development Programme	Leichhardt Council's estimated dwelling from recent planning proposals or development applications	Combined Residential Strategy / Other Recent Planning Proposals / Development Consents
Balmain Leagues Club – Victoria Road, Rozelle	130	-	130
Roche Site – 459 – 483 Balmain Road, Lilyfield	50	-	50
Carrier Site – 130 Terry Street, Rozelle	300	202	202
Kolotex Site – 22 and 30-40 George Street, Leichhardt	100	330	330
Robert Street Precinct – 32-52 Robert Street, Rozelle	52	-	52
100 -102 Elliott Street, Balmain (Current DA )		104	104
141 & 159 Allen Street Planning Proposal		196	196
<b>Total</b>	<b>632</b>	<b>832</b>	<b>1064</b>

**Table 5 Consistency of the Planning Proposal with the relevant objectives and actions of the Inner West Subregion Draft Subregional Strategy**

Strategic Direction	Objectives/ Actions	Comment
<i>Key Directions 'A' – Economy and Employment</i>	<i>IW A1.1.1 Inner West local councils to prepare Principal LEPs which will provide sufficient zoned commercial and Employment Land to meet their employment capacity targets</i>	The Planning Proposal as requested will reduce the amount of employment lands within the Leichhardt LGA by 1.1 hectare.  Council's adopted Employment and Economic Development Plan (EEDP) 2013 acknowledges that Lords Road although a fragmented industrial site is likely to be suitable for a broader range of employment uses and / or rezoning. It also sets out methodology to be followed to confirm the suitability of employment lands for rezoning.

Strategic Direction	Objectives/ Actions	Comment
		<p>The Proponent's request to prepare this Planning Proposal is supported by an Industrial Rezoning Economic Justification Report prepared by Macro Plan Dimasi. The Macro Plan Dimasi report does not include investigations into a broader range of employment uses that could operate from the site and focuses on the viability of traditional industrial/factory uses.</p> <p>The Proponent has not adequately addressed the issue of whether this rezoning would mean Council could not provide sufficient zoned commercial and Employment Land to meet employment capacity targets, particularly in the context of the WestConnex and the Parramatta Road Urban Activation Precinct, the Bays Precinct Urban Renew Program and recent and proposed rezonings of Industrial zoned land elsewhere in the LGA.</p>
	<p>IW A1.2.3 <i>Council to ensure retention of sufficient small Employment Lands parcels to support local service industries</i></p>	<p>The 2008 Subregional Strategy broadly recommends that existing small pockets of industrial land within Leichhardt should be retained to provide for a range of local economic services unless it can be demonstrated that the land is surplus to demand.</p> <p>Rezoning proposals that can best respond to criteria under the EEDP may be considered to have merit. Based on the information provided by the Proponent and SGS to date the assessment of the proposed rezoning against the criteria under the EEDP indicates that the proposal does not have merit.</p> <p>At this stage it is not possible to quantify the effect of rezoning in terms of the ability of the LGA to meet job targets. However, given that there are no vacancies at the Lords Road precinct, and there are relatively low stocks of industrial land elsewhere in the LGA</p>

Strategic Direction	Objectives/ Actions	Comment
		coupled with some significant demand – side drivers (such as WestConnex and the Bays Precinct renewal) a rezoning is not appropriate before a full supply-demand gap assessment is completed
<p><i>Key Directions 'B' – Centres and Corridors</i></p>	<p><i>IW B4.1.2 Councils to investigate appropriate locations for retail uses in Centres, Business Development Zones (supporting identified Strategic Centres) and Enterprise Corridors.</i></p>	<p>The Council's adopted EEDP 2013 primary action is the development of Masterplans and Local Area Plans for key renewal sites, corridors and centres.</p> <p>If rezoning proposals come forward in advance of the completion of these Plans the approach referred in IW A1.1.1 above should be applied.</p> <p>Council has engaged SGS to undertake an Industrial Lands Study to make recommendations on the future of employment lands in the LGA and to take into account the cumulative impact of the number of recent rezonings of employment lands in the locality. As a result, it is considered that this Planning Proposal request is premature and should wait until the SGS report is completed, along with definitive direction from the State Government in terms of the impacts of WestConnex / Parramatta Road Revitalisation program and the recently announced Bays Urban Renewal Program.</p>
<p><i>Key Directions 'C' - Housing</i></p>	<p><i>IW C1.3.1 Inner West Councils to plan for sufficient zoned land to accommodate their local government area housing targets through their Principal LEPs.</i></p>	<p>The Planning Proposal could contribute to the quantum of residential zoned land in the subregion and the Local Government Area, however, as evidenced by Table 4, Lords Road is not critical to ensuring an adequate supply of residential land in the Leichhardt LGA.</p>
	<p><i>IW C2.1.1 Inner West Councils to ensure the location of new dwellings maintains the subregion's performance against the target for the State</i></p>	<p>State Plan Priority E5 states that: "Increasing densities in centres and concentrating activities near public transport, together with an improved transport system, will strongly contribute to achieving "jobs closer to home".</p>



Strategic Direction	Objectives/ Actions	Comment
	<i>Plan Priority E5 (jobs closer to home)</i>	The site is located 150m from Marion Street Light Rail Station and bus links from Marion Street to strategic centres. Accordingly, on the one hand, the proposal is considered consistent with State Plan Priority E5 (jobs closer to home). However, the proposal will result in the loss of jobs in the area, reducing the capacity of the area to provide jobs close to home for surrounding existing residents and nearby recently rezoned residential sites such as the Kolotex and Labelcraft site.
	<i>IW C2.1.2 Councils to provide in their LEPs zoned capacity for a significant majority of new dwellings to be located in strategic and local centres.</i>	The site is located within the walking catchment area of the Leichhardt Market Village centre, the Norton Street commercial strip and the inner west light rail corridor. The Planning Proposal request is considered to be consistent with the objective to locate new dwellings around existing centres and existing and future public transport routes.
	<i>C2.3 Provide a mix of Housing</i>	The Planning Proposal request will facilitate comprehensive redevelopment of the site. Any future development must provide for diversity in the housing mix.
	<i>IW C2.3.2 Inner West Councils to provide for an appropriate range of residential zoning to cater for changing housing needs.</i>	<p>The Planning Proposal request is for an R3 Medium Density zoning. Council did not adopt R3 Medium Density zoning in the Standard Instrument LEP, Leichhardt LEP. The LEP only adopted an R1 General Residential zoning which facilitates a range of different residential dwelling types as well as supporting non-residential uses.</p> <p>The only R3 Medium Density zoning in the LGA has been applied by the Minister to the Kolotex site as an Amendment to the LEP.</p> <p>The proposal is for High Density development rather than Medium Density development. As Council did not adopt</p>

Strategic Direction	Objectives/ Actions	Comment
		<p>the R4 High Density Residential zone in Leichhardt Local Environmental Plan 2013, the proposal, if it were to proceed, should be R1 General Residential.</p> <p>The proposal is not considered consistent with this objective</p>
<p><i>Key Directions 'E' – Environment, Heritage and Resources</i></p>	<p><i>E2.5 Minimise household exposure to unacceptable noise levels.</i></p>	<p>The Planning Proposal seeks to rezone an existing pocket of isolated industrial land for residential purposes, consistent with its surrounding context.</p> <p>The change in zoning would eliminate the risk of potential land use conflicts that could arise from the operation of warehousing and business operations close to dwellings, in particular noise and heavy vehicular movements.</p> <p>The subject site is also adjacent to the light rail corridor. These are matters that could be addressed through suitable design and construction responses to ensure residential amenity.</p>

**Table 6: Consistency of the Planning Proposal with the relevant objectives and actions of the Draft Metropolitan Plan for Sydney 2031**

<b>Strategic Direction</b>	<b>Objectives/ Actions</b>	<b>Comment</b>
<i>Balanced Growth</i>	<i>Objective No. 3 – Make Sydney Connected</i>	The Planning Proposal request is consistent with objective No. 3 as it will integrate residential growth with public transport connections. The site is close to the Marion Light Rail Station and numerous bus services
<i>A Liveable City</i>	<i>Objective No. 5 – Deliver new housing to meet Sydney's growth</i>	The Planning Proposal request is consistent with objective No. 5 as it will assist in meeting the housing targets for the 'Central' subregion area, however, as discussed in the Tables above, the Lords Road precinct is not considered critical to Council to achieving the LGA's housing targets.
	<i>Objective No. 6 – Deliver a mix of well-designed housing that meets the needs of Sydney's population.</i>	An assessment of the design merits of the Planning Proposal indicate that the proposal is unsatisfactory in respect of the proposed bulk and scale, inadequate common open space, traffic, parking and access. Consequently the potential amenity impacts on surrounding properties and future residents at the site are unacceptable. The Planning Proposal is not considered to be well designed.
	<i>Objective No. 13 – Provide a well located supply of industrial lands</i>	The Planning Proposal request will reduce the quantum of industrial lands within the central subregion by approximately 1.1 hectares. However, the loss of the site as employment lands must be assessed in the context of the recent rezonings of other employment sites in the area and the State Government's proposals for the WestConnex/ Parramatta Road Urban Activation Precinct and the Bays Precinct Urban Renewal Program.  In 2008 there were 108.9ha of Employment Lands in the Leichhardt LGA. The approved rezoning of employment land, the State Government Bays Precinct Land and WestConnex Parramatta Road Renewal could result in a loss of up to 90.88ha of

Strategic Direction	Objectives/ Actions	Comment
		<p>Employment Lands. Add to this the Allen Street Planning Proposal and Lords Road Planning Proposal request, the resulting Employment Lands remaining across the LGA could be reduced to 15.95ha.</p> <p>This is a dramatic reduction in Employment Lands and is not consistent with other State Government Strategic directions such as providing jobs closer to home.</p> <p>Council's Employment and Economic Development Plan (EEDP) sets out a methodology to confirm the suitability of proposed rezoning of employment lands.</p> <p>Council has commissioned SGS to undertake an Industrial Lands Study in order to make recommendations on Council's remaining employment lands, and assess the impact of the cumulative loss of employment lands following the recent rezonings of former industrial sites.</p> <p>It is considered that the Planning Proposal request is premature and should wait until Council's Industrial Lands Study is complete.</p> <p>SGS have provided Council with a specific Economic Assessment of the proposed rezoning of the site. This assessment concluded that the current land use / zoning is economically viable and that rezoning would be a significant loss. However, this needs to be quantified with the supply-demand gap analysis SGS is undertaking as part of their Council wide Industrial Lands Study.</p>
<i>Health and Resilient Environment</i>	<i>Objective No. 18 – Use energy, water and resources efficiently</i>	<p>The Leichhardt Environmental Sustainability Strategy encourages the use of Voluntary Planning Agreements as a mechanism to achieve development above NSW Government BASIX SEPP requirements.</p> <p>Such an approach is also consistent with the objectives of Leichhardt Council's Climate Change Plan that encourages adaptation to climate change via Water</p>



Strategic Direction	Objectives/ Actions	Comment
		<p>Sensitive Urban Design, energy efficiency, renewable energy, sustainable building materials, connected, walkable neighbourhoods, active and public transport, greening and shading.</p> <p>The Proponent's site specific Development Control Plan does not include any controls relating to Environmental Performance or sustainability rating. Consequently, the Planning Proposal request is inadequate in this regard.</p>
<p><i>Accessibility and Connectivity</i></p>	<p><i>Objective No. 24 – Plan and deliver transport and land use that are integrated and promote sustainable transport choices</i></p>	<p>In order to ensure an optimum mode split in favour of sustainable transport and maintain acceptable traffic volumes on the local street network it is recommended that the following be applied to any future development of the site:</p> <ul style="list-style-type: none"> <li>• On-site parking be minimised; and</li> <li>• The applicant should implement and maintain a travel plan for the development. The travel plan should consider applying initiatives such as: <ul style="list-style-type: none"> <li>- Encouragement of home business in the development;</li> <li>- Limited on-site parking;</li> <li>- Car-pooling;</li> <li>- Car share facilities;</li> <li>- Bike share facilities;</li> <li>- Bike parking; and</li> <li>- Sustainable transport information packs for new owners and tenants.</li> </ul> </li> </ul> <p>Council's Traffic and Parking Assessment recommends that a genuine mixed use (particularly if there is a component of Live/Work) is preferable to a completely residential development, in terms of achieving dispersal and dilution of peak period traffic/ transport movements. This is because of the inherent ability of mixed use development to reduce the tidal flow of patrons (e.g. residents exiting while employees arrive).</p>

**Attachments -**

Available electronically only

1. Planning Proposal for 67 – 73 Lords Road, Leichhardt – May 2014
2. Draft Amendment Development Control Plan 2013 – Site specific controls for 67 - 73 Lords Road, Leichhardt
3. Proponent Economic Justification – October 2013
4. Economic Assessment of the Suitability of Industrial Land at 67 – 73 Lords Road for Rezoning – August 2014
5. Net Community Benefit test – May 2014
6. Concept Design Report for the Development of 67 – 73 Lords Road, Leichhardt
7. Voluntary Planning Agreement Offer
8. Housing Affordability Assessment for 67 – 73 Lords Road, Leichhardt – January 2014
9. Elton Consulting – Peer Review of Social Impact Assessment and Housing Affordability Studies for 67 – 73 Lords Road, Leichhardt – August 2014
10. Traffic and Parking Assessment Report – May 2014
11. Site Contamination Assessment Letter of Advice – November 2013
12. Social Impact Assessment Report – December 2013
13. Flooding and Stormwater Desktop Review Advice Letter – July 2013
14. Revised Voluntary Planning Agreement Offer

**Appendix: Inner West Council Submission: Planning Proposal (PP\_2016\_LEICH\_002\_00) To Rezone Land From IN2 Light Industrial To R3 Medium Density Residential And Amend Floor Space Ratio Controls At 67-73 Lords Road, Leichhardt**

**Site**

The Planning Proposal exhibition relates to land at 67-73 Lords Road Leichhardt.

The southern boundary of this site fronts onto Lords Road. The inner west light rail line, is located adjacent to the western boundary of the site and Lambert Park is located to the north of the site.

Davies Lane is to the east of the site. Davies Lane separates the site from the low density residential area fronting Davies Street.

The site is currently occupied by a series of attached brick buildings and associated parking. The building currently contains a range of uses including a gymnasium, art school, karate school, storage and other light industrial uses. In 2014 the proponent advised that 62 people were employed at the site.

**Proposal**

The Planning Proposal seeks to amend *Leichhardt Local Environmental Plan 2013* to facilitate the redevelopment of 67-73 Lords Road Leichhardt. The Planning Proposal request is accompanied by a proposed amendment to Leichhardt Development Control Plan 2013 (DCP) that includes site specific controls for the property.

The Planning Proposal seeks to amend the Leichhardt Local Environmental Plan 2013 and Leichhardt Development Control Plan 2013 as follows:

- Rezoning from Industrial (IN2) to Medium Density Residential (R3).
- An uplift in FSR from 1:1 to 2.4:1.
- 315 units in four (4) residential blocks ranging from four (4) storeys to eight (8) storeys.
- A oneway, shareway road through the site from Lords Road to Davies Lane.
- A separate basement parking entrance and exit off Lords Road.
- A central communal open space area.
- A childcare centre and café.

A Voluntary Planning Agreement Offer was included in the original proposal, but is not a part of this exhibited Proposal.

67 - 73 Lords Road, Leichhardt is one of the most important industrial precincts left in the former Leichhardt Council LGA. It is one of a few locations left in the area that can accommodate local urban services and it houses approximately 30 businesses with around 60 employees. SGS established as part of their 2014 Industrial Land Study for Leichhardt Council that it was earning the owner double the average rental levels of other industrial properties in the LGA.

The former Leichhardt Council resolved in August 2014 (C263/14) to not support this Proposal for the following reasons:

- a. *in the context of persistent demand and a low and decreasing supply of industrial land, a rezoning would dilute Councils ability to provide sufficient industrial land to accommodate demand; and*
- b. *the Planning Proposal is inconsistent with s.117 Direction 1.1 Business and Industrial Zones on the following grounds:*
  - i. *the Planning Proposal is not justified by relevant strategies in relation to the retention of employment lands, including the Draft Metropolitan Strategy for Sydney to 2031 and the Draft Inner West Sub-regional Strategy.*
  - ii. *the Planning Proposal is not adequately justified by an economic study prepared in support of the Planning Proposal*
  - iii. *loss of this employment land would be of substantial significance to the local government area's employment land supply.*
- c. *the proposed rezoning would result in a net loss of jobs in the local government area*
- d. *the proposed rezoning would result in the loss of an economically viable employment lands precinct containing local services, light industrial and other non-industrial activities which contribute to the diversity of the economy, community activities and employment opportunities*
- e. *the proposal does not have merit when assessed against the criteria established by the Leichhardt Employment and Economic Development Plan 2013-2023*
- f. *the Planning Proposal is not supported by an appropriate Net Community Benefit Test as it does not address the wider issue of cumulative loss of employment lands in the local government area*
- g. *the Planning Proposal is not supported by an adequate, comprehensive Social Impact Assessment*
- h. *the proposed zoning of R3 Medium Density Residential is inconsistent with the Draft Metropolitan Strategy for Sydney to 2031, Appendix D: Glossary of Terms as it relates to R3 Medium Density Residential. The proposed building heights and residential density are, instead, consistent with the R4 High Density Residential Zone which is not included in the Leichhardt Local Environmental Plan 2013.*
- i. *the proposed Floor Space Ratio and building heights would result in unacceptable amenity impacts on the local area including:*
  - i. *overlooking of Davies Street properties,*
  - ii. *inadequate location and quantity of common and private open space*
  - iii. *visual impact from the bulk and scale of buildings*
  - iv. *overshadowing of open space areas*
  - v. *inconsistency with the local character*
- j. *the Planning Proposal proposes that 15.8% of the site be communal open space and therefore does not meet the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code which requires the provision of 25-30% of the site for communal open space*
- k. *the Planning Proposal is not consistent with Section 3.3.3 (Clause 3.3.1) of the Leichhardt Affordable Housing Strategy (2011) which seeks a 10% affordable housing contribution*



- l. the proposed reduction in the width of existing streets to accommodate public domain works is unacceptable*
- m. the proposed one-way share way vehicular movement system would result in an unacceptable number of vehicle movements in Davies Lane*
- n. the proposal would result in significant additional traffic impacts, particularly in relation to intersections, which have not been adequately addressed in the supporting studies*
- o. the Planning Proposal does not adequately address the strategic context of major NSW State government projects including:
  - i. Bays Precinct Urban Renewal*
  - ii. Parramatta Road Urban Renewal*which may result in further, significant loss of employment land and an increased demand for non-residential goods and services arising from a growing population in the inner west*
- p. Council has not been provided with adequate information to be satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55 Remediation of Land.*
- q. the Planning Proposal does not address issues associated with the proposed West Connex Motorway including:
  - i. traffic generation*
  - ii. location of air quality stacks*
  - iii. location of motorway entry and exit portals**

A copy of the August 2014 Council report which addresses these matters in detail is provided with this submission.

Following the proponent's request for a Pre-Gateway Review from the Department of Planning and Environment, the matter was referred to the Sydney East Joint Regional Panel (JRPP). In October 2015 the former Leichhardt Council made a submission to this Review again opposing the proposed rezoning for the issues outlined above.

At its meeting of 7 December 2015 the Sydney East Joint Regional Planning Panel resolved that the proposal should proceed to the Gateway determination stage. The Panel also advised that the planning proposal should be updated to:

- *demonstrate consistency with the Parramatta Road Urban Transformation Strategy;*
- *include a satisfactory arrangements provision for contributions to State public infrastructure designated under the Parramatta Road Urban Transformation Strategy;*  
*and*
- *demonstrate that the proposed controls enable a development that complies with the Apartment Design Guide and does not significantly impact the amenity of the surrounding low density residential neighbourhood, consistent with the Panel's recommendation.*

On 20 July 2016 Council was advised that the planning proposal would proceed subject to the conditions in the Gateway determination. These conditions included exhibition requirements, a timeframe and the following specific issues:

- 1. Prior to public exhibition, the planning proposal is to be updated to:*

- a) *address the social impact of the proposal, including consideration of the capacity of existing, and future need for affordable housing, education, health and emergency services;*
- b) *demonstrate consistency with s.117 Direction 4.1 Acid Sulfate Soils and Direction 4.3 Flood Prone Land; and*
- c) *include current and proposed Land Zoning and Floor Space Ratio maps (in accordance with the Standard Technical Requirements for Spatial Datasets and Maps).*
- d) *include a satisfactory arrangements provision for contributions to designated State public infrastructure identified as part of a draft or final strategic planning review for the Parramatta Road corridor.*

*2. Prior to finalisation the planning proposal is to be amended to demonstrate consistency with any available findings of a draft or final strategic planning review for the Parramatta Road corridor.*

Council requested a Post Gateway Review in August 2016 for reasons including:

- After the Planning Proposal was referred to the Gateway Process in February 2016 the former Leichhardt Council completed and adopted its Industrial Precincts Planning study, which provides clear evidence as to why all the industrial land in the former Leichhardt LGA should be retained with an industrial zoning.
- The Draft Parramatta Road Urban Transformation Strategy was still not finalised and consequently this Planning Proposal remained premature.
- The Greater Sydney Commission (GSC) was preparing the draft Central District Plan for the area and initial indications from joint workshops with the GSC were that protection of existing industrial land would be a critical element of the District Plan.
- The Gateway Determination conditions do not include a requirement for provision of an updated economic impact assessment, despite requiring such updates for affordable housing, education, health and emergency services.

This request for Gateway Review was subsequently rejected.

#### **Comments on the Exhibited Planning Proposal**

**Council continues to have serious concerns about this planning proposal and would like to advise that the previous concerns expressed by the former Leichhardt Council, as resolved at the meeting of 26 August 2014, are still relevant and applicable to this current proposal. These concerns are reinforced by the inadequate updating of the assessments of impacts on affordable housing, education, health and emergency services, despite these being required by the Gateway Determination.**

This appendix provides detailed comments on the exhibited Planning Proposal and a consideration of the Proposal in relation to changes to relevant planning strategies that have occurred since the Council's August 2014 assessment of the Proposal, which as already stated is largely unchanged.

Council continues to be of the view that the proposal cannot be justified on a strategic or site specific basis for the following reasons.

### 1. Economic Impact

67 - 73 Lords Road, Leichhardt is considered to be one of the most important local industrial precincts left in the former Leichhardt Council LGA and the Gateway determination should have required the provision of an updated economic impact assessment.

The Gateway determination provided for a number of matters (including social impacts of the proposal) to be updated in the submitted Planning Proposal. The Gateway determination, however, despite the former Leichhardt Council's consistent concerns, did not include any requirement for the provision of an updated or reviewed economic impact assessment. This is of particular concern as the exhibited supporting document for the Planning Proposal "Industrial Rezoning Economic Justification" was originally prepared in October 2013 and has not been updated.

The exhibited "Industrial Rezoning Economic Justification" does not consider the Council reports "Leichhardt Industrial Land Study Final Report" adopted in February 2015 or the "Leichhardt Industrial Precinct Planning Final Report" adopted in May 2016. Both of these reports were prepared by SGS Economics and Planning for the former Leichhardt Council. In addition the "Industrial Rezoning Economic Justification" has never provided an assessment of the Leichhardt Employment and Economic Development Plan 2013 criteria for proposed rezoning of industrial land.

This is of particular concern given the substantial deficits in industrial floor space identified in both these SGS reports. The studies concluded that in light of future population and employment growth in the former Leichhardt LGA there will be a deficit in industrial floor space of between 7,500sqm and 55,000sqm by 2036.

The studies identify 67-73 Lords Road as one of the most important local industrial precincts left in the former Leichhardt LGA. It is identified as one of a few locations left in the area that can accommodate local urban services and it houses approximately 30 businesses with in excess of 60 employees. The studies established that the site is fully occupied and earning double the average rental levels of other industrial properties in the LGA.

It is acknowledged that despite being small, the precinct contributes a large floor plate site to the light industrial make up of Leichhardt's employment lands. The lot and building size, coupled with its relative isolation from surrounding residential uses, make it an important precinct to accommodate the future industrial demands of the area.

The 2016 "Leichhardt Industrial Precinct Planning Final Report" recommends that all of Leichhardt's industrial lands be retained and protected from rezoning, that additional industrial floor space be provided and that Council's planning controls be revised to facilitate the protection and growth of industrial precincts. This study involved analysis of the urban structure and built form of key precincts, development of urban design principles and built form options and feasibility analysis considering three land use scenarios – industrial only, industrial + commercial and industrial + commercial + residential.

The development options were assessed using a Multi-Criteria Analysis (MCA) framework that brought together the feasibility modelling, urban design analysis and policy/strategy assessment findings. The MCA was used to determine the development scenarios that would most appropriately address the LGA's forecast industrial floor space deficit and protect industrial precincts.



The report recommended two potential options for Leichhardt's industrial precincts, 'Business as Usual' and 'Policy Change'. Both options recommended that Lords Road should retain its IN2 Light Industrial zoning.

While traditional manufacturing and open storage are activities with declining demand for Leichhardt's industrial land, population serving industries, urban services and manufacturers, CBD 'backroom' operations and creative industries all have persistent or growing demand. These uses are characterised by a strong local customer base and are attracted to the building and locational qualities of the area, including proximity to the CBD, and as such are not easily transferable to other LGAs. Consequently the industrial floor space deficit cannot be offset in other locations in the inner city subregion.

In addition to completing the industrial studies for the former Leichhardt Council, consultants SGS Economics and Planning had also undertaken recent industrial land studies for neighbouring LGAs, including the former Marrickville Council and City of Sydney Council. While the industrial precincts in these areas had limited capacity to accommodate future demand, they too are under increasing pressure from residential and mixed use developments. Land within the City of Sydney will need to accommodate uses that require proximity to the airport and port, potentially pushing industries without such a tie to other inner city precincts including those within the Inner West LGA.

In its August 2016 request for a Post Gateway Review Council pointed out that the proponent had not addressed the following three core questions of direct relevance to the retention of Lords Road as an industrial precinct:

- *Of all the existing industrial sites in the former Leichhardt Local Environmental Plan (LEP) 2013 area is this one more suitable for rezoning to residential than the others?*
- *The Draft Parramatta Road Urban Transformation Strategy (DPRUTS) shows Camperdown and Tebbutt Street as rezoned to residential, business and mixed use with no industrial land. The Rozelle Railyards are also compromised as industrial land by Westconnex and a major light rail stabling facility so how should a rezoning of Lords Road be assessed on merit within this context? (the adopted PRUTS was published on 9 November 2015, prior to the exhibition of this Proposal)*
- *Even if Lords Road is in principle a suitable industrial site for rezoning should it be rezoned with a resultant loss of industrial land if there is sufficient capacity on identified alternative mixed use and residential prospective sites to accommodate projected household growth in the area?*

Furthermore, the relative importance of retaining Lords Road as industrial land is also clearly illustrated by the following summaries of the prospective short term loss of industrial land and floor space in the former Leichhardt LGA:

Existing Industrial Floorspace of Former Leichhardt LGA 2014  
(Source : SGS April 2016 Industrial Precinct Planning Report)

**Total Industrial Floor Space - 308,092sqm**

**Floor Space loss from Parramatta Road Urban Transformation Strategy (PRUTS)**

Camperdown - 75,523sqm  
Tebbutt Street - 47,196sqm

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Sub-total – 122,719sqm = **39.83% loss** of total 308,092sqm of floor space in former Leichhardt LGA.

**Residue** - 185,373sqm

The Lords Road floor space of 11,354 sqm is currently 3.68% of the former Leichhardt LGA total industrial floor space of 308,092 sqm (not including Rozelle Rail Yards, which will be lost to West Connex and the light rail stabling facility in any case).

Lords Road will therefore comprise 6.12% of the former Leichhardt Council LGA residual total industrial floor space after the loss of the Camperdown and Tebbutt Street industrial precincts to PRUTS.

The loss of industrial land is also strongly demonstrated by the following figures:

Site / Precinct Areas Existing Industrial Land -Former Leichhardt LGA

*Source : Leichhardt Council Lords Road Planning Proposal Assessment 2014, SGS Employment Lands Study 2011 & Inner West Subregion Draft Subregional Strategy 2008.*

**In 2008 Leichhardt LGA had 108.9 ha of industrial land**, including the Rozelle Rail yards/ Bays Precinct.

Up until 2015, 4.9 ha of this land had been rezoned to residential or mixed use, primarily at the George Street and Allen Street, Leichhardt sites and Terry Street, Rozelle.

In the short to near medium term future the other prospective losses include:

Camperdown and Tebbutt Street (PRUTS) - 12.2 ha

Bays Precinct ( Rozelle Railyards ) - 75.8 ha

Therefore the total projected loss (with pre 2015 sites included) is 92.9 ha or 85.3 % of the total 2008 Leichhardt LGA Industrial Land Supply.

In other words the zoned land supply will fall from 108.9 ha to 16.0 ha in approximately 10 years. At 1.07 ha the Lords Road site will be then comprise 6.69% of the residual industrial land supply of 16.0 ha.

In summary Council continues to have serious concerns regarding the loss of industrial lands in the area. Council considers that prior to any exhibition of this Planning Proposal, the proponent should have been required to review the previously submitted economic justification against the Leichhardt Employment and Economic Development Plan 2013 criteria for rezoning industrial land and the detailed conclusions and information presented in the two studies "Leichhardt Industrial Land Study Final Report" released December 2014 and the "Leichhardt Industrial Precinct Planning Final Report" released April 2016 prepare by SGS Economics and Planning for the former Leichhardt Council.

## **2. Consistency with the Parramatta Road Urban Transformation Strategy**

Both the JRPP recommendations on the Pre Gateway Review of the August 2014 Planning Proposal and the Gateway Determination required that the Proposal be

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consistent with the Parramatta Road Urban Transformation Strategy (PRUTS). Urban Growth released the final documents relating to this Strategy on 9 November 2016.

The subject site is located within the "Taverners Hill" Precinct. The Strategy indicates that within this Precinct the employment focus will be on both sides of Parramatta Road, Tebbutt, Upward and George Streets with retail along Tebbutt Street and business enterprise closer to Parramatta Road. The existing Tebbutt Street IN2 zoned industrial precinct will be rezoned for B4 for mixed use.

Page 10 of the PRUTS "Planning and Design Guidelines" states that "The Guidelines will inform future controls in local environment plans and development control plans by providing development principles and controls for land within the Corridor that should be considered when the Strategy is being implemented through rezoning proposals".

**This exhibited Planning Proposal has not been updated to reflect these Guidelines and is clearly premature in this respect.**

#### **Planning Controls and Permissible Height**

PRUTS provides some detailed planning controls for this specific site. In particular the site is proposed to be rezoned R3 Medium density residential with a floor space ratio of 2.4:1. This is consistent with the subject Planning Proposal.

The PRUTS "Planning and Design Guidelines" mention different building heights for the Lords Road site is different sections of the Guidelines and the exhibited DCP and Concept Design Report also shows inconsistent building heights. This is problematic in terms of assessing the potential impacts of the Proposal.

Furthermore, the proposed DCP for the site provides specific detailed locations and measures the height of buildings in storeys with the DCP indicating a range of heights from 4-8 storeys. As already stressed above the exhibited DCP has not been updated to reflect the PRUTS and appears to be inconsistent with the Strategy. It would be highly undesirable for this Planning Proposal to proceed with this lack of surety as to the potential permissible height of the proposal.

PRUTS also provides for a large number of specific design requirements in relation to this form of development including car parking rates and the indication that Lords Road is a high street. Some of these controls are similar to the Apartment Design Guide and some of them are contrary. No detailed assessment has been provided as a part of this Planning Proposal as to the consistency with the design details of this PRUTS.

#### **Planning Process – Staging and Sequencing**

Under PRUTS a significant magnitude of investment in infrastructure is required to enable the successful transformation of the Parramatta Road Corridor. This includes major new public transport infrastructure, roads and extensive community infrastructure. PRUTS also states that rezoning land too early could result in inefficient growth outcomes. The *Implementation Plan 2016-2023* requires that the Corridor be developed in line with the Principles and Strategic Actions identified in PRUTS as its growth priorities. If this does not occur the Implementation Plan incorporates an "Out of Sequence Checklist" against which such proposals would be assessed.

It would appear that this Proposal would satisfy the criteria and would be required to be assessed as "Out of Sequence". The Proposal was originally submitted to Council in

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2014. Most of the supporting information has not been reviewed since this time. PRUTS was released recently, but the JRPP and the Department of Planning and Environment has known for several months that its adoption by the State government was imminent. Consequently the Planning Proposal should not have been exhibited until it was updated to reflect the PRUTS.

No supporting information has been provided to address PRUTS despite this being a requirement of the Gateway Determination. The site is also outside the PRUTS 2016-2023 Release area. The "Out of Sequence" checklist has not been addressed or submitted as a part of this Proposal. This checklist has 6 criteria and 18 sub-criteria including:

- Criteria 1 – Strategic objectives, land use and development
- Criteria 2 – Integrated Infrastructure Delivery Plan
- Criteria 3 – Stakeholder engagement
- Criteria 4 – Sustainability
- Criteria 5 – Feasibility
- Criteria 6 - Market viability

This site is such an important urban services industrial precinct the proponent should have been required to demonstrate in detail that these criteria are met before the Planning Proposal was exhibited.

Council's review of the Proposal indicates that it does not fully comply with the following "Out of Sequence" sub-criteria:

- Contribution to the strategic objectives, land use and development.
- Consistency with the building form plans for the Taverners Hill Precinct including height.
- Demonstrated design excellence consistent with the PRUTS Planning and Design Guidelines.
- Lack of an Integrated Infrastructure Delivery Plan to identify advance infrastructure provision and cost recovery for the local and regional infrastructure.
- Inadequate details of the proposed provision of satisfactory transport, road upgrades, intersection, open space, public domain, community infrastructure etc improvements.
- Stakeholder engagement with the community and Council has demonstrated that there is no support for or agreement on the proposed rezoning.
- There is no planning or business case development for key infrastructure projects.
- The Proposal does not achieve PRUTS sustainability targets.
- The exhibited economic feasibility and market viability is spurious and is being used in an attempt to justify a poor planning and built form outcome.

#### **Requirements of the PRUTS Taverners Hill Precinct Action Plan**

##### ***Funding***

The Gateway determination requires the inclusion of a satisfactory arrangements provision for contributions to designated State public infrastructure identified as part of a draft or final strategic planning review for the Parramatta Road corridor.

The Proposal has **not** provided detailed information regarding the provision of contributions as required by this Strategy. The Taverners Hill Action Plan specifically indicates medium and long term open space facilities, community facilities, education facilities, health facilities and road improvements and upgrades.



This is of particular concern to Council. The original Planning Proposal submitted to Council provided for a Voluntary Planning Agreement Offer which included:

- The provision of 5% affordable housing for 10 years
- Public domain elements including streetscape enhancements
- Pedestrian and cycle paths
- Children's playground and fitness circuit
- Common open space to be publically accessible
- Improved streets and footpaths at a total cost of \$1.079 million including provision of an on-site pedestrian path, supposedly with the potential to connect through Marion Street Light Rail Station through Lambert Park in the future.

Whilst the Council had some specific issues with some of the works proposed under the Voluntary Planning Agreement Offer, it is acknowledged that a Voluntary Planning Agreement may have been negotiated to support issues such as affordable housing, upgrading works to the existing stormwater drainage system (between the site and Hawthorne Canal and Lords Road) and sustainability outcomes.

This is of particular concern to Council as the original Proposal proposed the contribution of funding to deliver particular local infrastructure. Council considers that the Proposal should continue to provide local benefits especially considering the size and scale of the development. It is also considered that the provision of local benefits will benefit the Precinct overall and that the benefits previously included in the Voluntary Planning Agreement of the original Proposal should continue to be delivered along with additional ones to meet the requirements of PRUTS.

In summary the funding arrangements for local and PRUTS infrastructure contributions are completely unclear and not detailed. This is a crucial requirement of the Gateway Determination and one that is important to ensure the success of the PRUTS and any Planning Proposal to rezone this site.

#### **Road Improvements and Upgrades**

The Taverners Hill Action Plan clearly states that *"prior to any rezoning commencing, a Precinct wide traffic study and supporting modeling is required to be completed which considers the recommended land uses and densities, as well as future Westconnex conditions, and identifies the necessary road improvements and upgrades required to be delivered as part of any proposed renewal in the Precinct"*

This has not been undertaken and the exhibited Planning Proposal traffic study has not been updated since 2014. This is discussed further below in **6. Traffic and Transport**.

#### **PRUTS and Employment Lands**

PRUTS has an overall aim of creating a "Diverse and resilient economy" with the intention of planning for and positioning the Corridor to attract new businesses and support existing businesses that will create a diversity of jobs and promote jobs closer to where people live. It also acknowledges the strong role for employment and economic activity in the Corridor and the need for a mixture of employment land.

Despite this aim however, PRUTS does indicate that the Planning Proposal site should be zoned for residential uses. This is self-contradictory in relation to the above aim and also the findings of Council's recent industrial studies.



These studies have confirmed that the existing areas of Industrial Land are important for the local and sub regional community as there is persistent or growing demand for Leichhardt's industrial land from population serving industries, urban manufacturers, CBD backroom operations and creative industries.

The rezoning of this site from industrial to residential uses is likely to lead to the further decline of employment and industrial lands in the area and would be contrary to the stated creation of employment related jobs and floor space in the Taverners Hill Precinct.

As one of the key conditions of the Gateway Determination for this Planning Proposal was consistency with the PRUTS it is considered a serious procedural flaw that the exhibited October 2013 *"Industrial Rezoning Economic Justification"* was not updated as required by the Gateway to ensure that the rezoning would be consistent with the aims of the Precinct.

#### **Planning and Design Guidelines**

These Guidelines provide extensive details and requirements that have not been assessed or considered by the Proponent. Council's concerns in this regard include but are not limited to the following:

#### **Section 3.2 Heritage & Fine Grain**

This Section provides a number of requirements in this section that relate to Heritage and Fine Grain.

In the vicinity of the development site there are a number of heritage items and conservation areas. To the east (in the former Ashfield Council) is a heritage conservation area, to the east on Lords Road is Kegworth Public School and to the north is 20-22 Foster Street. Both of these sites are listed as heritage items in the Leichhardt LEP 2013.

The Guidelines also acknowledge that one of the key strengths of the Corridor East includes *"high quality heritage values and attributes east of Hawthorne Canal where existing character should be preserved and leveraged."*

There has been no consideration of the impacts of this proposal on these heritage items and conservation area. No heritage study has been submitted and it has not been considered in the proposed DCP.

It is considered that the proposal does not comply with a number of the requirements of the PRUTS in this regard. In summary the proposal has not been designed to respect neighbouring buildings and the character of the area or provided for a development that is of a compatible scale with the surrounding heritage items. The new development is not of an appropriate form and mass and physically overwhelms the surrounding areas. It does not provide appropriate landscape treatments.

In summary a full assessment must be carried out by the proponent to address the Heritage and Fine Grain Requirements of the PRUTS.

#### **Section 3.4 Open Space & Public Domain**

As discussed below in Section 3. **Compliance with the Apartment Design Guide and Structure of DCP** the amount of open space is deficient generally. The proposed open

space is not of an appropriate size and does not provide a quality space. This area of the proposal must be addressed and amended.

#### **Section 3.6 Traffic and Transport**

As discussed in section 6 below, Council has strong concerns around traffic and transport issues with this planning proposal. This proposal does not satisfy the requirements of these Guidelines in this respect.

#### **Section 3.8 Car Parking & Bicycle Parking**

This section provides car parking rates for the proposal that are different and lesser than the proposed DCP and Council's rates. It also provides for detailed requirements relating to unbundled car parking and rate reductions, electric vehicle chargers, shared parking for non-residential uses, car sharing, and decoupled parking. Bicycle parking requirements have also been provided.

These details have not been considered by the proponent.

#### **Section 3.10 Sustainability & Resilience**

This section states the 3 key areas of intervention for the Corridor as

1. High performance buildings
2. Reduced and decoupled strategic parking
3. Urban resilience and infrastructure delivery

There are detailed requirements that again need to be addressed and considered by the proponent.

#### **Taverners Hill Precinct Guidelines**

The proponent has not demonstrated or provided the information that demonstrates that the Proposal complies with the controls as follows:

- Consideration to heritage places
- The gross floor area to be no more than 75% of the building envelope
- Floor area requirements for above 8 storeys
- Length of buildings.
- Consideration of heritage places
- Required setbacks to the frontage
- 45 degree building envelope
- The transition to the edge of the Precinct

The proposal is not of an appropriate scale to address and define the surrounding character. It does not optimize visual and acoustic privacy

It should also be noted that on page 214 it is stated that "*Low density uses are recommended for the remainder of the Precinct, however a R3 Medium Density zone is shown in recognition of the need to permit town houses and terrace type dwellings given the good proximity to public transport*".

This Proposal is not a town house or terrace type dwelling. It is a high rise development that is not of an appropriate scale to address and define the surrounding character. It does not optimize visual and acoustic privacy and does not comply with the intentions of the requirements in these Guidelines.

#### **Fine Grain Study**

This document is a part of the PRUTS Implementation Tool Kit and is intended to inform future development in the Precincts. It provides an additional detailed layer of heritage and urban design analysis for areas within the Corridor. This Study has not been considered as a part of this Planning Proposal.

In terms of the information for the Precinct of Taverners Hill, there are a number of points that need to be considered:

- Kegworth Public School is partially located in Lords Road and is a heritage item.
- Lords Road is indicated as a secondary street.
- The site is defined as large grain.
- The height of buildings in the precinct is indicated as 1- 3 storeys.

No consideration has been given to the impact of the proposal on the adjacent substantial heritage items of Kegworth Public School, Lambert Park and Hawthorn Canal. A smaller site to the rear at 20-22 Foster Street is also a heritage item. No consideration has been given to any of these sites.

In terms of existing local character the Study notes the following points that are relevant to this Proposal

- The building typologies are local shops, warehouses and low scale workers cottages and terrace housing.
- The building form and setbacks include zero setbacks from warehouses but front setbacks to residential.
- For building articulation the existing houses set a distinct pattern.

These matters are contrary to the Proposal and indicate that whilst warehouses may have a different building form, there are differing building forms appropriate to an area with a residential character, such as taking into account the pattern of residential properties in the area and providing a front setback for residential properties.

The Proposal must assess the points raised in this Study.

In summary, it is considered in advance of addressing the requirements of the PRUTS Fine Grain Study would be premature for this Planning Proposal to proceed. One of the key conditions of the Gateway Determination was that the proposal should demonstrate consistency with PRUTS. This has not occurred in any substantial way. The Strategy is detailed and lengthy and any assessment must be carried out thoroughly.

An initial review of the PRUTS carried out by Council has revealed the above deficiencies. A full review and assessment of the PRUTS in relation to the Proposal should have been provided by the proponent prior to exhibition.

This Gateway requirement has obviously been ignored. Combined with the other concerns expressed in this submission and the fact that in general the supporting documents for the Proposal have not been updated despite new issues arising in the area, it is clear that the

Proposal is premature and incapable of being assessed appropriately according to the conditions of the Gateway Determination.

### **3. Compliance with the Apartment Design Guide and Structure of DCP**

One of the JRPP Pre Gateway Review recommendations was for the proponent to demonstrate that the proposed controls should enable a development that complies with the Apartment Design Guide (ADG) and would not significantly impact the amenity of the surrounding low density residential neighbourhood.

Council's preliminary assessment of the exhibited Proposal shows that it would not comply with the ADG .

#### **Apartment Design Guide criteria**

##### **3D – Communal Open Space**

This is required to be an area of 25% of the site that should be consolidated into a well designed, easily identified and usable area.

The proposed DCP states that 1690sqm of publicly available communal open space is to be provided by the development. This is only 15.8% of the site area and does not comply with the required 25%.

The proponent's supporting documents analysis of the ADG states that the communal open space is 36% and 2800sqm. The Concept Design Report states 2625sqm - 2850sqm .

It is unclear as to how these figures have been calculated and there seems to be inconsistencies between documents. The requirement also is that the open space should be consolidated and the only consolidated area is the space in the centre of the site. The DCP needs to specify what the definition of communal open space is and how this will be achieved.

The ADG requires some facilities to be provided with the communal open space and there does not seem to be any details within the DCP in this regard.

The communal open space is also required to receive 50% direct sunlight for a minimum of 2 hours between 9am and 3pm in mid winter. The DCP states that this will be a requirement, however, due to the orientation and bulk of the development and insufficient information that has been provided it cannot be confirmed that this will be achieved.

##### **3E – Deep Soil Zones**

7% of the site is required to be deep soil with a minimum dimension of 6m. The proposed DCP provides a diagram indicating the location of the deep soil zones, however no numerical figure is provided. The DCP should be amended to indicate compliance with the ADG.

##### **3F – 1 – Visual Privacy - Setbacks**

	<b>Required</b>	<b>Provided</b>	<b>Compliance</b>
<b>West</b>	9m for 5-8 storeys	<u>Building A</u> (5,7 & 8-9 storeys)	No

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	12m if over 8 storeys	6m including 2.5m articulation zone.  9m for floors over 8 storeys (DCP Fig G42 setback sections indicate a 9 storey building)	
<b>East</b>	6m for up to 4 storey  9m for 5-8 storeys	<p><u>Building B</u> (6 storeys)</p> <p>6m with 1m articulation zone 8.5m for "top floor"</p> <p>The Concept Design Report states that the setback to the east (Davies Lane) is 5.1m for Building B (at the rear)</p> <p>It is also unclear for Building B as to whether the setbacks will be staggered with height at all as there is no section in DCP Fig G42 of the DCP for this Building. The DCP Fig G41 Setback Plan suggests that the 8.5m setback may only be for the top floor which would be the 6<sup>th</sup> floor only.</p> <p><u>Building C</u> (3 &amp; 4 storeys)</p> <p>6m with 1m articulation zone 8.5m for 4 storey and above</p> <p><u>Building D</u> – This is unclear from DCP and Concept Design Report.</p>	<p>No</p> <p>Yes</p> <p>Unclear</p>
<b>North</b>	9m for 5-8 storeys  12m if over 8 storeys	<p><u>Building A</u> (8-9 storeys)</p> <p>7.5m with 2.5m articulation zone</p> <p><u>Building B</u> (6 storeys)</p> <p>7.5m with 2.5m articulation zone</p>	No

As can be seen from the above table, the proposal does not comply with the building setback requirements of the ADG. The setback controls as indicated in this DCP are poorly executed and in a number of cases there is contradictory information between the proposed DCP and the submitted supporting information and concept plan. In places the actual setbacks to be provided are unclear.

Detailed comments are as follows:

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- The “*Setback from West Boundary – View North from Lords Road*” in Figure G42 indicates a 9 storey building when the designated height of buildings on the site is 8 storeys. This has implications for the overall height of the building and the setback requirements. The requirements for setbacks also increase to 12m for habitable rooms for proposals with a height of over 25m. Considering the lack of surety with the height controls and the proposal for 30-32m in the PRUTS, the proposed setbacks are inadequate and could potentially have a greater impact than currently assessed if the permissible height on the site increases.
- The setback of Building B to the east (Davies Lane) is unclear. The Concept Design Report states that the setback is 5.1m, the DCP states 6m. There is no section in Fig G42 which indicates the setback requirement for this building and Fig G41 suggest that the 8.5m setback applies only for the “top floor” which in this case would mean the 6<sup>th</sup> floor. This is completely unsatisfactory especially considering the potential impacts of the proposal on the residences on Davies Street from this proposal.
- It is unclear what the eastern side setback of Building D is proposed to be.
- All of the setbacks include “articulation zones”. Within the articulation zones building elements may protrude into the articulation zone for a maximum of 50 percent of the articulation area per floor. Building elements that may be located in the articulation zone include, balconies, fin walls and decorative elements. Habitable space not exceeding 15% of the articulation area may be located within the articulation zone. It is likely that the articulation zones will exacerbate any issues relating to bulk and scale and visual privacy considering that the setbacks are non compliant. This is of particular importance especially considering that balconies are the element of such a development that have impacts of overlooking and lead to privacy loss.
- The exhibited DCP shows a 6m setback to the west with a 2.5m articulation zone within this setback. That will not be possible as the this 6m strip of the site is a 6m electricity, drainage and maintenance easement for the light rail line.
- The ADG also states that “*Apartment buildings should have an increased separation distance of 3m when adjacent to a different zone that permits lower density residential development to provide for a transition in scale and increase landscaping*”. Despite the PRUTS proposal that the residential area to the east of the site should eventually become an R3 Medium Density Residential zone with up to 17m high buildings this is not in the PRUTS Implementation Plan 2016 - 2023 and may remain with the existing low rise R1 dwellings for many years. Consequently there should be an increased separation to the properties to the east. Even if this area should become 17m high medium density dwellings sooner the ADG would require greater separation than that shown in the exhibited Proposal.
- A nil setback to a large portion of the development to Lords Road is proposed. Whilst the above requirements only apply to the side and rear setbacks, when the nil front setbacks are combined with the deficient setbacks on the site it will give a further appearance of an overly bulky development. Nil front setbacks are not a feature of this area and will impact upon the character of the area. The buildings proposed will be of a greater height than the existing industrial buildings.

Basically the above non compliance and concerns with the setbacks will lead to a development that appears excessively bulky and that is an overdevelopment of the site which will impact on the visual privacy of neighbouring properties.

Due to the inconsistencies between the DCP, the Concept Design Report, the supporting information and the proposed heights of the PRUTS it is considered that the proposed setbacks are insufficient and misleading in interpretation.

**3F – Visual Privacy – Building Separation**

There is some non-compliance with a number of the narrower sections at the north of the site and the south of the site and also along the shareway to the east. The DCP states that the proposal will comply with the separation requirements of the ADG however this is not demonstrated by the diagrams.

**3H – Vehicle Access**

A requirement of the ADG is that vehicle access points are designed and located to achieve safety, minimize conflicts between pedestrians and vehicles and create high quality streetscapes.

The Proposal is unsatisfactory as explained in section 6. Traffic and Transport below. Further issues are also outlined in section 7. Car Parking.

**3J – 1 – Car Parking**

The car parking controls detailed in the DCP are as per Council's current parking requirements.

**4A – Solar and Daylight Access**

The ADG requires that living rooms and private open spaces of at least 70% of apartments in a building must receive a minimum of 2 hours direct sunlight between 9am and 3pm mid winter. A maximum of 15% of apartments in a building receive no direct sunlight.

The submitted DCP requires this.

**Other ADG clauses**

A number of other clauses that relate to natural ventilation, apartment size and layout, common circulation and space and storage are not specifically required by the submitted DCP but would be further assessed at the DA stage.

In summary, the proposal does not comply with the requirements of the ADG and therefore does not fulfil the requirements of the JRPP recommendation. Furthermore it is considered that the non compliances with the ADG will lead to an overdevelopment of the site, a poor design outcome and a negative impact on the character of the area and on the neighbouring properties. There are also significant traffic, parking and transport impacts which are detailed in section 6. **Traffic and Transport** and 7. **Car Parking** below.

The setbacks and communal open space (and its potential overshadowing) are particularly deficient and will impact upon the amenity of new residents and neighbouring properties. Combined with the excessive height and floor space ratio, the proposal continues to be an overdevelopment of the site. The Proposal does not meet the requirements for satisfactory vehicular access.

This site is large without any significant constraints. Compliance with the requirements of the ADG should be achievable.

In terms of the structure of the exhibited DCP there are also major concerns. These include the following:

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- The previously listed inconsistencies in the setback requirements.
- Inconsistencies between the Concept Design Plan, the DCP and supporting documents. There is a substantial amount of additional supporting information with design details that has not been specifically included or referenced logically in the DCP and some of this information might therefore fall outside the regulatory assessment process. This leaves many controls open to interpretation and potentially greater deficiencies.
- The submitted DCP is also contradictory in parts by claiming to comply with the ADG whilst the diagrams and details clearly show otherwise. The document should be completely reviewed to ensure compliance.
- There are general concerns and lack of clarity around the actual height of the proposal. As indicated DCP Figure G42 shows a 9 storey building and the PRUTS indicates inconsistent heights in different parts of the Strategy.
- The DCP appears to be poorly executed generally. Some of the standards are difficult to interpret, the table of contents is incorrect, there is a partially completed sentence and there are references to irrelevant parts and tables that don't exist.

This DCP should have been reviewed completely prior to exhibition to demonstrate clear compliance with the ADG. The DCP as it currently stands provides poorly executed controls that will lead to an overdevelopment of the site with serious negative impacts on the surrounding residential area.

#### **4. Consistency with certain S117 directions, Acid Sulfate Soils & Flood Prone Land**

One of the conditions of the Gateway Determination was that the proposal should demonstrate consistency with s.117 Direction 4.1 Acid Sulfate Soils and Direction 4.3 Flood Prone Land.

The proponent has addressed this matter with the following amendments to the Planning Proposal document.

In relation to Acid Sulfate Soils:

*Leichhardt Local Environmental Plan 2013 (LLEP) contains acid sulphate soil provisions and this proposal does not seek to amend them. Initial site contamination advice is contained in this report (refer to Appendix 10). Acid sulphate soils investigations and analysis will accordingly be undertaken as part of any future development of the land as required.*

*It is noted that that the site is a Class 5 ASS (along with most of the LGA) on the existing maps, which is the lowest risk category and only requires an acid sulfate soils management plan to be prepared for "works within 500 metres of adjacent Class 1, 2, 3 or 4 land that is below 5 metres Australian Height Datum and by which the watertable is likely to be lowered below 1 metre Australian Height Datum on adjacent Class 1, 2, 3 or 4 land."*

In relation to Flood Prone Land:

*Leichhardt Local Environmental Plan 2013 (LLEP) contains flood prone land provisions and this proposal does not seek to amend them. A flooding and stormwater review has been undertaken with mitigation measures recommended for potential flooding (refer to Appendix 9). Flooding will be further addressed as part of any future development on the land.*



Neither Appendix 9 and 10 of the exhibited Proposal (the technical advices and studies) has been updated to address these matters in any further detail.

With the assessment of the original Planning Proposal Council advised of significant concerns regarding flooding and stormwater management at the site. Council continues to have concerns and issues with the Proposal in this regard, as follows:

- The site and in particular the south western corner is affected by High Hazard Category flooding.
- The proposed building along the western side of the site, including within the currently undeveloped south western corner of the site would result in a significant loss of existing informal flood storage and block existing flowpaths between Lords Road and Marion Street/ Lambert Park to the north for flood water during the 1 in 100 year flood and Probable Maximum Flood events, which would raise flood levels within and beyond the property.
- The Proponent engaged NPC to provide a desktop review of flood behaviour at the site and preliminary flood advice. NPC advice to the Proponent recognises the depth of flooding affecting the site and makes appropriate recommendations in relation to floor levels and access to the basement carpark. However, the NPC has not addressed the loss of flood storage and blockage of existing flood water flowpaths. NPC has also advised against the installation of on site detention facilities on the site which is contrary to requirements of *Development Control Plan 2013*.

The proposed conversion of the site from industrial use to residential purposes and the development of the site would significantly increase the number of people living in and travelling to and from this high hazard flood risk site. The development has the potential to substantially increase the impact and cost of flooding with an associated increased in risk of property damage and loss of life.

To manage the risks to the existing and incoming communities, the development would have to ensure sufficient setback of buildings from the western boundary to allow for preservation of an overland flowpath between Lords Road and Marion Street/ Lambert Park, together with infrastructure upgrade works to reduce the flood risk affecting the site. Specifically, the development should include an upgrade of the existing stormwater drainage system between the site and Hawthorne Canal and an upgrade of the stormwater drainage system within Lords Road.

Section *G8.16 Drainage and Water Management* of the proposed DCP needs to be replaced with the following section:

#### G8.16 Drainage and Water Management

##### Objectives

- O1 To minimize the impact of flooding on residential dwellings, landowners, occupiers and the community.
- C1 All residential floor levels should be at or above the Flood Planning Level and existing flood flowpaths maintained through the site.

#### 5. Affordable Housing

The Proposal for the subject site allows for "around 320 apartments including 16 apartments for key workers". It is anticipated that the mix will comply with Council's requirements of:

- 60% or 192 studio/1 bedroom
- 30% or 96 x 2 bedrooms, and
- 10% or 32 x 3 plus bedrooms.

According to the exhibited Lords Road Housing Affordability Assessment the Proposal will deliver:

- (a) 5% “affordable rental housing” for eligible households - typically key workers in essential services;
- (b) 46% of units for sale priced at a level where they will be “affordable for moderate income local Leichhardt residents to purchase”.

With respect to (a) the details are as follows:

16 properties, equivalent to just over 5% of the 315 dwellings, would be made available for affordable rental where:

- The tenancy manager will be a community housing provider;
- The properties will remain rented affordably for 10 years;
- Tenant eligibility and rent setting will be in line with current settings for NRAS funded housing.

With respect to (b) it is stated that “the price-points of dwellings has been kept moderate so that a portion of the homes will be affordable to local people on moderate incomes”.

Potential prices are stated as:

- 68 studios, average 45m<sup>2</sup>, selling for c.\$600,000
- 110 one bedroom units, average 55m<sup>2</sup>, selling for c.\$715,000
- 115 two bedroom units, average 80m<sup>2</sup>, selling for c.\$1.04 million
- 22 three bedroom units, average 110m<sup>2</sup>, selling for c.\$1.4 million

#### **Assessment**

Council’s Inner West Housing Affordability Policy provides evidence that with respect to affordable rental housing in the LGA, the vast majority of households needing affordable rental housing are excluded from affordable rental through the market. The only affordable option for very low income households are lower amenity boarding house rooms in a few suburbs; while low income renters can only affordably rent a studio or one bedroom apartment in a few suburbs. Moderate income renters can affordably rent a two bedroom apartment in some locations, and so are somewhat better catered for, but again family households with children are excluded from larger housing options.

Virtually no strata products (the lowest cost form of residential accommodation) are affordable for purchase through the market for very low, low and moderate income households anywhere in the Inner West Council LGA. At best, some small strata products in certain locations may be affordable to the very top of the moderate income band. No houses or two or three bedroom strata dwellings are affordable to any very low, low or moderate income households, so that families with children are entirely excluded from affordable purchase in the LGA.

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Consequently given that in this Proposal National Rental Affordability Scheme rents would be applicable and the proposed selling prices, even the smallest units in the proposed development are unlikely to be affordable, except perhaps to those households at the top of the moderate income band.

In addition it should be noted that the proponent wants a 10 year limit to be applied to the proposed 16 'affordable' rental dwellings. These are described as the 'core' component of the site's affordable rental accommodation. No matter how the community contribution of these units is described, that contribution will be lost after 10 years. That loss will then add to the housing affordability shortfall within the LGA. Arrangements for the provision of affordable rental accommodation to be permanent on site would serve the community better.

#### **Affordable Housing Supply and Land Value Capture**

The severe shortfall of affordable housing in the LGA, both rental and purchase, provides justification for Council to adopt stronger initiatives through the planning system. A key component of the Inner West Council Affordable Housing Policy proposes an equitable sharing of land value uplift associated with large brownfield and redevelopment sites within the LGA.

While no site specific value uplift modelling of the Lords Road site has been undertaken, modelling of development sites in the vicinity has been carried out.

The land value uplift model employed in the Affordable Housing Policy allows 50% of the land value uplift to be shared by Council for the public benefit of which affordable housing would be an important component.

As well the evidence base for the Policy indicates that the implementation of value capture through the method of calculation recommended will not adversely impact on development feasibility and takes into account normal development profit.

The data below relates to eight storey residential developments on similar sites in Camperdown and Leichhardt/Lilyfield.

Suburb	Land purchase scenario 2	Construction cost eight storeys	Sale price	Profit	Profit %	Land Value Capture %
2038 Camperdown	\$4.50m	\$13.37	\$29.30m	\$11.43m	64%	<b>16%</b>
2040 Leichhardt/Lilyfield	\$12.01m	\$13.37m	\$34.32m	\$8.94m	35%	<b>9%</b>

The modelling above shows that the land value uplift varies between 9% and 16%. Given the PRUTS, draft Central District Plan and Council's high priority for increasing the supply of affordable housing, the application of land value uplift should contribute a significantly higher percentage of affordable units than the 5% 'core' component of affordable rental accommodation provided in Lords Road planning proposal.

An important additional advantage of applying land value uplift is that the units can be transferred to Council ownership under this arrangement and held in perpetuity.

Arrangements can be made for a registered Community Housing Provider to manage these units. This would constitute a superior and lasting contribution to reducing the housing affordability crisis in the LGA.

#### **Local Planning and Inclusionary Zoning**

Another claim made in the exhibited Proposal Housing Affordability Assessment is that the 'core' component of the affordable rental accommodation on site, at 5%, is higher than typical Sydney projects.

This claim however is outdated. For example, the PRUTS incorporates a target equivalent to a minimum of 5% as affordable housing in the corridor's precincts. Key actions to encourage the provision of affordable housing include (a) insertion of affordable housing principles in Local Environmental Plans (b) the identification of all the local government areas in the corridor as having a need for affordable housing and (c) the preparation of consent conditions on development that enable the levying of monetary contributions to fund affordable housing.

The new draft Central District Plan nominates an Affordable Rental Housing Target of 5 - 10% in urban renewal areas such as the PRUTS corridor. The draft Central District Plan also states that this target "does not preclude councils from negotiating additional affordable housing".

Given the significant value uplift that is generated by larger brownfield and redevelopment sites as well as major urban renewal projects such as Lords Road if this project were to proceed a target of 15% affordable housing would be appropriate.

### **6. Traffic and Transport**

#### **Strategic Context**

Subsequent to lodging of the original Proposal a number of circumstances have changed around the site including finalisation of the Parramatta Road Urban Transformation Strategy and the, on-going, revision of the WestConnex Motorway route.

#### **WestConnex**

Since lodging of the original application the WestConnex motorway alignment has been diverted (from an alignment which was previously under Parramatta Road with portals at Taverners Hill close to the Planning Proposal site) to an alignment adjacent to the City West Link. Consequences of this realignment are likely to include:

- a lower proportion of traffic being taken off Parramatta Road;
- potentially increased, north-south, through traffic on routes such as Tebbutt and Flood Streets;
- increased traffic, particularly in the short to medium term, on the Ramsey/Marion Street route.

#### ***Parramatta Road Urban Transformation Strategy (PRUTS)***

The recent release of PRUTS has provided a more detailed indication of potential future population and dwelling numbers in the vicinity of the site (Taverner's Hill Precinct).



The strategy indicates an additional 1300 homes, 4100 jobs and 3300 people in the Precinct. As an indicative figure this additional housing can be anticipated to increase the Precinct's weekday PM peak traffic generation from approximately 760 vehicles per hour to 1000 vehicles per hour, and Saturday mid-day traffic generation from 1160 to 1537 vehicles per hour. These volumes represent an increase of over 30% above the existing base case.

This estimate of increased traffic relates purely to proposed increased housing provision under PRUTS and does not take into account additional traffic generated by shopping, business, employment or recreational travel demand that will arise from implementation of this strategy.

It can be anticipated that much of this traffic will use Tebbutt Street, the main street to be loaded with traffic from the proposed development. Additionally, nearby developments such as the George Street, Labelcraft/Kolotex large apartment blocks will alter and add to future traffic level and these volumes do not appear to have been included in the applicant's traffic assessment.

To further exacerbate traffic conditions in the area, the smaller than previously anticipated reduction of traffic on Parramatta Road and increased traffic on the Ramsay/Marion Street route; resulting from the new alignment of WestConnex, will potentially add to the area's congestion.

Concern is consequently expressed regarding the impact of these various increases in traffic movements on road safety associated with any additional traffic adjacent to Kegworth School, particularly during pupil drop-off and pick-up periods (noting that all of the proposed development's traffic will use intersections immediately adjacent to the school.).

Given the dynamic nature of the changing street environment likely to result from WestConnex and PRUTS the exhibited simple SIDRA (intersection) analysis is inadequate in assessing the likely future impacts of the proposal. In order to genuinely assess the traffic circumstances of the development (and the PRUTS Taverners Hill Precinct as a whole) a microsimulation model should be used. This type of traffic study and modelling is required by the PRUTS Implementation Plan and would include traffic associated with the Labelcraft/Kolotex site development and the opening of WestConnex Stage 1.

#### **Additional Comments**

- While the one-way internal road system proposed will provide a simple predictable circulation system, its use of Davies Lane for exit will significantly increase traffic in Davies Lane. While Davies Lane does not have any frontage uses, it is still important to note that the proposed development will generate additional vehicle movements through Davies Lane, the majority of which will turn left onto Lords Road. Davies Lane is a narrow rear access lane for residential properties fronting Davies Street and the additional traffic could be impeded by parked vehicles if it remains two-way. There does not appear to be any proposal to widen Davies Lane.
- Currently Davies Lane is estimated to carry approximately 10 vehicle trips during the morning and afternoon peak periods, with only occasional trips and parking activity during the day. The proposed one way internal road system will significantly increase the traffic movements in Davies Lane throughout the day, increasing the potential for opposing vehicle conflicts in a narrow carriageway. There is also sub-standard

provision for pedestrian movements along Davies Lane, particularly noting that Building C fronts this roadway and the close proximity of the proposed childcare centre.

- While the applicant's report indicates that residents of the proposed development are likely to use the light rail or Marion Street buses there is no information provided which indicates the likely workplace, recreational or other destinations of these residents. Experience has shown that the light rail has the potential to cater for commuter demand to the CBD, however within the former Leichardt LGA the journey to work only represented 18% of all trips and the CBD is the employment base for 41% of Leichardt residents. Consequently it can be projected that approximately 8% of all trips associated with the development will be journey's to work in the CBD (ie 41% of 18%). The applicant's analysis does not appear to address, in detail, the remaining 92% of travel demand associated with the proposal.
- As Lords Road is a strategic bike route (used to provide access to the GreenWay and Haberfield) and endorsed by PRUTS increased traffic on Lords Road will add to conflict between bicycles and vehicles. This is particularly of concern given the potential of the Lords Road cycleway to become increasingly important as the GreenWay moves toward completion. Additionally, the exhibited Proposal's provision of angle parking on a strategic cycle route would be dangerous.
- The proposal could have the consequence of attracting additional kerbside parking in Davies Lane which would result in access from the existing garages on Davies Lane being blocked.
- Lords Road has been identified as a road safety concern during school pick-up and set down periods. As no traffic data has been provided for this period it is not possible to accurately determine the likely increase in conflict, however it is considered that any increase in the number of vehicles using Lords Road and Kegworth Street during these periods is of concern.
- Concern is raised regarding the significant additional right turn movements from Tebbutt Street into Kegworth Street, given that only one shared through-right lane is available during the AM and PM peaks.
- It is considered that the increased pedestrian activity generated by childcare facility, both to the facility and between the facility and school, is likely to conflict significantly with any increased traffic movements in Lords Road.
- Given the site's proximity to Marion Light Rail Stop, Leichardt Marketplace and Lambert Park, the parking and traffic analysis should include assessment of weekend conditions (particularly when a sporting fixture is on at Lambert Park). Therefore, an additional traffic and parking analysis needs to be conducted during the lunch time peak on a Saturday.

In summary, based on the traffic, transport and parking issues above it is considered that the current proposal is likely to result in impacts which will:

- reduce road safety adjacent Kegworth School
- reduce local amenity; and
- increase pedestrian/ bicycle/ vehicular conflict in the area.

Additionally, it is considered that the existing traffic assessment does not adequately address the likely future traffic circumstances of the area, particularly in relation to:

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- additional traffic likely to be experienced on Ramsay Street/Marion Street, subsequent to the opening of WestConnex Stage 1;
- nearby developments such as the Labelcraft/Kolotex site;
- long term changes likely to be experienced as a consequence of PRUTS.

Insufficient information has been provided to assess this Proposal satisfactorily from a traffic and transport perspective. The exhibited Traffic and Parking Assessment Report has not been updated since May 2014. This Report was considered to be inadequate when submitted with the previous Proposal. The Report must be updated to reflect recent changed planning and development circumstances in the area (including the PRUTS which was a requirement of the Gateway Determination) and to address Council's previous concerns.

### **7. Car Parking**

The problems with car parking identified by Council in its assessment of the original Proposal remain in the exhibited documents. These problems include:

- The proposal should achieve a mid point of the *Leichhardt DCP 2013* parking rate range.
- The location of the basement carpark, immediately adjacent to the proposed childcare centre, together with the adjacent 90 degree parking, would result in significant vehicle/vehicle, vehicle/pedestrian and vehicle/bicycle conflict. In addition, the increase in traffic from Davies Lane will increase the conflict in this area, particularly due to the lack of vehicular/pedestrian sight lines at the Davies Lane/ Lords Road intersection.
- The Proposal would attract additional kerbside parking in Davies Lane which would result in access from the existing garages on Davies Lane being blocked.
- The proposed Landscape Plan for Lords Road shows angle parking in front of the proposed childcare facility and significant road narrowing. Whilst road narrowing is supported to provide a lower speed environment in this location it would result in unsafe opposing vehicle paths at the 90 degree road bend, particularly for large vehicles making the turn. In addition, the angled parking in Lords Road for the childcare drop off/pick up immediately adjacent to the basement car park access due to conflicting vehicle movements is not supported.
- The proposed access road is located close to the 90 degree road bend which may result in unsafe conditions for vehicle making a right turn into the site in respect of opposing vehicles in Lords Road.
- The overall loss of existing on-street parking, as a consequence of the proposed modifications to Lords Road, is not supported as it will have a significant impact on available parking in the area. The loss of on-street parking on the southern side of Lords Road is considered acceptable as this section of road has very few on street parking spaces due to the existing driveways.
- The loss of on-street parking adjacent to the proposed Fitness Circuit is of concern. This could only be supported if the loss of parking could be offset nearby, for example, 90 degree parking on the Lords Road frontage of the site to Lords Road, this may assist in achieving this offset. The location of the basement access and new road intersection for the site would significantly reduce the number of parking spaces that could be provided at this location due to No Parking/Stopping setbacks that would be required at each access point.

Also Section clause C4 of G8.15 Parking in the proposed DCP should be amended for clarity (on the east west leg of the road) to read:

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- C4 On-street car parking is to be provided on one side of the proposed shareway, this parking is not to be designated to individual units.

#### **8. Coastal SEPP**

The draft Coastal Management SEPP is currently on exhibition. A portion of the western part of the subject site which adjoins Hawthorne Canal is affected and defined as both being "coastal environment area" and coastal use area. Both of these areas have defined development controls. In brief these draft development controls states that the consent authority must be satisfied that the ecological environment, hydrological processes and water quality of the estuary is not adversely impacted by the development. This proposal seeks to increase the density, traffic, built form and uses on the site.

There are also general provisions of the draft SEPP that are applicable to this Proposal. In particular s.16 states that the consent authority must be satisfied that the proposed development is not likely to increase risk of coastal hazards on that land or other land. This includes tidal inundation, a "coastal hazard" which is attributed to climate change impacts.

The Panel should consider this draft SEPP in their assessment of this Planning Proposal. It is essential that this occurs at this rezoning stage rather than later in the process. Unless carefully considered it is possible that there may be a risk to development and infrastructure on this land.

An assessment of the implications of this draft SEPP should be undertaken prior to the Proposal progressing any further. This point re-emphasizes the prematurity of exhibiting this Planning Proposal.

#### **9. Summary**

Council continues to strongly oppose this Proposal and have strong concerns regarding this Planning Proposal from both a strategic and site specific perspective. The Proposal is premature and cannot be adequately assessed with the information currently provided. This includes the supporting information much of which has not been updated since 2014 to reflect planning issues, strategies or legislation that have arisen since this time including the PRUTS, Greater Sydney Commission draft Central District Plan and the Coastal Management SEPP.

The Proposal continues to be one that will lead to an unacceptable loss of industrial land. It is also an overdevelopment of the site that will have serious impacts on the amenity of the surrounding area. The reasons outlined in the former Leichhardt Council's resolution of its meeting of 26 August 2014 are still relevant to this Proposal.

Furthermore, as Council has outlined in the above submission, the exhibited Proposal does not comply adequately with or address the Gateway Review recommendations of the JRPP and the Gateway Determination.

In summary, Council continues to have strong concerns with this Proposal and considers that the Proposal should not proceed further until the above outstanding concerns and issues are addressed.



Planning Panels Secretariat,

GPO Box 39

SYDNEY NSW 2001

Dear Ms Holt,

**Submission: Planning Proposal (PP\_2016\_LEICH\_002\_00) To Rezone Land From IN2 Light Industrial To R3 Medium Density Residential And Amend Floor Space Ratio Controls At 67-73 Lords Road, Leichhardt**

Thank you for the opportunity to comment on the above exhibited Planning Proposal to amend the planning controls for 67-73 Lords Road, Leichhardt.

At the Council meeting held on 6 December 2016 Council considered a report on the exhibited Planning Proposal and resolved to forward this submission to the Sydney Central Planning Panel.

**Statement Of Objection**

Council objects strongly to this Planning Proposal. It is badly conceived and would result in extremely poor planning outcomes should the Panel decide to support it after the exhibition period.

The reasons Council objects to the Proposal are summarized below and detailed in the attached appendix to this letter.

**Reasons For Objection**

The exhibited Proposal is unacceptable from both a strategic and site specific perspective. The Proposal is premature in relation to the Parramatta Road Urban Transformation Strategy (PRUTS), draft Central District Plan and Council policies and studies. It cannot be assessed properly because of a lack of accurate information and because of its inconsistent, badly presented design documents. Most of the supporting information has not been updated since submission of the original proposal to Council in 2014.

The Proposal does not comply with or fully address the Gateway Review recommendations of the JRPP or the Gateway Determination conditions.

The Council's key concerns are summarised below:

- The site is identified in the PRUTS for rezoning to residential and a higher FSR, but the exhibited Proposal does not meet the detailed requirements of the PRUTS Planning and Design Built Form Guidelines.
- The PRUTS Implementation Plan 2016 - 2023 has a requirement that a Taverners Hill Precinct-wide traffic study and supporting modelling should be completed before any rezoning is commenced and that this study will identify road improvements that a rezoning project should provide. That has not been done yet so this Proposal is premature.
- The Proposal does not fully comply with the PRUTS Implementation Plan 2016 - 2023 "Out of Sequence" Checklist for Planning Proposals in the PRUTS corridor that come forward prior to publication of new Local Environmental Plan controls for the corridor.

- The JRPP Gateway Review recommended that if exhibited the Proposal should demonstrate compliance with the Apartment Design Guide (ADG). The exhibited Proposal does not comply with a number of requirements of the ADG and also the proposed Development Control Plan, the related Concept Design Report and other supporting material obfuscate a number of other design matters so that it is impossible to establish with confidence that these elements would comply with the ADG.
- The site is affected by High Hazard Category flooding and the exhibited proposal has not addressed this issue adequately.
- The PRUTS, the Greater Sydney Commission District Plans and the Inner West draft Council Affordable Housing Strategy (due to be adopted on 6 December 2016) set higher targets for affordable rental housing provision in perpetuity, especially for very low and low income households compared to the 5% for 10 years in the exhibited Proposal, which would only be affordable for the very top of the moderate household income band. The Proposal should provide a minimum of 10% of its units in perpetuity as genuinely affordable rental units for very low and low income households as defined by the Affordable Rental Housing State Environmental Planning Policy (SEPP).
- Changes to the WestConnex alignment will significantly increase traffic in the neighbourhood, especially on Tebbutt Street which Lords Road traffic feeds into. The exhibited Proposal does not address this issue.
- Recent rezonings, PRUTS and WestConnex will result in the loss of 85.3% of the former Leichhardt LEP area's industrial land supply. The Proposal would lead to loss of an important local industrial precinct and jobs when the Greater Sydney Commission draft District Plan advocates a precautionary approach to the protection of industrial land for urban services. Council's recent industrial land studies demonstrate that Lords Road should be retained as an industrial precinct. The exhibited Proposal's Industrial Rezoning Economic Justification is dated October 2013 and does not take account of any of these matters.
- The lack of provision for definite contributions to the cost of local, PRUTS and Greater Sydney Commission District Plan infrastructure.

These concerns and their elaboration in the attached appendix make it very clear that this Planning Proposal should not be supported by the Sydney Central Planning Panel or the NSW Department of Planning and Environment.

This Planning Proposal is of very substantial concern to the local community and to the Council. Council requests that the Sydney Central Planning Panel as relevant planning authority holds a hearing on the issues raised in this submission under section 57(5) of the Environmental Planning and Assessment Act 1979 No 203.

For the same reason Council request that the exhibition period for the Planning Proposal be extended a further 28 days to allow time for people to consider their concerns and prepare their submissions over the holiday period.

If you have any queries regarding this submission please contact me on 9367 9044.

Yours sincerely,

Gill Dawson  
**MANAGER - ENVIRONMENT AND URBAN PLANNING LEICHHARDT**