

PLANNING PROPOSAL REPORT

Planning Operations Team – Strategic Planning

Planning Proposal No.	IWC_PP_2018_04
Address	67-75 Lords Road, Leichhardt
Proposal	Make amendments to the Leichhardt Local Environmental Plan 2013 to rezone the site from IN2 Light Industrial to R3 Medium Density Residential, increase the Floor Space Ratio from 1:1 to 2.4:1 and introduce a Maximum Building Height control RL 35.
Main issues	The Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) dwelling targets can be met and substantially surpassed without rezoning this important urban services site; rezoning it would be premature in relation to the PRCUTS Implementation Plan staging; loss of employment; bulk and scale; lack of clarity for the proposed pedestrian linkage and connections.
Recommendation	The Panel provide advice to Council on the merits of the Planning Proposal.

SUMMARY

Council received a Planning Proposal from Platino Properties on 25 October 2018 for 67-75 Lords Road, Leichhardt, requesting an amendment to the *Leichhardt Local Environmental Plan 2013* (LLEP). The Proposal seeks to rezone the site from Light Industrial (IN2) to Medium Density Residential (R3), increase the floor space ratio to 2.4:1, introduce a new height control of RL 35 metres and introduce a site specific provision allowing a range of non-residential uses, requiring a minimum of 3,000sqm of non-residential uses and allowing a multi-use facility (used in conjunction with Lambert Park) to be provided as bonus floor space. A site-specific Development Control Plan (DCP) is also proposed as part of the application.

The site is located in the Taverners Hill Precinct of the *Parramatta Road Corridor Urban Transformation Strategy* (PRCUTS), but is not earmarked for redevelopment until after 2023 (i.e. in the medium to long term).

This report contains an assessment of the Planning Proposal and makes a draft recommendation as to whether the application should be referred to the NSW Department of Planning and Environment for a Gateway Determination in accordance with section 3.33 of the *Environmental Planning and Assessment Act 1979* (EP&A Act). A Strategic Merit assessment has been carried out against the Department of Planning and Environment's (DPE) "*A Guide to preparing Planning Proposals*" (dated August 2016).

The Planning Proposal fails to meet the requirements of this strategic merit test. It is also inconsistent with the key objectives of *Greater Sydney Region Plan 2018*, *Eastern City District Plan 2018* and the recommendations of the PRCUTS. While the Planning Proposal relies almost entirely on the PRCUTS and the associated Section 9.1 Ministerial Direction 7.3 for the proposal's justification, such Ministerial directions are a statutory guidance and the PRCUTS is deliberately left to Council for interpretation. This Ministerial Direction compels the Council to consider PRCUTS, however, the onus is on Council to decide on how to best meet the strategy based on local requirements. While it is not necessary to meet every detail in the PRCUTS, this Planning Proposal fails to satisfy all the relevant requirements of this Strategy in any case, as discussed in this report.

In addition, 410 of the 450 PRCUTS dwelling target for 2016 to 2023 have already been built and occupied. It is clear that the remaining 890-940 dwelling target to 2050 can readily be provided in the Taverners Hill Precinct without rezoning this site.

This Planning Proposal has been submitted at a critical time in strategic and infrastructure planning for the broader Inner West Council (IWC) area and the Parramatta Road Corridor (PRC). There are several relevant strategic planning projects currently underway at local and State level, most notably the Comprehensive Inner West Local Environmental Plan and Development Control Plan, Local Housing Strategy, Employment Lands Review and the Local Infrastructure Contributions Plan.

These broad-scale strategic planning projects are considered to be the best means for reviewing the planning controls for the subject site and other sites in the PRCUTS area and local government area (LGA).

This site represents approximately 7% of the industrial land supply in the IWC LGA and is one of only eleven (11) industrial precincts within the Leichhardt area. Leichhardt's already limited amount of industrially-zoned land is continuing to reduce. The overwhelming evidence is that industrial lands are scarce and they are disappearing which directly contradicts the Eastern City District Plan which seeks to cast aside this evidence to support large areas of employment lands under the PRCUTS to be rezoned to residential.

Between 2011 and 2015, Leichhardt saw a net loss of almost 5 hectares, 4.5% of the LGA's 2011 total which, coupled with Leichhardt's small amount of industrial land has meant that continued demand, in particular for population-serving industries such as self-storage services or automobile maintenance and repairs, are facing increasing pressures.

The industrial lands studies reviewed in this report indicate that even within various scenarios that test degrees of development within these precincts, Leichhardt is projected to have a shortfall of between 7,570sqm and 54,965sqm of industrial land by 2036.

The significant loss of this industrial land proposed in this planning proposal, comprising 9,979m² of industrial floor space and 160 jobs existing on the site, is too great to support this proposal.

Consequently, it is recommended that the Planning Proposal should not be supported.

RECOMMENDATION:

THAT:

Council not support the Planning Proposal for 67-75 Lords Road, Leichhardt for the reasons outlined in the report including that:

- a) It fails the Strategic Merit Test of "*A guide to preparing planning proposals*" pursuant to Section 3.33(2)(c) of the *Environmental Planning and Assessment Act 1979*;**
- b) The proposal does not have merit and fails all of the six (6) criteria when assessed against the *Parramatta Road Implementation Plan 2016 - 2023 'Out of Sequence Checklist'*. In particular, the proposal:**
 - i. Fails to satisfy Criteria 1 in that it does not adequately demonstrate that it meets the strategic, land use and development objectives outlined in the PRCUTS Implementation Plan and does not provide significant delivery, contribution or benefits for the Strategy's Corridor wide and Precinct vision. It is inconsistent with the recommended built form recommendations and does not demonstrate that the new development will achieve design excellence. The Proposal is also out of**

- alignment with the short term growth projections identified in the strategy and does not demonstrate any significant net community, economic and environmental benefits for the Precinct;
- ii. Fails to satisfy Criteria 2 in that the Integrated Infrastructure Delivery Plan (IIDP) is inadequate because it is based on a concept plan for 235 dwellings in 23,158sqm of residential floorspace which at average large residential flat building dwelling gross floor area sizes of 76.35sqm could produce 303 dwellings at the development application stage;
 - iii. Fails to satisfy Criteria 3 in that the community engagement is inadequate, has not demonstrated that there is an appropriate level of support or agreement for the proposal and has not demonstrated adequate readiness in terms of the extent of planning or business case development for key infrastructure projects;
 - iv. Fails to satisfy Criteria 4 in that there is no certainty that the proposal achieves or exceeds the sustainability targets identified in this Strategy;
 - v. Fails to satisfy Criteria 5 in that the proposal does not sufficiently demonstrate development feasibility analysis to meet this criterion given the Economic Impact Assessment and the feasibility advice is flawed and contains numerous assumptions, disclaimers and conclusions which are not supported; and
 - vi. Fails to satisfy Criteria 6 in that the proposal does not sufficiently demonstrate a land use and development scenario that aligns with and responds to market conditions for the delivery of housing and employment for 2016 to 2023.
- c) The Parramatta Road Corridor Transformation Strategy new dwelling targets for the Taverners Hill Precinct can readily be met and surpassed without rezoning this site;
- d) In the context of persistent demand and a low and decreasing supply of industrial land, a rezoning such as this would dilute Council's ability to provide sufficient industrial land to accommodate demand. The planning proposal would also result in:-
- i. inconsistency with the *Leichhardt Industrial Lands Study 2014* (SGS, 2014), *Leichhardt Employment and Economic Development Plan* (EEDP) and the *Leichhardt Industrial Precincts Planning Report* (SGS, 2015);
 - ii. a net loss of jobs in the local government area;
 - iii. the loss of an economically viable employment precinct containing local services, light industrial and other non-industrial activities which contribute to the diversity of the economy, community activities and employment opportunities;
 - iv. a lack of merit when assessed against the criteria established by the *Leichhardt Employment and Economic Development Plan 2013-2023*; and
 - v. the lack of an appropriate Net Economic and Community Benefit Test as it does not address the wider issue of cumulative loss of employment lands in the local government area.
- e) It is inconsistent with the infrastructure sequencing of the PRCUTS and the submitted Integrated Infrastructure Delivery Plan (IIDP) and the offer to enter into a Voluntary Planning Agreement (VPA) are unsatisfactory given the lack of adequate contributions;
- f) It is inconsistent with numerous Ministerial Directions pursuant to Section 9.1 of the *Environmental Planning and Assessment Act 1979* including Directions 1.1 - Business and Industrial Zones, 7.1 - Implementation of A Plan for Growing Sydney and 7.3 - Parramatta Road Corridor Urban Transformation Strategy;
- g) It is inconsistent with the Inner West Council Community Strategic Plan: Our Inner West 2036 – Direction 2: Unique, liveable, networked neighbourhoods and Strategic Direction 3: Creative communities and a strong economy;
- h) It is inconsistent with the following elements of the Parramatta Road Corridor Urban Transformation Strategy:

- Policy context and the Strategy's vision and key actions for the Corridor and Taverners Hill precinct including all seven (7) principles of the Strategy;
 - Implementation Tool Kit including the Implementation Plan 2016-2023, Planning and Design Guidelines (including the Corridor wide, built form and Taverners Hill Guidelines), Infrastructure Schedule and Urban Amenity Improvement Plan; and
 - Reference Reports including the Precinct Transport Report, Economic Analysis, Fine Grain Study and Sustainability Implementation Plan.
- i) It is premature in the light of the prospective outcomes of strategic planning studies and projects underway at State and Local Government levels, particularly having regard to the lack of the Precinct-wide traffic study and supporting modelling which is required under the PRCUTS to be completed to consider the recommended land uses and densities, as well as future Westconnex conditions, and identify the necessary road improvements and upgrades required as part of any proposed renewal in the Precinct;
- j) It does not make an adequate contribution towards the provision of affordable housing as it is inconsistent with Council's *Affordable Housing Policy* 2016 which seeks a 15% contribution of gross floor area of the development as affordable housing and dedicated to Council in perpetuity;
- k) It exceeds the *Parramatta Road Corridor Urban Transformation Strategy* recommended density by 500m² without satisfactorily demonstrating that the proposal would achieve better built form outcomes or design excellence;
- l) It fails to adequately assess the following matters given the insufficient or unsatisfactory supporting studies:
- i. Flooding in that the proposal is currently located within the southwest corner of the site where the flood depth is greatest and other unresolved design issues associated with the flood hazard on the site;
 - ii. Heritage in that the Heritage Impact Statement does not adequately consider whether there will be any adverse impacts on the heritage value of the nearby heritage items including the item at Lambert Park and Kegworth Public School;
 - iii. Land contamination and *State Environmental Planning Policy No 55 – Remediation of Land* requirements in that the submitted Remedial Action Plan does not locate the known contamination on the site and relies on outdated sampling information;
 - iv. Traffic impacts given an inadequate Traffic Report and supporting information is provided, particularly having regard to the likely impacts on Davies Lane of increased traffic generation;
 - v. Public domain works and connections given the lack of an adequate outline of the proposed works and satisfactory arrangements being made with the relevant stakeholders for connections and linkages within and outside the site;
 - vi. Economic analysis of the loss of employment land given the Economic Impact Analysis did not adequately justify this loss as it relied on the Regional and District Plans excluding the PRCUTS area from the overwhelming evidence contained in the relevant economic and industrial land literature on the loss of employment land; and
 - vii. Sustainability targets and measures given the Sustainability Report was a generic and theoretical analysis of potential measures and failed to demonstrate that the proposal complies with the sustainability targets of the PRCUTS.
- m) It fails to adequately demonstrate consistency with a number of design quality principles of *State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development* and subsequently results in a number of urban design concerns with subsequent adverse impacts on both internal amenity and the amenity of adjoining properties including:-

- i. **Adverse impact in terms of context having regard to the proposal being out of character within the surrounding low density residential area and therefore inconsistent with Design Quality Principle 1;**
- ii. **Setback and separation, height and articulation of the built form concerns resulting in the proposal being inconsistent with the bulk form and scale requirements of Design Quality Principle 2;**
- iii. **The proposed FSR exceeds the PRCUTS controls and the scale of residential floor space proposed on this site is not required to meet the PRCUTS projections, thereby being inconsistent with Design Quality Principle 3;**
- iv. **The proposal does not satisfy the sustainability requirements of the PRCUTS and is inconsistent with Design Quality Principle 4;**
- v. **Potential impacts on the amenity of the area and the site which is inconsistent with Design Quality Principle 6 including:-**
 - **visual impact from the bulk and scale of buildings,**
 - **overlooking of Davies Street properties,**
 - **inadequate location and quantity of common and public open space which lacks a sufficient interface with the public domain to be considered public space and overshadowing of open space.**

1.0 OVERVIEW OF PROPOSAL

The Planning Proposal submitted to Council by Platino Properties Pty Ltd seeks to amend LLEP 2013 to facilitate the redevelopment of 67-75 Lords Road, Leichhardt. The Planning Proposal is accompanied by a proposed amendment to *Leichhardt Development Control Plan 2013* (LDCP 2013) which also includes site specific controls for the property.

The key components of the Planning Proposal are:

- Rezoning the subject site from Light Industrial (IN2) to Medium Density Residential (R3);
- Uplift in the maximum Floor Space Ratio (FSR) for the site from 1:1 to 2.4:1;
- Introduction of a new maximum height control for the site of RL 35m;
- Introduction of a site-specific provision to allow the following:-
 - A range of additional non-residential uses including recreation facility (indoor), office premises, business premises, light industry, industrial retail outlet, and restaurant or café; and
 - Requiring a minimum of 3,000sqm of non-residential uses to be provided on the site;
 - Allowing the FSR to exceed 2.4:1 but only if the increase is provided as a public benefit in the form of a multi-use facility to be used in conjunction with Lambert Park; and
 - Requiring a site-specific DCP to be endorsed by the Planning Proposal authority prior to any development approval.

The future redevelopment of the site seeks to provide approximately 23,158sqm of residential floor space comprising 235 dwellings across five (5) buildings located around the perimeter of the site ranging from three to nine storeys.

The composition of apartments is outlined to include:

- 15-30% studio apartment,
- 25-45% 1 bedroom,
- 25-45% two bedrooms and
- 7-15% as three or four bedroom apartments.

A central publicly accessible area of open space of approximately 1,650 sqm and at least 3,000sqm of non-residential floor space to support a range of employment generating and community uses are also proposed. Affordable housing, in the form of 35 apartments, is also proposed.

The proposal also includes an offer to enter into a Voluntary Planning Agreement (VPA) to provide:-

- Public benefit items including a 500sqm multi-purpose space to be transferred to Council and to be directly accessible from Lambert Park (FSR is not to be included in the overall FSR for the site) and upgrade to the lighting in Lambert Park.
- Local infrastructure items including public art (near tunnel entrance under the adjoining railway reserve), public open space (central open space on the site – 1,650sqm) to be publicly accessible, shareway and through site links, railway land regeneration, streetscape planting along Kegworth Street and Lords Road and public domain upgrades, roadworks and landscaping;
- Affordable housing comprising 35 apartments (approximately 14.9%) to be owned and managed by Bridge Housing for a minimum of 10 years in a separate stratum.

2.0 SITE AND SURROUNDING CONTEXT

The site is located on the northern side of Lords Road, with public open space, public roads or railway land adjoining the site on all boundaries. The site is approximately 400 metres from Parramatta Road and 7km from the Sydney CBD. The location of the site is illustrated in **Figure 1**.

The site comprises two (2) allotments and is legally described as Lot 1 in DP 940543 and Lot 1 in DP 550608. The site is known as 67-75 Lords Road, Leichhardt and is a relatively regular shaped lot. The site has a 77 metre frontage to Lords Road along the southern boundary and 76 metre northern boundary to Lambert Park. The eastern and western side boundaries comprise 111.3 metres and 133.24 metres respectively with a total site area of 10,691 sqm (**Figures 2 and 3**).

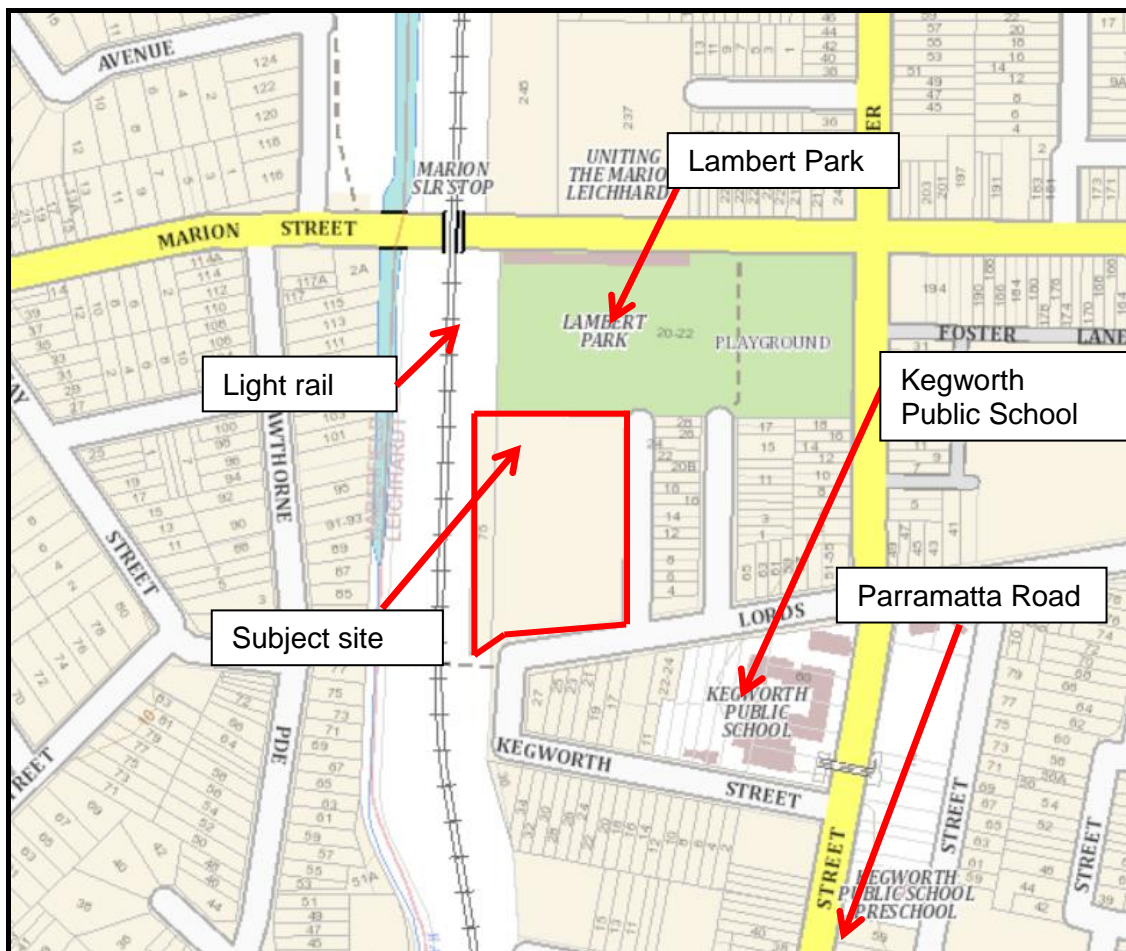


Figure 1: Location of the site (Source: SIX Maps)



Figure 2: Subject Site shaded yellow (Source: SIX Maps)

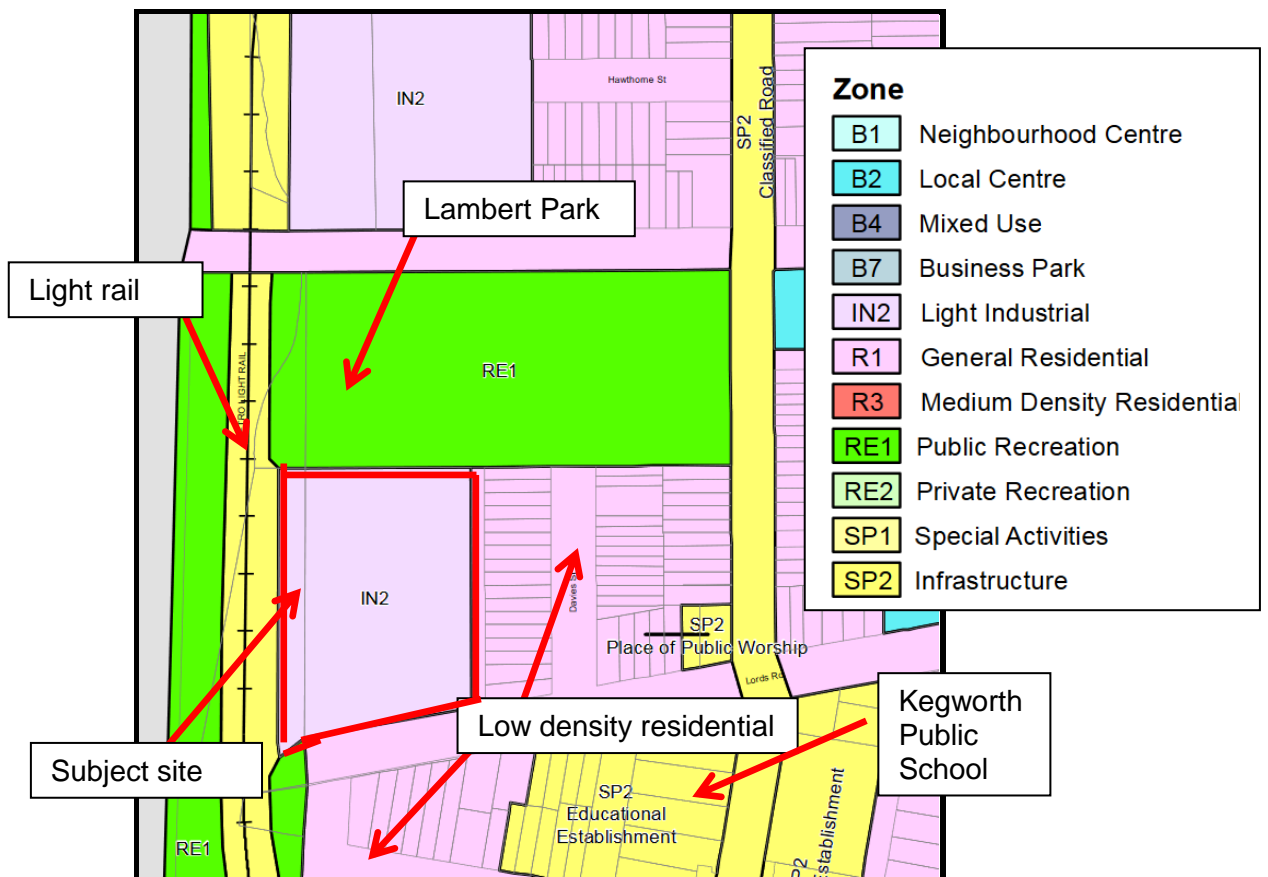


Figure 3 - Extract from the zoning map of LLEP 2013 (Source: NSW Legislation)

The site currently accommodates a range of light industrial and commercial uses including warehousing/storage, small scale manufacturing uses including furniture and joinery businesses as well as a private art school. As outlined in the social impacts of the PP, the majority of these businesses are finding it difficult to find alternative premises given the scarcity of industrial land within the IVC area.

The existing buildings on the site comprise three (3) buildings directly adjoining each other comprising two (2) storeys and of brick and metal construction and a detached single storey brick and metal roof building in the front eastern corner of the site. The maximum height of the existing buildings on the site is approximately 11.5 metres.

Various attached metal awnings also exist on the site as well as bitumen car parking areas on the eastern and western sides of the buildings. Vehicle access is currently obtained from two separate driveways accessing the various businesses from Lords Road. The site currently contains approximately 9,979sqm of floor space, consisting of 17 tenancies. The existing development on the site is illustrated in **Figures 4 and 5**.

Directly adjoining the site to the north is Lambert Park, which is predominantly occupied by a soccer field used by the APIA Club, with the eastern end comprising a playground and Leichhardt Family Day Care (located in a former cottage).

The light rail corridor forms the western boundary with a steep vegetated embankment occurring along this boundary. The Hawthorne Canal is located beyond the light rail corridor which also contains a pedestrian and cyclist link to the nearby Marion Light Rail Stop, approximately 150 metres to the north beyond Lambert Park. This area also forms part of the GreenWay, a 5.8km environmental and active travel corridor linking the Cooks River at Earlwood with the Parramatta River at Iron Cove, largely following the route of the Inner West Light Rail and Hawthorne Canal.

The eastern boundary adjoins Davies Lane, a narrow laneway primarily used for access to the low density detached dwellings facing Davies Street. The area to the south beyond Lords Road comprises low density residential development as well as another light industrial use and Kegworth Primary School to the south-east. The adjoining development is illustrated below in **Figures 6 to 11**.



Figure 4: Subject Site - lower, western side of existing industrial/commercial complex

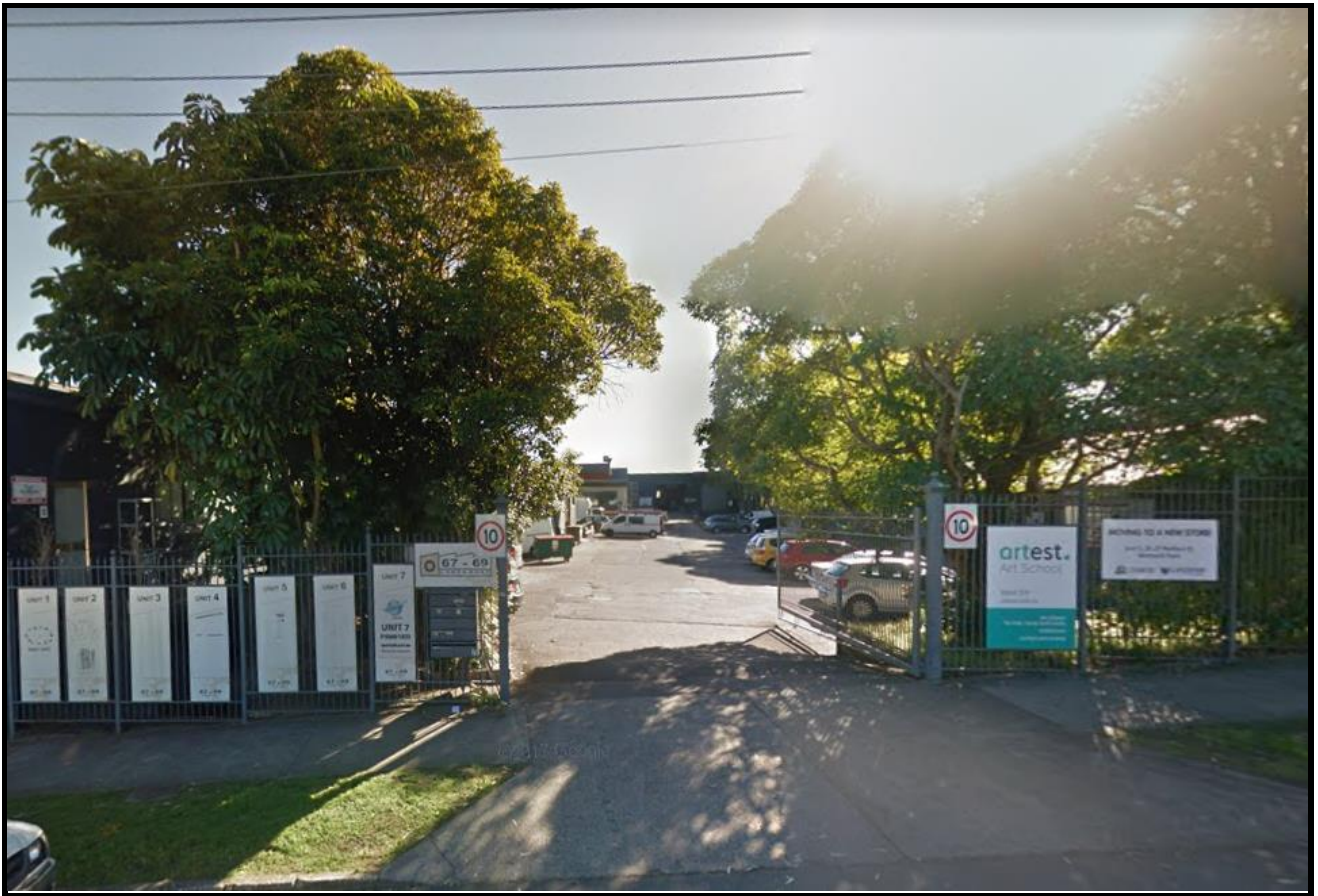


Figure 5: Subject site - Eastern higher side of existing industrial/commercial development



Figure 6: Adjoining to the northeast - Lambert Park playground



Figure 7: Adjoining to the north-west - Lambert Park Soccer Field



Figure 8: Adjoining to the west - GreenWay with Hawthorne Canal to the right of Lambert Park to the left



Figure 9: Marion Light Rail Stop to the North



Figure 10: Eastern boundary of the site to the left and Davies Lane. Rear of development facing Davies Road to the right



Figure 11: Adjoining development to the south across Lords Road

The site falls approximately 3 metres from the eastern boundary to the western boundary towards the Hawthorne Canal. The eastern part of the site has significantly higher existing ground levels varying from RL 5m AHD to RL 8.5m with the majority of this area above RL 6.75m AHD.

The nearest water body is the Hawthorne Canal, located approximately 70 metres to the west of the site, with surface water from the site flowing to the Hawthorne Canal. The site is affected by the 1 in 100 year flood event along the western boundary while the majority of the remainder of the site is affected by the Probable Maximum Flood (PMF). Only the south-east corner of the site is not affected by any flood hazard. The site has a Flood Planning Level (FPL) of RL 4.6m AHD.

The site is located in close proximity to a range of services including the retail services at Leichhardt Marketplace, 150 metres to the east, as well as other shops along Marion and Norton Streets. Kegworth Public School is located on the opposite side of Lords Road, while nearby public transport services include the light rail stops of Marion and Taverners Hill (400m) and heavy rail at Summer Hill and Lewisham approximately 800 metres to the south west of the site.

The site is in an IN2 Light Industrial zone under LLEP 2013 which states the following objectives for the 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.*

The site currently has a maximum permissible FSR of 1:1 and no height control in the LLEP 2013. The public reserve to the north of the site is zoned RE1 Public Recreation. The application proposes to rezone the site to R3 Medium Density Residential, increase the FSR to 2.4:1, introduce a maximum height control of RL 35 and allow a range of non-residential uses. This approximate height is to account for the flood planning level requirements on this site, taking into account the proposed maximum height of 30 metres under the PRCUTS.

The site does not contain heritage items and is not within a heritage conservation area but is located adjacent to a heritage item, being Lambert Park and in close proximity to Kegworth Public School which is also listed as a local heritage item.

This site represents approximately 7% of the IWC areas industrial land supply and is one of only eleven (11) industrial precincts within the Leichhardt area. Therefore, it is a highly strategic site in terms of the provision of industrial land in the LGA.

The site is located in the West Leichhardt precinct of LDCP 2013.

3.0 BACKGROUND

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 first Planning Proposal request in 2014.

In May 2014, a Planning Proposal was submitted to Council which sought to rezone the site from IN2 Light Industrial to R3 Medium Density Residential and increase the maximum FSR from 1:1 to 2.4:1 to facilitate the redevelopment of the site. This previous Planning Proposal included the following:

- Four (4) residential blocks ranging from four (4) to eight (8) storeys containing approximately 315 units;
- A one-way shareway through the site, entering off Lords Road and exiting onto Davies Lane;
- A separate basement parking entrance and exit off Lords Road;
- Communal open space area as central feature of the site;
- Child care centre and café located within the southernmost building (Building D);
- VPA for the provision of 5% of total dwellings as affordable housing, public domain elements including streetscape enhancements and cycle paths etc and a pedestrian path benefitting Council.

It is noted that the previous Planning Proposal was for 67-73 Lords Road while the current proposal relates to 67-75 Lords Road.

A report to the former Leichhardt Council meeting of 26 August 2014 recommended not to support the Planning Proposal due to a range of issues including the following:-

- Loss of Employment Lands and the cumulative impact of the loss of Employment Lands;
- The adequacy of the supporting specialists reports (including the Economic Justification Report and the Social Impact Assessment);

- The strategic fit of the proposal as assessed against the aims and objectives of various planning instruments, strategies and plans including the LLEP 2013, LDCP 2013 and the relevant Regional Strategies;
- Unsatisfactory design of the proposal including built form, height and bulk particularly from Lords Road and Davies Lane, potential amenity impacts including overshadowing and overlooking of adjacent properties, inadequate open space (size, location and overshadowing), traffic and parking impacts and inconsistencies with SEPP 65 and the then Residential Flat Design Code;
- Prematurity of the proposed rezoning given the uncertainty of the status of surrounding industrial lands within the LGA as a result of the NSW Government announcements in relation to WestConnex Motorway and Urban Revitalisation Projects and the NSW Government Bays Precinct Urban Renewal Program.

In September 2014, a pre-Gateway review request was lodged with the DPE. The relevant planning authority was the Sydney Eastern City Planning Panel following the then Leichhardt Council refusing this role.

Following review by the then Joint Regional Planning Panel (JRPP), the DPE, as delegate for the Greater Sydney Commission, issued a gateway decision that the proposal should proceed subject to conditions in July 2016. These conditions included that the planning proposal was to be updated prior to public exhibition to address the following:

- social impact of the proposal (capacity of existing, and future need for affordable housing, education, health and emergency services),
- demonstrate consistency with s.117 Direction 4.1 Acid Sulfate Soils and Direction 4.3 Flood Prone Land,
- include current and proposed Land Zoning and Floor Space Ratio maps and
- 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.

A further condition was that prior to finalisation, the planning proposal was to be amended to demonstrate consistency with any available findings of a draft or final strategic planning review for the Parramatta Road corridor.

On 31 August 2017, the Sydney Central Planning Panel determined that the proposed instrument in the Planning Proposal should not be made. The decision was not unanimous with the chair using her casting vote, to vote against the proposal. The compelling reason for not supporting the proposal was the loss of employment land (which was considered contrary to Section 117 Direction 1.1) and that the proposal was out of sequence with the Implementation Plan of the PRCUTS. The other panel members wanted to defer the matter to allow the Proponent to lodge an out of sequence checklist.

On 16 March 2018, the DPE advised that as delegate for the Greater Sydney Commission and consistent with the former Sydney Central Planning Panel's determination, decided not to make the plan. In this determination, the DPE stated that the Planning Proposal did not demonstrate the protection of employment land and did not meet the requirements of the PRCUTS.

Strategic Context

The site is located in the Taverners Hill Precinct of the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS), a State Government endorsed strategy for the revitalisation of the Parramatta Road Corridor, given statutory force via a Section 9.1 Ministerial Direction (formerly S117) in November 2016. It is important to note that this Ministerial Direction is one of several which have direct relevance to the PP.

PRCUTS is a plan to drive and inform land use planning and development decisions as well as long term infrastructure delivery programs in the Parramatta Road Corridor. The Strategy is supported by an Implementation Tool Kit and comprises the following documents:

- Parramatta Road Urban Transformation Strategy; and

- Implementation Tool Kit comprising the following:
 - Implementation Plan 2016 - 2023
 - Planning and Design Guidelines
 - Infrastructure Schedule
 - Urban Amenity Improvement Plan.

Delivery of the Strategy relies on the implementation of the principles in PRCUTS and will occur over 30 years in the following indicative timeframes:

- Short term - 2016 - 2023
- Medium term - 2023 - 2036
- Long term - 2036 - 2050

The site is outside the PRCUTS '2016 - 2023 Release Area' which means that the redevelopment of the site should ideally be in the medium to long term between 2024 and 2054. The Strategy is to be implemented through:

- State Environmental Planning Policies for priority precincts (in the corridor to the west of the IWC local government area);
- Planning proposals prepared by landowners or developers;
- Comprehensive LEP reviews undertaken by councils.

The key targets in the Strategy for the Taverners Hill area are:

- 3,300 new people for 2050
- 1,300 new homes for 2050
- 4,100 new jobs for 2050.

Figure 12 illustrates the broad PRCUTS land use policy directions for the Taverners Hill Precinct.

PRCUTS sets out key actions associated with land uses; transport and movement; place-making; and open space, linkages and connections; and makes **recommendations** for future zoning, height and density controls to ensure a place-based approach for future development of the Corridor. Key actions related to the subject site and the Taverners Hill precinct is considered in more detail later in this report.



Figure 12: Structure Plan for the redevelopment of the Taverners Hill Precinct

The PRCUTS Implementation Plan 2016 - 2023 provides a methodological and sequential approach for growth and the alignment of infrastructure provision with that growth. As noted earlier, the subject site is outside the PRCUTS '2016 - 2023 Release Area' which means that the redevelopment of the site should ideally be in the medium to long term between 2024 and 2054 and should not occur in the short term up to 2023. This is illustrated in **Figure 13** below for the Taverners Hill Precinct.

Proposals that depart from this staging plan need to be assessed on their merit against the PRCUTS 'Out of Sequence Checklist' criteria to ensure that changes to the land use zones and development controls are timely and can be justified against the Principles and Strategic Actions of the Strategy. This Checklist is attached.

The important aspects of the PRCUTS to note are that it is a Strategy that provides the long-term vision and framework to support co-ordinated employment and housing growth in the Corridor in response to significant transport and infrastructure investment, economic and demographic shifts, and industrial and technological advances.

The relationship between growth in population, housing, jobs and employment land is very closely associated with the provision of infrastructure. The importance of the timing of such growth is also highlighted via the Implementation Plan. This plan includes Action Plans for each Precinct which sets out when the growth is needed. This is so such growth can be tied to the infrastructure requirements.

The other key message is that the Strategy makes recommendations on future zoning and development controls, however, essentially leaves the implementation to local Council's when assessing planning proposals or undertaking amendments to local environmental plans (page 7 of the Implementation Plan).

For these reasons, it is important to note that the PRCUTS and the associated Section 9.1 Ministerial Direction which gives the Strategy statutory force, is one consideration in this assessment along with the infrastructure readiness for such growth and whether such growth is needed in the short, medium or long terms.

It is also noted that there have been numerous studies and reports prepared by the former Leichhardt Council in relation to the supply of industrial land in the LGA. These reports and strategies are considered in light of the PP. The overwhelming evidence from these studies and strategies is that industrial lands are scarce and they are disappearing which directly contradicts the ECDP which seeks to cast aside this evidence to support large areas of employment lands under the PRCUTS to be rezoned to residential.

PRCUTS recommendations and requirements as well as other strategic documents and plans have been taken into consideration in the assessment of this Planning Proposal as outlined in this report.

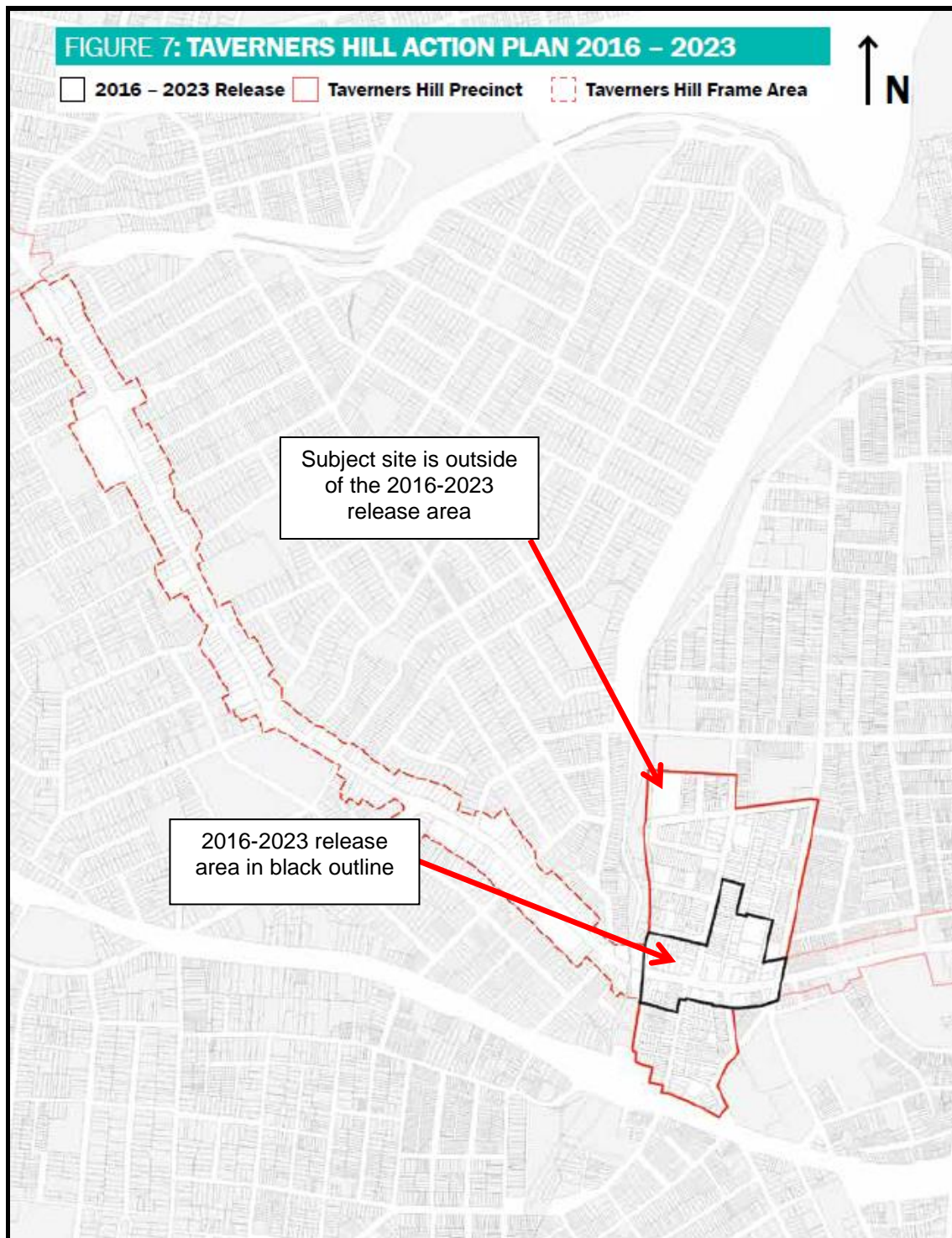


Figure 13: Extract from the PRCUTS Implementation Plan - Taverners Hill Precinct –

4.0 THE PLANNING PROPOSAL

The Planning Proposal seeks to amend the provisions of LLEP 2013 for land use, FSR and height of building as they apply to the site. The application is supported by information as follows:

- Urban Design Study by Hollenstein Pullinger for five (5) mixed use buildings of between two (2), three (3), five (5), six (6), seven (7) and nine (9) storeys and two levels of basement;
- Landscape Plan by Umbaco
- Site-specific LDCP 2013 amendment by FPD;
- Letter of offer for VPA;
- Economic Impact Assessment by AEC;

- Traffic Study by TTPP;
- Acoustic Assessment by Acoustic Logic;
- Flooding and Stormwater Management Report by Tooker & Associates;
- Contamination Report by Benviron Group;
- Social Impact Assessment by Cred Consulting;
- Affordable Housing Report by Housing Action Network;
- Sustainability Report by Northrop;
- Consultation Report by Chikarovski & Associates;
- Advice from Transport for NSW;
- Benefits of Urban Consolidation by Hill PDA;
- Draft LEP maps;
- Commercial 3 Zone Practice Note (Victorian Government);
- Utility Capacity advice by various agencies;
- Light Spill by Eco light;
- Heritage Impact Assessment by Architelle;
- Integrated Infrastructure Delivery Plan by Northrop;
- Survey;
- Feasibility advice by Cushman and Wakefield;
- PRCUTS Out of Sequence Checklist (within the PP document).

The application primarily relies on the land use and development controls recommended in the PRCUTS including zoning and height recommendations to justify the Planning Proposal. The Proposal heavily relies on the recommended height control (30m) in PRCUTS to justify the increased FSR of 2.4:1. The proposal would result in five (5) mixed use buildings of varying heights from two (2) to nine (9) storeys comprising 235 apartments and two levels of basement car parking (shown as indicative only).

The following table (**Table 1**) provides a comparative analysis of the site's current controls, PRCUTS recommended controls and the proponent's proposed controls:

Table 1: Comparison of Existing, PRCUTS and Proposed Planning Controls for the site

Criteria	Current LEP controls	PRCUTS recommendations	Proposed Controls
Zoning	IN2 Light Industrial	R3 Medium Density Residential	R3 Medium Density Residential with a proposed site-specific provision to allow non-residential uses
FSR	1:1	2.4:1	2.4:1 (plus 500m ² for community uses)
Height	No control	30m (or 4 storeys)	RL 35m (or 7 storeys)

5.0 ASSESSMENT OF THE PLANNING PROPOSAL

The Planning Proposal application, including the supporting documentation, has been assessed with regard to current planning strategies and controls at State and local level, strategic planning projects currently underway and the Department of Planning and Environment's *A Guide to Preparing Planning Proposals*.

Overall, it is considered that the Planning Proposal provides adequate documentation for Council to determine whether the Planning Proposal has merit to proceed to the Gateway Stage. However, there are key issues with the Planning Proposal as discussed further in this report which indicate that the Planning Proposal should not be supported in its current form. A detailed assessment of the Planning Proposal is also provided in the Planning Proposal assessment checklist attached to this report (Attachment 1).

Without prejudicing the conclusion of this assessment, the information provided by the Proponent is generally thorough and comprehensive (with some expectations including the proposed connections and prioritised pedestrian links). However, the proposal does not adequately pass the overall strategic test and should not be supported in its current form. The following discussion highlights the key issues.

The tabulated analysis below assesses the adequacy of the supporting information supplied with the Planning Proposal and whether it meets the aims and objectives of the strategic framework in DPE's 'Guide to Preparing Planning Proposals.'

Part 1 Objectives and intended outcomes

	Guideline Requirements
2.1	Requires a concise statement setting out the objective or intended outcomes of the planning proposal.
	<p>The proponent's stated objectives or intended outcomes are unsatisfactory because:</p> <ul style="list-style-type: none"> 'A Guide to Preparing Planning Proposals' requires a concise statement setting out the objectives or intended outcomes of the planning proposal. The proponent's statement is not specific enough to accurately reflect the desired outcome of the proposal as required by the Guidelines. There are concerns with the following objectives: <ul style="list-style-type: none"> <i>To facilitate redevelopment of an under-utilised site in close proximity to a range of services, open space and public transport options.</i> <i>Remove heavy vehicles associated with existing industrial uses from the predominantly residential area.</i> <p>These objectives tend to indicate that the site is under-utilised and that the future uses of the site will not include any form of industrial development given the supposed removal of heavy vehicles. Firstly, the under-utilised status of the site is highly questionable. The site is better described as a fully tenanted light industrial precinct accommodating 160 jobs and at least 17 tenants which appear to be operating viable businesses. The removal of heavy vehicles tends to indicate that the proposed non-residential uses are likely to be much more commercial than industrial, which defeats the purpose of having such non-residential floor space on the site.</p> <ul style="list-style-type: none"> The objective regarding the provision of 235 apartments comprising 23,158m² is also highly questionable and not supported. Such an apartment yield would result in the average unit size being 98.5m², which is unlikely when the proposal is said to mainly comprise 1 and 2 bedroom units and studio apartments. Only 7-15% of the units are likely to be 3 bedrooms (page 17 of the Planning Proposal Document). The average gross floor area of units in recent Leichhardt residential flat building is 73.6sqm. In terms of overall strategic merit, the site is located in PRCUTS area which has a recommendation for rezoning from industrial to medium density residential. However, the Planning Proposal is inconsistent with a number of other key recommendations of PRCUTS as detailed later in this report and consequently, should not be supported. The PP suggests it would provide affordable housing via a Voluntary Planning Agreement. The proponent's objective is misleading as affordable housing that might be provided at the rezoning stage is inconsistent with Council's Affordable Housing Policy. The Proposal also seeks to provide open space within the site as well as connections to Marion light rail stop and other nearby places. The proponent's objective is considered acceptable; but no clear provision has been made in the Proposal to make this useable public open space as explained later in this report.

Part 2 Explanation of Provisions

	Guideline Requirements
2.2	Requires a more detailed statement of how the objectives or intended outcomes are to be

	achieved.
	The proponent has addressed this requirement but the Planning Proposal is not supported for the reasons expressed above and in other sections of this report.

Part 3 Justification

	Guideline Requirements
2.3	Requires adequate justification documentation to be provided for the specific land use and development standards proposed to the LEP.
2.3.1	Questions to consider when demonstrating the justification
Section A - Need for Planning Proposal	
Q1	Is the planning proposal part of any strategic study or report?
	<p>The subject site forms part of the PRCUTS which recommends future development controls for the site. However, as detailed later in this report and within the attached checklist, the Proposal is inconsistent with the requirements of PRCUTS including the Implementation Plan 2016 - 2023 Out of Sequence checklist and its Planning and Design Guidelines and should not be supported.</p>
Q2	Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?
	<p>The PRCUTS includes the Parramatta Road Corridor Implementation Toolkit which recommends that one of the pathways to implement the recommended land uses and development controls identified within the Strategy is the LEP Gateway (Planning Proposal) process.</p> <p>However, this Planning Proposal departs from the staging identified under the Implementation Plan 2016 – 2023 and comes in advance of studies and strategies underway at the local and State government level to inform future development controls for the PRCUTS corridor and the new Inner West Council local government area.</p> <p>The future of the Proposal site should be considered as part of the broader strategic planning framework rather than an ad hoc Planning Proposal such as is presented in this proposal. This would ensure that a systematic approach will be taken when determining the future development of the site and the surrounding area. It would be best, therefore, to defer the Proposal until the finalisation of comprehensive IWC LEP, DCP and Infrastructure Contributions Plan, the Local Housing Strategy and the Employment Lands Review and the precinct Wide Traffic study required by PRCUTS which would also potentially align with the staging sequence recommended in PRCUTS Implementation Plan 2016 - 2023.</p> <p>It should be noted, in particular, that rezoning this site to residential is entirely unnecessary to meet the new dwelling objectives PRCUTS has for Taverners Hill Precinct. These are 451 dwellings by 2023 and an additional 849-899 dwellings by 2050; 410 have already been built and occupied on the 31,506sqm combined Kolotex/Labelcraft site at 22-40 George Street, Leichhardt. At an average dwelling size of 76.35sqm and using the PRCUTS 1350 dwelling target, the Precinct only needs to provide another approximately 71,730sqm of residential gross floor area.</p> <p>The average dwelling size of 76.35sqm is derived from the total number of dwellings and residential gross floor area of the 4 largest recent residential flat buildings consents in the Leichhardt Local Government Area at Terry Street, Rozelle, George Street and Allen Street, Leichhardt.</p> <p>The total projected additional residential gross floor area including the Kolotex/Labelcraft site that could be provided under the possible rezonings, floor space ratio and building height increases suggested by PRCUTS is 217,000sqm. Kolotex/Labelcraft has delivered 31,506sqm and 410 dwellings. This leaves the possibility of up to another 185,494sqm of additional residential floor area. It has already been established that only 71,730 sqm of this 185,494sqm is required to meet the PRCUTS dwelling target.</p> <p>This also means that only 71,730sqm of additional residential floor area is required to demonstrate compliance with the Section 9.1 Direction for PRCUTS.</p>

The clear consequence of this conclusion is that the rezoning of the Lords Road industrial and urban services site is not required to meet the objectives of PRCUTS. Indeed if the proposed 23,158sqm of residential floorspace at Lords Road was to be deducted from the post Kolotex/Labelcraft residual PRCUTS additional 185,494sqm there would still be the potential to provide an additional 162,336sqm of residential floor space. This figure means another 93,336sqm is potentially still available by 2050 over the 69,000sqm required to meet the PRCUTS total precinct dwelling target.

So even without the rezoning of Lords Road the remainder of the PRCUTS proposed planning controls can meet the PRCUTS dwelling targets and hypothetically provide an additional approximately 1220 dwellings in the Precinct, over above the 1350 target.

Table 2: Analysis of whether Lords Road site is required to meet PRCUTS proposed dwelling projections and residential GFA

PRCUTS proposed dwelling projections and Council's estimated dwellings

	2023	2050
PRCUTS Dwelling projections (total)	451	899 (in addition to 2023) 1350 total
Dwellings approved by Council heretofore including Kolotex/Labelcraft	410	-
Difference (Additional dwellings to be provided by Council to meet PRCUTS targets)	41	899

PRCUTS proposed indicative land use mix and Council's estimates for Taverner's Hill precinct and frame area

	2023	2050
PRCUTS proposed Residential GFA (additional)	47,000 sqm for 451 dwellings	170,000 sqm for 899 dwellings
Residential GFA built and occupied in 2018 including Kolotex/ Labelcraft	31,506 sqm for 410 dwellings	-
Difference (GFA/ dwellings to be provided by Council to meet PRCUTS targets)	15494 sqm for 41 dwellings*	170,000 sqm for 899 dwellings
Associated Residential GFA to meet the PRCUTS targets	3130 sqm for 41 dwellings**	68,600 sqm for 899 dwellings**
Council Estimated Residential GFA required to meet PRCUTS targets	34, 636 sqm for 451 dwellings	68,600 sqm for 899 dwellings
PRCUTS Dwelling projections	1350 dwellings can be achieved by 2050 with 103,236 sqm (34,636 + 68,600 sqm) additional Residential GFA without the Lords Road rezoning proposed residential conversion of 23,158 sqm	

** Note: This equates to an average dwelling size of 377.9 sqm which is unrealistic for an inner city apartment.*

	<p>** Note: these have been calculated on the basis of average dwelling size approved in recent large residential flat buildings in Leichhardt LGA which equates to 76.3 sqm</p> <p>In addition, it is acknowledged by the PP that the proposal does not fully comply with the PRCUTS, particularly in relation to the proposed land uses given the Strategy recommended purely residential development on the site. It is also noted that there is a disparity between the recommended controls as shown in the mapping and the text in the PRCUTS in that a maximum FSR of 2.4:1 and a maximum height of 30 metres is recommended yet the text refers to 'appropriately scaled residential uses'.</p> <p>Accordingly, it is considered that the PP is not the best means of achieving the objectives or intended outcomes given the significant concerns in relation to housing yield, loss of industrial land and jobs and the inconsistencies with the out of sequence checklist of the PRCUTS as outlined in this report.</p>
Section B - Relationship to strategic planning framework	
Q3a	Does the proposal have strategic merit? Is it:
i.	Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment.
	<p>The following regional/district/corridor plans apply to the site:</p> <ul style="list-style-type: none"> • <i>Greater Sydney Region Plan 2018 (GSRP) - A Metropolis of Three Cities</i> • <i>Eastern City District Plan (ECDP) 2018</i> • <i>Parramatta Road Corridor Urban Transformation Strategy (2016)</i> <p>The Planning Proposal is consistent with some of the objectives and actions of GSRP and ECDP but fails to achieve sufficient consistency with the following key objectives of GSRP and priorities of ECDP. A detailed analysis of the Proposal against these directions, objectives and priorities is provided in Attachment 1.</p> <p>Direction 1: A city supported by infrastructure</p> <ul style="list-style-type: none"> • <i>Objective 2: Infrastructure aligns with forecast growth - growth infrastructure compact.</i> • <i>Strategy 2.1 - Align forecast growth with Infrastructure.</i> • <i>Strategy 2.2 - Sequence infrastructure provision across Greater Sydney using a place-based approach.</i> • <i>Planning Priority E1: Planning for a city supported by infrastructure.</i> • <i>Action 3 – Action 3: Align forecast growth with infrastructure.</i> • <i>Action 4: Sequence infrastructure provisions using a place-based approach</i> <p>Direction 3: A city for people</p> <ul style="list-style-type: none"> • <i>Objective 6: Services and infrastructure meets communities' changing needs.</i> • <i>Strategy 6.1 - Deliver social infrastructure that reflects the needs of the community now and in the future.</i> • <i>Strategy 6.2 - Optimise the use of available public land for social infrastructure.</i> • <i>Objective 9: Greater Sydney celebrates the arts and supports creative industries and innovation.</i> • <i>Strategy 9.1 - Facilitate opportunities for creative and artistic expression and participation, wherever feasible with a minimum regulatory burden, including:</i> <ul style="list-style-type: none"> ▪ <i>arts enterprises and facilities and creative industries</i> ▪ <i>interim and temporary uses</i> ▪ <i>appropriate development of the night-time economy.</i>

- *Planning Priority E3: Providing services and social infrastructure to meet people's changing needs.*
- *Action 8. Deliver social infrastructure that reflects the needs of the community now and in the future. Councils, other planning authorities and State agencies*
- *Action 9. Optimise the use of available public land for social infrastructure.*
- *Planning Priority E4: Fostering healthy, creativity, culturally rich and socially connected communities.*
- *Action 14: Facilitate opportunities for creative and artistic expression and participation, wherever feasible with a minimum regulatory burden, including:*
 - *arts enterprises and facilities, and creative industries*
 - *interim and temporary uses*
 - *appropriate development of the night-time economy.*

Direction 4: Housing the city

- *Objective 10: Greater housing supply.*
- *Action 3 Prepare housing strategies.*
- *Action 4 Develop 6-10 year housing targets.*
- *Planning Priority E5: Providing housing supply, choice and affordability with access to jobs and services.*
- *Action 16: Prepare local or district housing strategies*
- *Action 17: Prepare Affordable Rental Housing Target Schemes following development of implementation arrangements*

Direction 5: A City of Great Places

- *Objective 13: Environmental heritage is identified, conserved and enhanced.*
- *Strategy 13.1: Identify, conserve and enhance environmental heritage by:*
 - *engaging with the community early in the planning process to understand heritage values and how they contribute to the significance of the place*
 - *applying adaptive re-use and interpreting heritage to foster distinctive local places managing and monitoring the cumulative impact of development on the heritage values and character of places.*
- *Planning Priority E6: Creating and renewing great places and local centres, and respecting the District's heritage.*
- *Action 20: Identify, conserve and enhance environmental heritage.*

Direction 7: Jobs and skills for the city

- *Objective 23: Industrial and urban services land is planned, retained and managed.*
- *Strategy 23.1: Retain, review and plan industrial and urban services land in accordance with the principles for managing industrial and urban services land.*
- *Planning Priority E12: Retaining and managing industrial and urban services land.*
- *Action 51: Retain and manage industrial and urban services land, in line with the Principles for managing industrial and urban services land in the Eastern City District by safeguarding all industrial zoned land from conversion to residential development, including conversion to mixed use zones. In updating local environmental plans, councils are to conduct a strategic review of industrial land.*
- *Action 52: Facilitate the contemporary adaptation of industrial and warehouse buildings through increased floor to ceiling heights.*

Direction 8: A city in its landscape

- *Objective 27: Biodiversity is protected, urban bushland and remnant vegetation is*

enhanced.

- Strategy 27.1 - Protect and enhance by:
 - Managing urban bushland and remnant vegetation as green infrastructure
 - Managing urban development and urban bushland to reduce edge effect impacts.
- Objective 30: Urban tree canopy cover is increased.
- Strategy 30.1 - Expand urban tree canopy in the public realm.
- Objective 31: Public open space is accessible, protected and enhanced.
- Strategy 31.1 - Maximise the use of existing open space and protect, enhance and expand public open space by:
 - providing opportunities to expand a network of diverse, accessible, high quality open spaces that respond to the needs and values of communities as populations grow
 - investigating opportunities to provide new open space so that all residential areas are within 400 metres of open space and all high density residential areas (over 60 dwellings per hectare) are within 200 metres of open space
 - requiring large urban renewal initiatives to demonstrate how the quantity of, or access to high quality and diverse local open space is maintained or improved
 - planning new neighbourhoods with a sufficient quantity and quality of new open space
 - delivering shared and co-located sports and recreational facilities including shared school grounds and repurposed golf courses
 - delivering or complementing the Greater Sydney Green Grid
 - providing walking and cycling links for transport as well as leisure and recreational trips.
- Objective 32: The Green Grid links parks, open spaces, bushland and walking and cycling paths
- Strategy 32.1 - Progressively refine the detailed design and delivery of:
 - Greater Sydney Green Grid priority corridors
 - opportunities for connections that form the long term vision of the network
 - walking and cycling links for transport as well as leisure and recreational trips.
- Planning Priority E15: Protecting and enhancing bushland and biodiversity.
- Action 62: Protect and enhance biodiversity by:
 - a. supporting landscape-scale biodiversity conservation and the restoration of bushland corridors
 - b. managing urban bushland and remnant vegetation as green infrastructure
 - c. managing urban development and urban bushland to reduce edge-effect impacts.
- Planning Priority E17: Increasing urban tree canopy cover and delivering Green Grid connections.
- Action 65: Expand urban tree canopy in the public realm.
- Action 66: Progressively refine the detailed design and delivery of:
 - a. Greater Sydney Green Grid priority corridors and projects important to the District
 - b. opportunities for connections that form the long-term vision of the network
 - c. walking and cycling links for transport as well as leisure and recreational trips.
- Planning Priority E18: Delivering high quality open space.
- Action 67. Maximise the use of existing open space and protect, enhance and expand public open space by:
 - a. providing opportunities to expand a network of diverse, accessible, high quality open spaces that respond to the needs and values of communities as populations grow.
 - b. investigating opportunities to provide new open space so that all residential areas are within 400 metres of open space and all high density residential areas (over 60 dwellings per hectare) are within 200 metres of open space.

- c. requiring large urban renewal initiatives to demonstrate how the quantity of, or access to, high quality and diverse local open space is maintained or improved.*
- d. planning new neighbourhoods with a sufficient quantity and quality of new open space.*
- e. delivering shared and co-located sports and recreational facilities including shared school grounds and repurposed golf courses.*
- f. delivering or complementing the Greater Sydney Green Grid*
- g. providing walking and cycling links for transport as well as leisure and recreational trips.*

Direction 9: An efficient city

- *Objective 33: A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change.*
- *Strategy 33.1 - Support initiatives that contribute to the aspirational objective of achieving net-zero emissions by 2050 especially through the establishment of low-carbon precincts in Planned Precincts, Growth Areas and Collaboration Areas.*
- *Objective 34: Energy and water flows are captured, used and re-used.*
Strategy 34.1 - Support precinct-based initiatives to increase renewable energy generation and energy and water efficiency especially in Planned Precincts and Growth Areas, Collaboration Areas and State Significant Precincts.
- *Objective 35: More waste is re-used and recycled to support the development of a circular economy.*
- *Strategy 35.1 - Protect existing, and identify new, locations for waste recycling and management.*
- *Strategy 35.2 - Support innovative solutions to reduce the volume of waste and reduce waste transport requirements.*
- *Planning Priority E19: Reducing carbon emissions and managing energy, water and waste efficiently.*
- *Action 68: Support initiatives that contribute to the aspirational objective of achieving net-zero emissions by 2050, especially through the establishment of low-carbon precincts in Planned Precincts, Collaboration Areas, State Significant Precincts and Urban Transformation projects*

The Planning Proposal is also inconsistent with Strategy documents in the following ways:

Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) 2016

The Planning Proposal is inconsistent with all of the principles of the Strategy as outlined elsewhere in this Report and the Out of Sequence Checklist at Attachment 2.

The Planning Proposal does not adequately contribute towards achievement of the following Key Actions for the Taverners Hill Precinct:

Land Uses

- *appropriately scaled residential development in select locations to attract and retain people in the core of the Precinct – The PP is not considered to provide an appropriately scaled residential development in this location given the urban design concerns with the proposal (outlined in Question 8).*

Open space, linkages and connections

- *Leverage new development to provide new open space and high-quality and active public domains – While the PP provides open space in the centre of the site, it is unlikely that this will be utilised by the public given it has limited interface with the public domain. Such a location is unlikely to be used by the wider community.*

- *Capitalise on the proximity to light rail by providing increased connectivity for pedestrians and cyclists where possible* – While the PP proposes to make improvements to the public domain for pedestrian linkages across the Lords Road frontage of the site, there are no details of such linkages provided.

The Planning Proposal is not required to meet the dwelling targets for the Taverners Hill Precinct (see Section 5 of this report Part 3 Justification Q2 Assessment).

PRCUTS Implementation Plan 2016 – 2023

The Planning Proposal departs from the staging/sequencing identified under the Taverners Hill Action Plan 2016 – 2023 (Chapter 8). It also does not meet the criteria of the Out of Sequence Checklist as detailed in Attachment 2 and therefore, should not be supported.

The PP is inconsistent with the following:

- Strategic land uses - The prematurity of this PP may put at risk the immediate supply of industrial land given the only other area in the precinct which could provide employment is the mixed use area on Tebbutt Street and Parramatta Road.
- Road improvements and upgrades - The Precinct-wide traffic study and supporting modelling required have not been completed.
- Funding framework or satisfactory arrangements - The proponents Integrated Infrastructure Delivery Plan has applied out of date rates and costs; has not had any responses from key infrastructure agencies such as Sydney Local Health District to confirm their requirements; and has underestimated the likely number of dwellings and population in the proposed development at 235 dwellings rather than the more likely output of 300+ dwellings.

The IIDP is not supported by Council.

PRCUTS Planning and Design Guidelines

The PP is inconsistent with various aspects of the PRCUTS Planning and Design Guidelines, which are considered in detail in Attachment 1 and which are briefly outlined below. These issues are also further discussed the urban design comments contained in this report.

The PP is inconsistent with numerous controls under the Part 3: Corridor Guidelines including the following:-

- 3.1 – Urban Structure
- 3.2 – Heritage and Fine Grain
- 3.4 – Open Space and Public Domain
- 3.6 – Traffic and Transport
- 3.8 – Car Parking and Bicycle Parking
- 3.9 – Active Transport
- 3.10 – Sustainability and Resilience.

The PP is inconsistent with the following sections of the Part 4: Built Form Guidelines:-

- 4.1 – Block Configuration and Site Planning
- 4.2 – Building Massing, Scale and Building Articulation
- 4.3 – Setbacks and Street Frontage Heights
- 4.4 – Transition Zones and Sensitive Interfaces
- 4.5 – Building Typologies
- 4.8 – Amenity

The large bulk and scale of the proposal in association with its approach to urban design and relationship to the surrounding area make the Planning Proposal inconsistent with the following

sections of the Taverners Hill Guidelines:

- 10.4 – Future Character and Identity
- 10.5 – Open Space, Linkages and Connections and Public Domain
- 10.7 – Fine Grain Study Requirements
- 10.8 – Green edge setbacks, Transitions and Activity and Commercial Zones
- 10.9 – Recommended Planning Controls
 - Land use (textual)
 - Building Heights (textual)
 - Densities (Map)

In particular, as already established in this report this site does not need to be rezoned to meet either the 10.4 short term or long term additional dwelling targets.

PRCUTS Infrastructure Schedule

The Planning Proposal is supported by an *Integrated Infrastructure Delivery Plan* (IIDP) prepared by Northrop dated October 2018 (see attachment) which attempts to populate the Infrastructure Schedule for the Taverners Hill precinct. There are reservations about the methodology used, the formulas applied and conclusions of the IIDP. It is considered that the PRCUTS's Infrastructure Schedule cannot be readily applied to determine accurate infrastructure contributions as the Council and State Government have not yet completed the infrastructure, transport and traffic studies necessary to update the 2016 cost estimates or capture the costs of infrastructure not covered by the Schedule.

In this context, the Schedule acknowledges that it is based on a high level analysis of population, dwelling and employment projections for the Corridor and requires additional detailed investigation. Many projects described and listed in the Schedule require additional investigation and modelling. It is noted that the estimated costs included in the Schedule are frequently unrealistically low, out of date and have not been reviewed since June 2016.

To illustrate this point the IIDP uses the PRCUTS Infrastructure Schedule "Prioritised Cycling Link" (this is for marked cycle ways on an existing road) costs of \$255.00 per linear metre for a 2.5m to 3m wide path. Even a basic path of this width costs \$1800 to \$2000 for design, lighting and construction. The Greenway Connections width design, lighting, landscaping, public art, recreation and public domain improvements have even higher construction rates. The link between Parramatta Road and Old Canterbury Road (excluding tunnels) will cost around \$8,000 per linear metre.

Overall, it is noted that the proponent has underestimated the level of construction rates for projects listed, but not quoted in the Infrastructure Schedule. A detailed analysis of the proposed rates in the Infrastructure Schedule is provided below:

More broadly Council's Property Capital Projects team current 2018 price level comments on the proposed construction rates (page 34 of IIDP attachment) cover the following issues:

Active Transport Network

- **Items 1 –7:** These works cannot be precisely estimated as the scope of works is broad and generic. Notwithstanding this the proposed base rate of \$225/m are very low and the recommended rate should be approximately \$350/m with some works such as site establishment being as high as \$950/ week.

Community Infrastructure:

- **Item 8 Meeting and cultural space:** Proponent's rate equates to \$2500/m² for a new building. This is very low and should be approximately \$3,500/m² or \$1.5m for a meeting space.
- **Item 10 & 12 Childcare:** Council recently completed a 60 places childcare building at Leichhardt park for \$3.5M. Using this rate would mean 36 places by 2023 equates to

\$2.1M and 114 places by 2054 equates to \$6.65M. The rate quoted (\$1.4M) for 36 places and \$4.56M for 114 places is poor and probably excludes landscaping, furniture, fixtures and equipment.

- **Item 11& 13 Outside of School hours:** Should be the same as above.
- **Item 16 Cultural Space:** The comments on Item 8 are likely to apply to Item 16.

Road/ Intersection Upgrade

- **Item 17:** This rate cannot be adequately determined until the completion of RMS's and Council's precinct wide traffic modelling.

Open Space and Recreation:

- **Item 18 – 21:** All the proposed rates are too generic and may apply to other areas of Sydney, however all IWC grounds usually have some form of contamination and the remediation costs are high. The rate should be almost double at around \$400/m2.

Public Transport Network:

- **Item 22 Rail and Light Rail:** TfNSW in their comments (see Traffic Study and Green Travel Plan attachment) on the IIDP have pointed out that the PRCUTS required traffic study should be completed prior to any rezoning. The study is not complete and therefore, the proposed rates in the IIDP have no reliable foundation.

Taverners Hill Urban Amenity Improvement Plan

- **Items 23 – 24 –** See the comment above about actual Greenway Construction costs.

There are also gaps in this Schedule which cannot be adequately determined until such time as Council implements a new local Contributions Plan. As a part of amending/ updating their local contributions plan, Councils are required to undertake additional analysis including audits of existing facilities and preparation of needs studies beyond the Corridor's boundaries.

This core work is currently underway within Council's Urban Strategy team. In the absence of this critical information, Council officers are currently not in a position to critically comment on the proponent's calculations and rates. Support of this Proposal will compromise the holistic and inclusive basis of wider strategic planning projects underway at local and state government level and is likely to undermine the objectivity of Council's decision-making process.

Council is currently preparing its new developer contributions plan which will build financial capacity for provision of additional infrastructure in the Corridor and support future population growth in the Inner West LGA. In the absence of this critical information, Council officers are not in a position to reliably confirm the proponent's calculations and rates. Local infrastructure cannot be adequately levied for this type of proposed spot rezoning in the PRCUTS corridor until IWC adopts a new developer contributions plan. This indicates the general prematurity of the proposal and inappropriateness of bringing it forward, particularly given the additional burden on local infrastructure without an appropriate mechanism to recoup costs to Council.

Social Infrastructure

The PRCUTS Infrastructure Schedule is specific for Taverners Hill in that planning proposals are required to be contributing to:

- Embellishing an existing community centre
- Expanding a local library
- Supporting new childcare spaces
- Supporting out of school hours care
- An additional meeting room in a relocated Leichhardt Library or at Marketplace (not as

- they suggest a strata community room in the development)
- A cultural space
 - New intersections
 - Hockey facilities at Lambert Park
 - Embellish existing sportsground facilities (there is no evidence that APIA need a new 500sqm space)
 - Embellish outdoor sportsground
 - New linear park from Tebbutt to Upward Streets
 - Improved heavy rail and light rail services
 - Greenway connections
 - Enhanced bus priority measures
 - New primary and secondary school and classroom provision
 - Hospital beds and services at RPA

The IIDP obfuscates the relationship between the proposal and the infrastructure requirements by asserting that essentially the development does not create enough demand to justify new or enhanced infrastructure. This justification fails to recognise that any development in the precinct and the PRCUTS corridor will have a cumulative demand and need impacts. By avoiding making proportionate contributions now the Proponent would simply be passing the responsibility down the line to future developers, State agencies and the Council.

The IIDP suggests that consultation requirements can be met by simply writing to agencies such as Education and Sydney Local Health District. The IIDP then assumes that if there are no comments received from agencies, this can be interpreted to mean that those agencies have no concerns or requirements. This is not the case and the IIDP needs to show a clear and transparent contribution towards each of the above list of infrastructure items.

None of the listed Council items above are covered in the existing S94 Plans so they need to cover these PRCUTS identified infrastructure items as additional items within the IIDP.

The IIDP proposed 500sqm multi use facility to be used by the neighbouring APIA soccer club does not meet any of the Infrastructure Schedule requirements listed above.

Support of this Proposal could compromise the holistic and inclusive basis for achieving wider strategic planning objectives at local and State government level. It is recommended that this Planning Proposal should not be supported.

PRCUTS Urban Amenity Improvement Plan (UAIP)

The UAIP is a \$198 million initiative attached to the Strategy, to be used to stimulate the transformation of the Corridor. The UAIP identifies a suite of early local amenity improvement works to be rolled out in various locations throughout the Corridor to help realise the vision and principles of the Strategy.

The UAIP identifies the following works for the Taverners Hill Precinct:-

- Greenway connection under Parramatta Road; and
- Greenway connection under Longport Street.

Neither of these projects directly affects the site as outlined below.

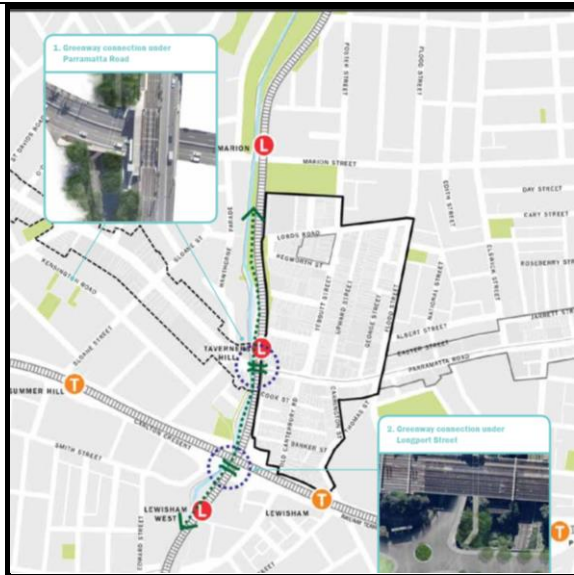


Figure 14 – Extract from the PRCUTS UAIP indicating the proposed works for Taverners Hill

Notwithstanding this lack of specific works of the subject site, the PP should not be supported until such time as Council completes its Local Contributions Plan and other broader strategic planning works which would assist in the making of an informed decision regarding the redevelopment of this site.

PRCUTS Precinct Transport Report

The following matters require consideration under this Report:

Timing of Release/rezoning

The PP is located outside of the staging area for 2016-2023 with this Report stating that investment such as longer term light rail or heavy rail solutions, currently being investigated, would be required to support the land use change beyond 2023 (Section 1.4).

Furthermore, the Report indicates that further traffic modelling will be required for each Precinct as part of subsequent planning stages, including assessment of the cumulative impacts of the Strategy and working with TfNSW and the RMS to understand the changing Parramatta Road function and up-to-date opportunities to deliver or complement this.

The Report also indicates that beyond 2023, population growth and transformation of the Corridor will need to be supported by longer term rail improvements and light rail options in order to proceed. The Government is currently investigating public transport options which will be required to support the scale, timing, and staging of longer term land use changes. Given the PP is out of sequence, none of these issues have been satisfactorily resolved at this time.

Traffic Generation

From a transport and traffic perspective; based on information currently available, it is considered that the projected traffic volumes generated by the development (both the applicant's and Council's estimates) are generally at an acceptable level for the adjacent street network. In addition, as the precinct develops, public transport along Parramatta Road is likely to be enhanced and mode share should increasingly move towards more sustainable transport modes.

Car Parking

The Report considers the future parking requirements for the area and locates the site within category 1 (High Accessibility Location) land. The Report emphasises that parking should be minimised, decoupled and unbundled where possible. The PP does not address these

requirements and envisages a parking provision beyond the amounts outlined in the Leichhardt DCP 2013.

The proposed design is for 235 apartments with the following car parking requirements and proposed provision:

Unit Type	No. of units	Max. parking rates (Precinct Transport Report)	Proposed car parking
Studio	36	0	0
1 bed	60	0.3 (18)	Not shown
2 bed	103	0.7 (72.1)	Not shown
3 bed	36	1 (36)	Not shown
Commercial	3000m ²	1/150m ² (20)	20
Total	235	146	270-310

The PP indicates that the PRCUTS (146 spaces required), LDCP 2013 (159-261 spaces required) and the RMS Guide to Traffic Generating Developments (320 spaces required) all outline different car parking requirements. It is proposed to provide 270-310 spaces in a basement on the site.

The PP has not indicated that unbundled or decoupled parking has been considered to further reduce car parking provision, particularly in relation to the split between residential and non residential uses on the site. Whilst the proponent's intention to provide reduced parking rates is supported in principle, the proposal fails to demonstrate how this can be achieved at the Planning Proposal stage.

Precinct Wide Traffic Study

The Report outlines future character and strategic transport network requirements for Taverners Hill (Sections 9.3 and 9.4) and requires the following:

Prior to any rezoning commencing, a Precinct wide traffic study and supporting modelling will be required to be completed which considers the proposed land uses and densities, as well as future WestConnex conditions, and identifies the necessary road improvements and upgrades that will be required to be delivered as part of any proposed renewal in the Taverners Hill Precinct.

Future rezoning proposals should also model the impacts of future development on the Flood Street/Parramatta Road intersection in this context, in addition to any other intersections likely to be impacted.

The Report also required that Prioritised Walking Links are provided for Lords Road between light rail line and Flood Street. The car parking provision for the site is also provided.

While the PP addresses the prioritised walking link in a general sense, there are no details, firm commitments or consideration of the relevant requirements of authorities with jurisdiction over the public domain in this area. In addition, there is no Precinct Wide Traffic Study available which addresses the requirements of this Report which is required prior to any rezoning in the Precinct.

This Planning Proposal comes in advance of this work being completed and therefore, should not be supported

PRCUTS Fine Grain Study

The Proposal has been assessed in detail against the requirements of the Fine Grain Study in Attachments 1 and 2.

The Planning Proposal does not adequately meet the PRCUTS Fine Grain planning and design guidelines, and therefore, should not be supported. The PP is contrary to the Key Guidelines 5 and 6 for Taverners Hill since the ground level setbacks do not respond to the established street alignments of surrounding streets and the setback of upper levels does not reduce the visual impact of the built form to the streetscape.

PRCUTS Sustainability Implementation Plan

The Sustainability Implementation Plan details the sustainability strategies and key development controls for the PRCUTS corridor and precincts. The Plan does this through built form sustainability strategies across building efficiency, renewable energy, strategic parking, public domain and sustainable infrastructure.

The Sustainability Planning Report provided with the PP is a generic and theoretical description of the potential sustainability measures which could be provided in the future redevelopment of the site. There are very limited references to the site or the proposal.

In effect, the Planning Proposal relies on a future Development Application to demonstrate consistency with PRCUTS Sustainability and Resilience Principles. This is inconsistent with achieving the recommendations of the Strategy which requires a PP to sufficiently demonstrate that it would achieve or exceed the sustainability targets as identified in PRCUTS.

There is no referencing or consideration of the sustainability requirements under the Sustainability Implementation Plan, one of several PRCUTS reference reports. The Proponent's Sustainability Planning Report does not address the Precinct specific sustainability targets nor does it address the car parking requirements of unbundled, decoupled and minimised car parking for the site. The PP is inconsistent with this Plan.

Economic Analysis Report

This report does not specifically address the subject site but it does form the basis of the land uses and development controls recommended in PRCUTS. Importantly, the Report stated that any rezoning should be mindful of the *displacement of existing businesses, particularly those who play a local service role and require a central location from which to service their key markets*. The Report indicated that many inner and middle ring suburban locations were experiencing an incremental rezoning of light industrial lands to facilitate mixed use residential, thereby reducing the pool of potential alternate locations for local service businesses that are displaced. This is particularly relevant to this PP.

The Report also highlighted the demand for industrial floor space across the PRC whilst modest in comparison to other land use categories, is nevertheless still important to support businesses that play a local service role. These businesses could include food manufacturers and suppliers, smash repairers, alarm and security systems installers and technicians, construction businesses, etc. and in most cases require accessible locations proximate to their key markets and suppliers. Such premises could be provided on the site, which is essentially the existing use of the site under its current zoning.

The Report recommended that 'destination commercial' premises (where visibility and exposure is not as critical) were suitable in the Taverners Hill Precinct given the poorly connected layout and disparate configuration of the precinct. Uses which require high exposure and visibility are unlikely to be attracted to this area. The Report explained that there are pockets of industrial properties within the precinct and although most are occupied, rents are modest, particularly those surrounded by residential uses.

The report outlined that large gains in employment were primarily observed in health care & social assistance, accommodation & food services, construction, education & training and retail trade. This employment growth profile of the Corridor was considered a clear reflection of the

	<p>response of industry to population growth. The report also noted that the health care & social assistance industry is highly represented in Taverners Hill (18.8%).</p> <p>Generally, the report emphasises making Taverners Hill as a services precinct given its proximate location to other retail services and the movement of more heavy industry to Western Sydney. The Report also indicates that Taverners Hill would also be a logical location for a range of car showrooms, large format bulky and broad commercial office tenancies.</p> <p>The PP is generally contrary to this Plan which emphasises that industrial land is still required and that the Taverners Hill Precinct can continue to accommodate destination commercial or in this case light industrial, uses.</p> <p>The PP is considered to be generally inconsistent with the regional and district plans.</p>
ii.	<p>Consistent with a relevant local council strategy that has been endorsed by the Department.</p>
	<p>At this stage, there are no relevant local strategies that have been endorsed by the Department that are applicable to the site.</p> <p>Inner West Council is currently preparing a wide range of broader strategic planning work including but not limited to:</p> <ul style="list-style-type: none"> • Local Housing Strategy • Local Strategic Planning Statement • Employment Lands Review • Local Infrastructure Contributions Plan • Integrated Transport Plan • Comprehensive IWC LEP and DCP • Affordable Housing Contribution Scheme • Camperdown Ultimo Collaboration area framework • PRCUTS precinct wide traffic modelling <p>This work is currently underway and will potentially be endorsed by the Department over the next 1 - 3 years. This work will be the key to making informed decisions in relation to the future development and rezoning of this site and other sites in the precinct.</p> <p>Given the significance and timing of this strategic planning work, it is recommended that this Planning Proposal be deferred until such time as Council adopts and publishes the IW LEP and DCP. This will allow Council to apply an integrated land use and infrastructure approach across the local government area to deliver coordinated outcomes for housing, jobs, transport infrastructure, social infrastructure, open spaces and urban services land.</p> <p>Support of this Proposal in its current form and timing would compromise the holistic and inclusive basis of this wider strategic planning exercise and weaken Council's decision making process.</p> <p>It is recommended that the Planning Proposal should not be supported.</p>
iii.	<p>Responding to a certain change in circumstances, such as investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.</p>
	<p>PRCUTS identifies changing demographic trends for the Corridor and provides possible future land use and built form controls to respond to these trends. The PP comes in advance of any infrastructure improvements including public transport improvements in the Parramatta Road corridor.</p> <p>The Proposal is inconsistent with the projected demographic trends in the PRCUTS for the Taverners Hill Precinct. The Strategy forecasts that there would be 1,350 new dwellings and 4,110 jobs in the precinct by 2050. However, the largest increase in residential floor space is not</p>

proposed until the longer term in 2050 when it is expected to increase to 170,000m². The short term (to 2013) increase of 47,000m² in residential floor space does not include the subject site. The employment floor space is proposed to increase by the same amount, 35,000m², in both the short and long term periods as shown in Figure 15 below:

Proposed Indicative Land Use Mix (additional)

	RESIDENTIAL GFA (M ²)		EMPLOYMENT GFA (M ²)	
	SHORT TERM (2023)	LONG TERM (2050)	SHORT TERM (2023)	LONG TERM (2050)
Precinct	47,000	170,000	35,000	35,000
Frame Area	0	0	0	315,000

Figure 15 - Extract from PRC Planning and Design Guidelines (p. 202)

Review of the PRCUTS Growth Projections for the Precinct of 451 new dwellings by 2023 and 1350 by 2050 (see Section 5 of this report Part 3 Justification Q2 assessment Table 2) has demonstrated that this site does not need to be rezoned to meet these targets.

The demographic implications of the PP are further assessed in the consideration of the social impacts of the PP.

Q3(b) Does the proposal have site-specific merit with regard to the following:

i. the natural environment (including known significant environmental values, resources or hazards)

The Proposal is considered to be unsatisfactory in this regard. The site is affected by a flood hazard along the western boundary. The Flood Report notes that the site is impacted by flood storage along the western boundary in the 100 year ARI storm event. It is noted that this area also serves as a floodway through to Marion Street in the PMF event as water levels exceed the existing embankment levels of Lambert Park and overtop the embankment before continuing to flow downstream.

Any proposed building footprint must be supported by additional flood modelling demonstrating no adverse impact to flood levels within Lords Road, against the railway embankment, and through Lambert Park during both the 100 year ARI and PMF events. Note that the proposal to provide compensatory flood storage (within tanks or otherwise) within the building footprint to offset any loss of natural flood storage area within the site is not supported. This will likely require amendment to the proposed building footprint within the southwest corner of the site where the flood depth is greatest.

All floor levels (residential and commercial) must be raised above the Flood Planning Level. All access to the basement (vehicle and pedestrian) should be provided clear of the clear of the flood affected area, or raised sufficiently above the PMF level. In this regard, the proposed DCP locates the basement access towards the east of the site, which is supported.

The Flood Report recommends providing for vertical flood evacuation to higher levels within the building. Reliance on evacuation on site as the sole measure of evacuation protection as outlined in the PP is not considered appropriate. Such an evacuation route should be provided to the eastern side of Lords Road.

As it is currently proposed, the PP is unacceptable in relation to flooding.

ii. the existing uses, approved uses, and likely future uses of land in the vicinity of the proposal

The Proposal comes in advance of broader strategic planning work underway at local and state level including Local Housing Strategy and Employment Lands Review. These studies are significantly important to the making of an informed decision in relation to the future uses of the site and its rezoning. Until this work is complete, the Proposal cannot demonstrate it has adequate site-specific merit to support its rezoning.

It is also considered that the loss of 9,979m² of industrial floor space and the existing 160 jobs generated on the site under existing conditions is too great, given only token commercial uses which may generate around 96 to 128 jobs is proposed.

iii.	<p>The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.</p>
	<p>The Planning Proposal would result in increased population density which will place pressure on existing services and infrastructure. The Proposal is out of alignment with the proposed infrastructure delivery schedule for the Parramatta Road corridor.</p> <p>The Proposal does offer to make financial agreements for infrastructure provision at local and state level within the IIDP but the contributions and scope of works offered are too limited. Refer to the detailed comments under the Planning Proposal Report and Out of Sequence basement checklist in Attachment 2 (see Section 5 of this report Part 3 Justification Q2 assessment against PRCUTS Implementation Plan 2016 – 2023 Table 2).</p> <p>It is clear however that none of the proposed new, enhanced or expanded infrastructure required by the PRCUTS Infrastructure Schedule has been provided nor would it be by this proposed development.</p> <p>Council is also preparing a new infrastructure Contributions Plan, which intends to build financial capacity for provision of additional infrastructure in the Corridor area to support the future population in the Inner West. Local infrastructure cannot be adequately levied for this type of spot rezoning along the PRCUTS corridor until IWC completes this new Developer Contribution Plan.</p> <p>In its absence, Council cannot make a fully informed decision regarding the funding required to resource the future growth and provide additional infrastructure. Consequently the Proposal should not be supported until this work is completed by Council.</p>
	<p>Strategic and Site-Specific Merit Test Conclusion:</p> <p>Following a thorough consideration of the matters under the Strategic Merit and Site-Specific Merit tests, it is concluded that the Planning Proposal fails to meet both of these test. In relation to the Strategic Merit test, the PP is inconsistent with the GSRP, ECDP and PRCUTS, numerous local Council Strategies and does not respond to changes infrastructure or demographic trends as outlined in this report. The PP also does not exhibit site-specific merit given the proposal has not satisfactorily demonstrated that it has mitigated the flooding hazard on the site, the loss of industrial land is too significant to be supported and it has not been demonstrated that there will be adequate infrastructure for the proposal as discussed in this report.</p>
Q4	<p>Is the planning proposal consistent with a council's strategy or other local strategic plan?</p>
	<p>In general, this question has been poorly addressed by the PP. The PP addresses only Council's Community Strategic Plan - <i>Our Inner West 2036</i> - and the Leichhardt Employment and Economic Plan (EEDP). This assessment concludes that the site is a run-down, fragmented industrial site which is now unviable and needs to be redeveloped. It addresses the criteria of the EDDP, essentially concluding that the rezoning is the best outcome for the site.</p> <p>This consideration lacks an assessment of the other Council Strategies and Strategic Plans including the following:</p> <ul style="list-style-type: none"> • Leichhardt Integrated Transport Plan • Inner West Council Affordable Housing Policy 2016 • Leichhardt Industrial Lands Study (2014) (this is considered in this report under the GSRP and ECDP). <p>The Planning Proposal is inconsistent with the following local council strategies and plans:</p> <p><i>Inner West Council Community Strategic Plan – Our Inner West 2036</i> (See Attachment 1 for detailed assessment)</p> <ul style="list-style-type: none"> • <i>Strategic Direction 1: An ecologically sustainable inner west</i> <ul style="list-style-type: none"> ○ 1.1 The people and infrastructure of Inner West contribute positively to the environment and tackling climate change. ○ 1.2 Inner West has a diverse and increasing urban forest that supports connected

habitats for flora and fauna.

- *Strategic Direction 2: Unique, liveable, networked neighbourhoods*
 - 2.1 Development is designed for sustainability and makes life better.
 - 2.2 The unique character and heritage of neighbourhoods is retained and enhanced.
 - 2.3 Public spaces are high-quality, welcoming and enjoyable places, seamlessly connected with their surroundings.
 - 2.4 Everyone has a roof over their head and a suitable place to call home.
 - 2.5 Public transport is reliable, accessible, connected and enjoyable
 - 2.6 People are walking, cycling and moving around Inner West with ease.
- *Strategic Direction 3: Creative communities and a strong economy*
 - 3.1 Creativity and culture are valued and celebrated.
 - 3.2 Inner West is the home of creative industries and services.
 - 3.3 The local economy is thriving.
 - 3.4 Employment is diverse and accessible.
- *Strategic Direction 5: Progressive local leadership*
 - 5.3 Government makes responsible decisions to manage finite resources in the best interest of current and future communities.

Leichhardt Integrated Transport Plan

The Planning Proposal comes in advance of the completion of traffic and transport studies underway to determine the cumulative traffic impacts that will arise from implementation of PRCUTS and other infrastructure and development projects.

There are concerns regarding the area-wide implications of the cumulative effect of PRCUTS developments. Support of this Planning Proposal ahead of the current IWC Parramatta Road Corridor traffic modelling would set an adverse precedent in the area and would be inconsistent with the requirements of Out of Sequence Checklist. Detailed comments are provided in Attachment 2.

Although the Proposal may not result in significant detrimental impacts on adjacent intersections, there are concerns regarding the potential cumulative effects of PRCUTS. Support of this Planning Proposal ahead of precinct wide traffic modelling would set an adverse precedent in the area and would be inconsistent with the requirements of Out of Sequence Checklist in the PRCUTS.

Leichhardt Economic and Employment Development Plan (EEDP) (2013)

(See Attachment 1 for detailed assessment)

Outcome 2 – Meet People’s Needs

The Report states that Council believes that this objective is important because greater convenience, choice and diversity can benefit the wellbeing of the local community and the vitality of the local economy. The loss of industrial land as contemplated in this PP will result in the reduction of land available for population serving industries currently located on this site and similarly zoned industrial land.

Outcome 3 - Embrace the New Economy

Although the Planning Proposal suggests it will provide 3,000m² of non-residential floor space to offset the loss of the industrial site, on balance this loss would undermine the EEDP objectives to:

- *Support small businesses and start-ups (Strategy 3.1)*
- *Support the growth of creative industries (Strategy 3.3).*

Outcome 4 - Protect and Leverage Economic Assets

There are currently a number of contradictory policies at State and local level regarding the protection of industrial land. These include the Leichhardt EEDP. The Leichhardt EEDP complements the Leichhardt's Industrial Lands Study 2014 by setting out a more detailed analytical methodology for the review of proposed rezoning of Employment Lands.

The Proponent acknowledges that there are currently a number of contradictory legislative measures and policies at State and local level regarding the approach to retain/ transition the industrial land, including Leichhardt EEDP. The proponent gives precedence to PRCUTS and the associated s9.1 Ministerial direction to make the case for rezoning from industrial to residential. The PP proposes 2,500sqm of non-residential floor space that could create 97-128 jobs in community uses, light industrial and urban services, creative industries, health facilities, education uses, gymnasium, restaurant/cafes and local service business. Essentially, the PP indicates that this will offset the loss of 160 jobs and almost 10,000m² of industrial land. The functionality of such land, however, is questionable and it is unlikely that any significant 'industrial activity' is likely to be carried out on the site given the inherent problems with noise, servicing and the like.

The PP's justification for the loss of industrial land by providing 2,500m² of non-residential floor space creating fewer jobs in the area is considered to be unsatisfactory. The industrial lands are required for economic and employment purposes and providing 2,500m² of non-residential floor space which is unlikely to be used for any industrial activity is not an adequate replacement.

Furthermore, the PRCUTS recommendation to rezone the site to residential is in itself somewhat at odds with the Taverners Hill Precinct's future role as a transit orientated development which encourages appropriately scaled residential uses and a mix of employment and non-residential uses precinct.

The EEDP 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). This standard criteria is considered in detail in Attachment 1 in the consideration of Planning Priority E12, Retaining and managing industrial and urban services land, under the Eastern City District Plan consideration of this Checklist.

It is agreed that the Planning Proposal has some merit for rezoning in the context of Section 9.1 Ministerial Direction 7.3 'Parramatta Road Corridor Urban Transformation Strategy' and policy direction for PRCUTS. However, Council has reservations regarding the loss of any industrial land in the Taverners Hill precinct as discussed in the previous sections of this Report. In addition, the proponent's justification based on provision of non-residential (commercial) space is inadequate as it does not fully address the foremost issue of loss of urban services land given the inherent incompatibility between such uses and residential development. In this respect, retention of industrial land is required for economic and employment purposes rather than the number of jobs.

Council's support for this Proposal would be a departure from a consistently held evidence-based position to resist rezoning industrial lands for residential or mixed use purposes in the former Leichhardt Council LGA. Any form of residential development within the precinct may set a undesirable precedent for further development resulting in the loss of employment generating land.

Council will be reviewing all its employment lands as part of the wider LEP integration work. The Planning Proposal is considered to be premature in this respect and should not be supported. The site and its future uses should be planned holistically in the context of the Taverners Hill Precinct's contribution to the revitalisation of Parramatta Road Corridor rather than in an ad hoc piecemeal manner.

This Planning Proposal is inconsistent with Council's intention to retain all industrial lands in

	<p>response to the projected shortfall of urban services and employment land (discussed in detail later in the report) and therefore, should not be supported. The PP is also inconsistent with Strategy 4.1 of this Plan which requires proposals to protect and enhance key employment lands.</p> <p><i>Inner West Council's Affordable Housing Policy 2016</i> (See Attachment 1 for detailed assessment)</p> <p>The PP is inconsistent with this Policy given:</p> <ul style="list-style-type: none"> • it provides only 8% of total GFA as affordable housing and not the required 15% for this size and type of development; • the composition of the proposed affordable apartments is not provided and may not provide a spread of affordable units across the studio, 1, 2 and 3 bedroom unit types; and • The title is not transferred to Council in perpetuity
Q5	<p>Is the planning proposal consistent with applicable State Environmental Planning Policies?</p>
	<p>A detailed analysis of the Planning Proposal against the SEPPs has been provided in Attachment 1. The Planning Proposal fails to demonstrate consistency with the following:</p> <p><i>SEPP 55 – Remediation of Contaminated Land</i></p> <p>The proponent has provided a Remedial Action Plan (RAP) prepared by Benviron Group dated October 2018 which followed an earlier preliminary investigation which noted that there were some areas of contamination including asbestos. The RAP concludes that the site can be made suitable for the proposed residential use subject to the remediation being carried out as outlined in the plan. This includes following the “excavate and dispose” strategy given excavation for the basement is proposed on the site.</p> <p>There were numerous concerns with this RAP including the following:</p> <ul style="list-style-type: none"> • This RAP refers to an earlier study which was prepared by Environmental Monitoring Services titled ‘<i>Detailed Site Investigation</i>’ dated March 2006 (the DSI). The RAP states that this DSI undertook a sampling program in which 21 boreholes were carried out on the site and that two (2) were found to contain levels of Benzo(a)pyrene concentrations above the NSW EPA levels while another two (2) boreholes recorded fragments or loose bundles of Chrysotile asbestos. The RAP states that this DSI concluded that “....a RAP would be required to ensure the removal of the contamination was managed in accordance with the requirements of the NSW EPA”. • It is noted that this DSI was not provided with this RAP or PP and that the map provided in the RAP did not contain a location map for the boreholes upon which the RAP is based and which was prepared for the DSI (notwithstanding that there is a key on this map referencing the boreholes which are not included). Therefore the location of the earlier documented contamination is not located for the purposes of this RAP. The RAP cannot be used as evidence demonstrating that the issue of potential land contamination on the site can be adequately remediated for the proposed use when there is no location plan of the earlier contamination. • The age of the data used from the DSI, being from 2006 and twelve years ago, is considered to be outdated and should not be used for assessment purposes. It is unknown whether thresholds have changed in that time or that any new uses have occurred on the subject site in the intervening time period which may have led to further contamination. Accordingly, it is considered that the issue of potential land contamination has not been adequately considered in this Planning Proposal. <p><i>SEPP 65 - Design Quality of Residential Apartment Development</i></p> <p>The Planning Proposal has not adequately considered any of the of the design qualities principles of SEPP 65 and is unlikely to be consistent with the following:</p>

- *Principle 1: Context and neighbourhood character*
- *Principle 2: Built form and scale*
- *Principle 3: Density*

A detailed analysis of the proposed design scheme is provided under Q8 further in this report.

The proponent has provided only a cursory assessment of the proposed design against the Apartment Design Guide (ADG) provisions. Overall, it is considered that while the PP attempts to address some of the design issues of the ADG, there is insufficient information and assessment of the ADG in this PP. This is particularly in relation to the public domain interface, communal and public open space, apartment size and layout, private open space & balconies, common circulation & spaces, storage and facades where there is insufficient information to assess these aspects of the Guide.

Furthermore, the PP does not consider the proposal against the design quality principles of SEPP 65 with only a few diagrams illustrating setbacks, solar access, cross ventilation, communal open space and deep soil zone (pages 23-25) and two references in the Urban Design Report referring to SEPP 65 and the ADG.

From the information provided, it is also considered that the PP is contrary to the following controls of the ADG:

- 3B Orientation and 4A Solar and daylight access – Insufficient analysis of potential building envelopes with respect to potential overshadowing of adjoining properties as well as within the development. Availability of solar access available to the units is inadequately demonstrated.
- 4S Mixed use - It is unlikely that the non-residential uses which have been proposed, including employment uses, will be compatible with the residential development on the site. These impacts are likely to arise from noise, servicing and parking. There is insufficient information on layout and configuration of the non-residential uses to adequately consider if the commercial areas are appropriately configured.

A review of the urban design aspects of the proposal identified various concerns with the proposal having regard to the ADG and other related design issues, including:

- Building height (2C)
- Floor space ratio (2D)
- Building separation (2F)
- Visual Privacy (3F)
- Facades (4M)
- Communal open space (3D)
- Solar and daylight access (4A)
- Landscape design (4O)
- Vehicle access (3H)

SEPP 70 - Affordable Housing (Revised Schemes)

IWC has recently been included in the SEPP 70 application area to secure affordable housing in accordance with the Policy. To apply IWC's Affordable Housing Policy under SEPP 70, Council will need to prepare an affordable housing contribution scheme to support each new Planning Proposal where contributions for affordable housing are required. This work has not yet been completed.

While the PP includes a commitment to affordable housing under the proposed VPA, such affordable housing is inconsistent with Council's Affordable Housing Policy. Support of this PP in the absence of Council's broader strategic planning work and with a commitment in the proposed VPA being inconsistent with Council's Policy, may compromise Council's ability to exercise

	integrated planning for affordable housing.
Q6	<p>Is the planning proposal consistent with applicable Ministerial Directions (s. 117 Directions)?</p> <p>A detailed analysis of the Planning Proposal against the relevant Section 9.1 Directions has been provided in Attachment 1.</p> <p>It is important to note that Section 9.1 Directions comprise only one matter to be considered in the assessment of planning proposals, pursuant to Section 3.33(2) of the EP&A Act. In particular, Section 3.33(2)(c) states (emphasis added):</p> <p><i>(2) The planning proposal is to include the following:</i> <i>(a) a statement of the objectives or intended outcomes of the proposed instrument,</i> <i>(b) an explanation of the provisions that are to be included in the proposed instrument,</i> <i>(c) the justification for those objectives, outcomes and provisions and the process for their implementation (including whether the proposed instrument will give effect to the local strategic planning statement of the council of the area and will comply with relevant directions under section 9.1),</i> <i>(d) if maps are to be adopted by the proposed instrument, such as maps for proposed land use zones; heritage areas; flood prone land—a version of the maps containing sufficient detail to indicate the substantive effect of the proposed instrument,</i> <i>(e) details of the community consultation that is to be undertaken before consideration is given to the making of the proposed instrument.</i></p> <p>The justification forms a significant part of the PP, however, makes it clear that it must comply with relevant directions under section 9.1. What is not abundantly clear, is the hierarchy of these Directions given the two which have the most relevance to this PP are in total contradiction. Direction 1.1 requires that employment land in business and industrial zones is to be protected, while Direction 7.3 requires that the PP gives effect to the PRCUTS. In this case, the PRCUTS envisages a medium density residential zoning on the site, which in effect will not protect the employment land in an industrial zone.</p> <p>On balance, it is considered that Direction 1.1 takes precedence in this matter. It was issued the most recently and is consistent with the vast majority of Council and District studies which encourage the retention and protection of all industrial land. There are numerous studies which suggest that industrial land, particularly land which can be used for urban services and population serving light industrial uses in close proximity to the population are not only important but are diminishing. Coupled with the other inconsistencies that the proposal exhibits in relation to the PRCUTS, it is considered that the loss of industrial land is too great and the PP being out of sequence without a satisfactory IIDP results in the proposal being unsatisfactory.</p> <p>Furthermore, the development of the site for residential purposes is premature and unwarranted given that IWC is currently developing a comprehensive LEP and DCP, to be completed within the next two years.</p> <p>The Planning Proposal fails to demonstrate consistency with the following Section 9.1 Directions:</p> <p>1.1 Business and Industrial Zones</p> <p>This Section 9.1 Direction intends to retain the business and industrial zones but it contradicts Section 9.1 Direction 7.3 in relation to implementation of <i>Parramatta Road Corridor Urban Transformation Strategy</i> which recommends rezoning of the site from industrial to residential.</p> <p>Former Leichhardt Council's policies and draft strategies oppose loss of existing industrial land because of the high demand for such land and its critical function in supporting a growing population and economy. Recently completed employment lands peer reviews for industrial land rezoning proposals in IWC confirmed that there is now an even higher demand for, and a shortfall of, available industrial land in South Sydney and North Shore industrial markets (Inner West is in the South Sydney industrial submarket). This is reflected by current high rents and market prices of industrial land in the area.</p>

In the context of this shortfall of employment land at a sub-regional level, as acknowledged in the GSRP and ECDP, and the Section 9.1 Direction 1.1 in relation to protection of employment land in business and industrial zones; it is recommended that the Planning Proposal is not supported.

7.1 Implementation of A Plan for Growing Sydney

A Plan for Growing Sydney has been superseded by the *Greater Sydney Region Plan 2018*. As discussed previously, the Planning Proposal is inconsistent with the Region Plan and therefore with this Direction 7.1 (refer to the discussion outlined above).

7.3 Parramatta Road Corridor Urban Transformation Strategy

As discussed previously under Q1, the proposal does not fully comply with PRCUTS in the following ways:

- It does not adequately address the Strategic Key Actions (of the Strategy) relating to Land uses and Open spaces, linkages and connections for Taverners Hill Precinct.
- It departs from the Staging identified in the PRCUTS Implementation Plan 2016 – 2023 for the Taverners Hill Precinct.
- It does not adequately meet the Out of Sequence Checklist merit test as:
 - It fails to demonstrate that it can **significantly** contribute towards the Strategy's corridor wide and Precinct specific vision;
 - It is inconsistent with elements of all seven land use and transport planning principles of the Strategy and does not **and cannot** fulfil all the relevant Strategic Actions for each Principle.
 - It fails to demonstrate any **significant** net community, economic and environmental benefits for the Corridor and the Taverners Hill Precinct area.
 - It is inconsistent with the land uses and building height recommendations in the text of the PRCUTS Planning and Design Guidelines plus others for density, open space, active transport and built form plans for Taverners Hill Precinct area.
 - It fails to demonstrate that it can achieve outcomes aligned with the desired future character and growth projections for the area identified in the Strategy.
 - It does not achieve satisfactory design excellence in relation to its proposed built form, density and sustainability outcomes.
 - It cannot make an appropriate contribution towards the provision of local and state infrastructure as it comes in advance of the Council's new local contributions plan and the State Government's State Infrastructure Contribution levy.
 - It does not demonstrate that it can achieve the sustainability targets of PRCUTS. In fact as an Out of Sequence Proposal, it should exceed the targets stipulated in the Strategy considering it's out of sequence nature.
 - It does not provide a thorough land use and development scenario to demonstrate economic feasibility with regard to the likely costs of infrastructure and the proposed funding arrangements for its delivery in the Taverners Hill Precinct area.
 - It does not demonstrate a land use and development scenario that aligns with and responds to the market conditions for the delivery of housing and employment.
- It is inconsistent with the built form envisaged in the Planning and Design Guidelines for both the Corridor as a whole and the Taverners Hill Precinct. Precinct Guidelines.
- It is inconsistent with the type of residential uses recommended in the PRCUTS which should be low density housing such as townhouses and terrace houses.

A detailed assessment of the Planning Proposal against the PRCUTS has been provided previously in this table under Question 3 and is assessed against the out of sequence checklist in Attachment 2.

The Proposal is inconsistent with the following objectives of this direction:

- a) *facilitate development within the Parramatta Road Corridor that is consistent with the Parramatta Road Corridor Urban Transformation Strategy (November, 2016) and the Parramatta Road Corridor Implementation Tool Kit,*

	<p><i>b) provide a diversity of jobs and housing to meet the needs of a broad cross - section of the community, and</i></p> <p><i>c) guide the incremental transformation of the Parramatta Road Corridor in line with the delivery of necessary infrastructure.</i></p> <p>As outlined in the discussion in relation to Question 3, the PP does not adequately meet the following requirements of Clause 4:</p> <p><i>a) give effect to the objectives of this Direction,</i></p> <p><i>b) be consistent with the Strategic Actions within the Parramatta Road Corridor Urban Transformation Strategy (November, 2016),</i></p> <p><i>c) be consistent with the Parramatta Road Corridor Planning and Design Guidelines (November, 2016) and particularly the requirements set out in Section 3 Corridor-wide Guidelines and the relevant Precinct Guidelines,</i></p> <p><i>d) be consistent with the staging and other identified thresholds for land use change identified in the Parramatta Road Corridor Implementation Plan 2016 – 2023 (November, 2016),</i></p> <p><i>e) contain a requirement that development is not permitted until land is adequately serviced (or arrangements satisfactory to the relevant planning authority, or other appropriate authority, have been made to service it) consistent with the Parramatta Road Corridor Implementation Plan 2016 – 2023 (November, 2016)</i></p> <p><i>f) be consistent with the relevant District Plan.</i></p> <p>The Proposal also fails to meet the merit tests of the Out of Sequence Checklist in the Parramatta Road Corridor Implementation Plan 2016 – 2023 to support its rezoning ahead of the staging plan as discussed in detail in Attachment 2. There are also concerns regarding the proposed design and layout of the proposal which is inconsistent with the recommendations of the PRCUTS Planning and Design Guidelines and would potentially result in an adverse precedent for the surrounding area in terms of built form, setbacks and transitions.</p> <p>The proponent has prepared this Planning Proposal in response to the PRCUTS, but it fails to satisfactorily meet all the requirements of the Strategy. In particular, it is noted that PRCUTS requires a substantial contribution towards the Strategy's wider vision for proposals outside the 2016 – 2023 Implementation area yet the submitted IIDP is unsatisfactory.</p> <p>The most appropriate way to review the development controls for the site is considered to be at the IWC comprehensive LEP/ DCP stage. Work on this has commenced. This will also align with the staging sequence recommended in the PRCUTS Implementation Plan.</p> <p>The Planning Proposal is inconsistent with this direction and therefore should not be supported.</p>
Q7	<p>Is there any likelihood that critical habitat or threatened species, populations or ecological communities or their habitats will be adversely affected as a result of the proposal?</p> <p>There are no critical known habitat, threatened species, populations or ecological communities or their habitats on the subject site.</p> <p>There are several trees and other vegetation along the eastern and southern boundaries of the site adjoining the Davies Lane and Lords Road which contribute to the leafy streetscape character of the area.</p> <p>The GreenWay is located in close proximity to the western boundary which includes large areas of vegetation, which contribute to the green corridor.</p> <p>The proponent's concept design provides a 6 metre setback on the ground level to the GreenWay boundary. Greater setbacks are required to provide the green corridor along the GreenWay and enhance the environmental value of this area. There are also some trees proposed to be removed at the Lords Road and Davies Lane corner of the site which should be retained. These issues are considered below.</p>

	<p>Should the Planning Proposal proceed, the proposed design would have to be revised to provide adequate basement and ground level setbacks which would contribute to the green corridor along the GreenWay and enhance the environmental value of the area.</p>
Q8	<p>Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?</p> <p>A detailed analysis of the Proposal's environmental effects is provided below:</p> <p>Urban Design and Built form</p> <p>The PP envisages a large-scale residential development on the site which is of a significantly larger bulk and scale to the surrounding residential development. Several urban design concerns have been identified with regard to building bulk, height, setbacks and access, and there are a number of areas where the information supplied is insufficient. Whilst the proposal seeks to implement the recommendations of PRCUTS in terms of building height and density, the proposal fails to adequately demonstrate that the proposed development controls can be supported due to non-compliances with SEPP65, ADG and PRCUTS Planning and Design Guidelines.</p> <p>In terms of adequacy of the documentation, the PP does not consider the proposal against the design quality principles of SEPP 65. Only a few diagrams are provided in the PP illustrating setbacks, solar access, cross ventilation, communal open space and deep soil zone (pages 23-25) and two references in the Urban Design Report (UDR) referring to SEPP 65 and the Apartment Design Guide (ADG). In this way, the PP is also inconsistent with Section 4.5: Building Typologies of the PRCUTS Planning and Design Guidelines (Part 4.5; page 59) which require that development complies with the ADG. There is insufficient information and assessment of the ADG in this PP, particularly in relation to the public domain interface, communal and public open space, apartment sizes and layout, private open space & balconies, common circulation & spaces, storage and facades.</p> <p>The main urban design issues with the PP include the following:</p> <ul style="list-style-type: none"> • Context - Contextually, whilst the current low-scale houses to the east and south of the site will over time likely increase in height and density, in the short-to-medium term it will be important for any development on the site to transition in height and overall built form to this current low-scaled adjoining areas. These adjoining areas are also outside the 2016-2023 release area and as such will remain a low-density residential area until at least that time. <p>This contextual relationship between the proposal and the existing area is illustrated in Figures 16 and 17 below.</p> <div data-bbox="253 1545 1418 1930"> </div> <p><i>Figure 16: Proposed Building Envelope (UDR, Page 22) Figure 17: Existing residential development (Davies Road)</i></p> <p>It is also noted that whilst the surrounding area is proposed to be upzoned from existing low density to R3 Medium Density Residential in the medium to long term, PRCUTS envisages these medium density buildings to be town houses and terrace type dwellings.</p>

This is confirmed in the Land Use recommendations in the PRCUTS Planning and Design guidelines which have been reiterated below:

'Low density residential 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.' (pg. 214, PRCUTS Planning and Design Guidelines)

In this regard, whilst the Planning Proposal is consistent with the 'mapped' recommendations of PRCUTS zoning, height and density controls, it proposed eight storey redevelopment is extremely inconsistent with the envisaged/ desired future character of the area which would predominantly consist of town houses and terrace type dwellings.

The inconsistencies in the PRCUTS text and maps poses conundrum for Council to directly translate the controls and support spot-rezonings which are seeking to implement these recommendations. Council is yet to undertake a detailed analysis of PRCUTS and is likely to implement the recommendations through comprehensive LEP accelerated program. The site should be looked at holistically in terms of its relationship with the surrounding area and the desired built form. Support of this Planning Proposal without detailed consideration of the future desired context would result in adverse impacts on the streetscape and amenity of the neighbourhood.

In addition, Design quality principle 1 (Context and neighbourhood character) of SEPP 65 states that good design responds and contributes to its context. Context is the key natural and built features of an area, their relationship and the character they create when combined. Responding to this context involves identifying the desirable elements of an area's existing or future character. Consideration of local context is important for all sites, including sites in established areas, those undergoing change or identified for change.

In this instance, while it is acknowledged that the area is to undergo a transition to a medium density residential area in the future, the proposal is out of sequence with the PRCUTS Action Plan for the Precinct and will not achieve this context certainly in the short term. The proposal also needs to consider that it is located on the border between two different areas of future FSR and height controls and accordingly needs to have greater regard for the transitions to the lower density areas to the south and east in particular. The lack of articulation and inadequate setbacks (discussed below) further exacerbate the adverse impacts of this proposal on the surrounding area. An adequate contextual relationship with the surrounding area has not been achieved by the PP.

The PP is also inconsistent with the Block Configuration and Site Planning controls of the PRCUTS Planning and Design Guidelines (Part 4.1; page 51) since it does not respond to the scale of surrounding buildings given the height exceeds the 30 metre maximum height and is not compatible with surrounding development, which would be approximately 17 metres or 4-6 storeys.

The PP does not protect or enhance the valued character of the corridor as the excessive height and scale of the buildings and the lack of articulation and setbacks would adversely impact the area. Buildings 2 and 4 are 55 metres long and Building 3 is 87 metres long without any proposed articulations. The proposed buildings along the Lords Road frontage have no street setback and comprise up to 7 storeys. The PP does not arrange building forms to reinforce the future desired structure and character of the area as the height and scale of the development is unacceptable.

The PP is unacceptable in terms of defining the street edge with low rise buildings to create a pedestrian scale at the street. The street frontage height of 3 and 5 storeys on a nil front setback in a future residential zone is unacceptable. While the upper levels are setback and larger buildings are towards the rear and adjoining light rail corridor, the distribution of bulk across the site is unacceptable in the context of the low-density

residential area.

The Planning Proposal fails to provide alternate development scenarios for testing the proposed built form controls and does not provide an adequate contextual response and therefore, cannot be supported in its current form.

- **Built form and scale** – The proposal involves five (5) separate buildings with the number of storeys varying from 2 storeys (Building 3) through to 9 storeys (Building 2), with the remainder varying in height from 2/3/5/6 and 7 storeys (Buildings 1, 4 and 5). The proposed built form is illustrated in Figure 18.

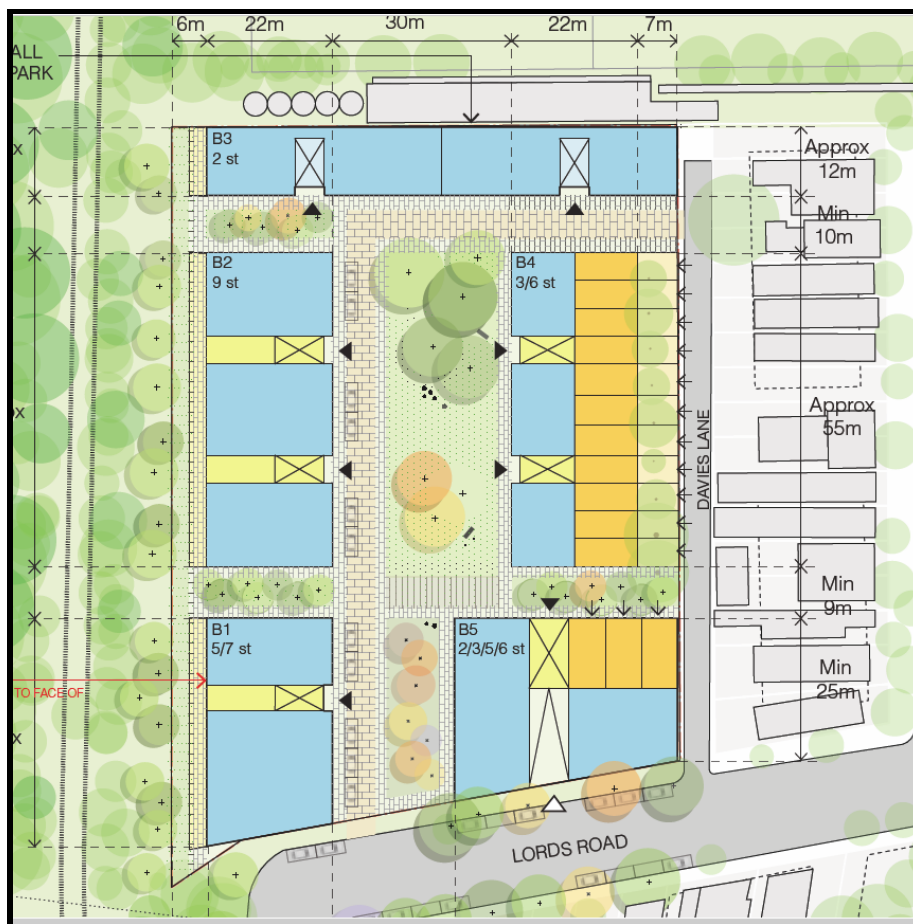


Figure 18: Proposed Master Plan for the site (Source: UDR, page 19)

Design quality principle 2 (built form and scale) of SEPP 65 states that good design achieves a scale, bulk and height appropriate to the existing or desired future character of the street and surrounding buildings. Good design also achieves an appropriate built form for a site and the building's purpose in terms of building alignments, proportions, building type, articulation and the manipulation of building elements. Appropriate built form defines the public domain, contributes to the character of streetscapes and parks, including their views and vistas, and provides internal amenity and outlook.

Having considered this design principle in relation to the design of the proposal, there are a number of concerns with the setbacks, height and articulation. These concerns include the following:-

- Setback and separation* – There are several proposed setbacks and building separation distances which are inadequate in the proposal, including :-
 - The general level of amenity for the ground floor apartments of Building 5 is likely to be relatively low given they face directly on to the adjoining Building 4 and are unlikely to receive adequate solar access. There are also visual privacy and amenity concerns due to insufficient separation distance between the habitable

rooms of buildings which is also inconsistent with the minimum requirements of the ADG as shown in the diagram below.

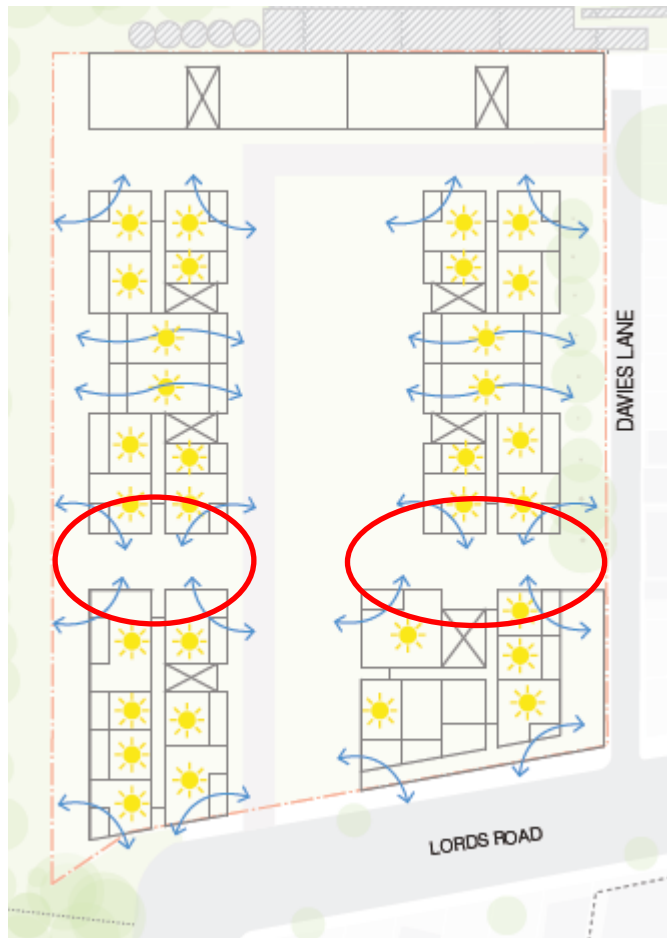


Figure 19: Proposed solar access and cross ventilation (Extract from page 24 of UDR)

- Breaks between Buildings 1 and 2 and Buildings 4 and 5 should be shown as indicated on Page 32 of UDR (Figure 19), and not as shown in Figure 20. This would result in inadequate building separation and likely visual and acoustic privacy concerns. The controls of Part 3F visual provisions of the ADG are also of relevance in this instance.
- Further setbacks are required for proposed Building 5 at the corner of Lord Road and Davies Lane to mitigate the scale at this corner through setting the building back between 3 metres and 7 metres from the Davies Lane boundary. This will also provide sufficient width for a footpath and landscaping along this laneway. A setback along Lords Road of 6 metres is required to protect the existing mature trees along this frontage.
- The building form and scale should be redesigned to avoid hard edge environmental outcomes and to ensure that the built form is not overwhelming for the residential dwellings to the east and south and for the users of the GreenWay public domain corridor.
- The proposal is also considered to be inconsistent with the setbacks and street frontage height controls of the PRCUTS Planning and Design Guidelines (page Part 4.1; page 51). In this regard, the PP is inconsistent with the building setbacks and street frontage heights of Table 4.1 given the Lords Road frontage street wall height is 5 storeys on a nil front setback (when 3-6m is required), which is unsatisfactory and inconsistent with the guidelines. The frontage on the corner of Davies Lane and Lords Road as discussed above has a 3 to 6 storey street wall height on a nil front setback also contrary to the Guidelines. There is limited pedestrian amenity due to a lack of adequate street setbacks and excessive

street wall height for a low to medium density area.

- The PP is inconsistent with the Transition Zones and Sensitive Interfaces controls of the PRCUTS Planning and Design Guidelines (Part 4.4; page 57). These controls state that changes in height and scale will require transitions at the corridors edges, to heritage buildings and conservation areas and to adjoining existing low scale neighbourhoods. New development will be required to respond to the overall scale and form of existing elements or Precincts to preserve visual scale and to avoid overshadowing or loss of amenity. The PP is considered to be inconsistent with these controls as outlined below:
 - Lords Road – requires compliance with Figure 4.13 (Local Street – heritage and all other conditions) – street frontage height of 14m and front setback of 3-6m is required. The PP is inconsistent with these controls given street frontage height is approximately 18m and with a nil front setback.
 - Davies Lane – requires compliance with Figure 4.8 (transition to low rise across a lane) – street frontage height of 9m (3 storeys) and front setback of 3m. The PP inconsistent with these controls given street frontage height is 4 storeys.
 - Greater transitions and setbacks to the street are required as outlined above. Furthermore, the PP is not complementary in scale to surrounding lower density development currently existing as well as future surrounding development which is to be around 4-6 storeys.

Having considered these issues, it is evident that the proposal is inconsistent with the design quality Principle 2 (built form and scale) of SEPP 65

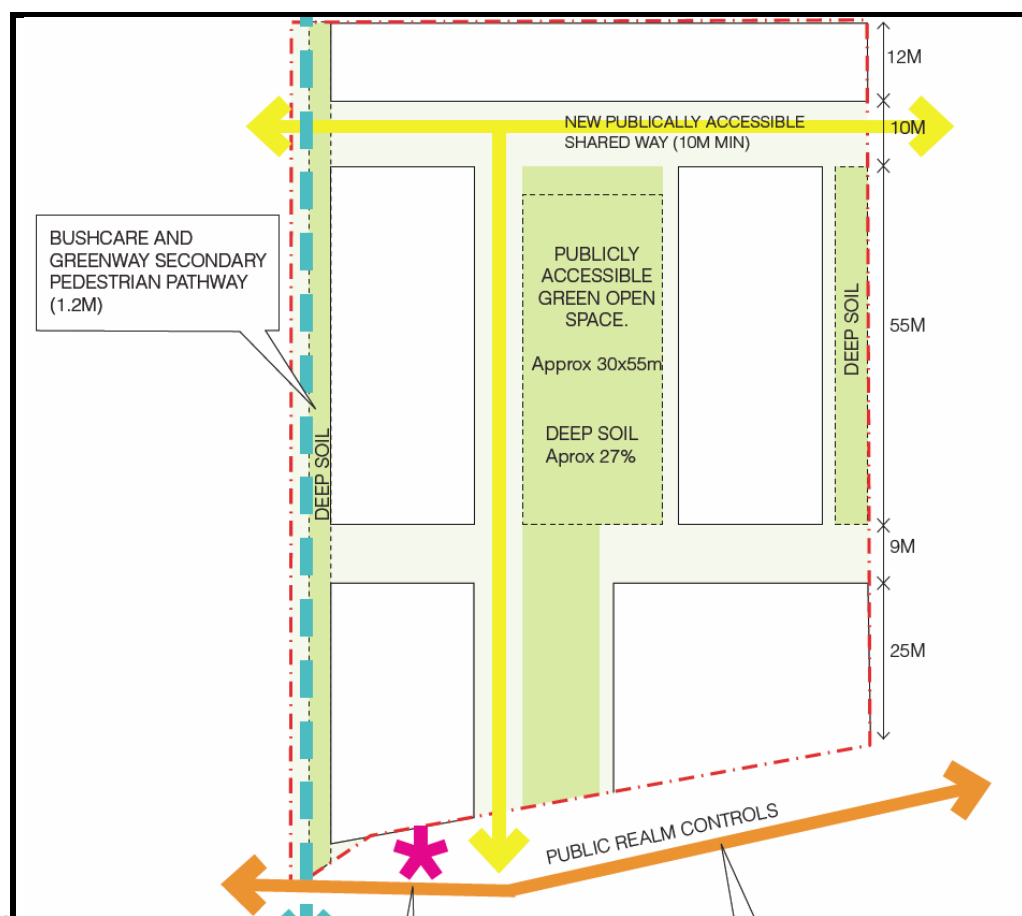


Figure 20: Proposed Public Domain Diagram (Source: UDR, page 32)

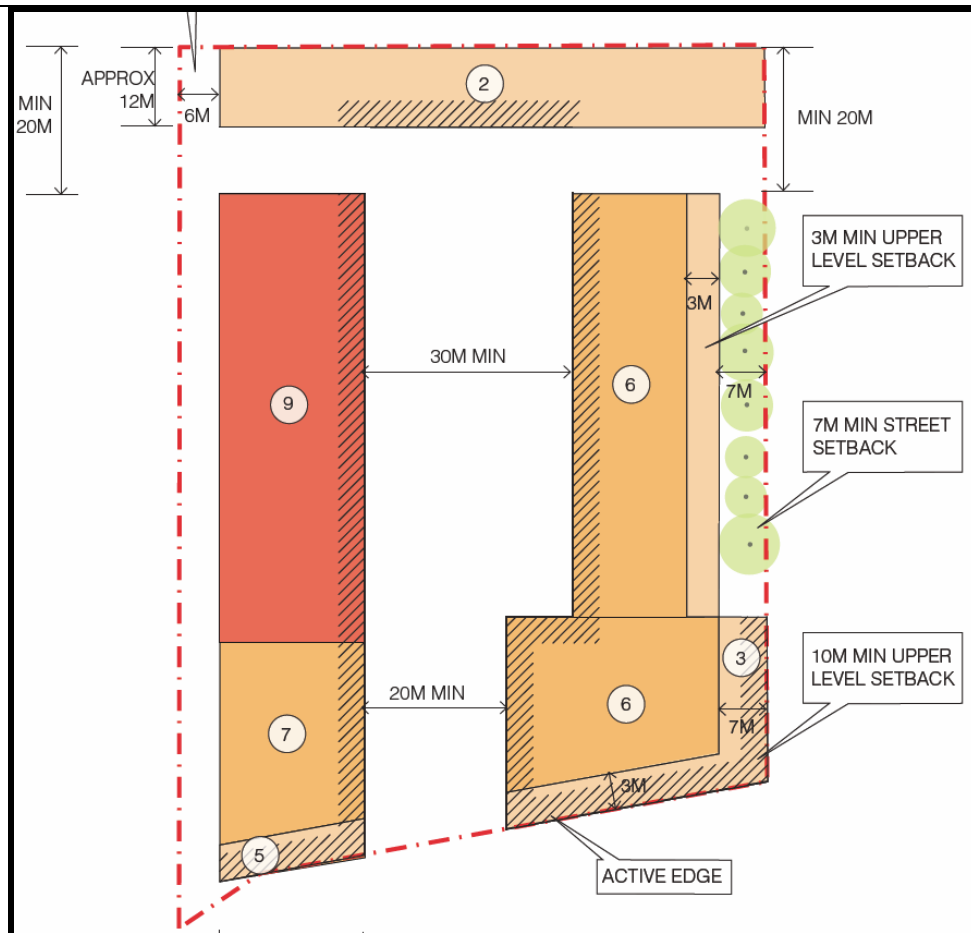


Figure 191: Proposed setbacks and separation distance (Source: UDR, page 31)

- **Setback to western side boundary and GreenWay:** The proposed development provides a 6 metre setback to the western side boundary. It is noted that the proposed design does not contribute towards the enhancement of the adjoining GreenWay corridor as it only provides a minimal setback from the site boundary. The proposed building setback is also insufficient to mitigate flooding impacts as outlined elsewhere in this report while a larger landscaped edge would enhance the environmental value of the nearby GreenWay.

The site's interface with the western side boundary is highly significant as it could potentially form a new pedestrian connection to Marion light rail stop to the north. The Proposal has the potential to contribute towards the enhancement of this corridor by providing adequate setbacks and building transition, however, fails to do so adequately. The upper levels of the proposed building in this portion of the site should also be appropriately setback to create a better transition towards this western boundary to reduce any potential visual impacts.

- ii. **Height** –The current proposal involves an overall height of 9 storeys exceeding the PRCUTS maximum height limit (refer to Figures 22 & 23). Furthermore, the PP should follow the standard LEP template definition of building height which is a maximum height for all building elements from natural ground level. The flooding hazard on the site will need to be accounted for within the maximum height limit.

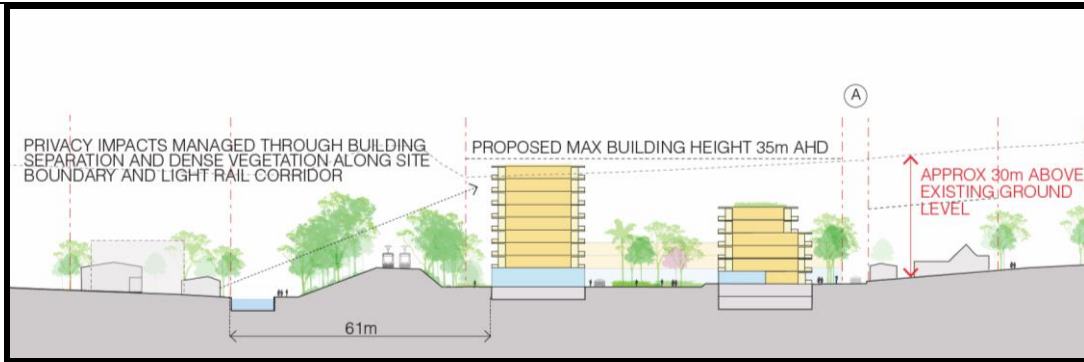


Figure 202: Height of the Proposal exceeding the PRCUTS recommended height (Source: UDR, page 28)

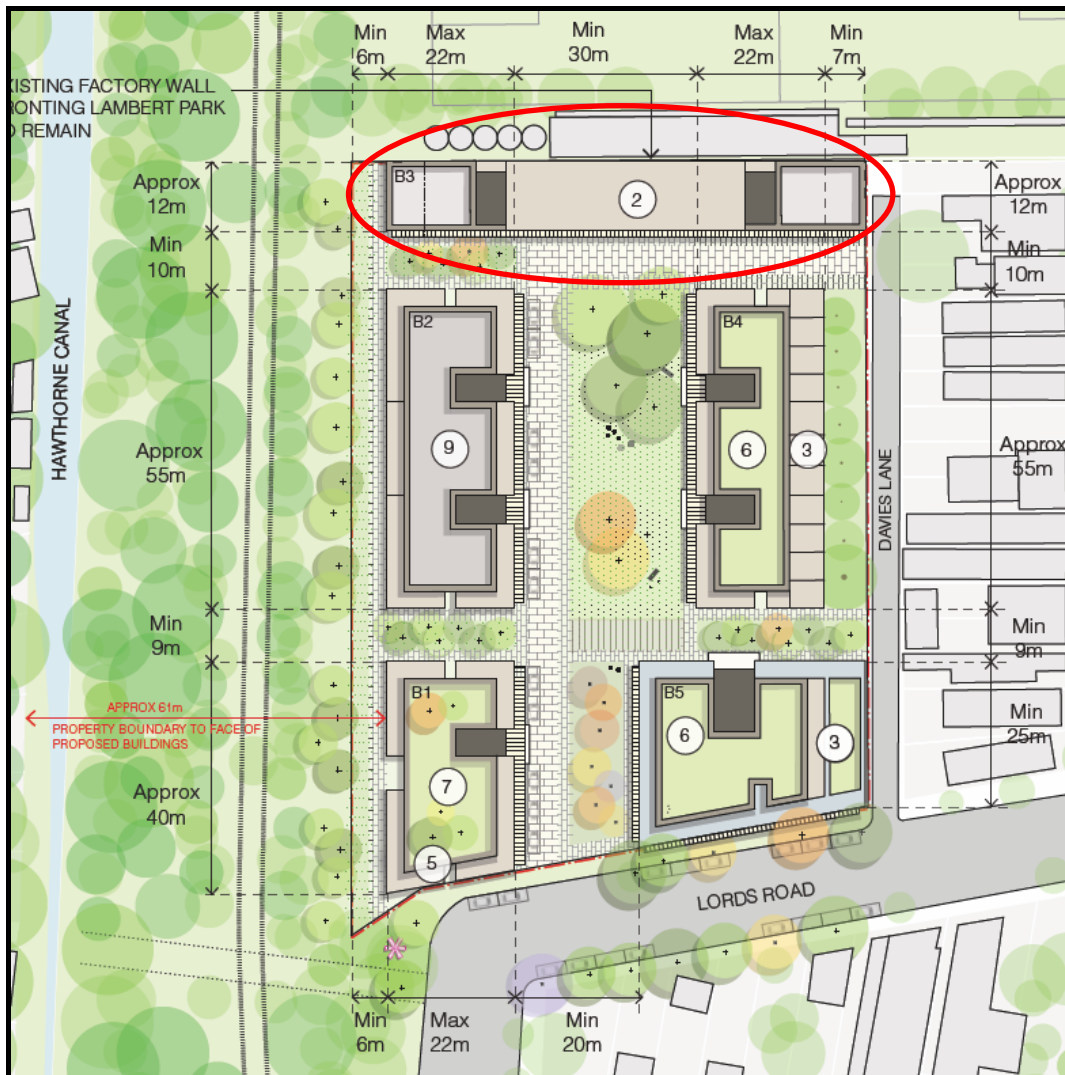


Figure 213: Proposed building heights and setbacks (Source: UDR, page 20)

- iii. **Articulation** – There are concerns with the lack of articulation of some of the building forms including the following:
- It is considered that the scale of the southern elevation of Building 3 (adjoining Lambert Park) is unacceptable and requires further recessing or other articulation measures. This building is 87 metres long with no changes in alignment or modulations. This is also inconsistent with the Building Articulation Principles of PRCUTS which recommend that the maximum building length should not exceed 60m and that the maximum wall length without articulation should be 45m;
 - Building 2 (adjoining the western boundary), the tallest building on the site, is

also unacceptable in its current form given the 55m long wall of nine (9) storeys faces towards the GreenWay resulting in brutal hard-edge to this green corridor. Further articulation along its long western façade is required and a reduction in the height of this building. It is unclear in the documents the extent of building articulation that is proposed. A well-articulated built form including an upper-level setback should be considered to reduce the scale of this building which will help soften its appearance and impact on the Greenway corridor. This building will also be visible from the Haberfield Conservation area in the Ashfield LEP 2013 on the western side of Hawthorne Canal.

In its current form, the proposed development would result in a bulky building block facing the GreenWay without adequate transitions or articulations. The proposed building elements which appear to have limited articulation result in a poor urban design outcome.

- The PP is also inconsistent with Building Massing, Scale and Building Articulation controls of the PRCUTS Planning and Design Guidelines (Part 4.2; page 52-55). The PP envisages a maximum height of up to 35 metres AHD and 9 storeys, which exceeds the maximum height of 30m or around 7 storeys recommended in the PRCUTS. The proposed design is considered to be incompatible with the surrounding context which under the PRCUTS would comprise of buildings in the range of 4 storeys or 17 metres.
- There are inconsistencies in PRCUTS in relation to the maximum height recommended for Lords Road. Whilst the map recommends a maximum height of 30m (U1 on pg. 217 Planning and Design Guidelines), the supporting text on page 216 height control of 32m or 8 storeys for the site. The Planning Proposal is anyhow inconsistent with the building height recommendations of PRCUTS as it would result in a 9 storey development of

In addition, while PRCUTS sets a maximum height of 30 metres, this is only a maximum height recommendation and still requires that any future built form responds to the scale of surrounding buildings and protects and enhance the character of the Corridor, particularly those elements that contribute to a sense of place and identity. The proposed buildings are not appropriately scaled to address and define the surrounding character of the area. Floor plates of the PP above 8 storeys are likely to exceed 750m² for Building 2 (9 storeys) inconsistent with the PRCUTS Building massing and scale requirements (pg. 52 PRCUTS PDG).

The PP is also inconsistent with a number of the building articulation principles for the indicative site layout for buildings east of Hawthorne Canal (Figures 4.5 & 4.7) of the Planning and Design Guidelines:

- Communal open space on 6-7 storey buildings instead of low-rise buildings;
- Upper level setback occurs at 3 storeys instead of 2 storeys;
- Poorly defined street edge to Lords Road given nil front setback;
- Setback above 3-4 Storey is not provided for Buildings 1 and 2;
- Length of Building 2 is 87m contrary to maximum building length of 60m;
- Building 2 and 4 both exceed the maximum wall length without articulation of 45m (except for stairs). This limited articulation increases the bulk and scale of the buildings;
- Insufficient information on materials and façade treatments.

Given these concerns outlined above, it is considered that the proposal does not achieve Design quality principle 2 (built form and scale) of SEPP 65.

- **Density** – While a maximum FSR of 2.4:1 is set out by the PRCUTS, the FSR needs to be responsive to the site and be designed such that the proposal achieves the other design requirements such as open space, building bulk and scale and overshadowing. There has been no testing of other built form options under various scenarios or any alternative design schemes presented (apart from the location of the open space) to arrive at the best outcome for the site in terms of density. It may be the case in this instance that this maximum FSR recommended by PRCUTS may not be achievable on this site, based on the urban design concerns outlined in this report.

Design quality Principle 3 of SEPP 65 relates to density which indicates that good design achieves a high level of amenity for residents and each apartment, resulting in a density appropriate to the site and its context. As outlined below, the potential solar access requirements and other amenity considerations such as private open space, apartment size and the like cannot be assessed in detail given the lack of information provided with the PP. The potential amenity of the individual units therefore cannot be ascertained.

Appropriate densities are those that are consistent with the area's existing or projected population and that can be sustained by existing or proposed infrastructure, public transport, access to jobs, community facilities and the environment. Given this proposal is out of sequence with the Action Plan and the supporting IIDP is considered inadequate by Council, it is considered that this proposal does not achieve this principle of SEPP 65.

Furthermore, the proposed density is 500m² over the recommended density of 2.4:1 for the site under PRCUTS. Accordingly, it is considered that the PP represents an inappropriate density for the site as proposed and is inconsistent with Principle 3 of SEPP 65.

The proponent has based his floor space area calculations based on the assumption that Gross Floor Area (GFA) would be 85% of the Gross Building Area (GBA). Such a GFA to GBA ratio will result in a tight building envelope with minimal articulations and modulations. Building envelopes should allow for a 'loose fit' and room for articulation and modulation as built form massing and articulation is fundamental to the character and identity of streetscapes and neighbourhoods. In this regard, PRCUTS requires that GFA is to be no more than 75% of the building envelope. The proposal is unsatisfactory in this regard and will result in poor built form outcomes due to its 'tight fit'. This is an additional reason that the proposed density on the site may not be achievable and therefore, cannot be supported.

- **Sustainability and Ecology** - The PP does not achieve the sustainability targets and requirements outlined in the PRCUTS. Such consistency with these sustainability targets would also assist the proposal to comply with Principle 4: Sustainability of SEPP 65. Good sustainable design includes use of natural cross ventilation and sunlight for the amenity and liveability of residents which is considered below in the amenity context. The proposal currently does not satisfy Principle 4 of SEPP 65. There is also no certainty in the proposed LEP amendment that the development will implement any of the sustainability and ecology measures discussed in the report.
- **Landscape** – Principle 5 of SEPP 65 requires landscape and buildings to operate as an integrated and sustainable system, resulting in attractive developments with good amenity. It is unclear from the PP whether there will be roof top gardens and the location of the planting strip along the western boundary which varies between the UDR and the Landscape Masterplan (both indicated against the building and offset from the building).

In relation to Part 40 of the ADG, it is recommended that the row of trees at the Lords Road and Davies Lane corner are retained by the proposal to provide screening of the new development. There are also numerous ecological concerns which are outlined in the PP Checklist in Attachment 1. The landscape regime requires further consideration having regard to the other concerns raised in this report in relation to the potential

connections to Marion light rail stop and the prioritised pedestrian linkage along the Lords road frontage of the site.

- **Amenity** – Principle 6: Amenity of SEPP 65 states that good design positively influences internal and external amenity for residents and neighbours and achieving good amenity contributes to positive living environments and resident well-being. Appropriate room dimensions and shapes, access to sunlight, natural ventilation, outlook, visual and acoustic privacy, storage, indoor and outdoor space, efficient layouts and service areas and ease of access for all age groups and degrees of mobility all result in good amenity.

The aspects of amenity which are important in this proposal include the following:-

- *Access to sunlight for the proposed apartments* – a solar access study has been provided with the PP which provides 3D diagrams of the likely overshadowing of the proposed apartments and central communal open space. This is illustrated in Figure 24.

The PP should demonstrate, as required by the ADG, that the percentage of the proposed units that cannot receive any sunlight between 9am and 3pm in mid-winter is less than 15%. This appears to have been complied with given the plan for page 24 of the UDR indicates that 80% of units receive at least 2 hours of sunlight. Of more use would be the shadow study being provided in a plan view format for further assessment. Furthermore, a shadow study should be provided in a plan view format for further assessment of the open space in the central portion of the site. The PP needs to demonstrate that the proposal is consistent with Part 4A of the ADG.

The proposed communal open space on the ground level of the development is unlikely to receive adequate solar access as it is completely overshadowed in mid-winter between 9am and 10am and again with the majority in shadow from around 1.30pm in the afternoon as shown in the image below. Accordingly, there is likely to be less 2 hours of sunlight to this area in midwinter. This would adversely impact the amenity of the future residents of the development. Part 4.8 of the PRCUTS Planning and Design Guidelines outlines the relevant amenity controls which also require that the PP is consistent with these controls including that communal open space receiving adequate sunlight, which has not been adequately demonstrated in this case.

05 SOLAR ACCESS STUDIES

These diagrams illustrate the site as viewed from the south east corner of the site with the AP/IA soccer club to the north.

An assessment of the impacts created by the preferred development strategy indicates that building separation, privacy and overshadowing are all within acceptable limits.

The study also demonstrates the preferred development strategy is capable of satisfying key aspects of the Apartment Design Guide – namely solar access to dwellings and communal open space.

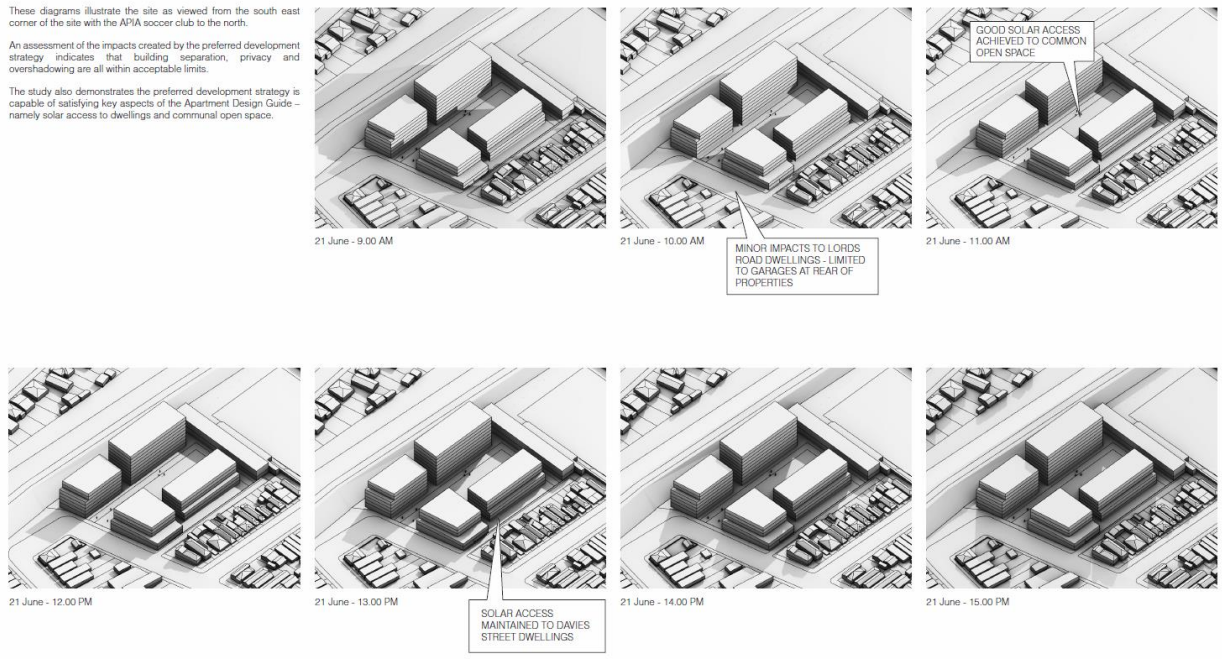


Figure 224: Overshadowing analysis of the proposal (Source: UDR, page 29)

- **Orientation** – In relation to Part 3B Orientation of the ADG, there is insufficient analysis of potential building envelopes and orientation with respect to potential overshadowing of adjoining properties and access to sunlight for the proposed apartments within the development having regard to the orientation of the built forms on the site. Availability of solar access to the units is inadequately demonstrated. The overshadowing analysis should outline the testing of different layouts and scenarios which seek to reduce overshadowing both within and external to the site and which have been designed to maximise northern solar access.
- **Overlooking** – As discussed previously, the proposal will result in visual privacy and overlooking impacts on the surrounding properties and the development itself as it proposes insufficient setbacks and separation distances.
- **Cross ventilation** – The PP provides an indicative high level plan of the units stating that 65% of the apartments achieve natural cross ventilation. It is unlikely that such an estimation could be made given the layout of the apartments is not provided nor any dimensioned apartment widths or depths.
- **Communal Open Space** – The proposal does not adequately identify the location of the communal open space as it vaguely comments in the UDR that since the site coverage is only 50%, the proposal would be able to easily achieve the minimum communal open space ADG requirement. Due to this, it is also hard to confirm whether the communal open space would receive adequate sunlight in accordance with the minimum requirements of the ADG. As also discussed previously, the proposal does not provide plan view of the overshadowing diagrams to determine the solar access/ overshadowing of communal open space.
- **Access** – The PP does not clearly outline the traffic circulation strategy including providing the minimum clear width required for the shared path with regard to providing adequate clearances for standard vehicles, delivery trucks, garbage trucks, and if required by authorities, emergency vehicles. It is also unclear if these shared ways are for one or two way traffic. There are also numerous inconsistencies between the Landscape Concept Plan and the UDR. The potential connection to the Marion Light rail stop is also poorly outlined as discussed elsewhere in this report.

- **Mixed use** - It is unlikely that the non-residential uses which have been proposed, including employment uses, will be compatible with the residential development on the site. These impacts are likely to arise from noise, potential odour and/or smoke/exhaust, servicing and parking. There is insufficient information on the layout and configuration of the non-residential uses to adequately consider if the commercial areas are appropriately configured. In this way, it is unlikely to comply with Part 4S Mixed Use of the ADG.
- **Consistency of urban design documents** – There are numerous inconsistencies in the documentation across the UDR and the PP. Ensure all documents (UDR and Draft DCP), diagrams, plans and 3D illustrations are consistent in their dimensioning of the proposed setbacks.
- **Roof form and materials** - The Draft DCP should provide development controls which address the design of roof forms and building materiality, in line with the Guidelines.
- **Visual impact** – The proponent has not provided any visual impact assessment to determine the built form impact on the neighbouring area. In the absence of this information, the proposed building height of 9 storeys cannot be supported on this site.
- **Proposed location of ‘publically accessible open space’** - A ‘publically accessible open space’ is proposed at the centre of the development. Whilst this location is appropriate to serve the open space requirements of the future residents of the development itself, it would act as an enclosed green space and not a ‘public space’ and would not offer public environmental benefits as claimed by the proponent. Its public use is likely to be limited to people visiting the businesses, offices, studios and community facilities and is unlikely to be visited by the neighbouring residents.

The proponent has failed to demonstrate consistency with PRCUTS Planning and Design Guidelines, Apartment Design Guide, SEPP 65 and that the proposed density and height can be achieved without negatively impacting the character of the local area. In order to resolve the urban design issues, the proposal will have to be revised to provide appropriate scale, setbacks, transitions and articulations which would reduce the building height and density. At this stage, even if the rezoning was to be supported, an appropriate FSR/ height for the site cannot be arrived at in the absence of alternate built form scenario testing and other information outlined in this report. Accordingly, it is considered that the PP is unsatisfactory having regard to urban design and cannot be supported.

It is also noted that PRCUTS is inconsistent in several places when making density, height, building typology recommendations for this site and therefore, cannot be relied upon in its entirety despite of the associated Ministerial Direction. Council is yet to undertake a merit analysis of the PRCUTS recommendations and intends to do this as a part of the accelerated LEP program.

Traffic and Transport

Prior to any rezoning commencing, the PRCUTS Implementation Plan requires the completion of a precinct-wide traffic study and supporting modelling 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. The above-mentioned study is being undertaken in collaboration with the Department of Planning and Environment (DPE) and its completion is not anticipated until the end of March 2019. Consultation outlined in the PP indicates that both Transport for NSW and the Traffic and Parking Impact Report prepared by TTPP, dated September 2018, acknowledge this requirement.

It is unlikely that a planning proposal could be supported prior to the completion of this study as there are concerns regarding the potential area-wide implications of a cumulative rezoning/ up zoning of sites in the Parramatta Corridor in the absence of adequate public transport

infrastructure improvements.

In future as the precinct develops and Parramatta Road is enhanced and mode share moves more towards sustainable transport modes; the proponent's projected traffic volumes which are generally acceptable for the adjacent street network will tend to fall further.

Streets in the area are frequented by a mix of traffic and many of the footpaths are narrow and/or in poor condition. This is likely to result in increased pedestrian/vehicle conflict associated with pedestrian's using the carriageway rather than footpaths. Consequently, care should be taken to ensure pedestrian (and cyclist) safety in the neighbourhood, if new residential developments were to proceed.

In general, there are several areas of concern having regard to the traffic and transport issues for this PP, which include the following:

- Increased use of Davies Lane and the possibility that vehicles associated with the new dwellings fronting Davies Lane may try to park (even temporarily) in Davies Lane, severely restricting access to the rear garages of properties fronting Davies Street. This is further exacerbated by the internal road exiting onto Davies Lane.
- While the active transport link through Lambert Park is discussed, there is no formal commitment to this from either party. This connection is unlikely to be achieved unless Lambert Park is reconfigured.
- The submitted Green Travel Plan has not been reviewed in detail, however that the provision of car share facility should be provided on-site rather than a nearby site and accessible to the public (as per the former Leichhardt DCP).
- The proposed access point into the site is located in close proximity to the 90 degree road bend in Lords Road which may result in unsafe conditions for vehicles turning right in/ right out of the site.
- The current proposal will generate additional pedestrian traffic in Davies Lane. To ensure pedestrian safety, provision of a 1.5m wide footpath would need to be considered. This would require the dedication of land along the length of Davies Lane.
- To enable vehicles to exit Davies Lane in a forward direction, a "Y" turning head may be required at the northern end of the lane.
- Concern is raised regarding the potential for additional right turn movements at the Foster/Tebbutt Street/Kegworth Street intersection, particularly during school peak period.

There are numerous concerns with the *Traffic and Parking Impact Assessment* prepared by The Transport Planning Partnership dated 25 September 2018. These concerns include:

- "Scenario 3" indicates Level of Service F at the Marion/Foster intersection for 2028, however no assessment of the public transport impacts (either delay due to the LoS F, or the increased population) on spare public transport capacity by 2028.
- The intersection surveys raw data have not been provided.
- An overall rate of 1.69 trip per 100sqm was applied to all office/community space type uses. The RMS guide specifies 1.6 trips (AM peak) and 1.2 trips (PM peak) per 100sqm for offices. Traffic generation rates should be revised in accordance with the RMS guide.
- Table 6.1 notes that the traffic generation of the existing development is estimated using the RMS guidelines. An overall rate of 1 trip per 100sqm was applied to all light industrial type uses which result in a higher generation rate for 'warehouse and storage' use. The RMS guide specifies that 0.5 trips per 100sqm for warehouses and 1 trip per 100sqm for factories. Traffic generation rates should be revised in accordance with the RMS guide.
- Notwithstanding the overall reduction in the peak traffic generation identified, the most critical times for the location are during school pick-up and set down. As such, the likely traffic movements at these times should be demonstrated (through surveys of similar developments in the inner west). As a minimum, the intersection analysis for AM Peak should be analysed coincide with the morning school peak.
- The report used RMS (TDT2013/04) Sydney Average traffic generation rate for high density residential flat dwellings of just 0.19 peak vph per unit. The surveys used to

derive this rate include those from St Leonards and Chatswood, which have very different traffic generation rates than the inner west. The traffic generation rates shall be amended to use a rate of 0.3 peak vph per unit which is derived from the RMS survey data, excluding St Leonards and Chatswood.

- Both Figure 6.1 and Figure 6.2 show the PM peak hour traffic volume generated from the study area. AM peak is not presented. The raw data for both 2013 and 2018 has not been provided. The raw data can further justify the existing heavy vehicle volumes accessing the site that may be reduced by the proposed development.
- Further justification regarding the traffic distribution for the traffic generated by the proposed development at the Lords Road/Foster Street intersection and Kegworth/Tebutt Street intersection is required. It appears that the existing turn distribution had been used, however, for the change in type of land use journey to work data should be used in determining the traffic distribution.
- Concerns with Section 7: Intersection Capacity Analysis include the requirement to clarify and outline the growth rate that was used in the analysis and the SIDRA calibration and validation report has not been provided for review (Model intersection layout, evidence that signal phasing and timing used in the analysis is as per existing).

Given these inherent traffic and transport concerns and the lack of the precinct-wide traffic study and supporting modelling for the Precinct, it is considered that the PP is unacceptable in its current form and timing and therefore cannot be supported. Furthermore, should the proposal proceed further, detailed design aspects, including driveway configuration and pedestrian access points will need to be addressed.

Public Domain

The scale of this proposal requires consideration of the connection with the public domain. The potential improvements to the public domain are given only a cursory description in this PP. There are, for example, various references to the “*improved street connection*” along Lords Road and other references to a greater emphasis for pedestrians along this strip. This connection is outlined in the PRCUTS and would allow for greater pedestrian safety and comfort by linking Kegworth Public School and other locations to the east of the site with the Hawthorne Canal underpass and subsequently to the GreenWay. This concept is supported by Council in principle, however is inadequately described and outlined in the PP. The PP document simply states in Section 5.2 Urban Design, “*a low traffic/pedestrian priority publicly accessible shareway linking Lords Road to Davies Lane*”. A graphic is included on the Landscape Plan in Appendix E of the PP with a large arrow which states ‘*Improved Street Connection*’.

There are no drawings which indicate whether the current road layout, particularly in terms of width, is sufficient or whether the road needs to be widened or reduced to accommodate any potential public domain works which may need to be undertaken to this area to enable the pedestrian priority connection. Lords Road is fairly wide and opportunities for traffic calming measures incorporating WSUD elements within the road reserve should be explored. In addition the option of providing angled parking in Lords Road should also be investigated.

The proposal also includes ground floor residential entries with pedestrian access directly onto Davies Lane. To provide for pedestrian safety a 1.5m footpath would need to be investigated in Davies Lane.

As well as the lack of detail of any potential public domain works likely to be required for the proposal, there has been no discussion with Council as to the carrying out of such works. Accordingly, the proposed public domain interface with the proposal has been inadequately considered in the PP. This matter was a reason for refusal (Reason I) of the previous planning proposal (Resolution C263/14).

Heritage

The subject site is located adjacent to a heritage item located within Lambert Park and within close proximity to Kegworth Primary School. It is also proximate to the Haberfield Heritage

Conservation Area located to the west of the site beyond the Hawthorne Canal. The PP does not adequately demonstrate that there will be no adverse impacts on the heritage value of the adjoining and nearby heritage items and conservation areas, failing to even identify Kegworth Primary School as a nearby item. It does not detail or illustrate the impact of the proposed development on views to or from the heritage items.

The heritage impact statement incorporates a 1943 aerial photograph showing the existing buildings on the site which are proposed for demolition, but it does not address the history or significance of these buildings.

Noise impact

The site is located adjoining or in close proximity to various noise sources including:

- Light rail line (adjoining to the west);
- Lambert park and the APIA Club (adjoining to the north);
- Road traffic noise from Marion Street (located to the north-west of the site);
- Aircraft noise (the site is beyond the ANEWF 20 Contour and accordingly is not required to be assessed).

The PP was accompanied by a *Noise Impact Assessment* prepared by Acoustic Logic dated 9 August 2018 (Acoustic Report). The Acoustic Report concluded the following:-

The proposed development includes measures to mitigate noise impacts including:

- *The residential building proposed along the northern site boundary will have a solid façade facing Lambert Park. For this building, the orientation of the openings away from the Park addresses noise impacts from the Park, and the building also largely screens the remainder of the site from this noise source.*
- *Other dwellings will have wintergardens that will act as a noise buffer to habitable spaces.*
- *Acoustically rated glazing is proposed in addition to the above measures.*

The Acoustic Report stated that with these measures in place, “*the requirements of all relevant noise-related planning instruments will be satisfied, and the future dwellings will provide an acceptable level of acoustic amenity. In particular, noise from the operation of Lambert Park will not adversely impact any of the proposed dwellings*”. If the Planning Proposal proceeds, detailed consideration of these potential acoustic impacts having regard to the final design of the proposal will be required.

In terms of the proposed land uses and their potential to generate acoustic impacts for existing surrounding development, this issue can be considered at the detailed design stage.

Stormwater Management and Flooding

The subject site is impacted by the 1 in 100 year ARI level (average recurrence interval) along the western side boundary in the southwestern portion of the site. It is noted that this area along the western side boundary also serves as a floodway through to Marion Street in the PMF event as water levels exceed the existing embankment levels of Lambert Park and overtop the embankment before continuing to flow downstream. The Probable Maximum Flood (PMF) also affects the majority of the remainder of the site with the exception of the southeast corner at the intersection of Lords Road and Davies Lane. The flood hazard on the site is illustrated below.

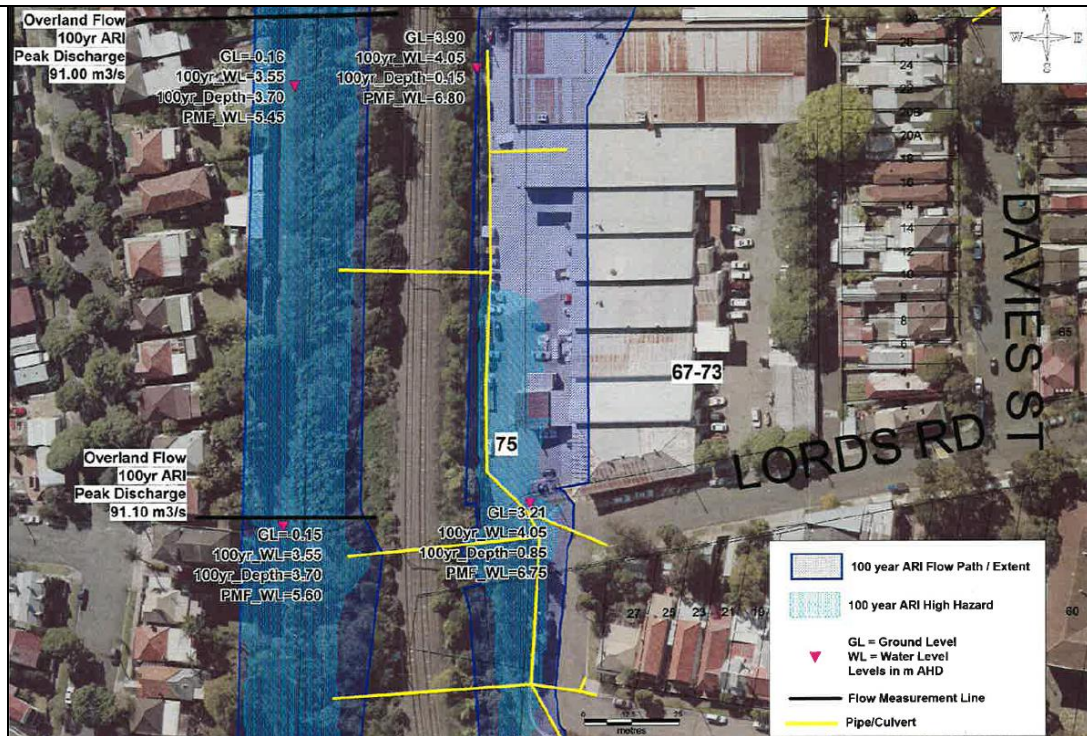


Figure 235: Flooding Hazards on the site (Source: IWC Flood Certificate dated 24 October 2018)

Any proposed building footprint must be supported by additional flood modelling demonstrating no adverse impact to flood levels within Lords Road, against the railway embankment, and through Lambert Park during both the 100 year ARI and PMF events. Note that the proposal to provide compensatory flood storage (within tanks or otherwise) within the building footprint to offset any loss of natural flood storage area within the site is not supported. This will likely require amendment to the proposed building footprint within the southwest corner of the site where the flood depth is greatest.

All floor levels (residential and commercial) must be raised above the Flood Planning Level which for this site is RL 4.6m AHD. All access to the basement (vehicle and pedestrian) should be provided clear of the clear of the flood affected area, or raised sufficiently above the PMF level. In this regard, the proposed DCP locates the basement access towards the east of the site, which is supported.

The Flood Report recommends providing for vertical flood evacuation to higher levels within the building. Reliance on evacuation on site as the sole measure of evacuation protection as outlined in the PP is not considered appropriate. Such an evacuation route should be provided to the eastern side of Lords Road.

In terms of stormwater management, Council's trunk stormwater drainage passes through the site adjacent to the western boundary. Any structures on the western side of the property, including basement excavation, must be sufficiently set back from the pipeline such that it does not impose loads within the zone of influence on Council's drainage system, and continues to provide sufficient access for maintenance and potential replacement. The pipeline should be fully surveyed and located to determine the required setback. Note that the proposed western boundary setback may need to be increased to accommodate this requirement.

Any stormwater quality targets, discharge rates, and water reuse targets should be in accordance with the general requirements of the Leichhardt DCP2013. In this regard it is noted that the report prepared by Tooker and Associates dated 11 September 2018 indicates that on-site detention (OSD) would not be required as part of this development as the existing site cover is fully impermeable. This is contrary to the requirements of the Leichhardt DCP2013, which requires OSD for all developments except for minor alterations and additions only.

Should the Planning Proposal proceed, any future development must respond appropriately to

these environmental and associated flooding issues.

Landscape

The site contains a number of existing trees along the eastern and south-eastern boundaries of the site adjoining Davies Lane and Lords Road. These trees are important in maintaining the leafy character of the surrounding streets and currently assists in screening the existing development from the street and the surrounding low density residential area. It is recommended that the proposal be amended to retain and protect the existing trees as per *Leichhardt DCP Park C Section 1 C1.14*. The position of the deep soil area in the proposal reduces the potential for increasing urban forest canopy and augmenting the GreenWay corridor to the west of the site.

Should the Planning Proposal proceed to Gateway stage, the following design amendments would have to be made to the proposal:

- Open space relocated adjacent to the GreenWay, to provide a larger, more meaningful green space which is connected to the GreenWay.
- Setback to the GreenWay increased, overshadowing reduced and wide native plant buffer provided.
- An urban forest canopy target for the site of 25% should be achieved. This reflects the Draft Regional and District Plans goals of increasing urban forest canopy, and also those of the urban forest policies of Inner West Council. 25% is considered an appropriate target for inner city multi-storey residential development.
- Compliance with the deep soil zone requirements of the Apartment Design Guide.

Contamination

The subject site has been associated with industrial uses and accordingly potential land contamination must be considered in this assessment. The proponent has provided a *Remedial Action Plan* prepared by Benviron Group dated October 2018 (RAP) which concludes that the site can be made suitable for the proposed residential use. This RAP refers to an earlier study which was prepared by Environmental Monitoring Services titled '*Detailed Site Investigation*' dated March 2006 (the DSI). The RAP states that this DSI undertook a sampling program in which 21 boreholes were carried out on the site and that two (2) were found to contain levels of Benzo(a)pyrene concentrations above the NSW EPA levels while another two (2) boreholes recorded fragments or loose bundles of Chrysotile asbestos. The RAP states that this DSI concluded that "...a RAP would be required to ensure the removal of the contamination was managed in accordance with the requirements of the NSW EPA".

It is noted that this DSI was not provided with this RAP or PP and that the map provided in the RAP did not contain a location map for the boreholes upon which the RAP is based and which was prepared for the DSI (notwithstanding that there is a key on this map referencing the boreholes which are not included). Therefore the location of the earlier documented contamination is not located for the purposes of this RAP. The RAP cannot be used as evidence demonstrating that the issue of potential land contamination on the site can be adequately remediated for the proposed use when there is no location plan of the earlier contamination.

The age of the data used from the DSI, being from 2006, is considered to be outdated and should not be used for assessment purposes. It is unknown whether thresholds have changed in that time or that any new uses have occurred on the subject site in the intervening time period which may have led to further contamination. Accordingly, it is considered that the issue of potential land contamination has not been adequately considered in this Planning Proposal.

Conclusion

The proposal in its current form is likely to result in unreasonable environmental impacts including setting an adverse built form precedent for the surrounding area. The proposal's built form may also be an impediment to achieving the vision of PRCUTS in relation to a new

prioritized pedestrian link along Lords Road and the provision of low density and appropriately scaled residential development in the Precinct.

Whilst it is acknowledged that some of these issues can be resolved by amending the FSR in the Planning Proposal and the proposed built form envelope in the DCP; given the broader strategic planning issues relating to the land use, traffic studies and the inconsistency of the PP with the Out of Sequence Checklist requirements of PRCUTS, it would be inappropriate to investigate these issues further as part of this report.

Q9 Has the planning proposal adequately addressed any social and economic effects?

Social impact

As outlined earlier in the report, the Planning Proposal does not make adequate contributions towards the provision of affordable housing. There are concerns regarding the availability of sufficient social and community infrastructure if the redevelopment of the corridor occurs out of alignment with the recommended PRCUTS Implementation Plan.

The social impacts of the proposal have been considered in the *Social Impact Assessment* prepared by Cred Consulting dated 26 September 2018 (SIA). This SIA outlines the positive and negative social impacts which are described in the context of the changes made to the proposal following the community consultation and local needs.

The positive social impacts arising from the proposal as cited in the SIA include the provision of:

- Increased housing supply;
- Affordable housing;
- Relocation of Art est;
- Public open space including a 1,650m² internal publicly accessible park and small corridor green spaces of between 115m² and 400m²;
- Multi-purpose room to be dedicated to Council for the use of the APIA Club (500m²);
- Non-residential floor space comprising approximately 2,500m² and the creation of 87-119 jobs;
- New LED lighting at Lambert Oval (to reduce energy costs and light spill);
- Improved pedestrian connection from light rail underpass to Kegworth Public School;
- Central through site link and secondary GreenWay link with potential to connect to Marion light rail stop;
- Improved pedestrian connection along Lords Road (between light rail tunnel and Kegworth Public School);
- Commitment to a contribution toward regeneration along the Greenway;
- Highly connected and walkable neighbourhood.

The positive social impact of increased housing supply, including a mix of diverse housing in line with Inner West's affordable housing targets of 5% studio and 5% one bedroom strata area to increase housing affordability in line with Council and State government strategies, is unclear. The PP does not outline or indicate the mix of the apartment types for affordable housing as discussed below.

The increase in housing supply through the provision of 23,158m² as a positive social impact is also questionable. The PRCUTS outlines the following proposed growth projections for Taverners Hill:

Proposed Growth projections

	2023	2050
Population	900	3,265
Dwellings	451	1,350
Jobs	3,720	4,110

Proposed indicative land use mix (additional)

	2023	2050
Residential GFA (m ²)	47,000	170,000
Employment GFA (m ²)	35,000	35,000

The proposal involves 23,158m² of residential floor space (given 3,000sqm is proposed for non-residential and community uses) which represents 49.3% of the total residential floor space required by 2023 under PRCUTS for the Taverners Hill Precinct (i.e. of the 47,000sqm) in the short term notwithstanding that this site is not required until the medium to long term (post 2023 and up to 2050).

In addition with recent residential flat building average dwelling gross floor areas at 76.4sqm, this development could actually provide up to 300 dwellings or 65 more than the proposal puts forward.

The Kolotex / Labelcraft development comprises approximately 410 units and around 31,506m² of residential floor space was granted development consent in parallel with the preparation of the PRCUTS and has already almost met the PRCUTS target for the Taverners Hill first stage up to 2023 of 451 dwellings. The dwellings and their residential population are not included in the PRCUTS 2011 Census Taverners Hill baseline dwelling numbers and therefore contribute to PRCUTS targets.

Consequently Kolotex/Labelcraft already comprises 91% of the projected growth in dwellings by 2023. This means that only 41 additional dwellings are now required in the Taverners Hill Precinct by 2023 to meet the housing target. This is likely to be accounted for over the next five (5) years elsewhere in the Precinct.

If this PP was to be implemented, it would, in conjunction with the Kolotex site, provide for between 645 and 710 dwellings in total for the Precinct either with consent or built and occupied by 2020/2021, which exceeds the short term growth projection for the Precinct by between 194 and 259 dwellings prior to 2023. Not only is this housing growth ahead of time, it is likely to be without the necessary infrastructure given this PP is out of sequence. The necessary infrastructure which may be required over and above the dwelling projections of 451 dwellings by 2023 has not been planned for at this stage.

Looking at the longer term projections to 2050, this would result in only 705 dwellings being needed and if 300 dwellings were built at Lords Road, rather than 235, only 640 dwellings being needed in addition to Kolotex/Labelcraft and Lords Road by 2050 or in 32 years (1350 less between 645 and 710. It is considered that the Precinct's dwelling target of 1,350 dwellings (or 1300 in the actual Strategy document page 106) in the long term up to 2050 would translate to the need for around 900 new dwellings without this PP (i.e. 1,300 minus Kolotex / Label craft site at 410 = 890). This is likely to be met elsewhere in the Precinct without losing this site and its intrinsic value to the supply of industrial and urban services land / floor space.

The proposed indicative land use projection to 2050 of 217,000m² of residential floor space (which is the sum of the short term residential GFA and long term figures of 47,000sqm and 170,000sqm respectively) and a projected growth in dwellings of 1,350 by 2050 equates to an approximate dwelling size of 160.7m² per dwelling. This appears to be excessive, given the vast majority of these future dwellings will be within a medium density setting, within either the R3 medium density zone as townhouses or apartments or as apartments above ground level as part of a mixed use development. This is due to the recommended zoning of the Precinct to be a combination of the R3 Medium Density Residential and B4 Mixed Use.

The average size of GFA of recent large residential flat building units in Leichhardt is 76.3sqm. So the PRCUTS Taverners Hill dwelling targets of 451 to 2023 and 1350 to 2050 does not need this proposed development to meet these targets / objectives.

In terms of the employment floor space and jobs projections, the Taverners Hill Precinct has a target of 3720 jobs by 2023 and 4110 jobs by 2050. The employment floor space projections to

2023 are 35,000m² by 2023 and also 35,000m² by 2050. Having considered these figures in detail, it is considered that the projections for jobs and employment floor space projections do not match up, with the likely workspace ratio (WSR) being very low for this inner city location at 9.4 and 8.5 respectively for 2023 and 2050. The more appropriate WSR to use would be between 37.9 (City of Sydney's figure) and 51m² (derived for the Leichhardt Precinct). This would result in a jobs projection of between 686 and 923 jobs for 2023 and 4110 jobs for 2050 but with an employment floor space between 155,679m² and 209,610m² (instead of 35,000m²).

Retaining the Lords Road IN2 zoning will help to redress this imbalance and to achieve these employment targets.

Given the extensive loss that would be suffered to the supply of industrial land and the loss of potential for employment by rezoning this site to residential, coupled with the fact that the site is not required for residential floor space until at least 2023 and perhaps longer, results in the social and economic cost of losing this industrial land too great to support this proposal. Further contributing to this inappropriateness of the proposal at this time is the lack of strategic studies and plans which are still being drafted. The housing targets are likely to be met elsewhere in the Precinct with the cost of supplying more housing at inappropriate times not worth the loss to industrial and employment floor space which would eventuate under this proposal.

In terms of these other reported positive impacts, there are concerns with the proposed provision of affordable housing given it is inconsistent with Council's Policy in terms of the percentage of floor space as well as the lack of dedication to Council in perpetuity. It is also unclear how targeted the dwellings are towards meeting local housing needs. There are many studios and 1 bed apartments but no larger size apartments or allocation to families for affordable housing. The Affordable Housing report prepared by Housing Action Network dated September 2018 labels the affordable housing targets set by Council's Policy as "ambitious", being much higher than other policies, however, does not attempt to contradict Council's analysis or policy with any other alternative study.

The relocation and/or removal of Art Est from the site is considered in the SIA as a positive impact since the Proponent is to 'investigate ways' to retain them on the site both during the construction and operational phases of the proposal. This seems at odds with the fact that this use is an education and employment generator benefiting the local community and stimulating economic development through the use of creative spaces. "Every year the school gives work to more than 60 local artists, hosts more than a thousand students, holds exhibitions that attract hundreds of visitors, and is instrumental in building an immaterial network of creativity" (*Cultural Creation and Production in the Inner West LGA draft study*, Western Sydney University). The school has educated almost 16,000 students since 2008, with 2,208, 2,406 and 2,861 students in 2016, 2017 and 2018 respectively. The school hosts art exhibitions and has resources such as a gallery, kiln and other equipment, and is currently connecting with the community and contributing to the local economy. It is also inconsistent with the knowledge that this business, along with other existing businesses on the site, is experiencing difficulties in finding alternative locations either in the short and/or long terms in which to establish their businesses. It is considered that this consequence of the proposal is inadequately detailed and considered in the PP.

Therefore even temporary displacement of the art school Art Est. would create great upheaval to the community networks and to local economy. This disruption is likely to be around two years during construction which is a significant time frame for a business. This is an essential community and economic resource for the area as well as a hub for creative expression and connection. The commitment for continuity of tenancy on the site for the Art Est. School is another aspect of this proposal which is supported by Council in principle yet lacks a firm commitment and an actual agreement by the Proponent to finding the school a temporary location during the construction period so this poses a serious economic and cultural risk.

The PP simply states "The applicant is committed to negotiating a commercial agreement that will allow Art Est to return to the site when the development is completed". The short term disruption and the uncertainty surrounding the long term retention of this use on the site are both

significant concerns with this proposal in terms of such an important creative arts use of the site and its prominence in the local community.

The loss of industrial floor space, and particularly the loss of creative arts uses, is a major adverse impact arising from the proposal and cannot be considered to be a positive impact. Furthermore, the loss cannot be mitigated under the current proposal given the inherent incompatibility between industrial and residential uses. The likely non-residential uses which are being proposed in this PP include community uses, light industrial and urban services, creative industries, health facilities, education uses, gymnasium, restaurants/café and local service business. Such uses are quite distinct from light industrial uses which are currently undertaken (and permissible) on the site.

It is also unclear how the proposed 500m² multi-purpose rooms, which seek to be dedicated to Council for use in association with the APIA Club and Lambert Park, will benefit the incoming community on this site. This is also not necessarily considered to be a positive impact.

In relation to the public open space and improved connections to the Marion light rail stop (both to the north and via Lords Road and the School), neither of these initiatives, while supported by Council in principle, have been adequately detailed nor provided for in terms of land tenure arrangements and layout. These cannot be counted as positive social impacts until such items are fully documented and agreed with the relevant stakeholders. The positive impact of the site being located within a highly connected and walkable neighbourhood is supported although is not attributed to the proposal.

The negative social impacts outlined in the SIA include:

- Increased population (additional 446 residents placing pressure on existing social infrastructure);
- Change in land use from industrial to residential;
- Impact on pre-existing areas and uses;
- Late night operation of APIA club.

The SIA states that the negative impact of increased population on the site is mitigated through the provision of open space, communal open space on the rooftops and the contributions proposed via the Integrated Infrastructure Delivery Plan to accommodate the final PRCUTS increased population. While the SIA states that this population growth is minimal, it also states that it will result in demand for 5 childcare places, 11 primary school places, 6 high school places and 40m² of community centre space. The SIA purports that existing infrastructure has capacity to support this growth, and communal meeting space will be provided in residential blocks. These could be used for music, study, or gathering spaces. There are no details provided of these rooms.

The concerns with these mitigation measures are that, as outlined elsewhere in this report, the open space areas are not sufficiently detailed and are inappropriately located and the IIDP is not supported. Furthermore, the site and the PP are out of sequence with the Taverners Hill Action Plan of the PRCUTS and accordingly it is unclear as to whether the existing infrastructure (social, physical and transport related) is sufficient for the proposal.

It is also considered that confining the communal open space for the proposal to the rooftops, to satisfy the need for social gatherings and to reduce impact on existing social infrastructure, is an acknowledgement that recreation space is limited and space to gather is getting more cramped as the population increases. There is also acknowledgment by the proponent that the current allocation of public access open space on the site (which is assumed to be referring to the publicly accessible public open space area in the central area of the site) falls below the current benchmark of 13.3m² per person. While some mitigations are proposed It is not clear how the joint use of space will be designed or negotiated and whether opportunities to collaborate with the neighbouring school on joint use of the playing field have been (or are being) considered.

The late night operation of the APIA club, and its potential negative impact on the future

population on the site, is addressed in the Acoustic Report. The proposed Building 3 has also been designed to mitigate potential future noise issues. This issue could be addressed at the detailed design stage if appropriate.

The largest negative impact is that the PP will result in a change of use from light industrial to residential/commercial uses which will result in the loss of jobs and industrial floor space. The site currently contains 9,979m² of industrial floor space, houses approximately 17 tenants and provides around 160 jobs (2017 on-site audit).

The PP involves 2,500m² of non-residential floor space, which would represent a loss of around 7,500m² of industrial floor space. Using figures from PRCUTS on the WSR of 9.4 for the Taverners Hill Precinct, this would result in the loss of 797 jobs. While it is considered that some of the PRCUTS figures and calculations are relatively inaccurate, it seems clear that the reduction in this amount of floor space results in less space for new employment opportunities. In this way, the proposal does not protect affordable commercial and industrial spaces and local jobs and is inconsistent with the economic policies of Council which have all recommended the retention of existing industrial land. Ideally, the provision of large, versatile, unembellished and preferably affordable non-residential spaces at the site which could be occupied by various indoor recreation uses and could help support and grow the creative industries which the Inner West Light Rail/GreenWay corridor is already known for should be encouraged.

Notwithstanding that the PP indicates that it will create between 87 and 119 jobs, the nature of these jobs and the proposed future non-residential floor space will result in a change to the type of jobs and floor space created. For example, the PP will result in the loss of around 70 teacher/artists jobs which is up to 45% of the workforce currently on the site, among other employment losses. This significant negative impact will have a ripple effect on the local economy and wellbeing of these residents and their families and it is unclear as to whether these jobs can be retained on the site in the future. While the 2,500m² of non-residential uses could be used for creative industries as outlined in the PP, such uses are not necessarily going to be undertaken on the site, and may require larger spaces than the proposal allows.

Furthermore, the servicing of these non-residential uses are likely to be problematic given the narrow shared ways which traverse the site and the likely incompatibility of larger trucks to service the site with pedestrian areas and public open space and residential uses adjoining these future 'commercial' uses.

Even if the proposed future employment figures are accurate, which is unlikely given the layout of the proposed non-residential floor space is not provided, not only will there be less jobs created on the site, but the nature of these jobs are likely to be very different. The proposed uses of the non-residential floor space is described as more commercial in nature, co-sharing work spaces and the like, however, what is needed in the area is light industrial land for urban services and population-serving light industrial uses.

The likely amenity impacts which may arise and the inherent incompatibility of residential and commercial and light industrial uses, it is likely that these non-residential uses will be eroded over time and lead to a reduction in these spaces.

At a minimum there is a need to retain and attract industrial space for the creative industries and create jobs in keeping with the local population which has a higher than average interest and employment in the creative arts.

It is quite clear that there is significant community opposition to this proposal and despite both Council and the Department of Planning requiring extensive engagement with residents, the community engagement is still inadequate. In general, the PP does not demonstrate that the negative social and economic impacts (discussed below) are outweighed or addressed through positive impacts and is not supported on the social impact grounds. This outcome is not in the spirit of the IWC's vision of working together in a way that is creative, caring and just as required by the Council's Community Strategic Plan Our Inner West 2036. Put simply, these social and economic concerns justify the retention of the current industrial land use on the site.

Economic Impact

The proponent has provided an Economic Assessment Impact (EIA) report prepared by AEG dated September 2018 (see Economic Impact attachment). The EIA concludes that the Planning Proposal will respond to housing and employment needs by:

- Catering to an observed industry growth in services employment, given the decline in manufacturing and wholesaling sectors;
- Addressing a market gap by providing co-shared work spaces on the site;
- Contributing to housing by providing housing close to transport and services.

The EIA presents the following positive economic impacts:

- A range of net increases in economic activity through the direct flow-on impacts including the creation of 84 to 116 jobs;
- Increase to household expenditure which will support additional economic activity;
- The construction phase bringing jobs and investment;
- The PP being consistent with the ECDP by providing greater housing supply and concentrating new development within centres to maximise use of existing infrastructure.
- The PP being consistent with the Out of Sequence Checklist of PRCUTS.

There are numerous economic and industrial lands policies which have relevance to this PP which have generally not been considered by the EIA and the PP in general. These include the following:

- Leichhardt Employment and Economic Development Plan (2013-2023);
- Leichhardt Industrial Lands Study (2014);
- Subregional Industrial Precinct Review (2015);
- Leichhardt Industrial Precincts Planning Report (2016);
- Sydney's urban Services Land: Establishing a Baseline Provision (2017)
- Metropolis that Works (2018);
- GSRP and ECDP (2018)

All of these studies and reports recommend the retention of industrial land and are discussed in detail in Question 3 of the PP Checklist (Attachment 1). Interestingly, the PP ignores the Leichhardt Industrial Lands Study and does not consider its recommendations for the retention of industrial lands. While some provide potential opportunity for rezoning by rating the site low importance due to its small size and location within Leichhardt (Subregional Industrial Precinct Review), the vast majority outline the importance of industrial land, particularly urban services land and population-serving industrial lands in close proximity to the population. The Industrial lands studies reviewed in this report indicate that even within various scenarios that test degrees of development within these precincts, Leichhardt is projected to have a shortfall of between 7,570sqm and 54,965sqm of industrial land by 2036. Leichhardt saw a net loss of almost 5 hectares of industrial land, or 4.5% of the LGA's 2011 total, in just the following four years to 2015. This site, representing 7% of this total industrial land, would significantly add to these losses. Therefore, a precautionary approach should be applied, as once a rezoning occurs there is no reversion.

The current policy direction identified in these studies (PRCUTS aside) supports a retain and manage approach for industrial and urban service lands in the Eastern District by recognising the value of industrial lands and the pressure to retain these uses due to a reduction, particularly in the Eastern City District. The PRCUTS comes into direct conflict with all of these industrial land supply reports and strategies as well as local strategic policy where Inner West Council seeks to retain its industrial lands. While some non-residential land is proposed, there are significant concerns with this floor space given it is often described as 'adaptable', has generally been described as commercial rather than industrial, and is likely to be inherently incompatible with residential development.

Contrary to this overwhelming evidence for the need to retain and protect industrial land and the predicted shortfall in such land in the future, the PP advocates for the rezoning based solely on the recommendations of the PRCUTS. It does this by relying on the Section 9.1 Ministerial Direction 7.3 which requires Planning Proposals to give effect to the PRCUTS.

The Ministerial directions are for consideration and are a statutory guidance via Section 9.1 of the EP&A Act. The PRCUTS clearly states in the Implementation Plan 2016 – 2023 (page 7) in relation to 'Who will use the Implementation Plan', that local councils (or other relevant planning authorities) will use the plan when assessing planning proposals or undertaking amendments to local environment plans. The Planning and Design Guidelines also indicate that they will '*assist planning professionals in local and State Government to inform changes to Local Environmental Plans and Development Control Plan*'.

Accordingly, the Section 9.1 Ministerial Direction No 7.3 is a statutory guidance and the PRCUTS is deliberately left to Council for interpretation. Basically, Council is legally required to consider PRCUTS, however Council decides how best to meet the strategy and it is not necessary to meet every detail in the PRCUTS.

Bearing this in mind, the EIA was considered in detail given the significant loss of industrial land that would result. There are numerous criticisms of the EIA which include the following:

- The EIA did not explore the loss of industrial land in any depth, but simply stated that lands within the PRCUTS are not subject to the industrial land strategies and actions of the Region Plan (page v and 32). This appears to ignore the significant evidence within the various economic and industrial lands policies outlined above, that all industrial land should be retained and protected for its employment generating potential and provision of land for urban services industrial land uses.

Interestingly, the *Economic Analysis Report dated November 2016*, one of the reference reports to the PRCUTS, indicates that any rezoning should be mindful of *the displacement of existing businesses, particularly those who play a local service role and require a central location from which to service their key markets*. The report further notes that many inner and middle ring suburban locations are experiencing an incremental rezoning of light industrial lands to facilitate mixed use residential, thereby reducing the pool of potential alternate locations for local service businesses that are displaced. The Report states that "the demand for industrial floor space across the PRC whilst modest in comparison to other land use categories, is nevertheless still important to support businesses that play a local service role" (p.96). This is further evidence of the importance of industrial land in the Corridor.

- The EIA did not consider the likely amenity impacts of the proposed non-residential uses on the site and the likely eroding of such uses once combined with residential such that the industrial uses cannot be undertaken on the site. The mix of residential and light industrial/urban services may cause future land use conflict for the subject site. The proposed industrial and urban services land uses seem almost a token consideration of the Proposal, included because of the policy context, history and stakeholder comments that have shown support for these uses.
- The EIA did not consider that the flexible and adaptable nature of the non-residential space which results in no guarantee that light industrial or urban services would be located in this space. Therefore, the development could result in a total loss of industrial and urban services land for the area.
- In relation to the assessment of the EEDP in the EIA, the following points are relevant:
 - The decline of industrial related employment in the area could simply be attributed to the re-zoning of light industrial and urban services land in the area to other uses, rather than an actual decline in demand for such services. There appears to

be a case of mixing observed demand and underlying demand. The fact that the ECDP and the GSRP both promote the '*retain and manage industrial land*' argument, it seems that the retention for the current land use is valid.

- The EIA does not make any reference to Council's *Industrial Lands Study* (2014) when considering the strategic context of the proposal. Council policy falls under the LILS that supports retention of the small, fragmented industrial lands in Leichhardt. The response also does not directly answer the question about what impact the re-zoning would have on Council's employment targets.
 - The site currently operates with some industrial uses and accordingly the characteristics of the site do continue to align with the characteristics required by light industrial uses.
- The EIA concluded that the proposal is feasible based on the lack of any proposed developments or significant market activity occurring in recent times within large portions of the 2016-2023 release area, and that due to this lack of development or sales activity, that the subject site "*represents a valuable opportunity to achieve the objectives of the PRCUTS for the Precinct*". In essence, the EIA argues that since no other sites have been developed (or sold) that it makes this site more attractive for development. This suggestion seems at odds with the approval of the significant development at the Kolotex/Labelcraft site which resulted in 410 apartments being approved within the Precinct. It would seem that this development should qualify as '*development activity*'.

To arrive at this conclusion regarding a lack of market or development activity, however, the EIA makes two assumptions both of which have no basis and are not supported. The first is the EIA concludes that since there has been little development activity elsewhere in the Precinct up until this time, that this trend will continue and there will be limited development in the area in the short term, being between 2016 and 2023, making way (and capacity) for this PP. The reason for the lack of uptake of these lands was stated as being that the required densities for feasible development are higher than those proposed under PRCUTS while the other reason was that there were difficulties with site consolidation with the majority of sites being sized between 300m² and 600m².

While the subject site does not suffer from the site consolidation issues being a large site of 10,691m², the EIA states that sites require a density (FSR) greater than 1.4:1 to make it feasible to redevelopment from existing uses. This last point is not an argument for feasibility given the majority of the 2016-2023 release area comprises land which has a recommended FSR of 2.15:1 or above.

The second assumption inferred in the EIA is that this will allow for the current PP to utilise infrastructure that is already provided for in the 2016-2023 Infrastructure Schedule. That is, as a consequence of this lack of development activity and/or uptake of the rezoning potential of the PRCUTS, no additional infrastructure over and above that already proposed in the Infrastructure Schedule will be required for the PP. This argument and assumption fails on two accounts. The first is that there has been no assessment of whether the infrastructure items (or required contributions) within the 2016-2023 release area are suitable for the proposal given the PP is out of sequence. The second concern is that there is no definite method to ascertain if or when any uptake of these lands that could potentially be rezoned will occur in the next few years (up to 2023).

In essence, an uptake of these lands, whether gradual or rapid, is possible and therefore cannot be discounted. That is, should there be one or numerous planning proposals submitted to rezone land which takes up this 'spare infrastructure capacity', then in theory there would then be a shortfall of infrastructure which may not cover this PP, which is out of sequence. This justification is not supported given there are many factors which may influence property sales. To assume that there will be no significant residential development undertaken in the area in the short term (up to 2023) when the Action Plan for the precinct clearly sets out a maximum of 47,000m² of gross floor area, seems implausible and unsupportable.

- The catchment used for the employment profile is considered too small, resulting in several concerns. The first is that the growth and/or decline of a particular industry can be significantly impacted by changes to one site. In this case, the conversion of 1.5Ha at the nearby Kolotex/Labelcraft site (former industrial precinct) is likely to significantly change the employment profile in the catchment between census periods. This enables inferences about decline in jobs in the EIA which suggest industry is declining when, in fact, it could be that those jobs have just been displaced due to the rezoning of the site.

The second concern is that by including an established centre in this area, like Leichhardt Marketplace, it can demonstrate that growth in one sector, such as population-driven services like retail, are growing much faster. The inference here is that demand is therefore higher. While this may be the case, the small catchment is subject to micro-changes that do not provide a sufficiently robust analysis. Similarly, the inclusion of the Sydney Catholic Schools Central Office in Renwick Street is likely to skew the data towards more jobs in education than if this site was not included.

Finally, this small catchment doesn't align with the one used for the socio-demographic catchment used in this study, which defined a wider catchment. As the focus of much of the later analysis in this analysis is on the importance of providing local services in the proposal, it would be logical to undertake both the socio-demographic profile and the economic profile at the same consistent geography. An LGA scale (or at least the former Leichhardt LGA) would be more appropriate as it would allow comparison with a previously defined and analysed catchment and would likely capture the loss of industrial land and jobs which has been occurring in the area and the significant forecast deficit of industrially-zoned land over the next twenty years. It would also resolve site-specific impacts as identified above and provide a stronger base for comparison.

- Market and business activity – This discussion contains several contradictory and unsubstantiated assumptions and conclusions made in relation to the types of uses which are now in demand, having regard to the uses currently on the site. The analysis indicates that demand has evolved from traditional industrial occupiers (automotive users, warehousing, and trades) towards more service-based and/or creative users, particularly small-scale food and drink manufacturing, gyms and fitness studios. The analysis then outlines that local agents note many traditional industrial occupiers have found it difficult to compete in the current market given they typically require lower rents to be commercially viable compared to these newer uses which are now in demand. Interestingly, this analysis does not indicate that demand for other non-traditional industries is low, with demand from this sector also potentially high.

It would appear that this reasoning supports retaining this industrial land on the subject site and not rezoning it. Interestingly, all these 'new' uses referred to in the analysis as requiring floor space, such as gyms and food and drink manufacturers are uses which are permissible on the site under its current IN2 light Industrial zoning and which generally require such zoning for its space, parking and rent requirements. It is also worth noting that the difficulty the 'traditional industrial occupiers' are experiencing competing in the current market is likely to be related to the lack of supply of industrial land, which will be exacerbated by this proposal.

This discussion simply highlights that there is demand, even at the very limited local scale which has been assessed (refer to discussion on catchment size above), for the type of land currently provided for under the existing zoning on the site.

The analysis also investigated the supposed demand and supply for commercial and industrial floor space by reviewing the sales and leasing activity in the area. Conclusions are then drawn that the lack of sales activity is due to the 'imminent rezoning' under the PRCUTS. The analysis then states that while sales activity has been slower, the leasing of premises has shown more activity, with numerous examples provided of recently granted leases to uses which are currently permissible, and likely to be more suited, to

the current zoning of the subject site. These include non-traditional industrial users, notably food producers, craft breweries and commercial businesses. The analysis does not explain how (or why) the subject site under its current arrangement cannot provide for these uses, given the flexibility of the existing buildings on the site to accommodate such a range of uses.

Similarly, the discussion on development activity also appears to imply that since there has been limited development applications lodged, that there is no interest or activity in the area. This observation is not discussed, but appears to be inferring it is further evidence of a lack of demand, and therefore justifying the need for the rezoning. It is also important to identify that a lack of development does not explicitly infer that there is no demand, without evidence being provided. The scenario whereby perhaps the existing buildings in the area are suitable for their currently uses has not been explored, since small businesses often just adapt to the space without the need for re-development or even benefit from the lower rents that older stock provide *because* redevelopment has not occurred.

This discussion could just as easily be interpreted that the problem is with the supply of industrial land, and not that there is a lack of interest in this precinct. The potential reason for this could perhaps be that existing businesses are holding on to their properties and/or lease agreements due to there being an insufficient supply of alternatives in the area. A further concern with this discussion is that there has been limited consideration or analysis on whether the rents that such new uses may be seeking are higher than what are currently available in the existing premises, or indeed in other nearby industrial precincts. The risk is that if the proposed (and other future) development incurs higher rents; those exact businesses that are seeking to locate in the area may be priced out. An analysis of the rents that these businesses may seek, compared with potential market rents that the new commercial floor space may seek, to ensure that the demand in the system can be met with this supply should have been undertaken.

The addressing of the catchment issue (above) will better support this, however there are still concerns about the interpretation of demand for uses currently observed (such as food and beverage manufacturing) that could operate on the site in its current zone.

Further concerns are noted in the economic impact assessment in Chapter 4 of the analysis, which provides an overview of the economic impacts arising from the base case and the proposal case under two scenarios. While such a modelling exercise is supported, an additional case of 'full development under current controls' (or at least comparisons made with the current status to provide clearer comparisons of marginal differences between the two) should have been undertaken. This would have provided a clearer analysis, particularly in relation to job creation and/or losses, as there is no clear understanding of the overall *net* change to employment on the site.

This analysis also considered the housing impacts and concluded that the proposal would maximise the development potential of the site and that it would deliver 'much needed' residential development. This conclusion is disputed, particularly having regard to the tenuous population, dwelling and jobs projections contained in the PRCUTS, which is further discussed in the social impacts of this PP in this report. This analysis also concluded that since PRCUTS recommended that the site be rezoned to residential, notwithstanding the displacement of existing businesses and employment, consideration of these and other impacts 'were satisfied as part of the statutory process' under the Section 9.1 Ministerial Direction. This conclusion lacks any detailed analysis as to why residential development was must happen on this site aside from the PRCUTS recommendations.

Accordingly, given these concerns with both the baseline research and the economic impact assessment, the conclusions drawn from the EIA cannot be supported

As outlined in the preceding sections of this report and the attached checklists, Council is

currently preparing or participating in the formulation of wider strategic planning policies including a Local Housing Strategy, Local Strategic Planning Statement, Employment Lands Review, Local Infrastructure Contributions Plan and a comprehensive IWC LEP/DCP. This core work is imperative in determining the future land use controls for the site. Whilst the change of zoning for the subject site is supported by PRCUTS, it is believed that an informed decision cannot be made until such time as Council completes this broader suite of strategic planning work.

Whilst Council officers broadly accept PRCUTS and its recommendations in relation to rezoning, development controls and implementation; there are key concerns regarding rezoning any part of Taverners Hill Precinct to allow residential or non-industrial uses. Encroachment of non-industrial uses would be inconsistent with Council's detailed Industrial Lands Study and other plans and policies which are outlined above, which recommended retention of industrial uses. This report was endorsed by the former Council in April 2016 to go on public exhibition prior to amalgamation and also formed the basis of Council's comments to UrbanGrowth (now Landcom) in relation to the strategy.

Council support for this Proposal would be a departure from the consistently held strategic planning position to resist rezoning industrial lands for residential or mixed use purposes in the former Leichhardt Council LGA as outlined above. Any form of residential development within the site is likely to set a precedent for further development resulting in loss of urban services and employment generating land. Council would be reviewing all its employment lands as part of the wider LEP integration work.

There are four key issues raised in relation to economic considerations for this PP, which include the following:-

- Loss of industrial and urban service lands - The Proposal has acknowledged the intent of the GSRP to retain and manage industrial and urban service lands in the District, however the PP focuses on all other benefits that the development provides to the area. The PP is also suggestive that the inclusion of industrial and urban services as a land use for the non-residential component is supportive of State and local strategies. However, the actual inclusion of this land use is unclear and seems unlikely given potential for land use conflict, current design concepts and omissions in support of these land uses in the Proposal. The strategic intent of Inner West Council to retain industrial lands has not been addressed. The Proposal also heavily rests on the statutory authority of the PRCUTS that land that falls under the PRCUTS is not subject to objectives of the GSRP and ECDP to retain industrial and urban services land.
- The adaptable nature of the non-residential component - The inadequate description or details on the configuration of the intended use of the proposed non-residential spaces makes it difficult to assess the extent to which the development would contribute to the overall strategic direction for the Eastern District to retain and manage industrial and urban service land and whether it would contribute to further loss of these spaces. It is also unclear as to the level of land use conflict for the site. The risk is that this flexible, adaptable non-residential space may just be a use that makes the residential component more attractive and does not retain or protect employment generating land and does not satisfy the greater objectives of the area or retaining needed uses for the area..
- Potential for future land use conflict between residential land uses and certain non-residential land uses - The Proposal has not addressed the potential for land use conflict between residential and non-residential components of the development.
- Selective data use -The Proposal appears to have made selective use of data to support the development, while also appearing to cater to objectives and comments made by State, local and community authorities. Selective data use has been included in strategic plan analysis, site analysis and functionality, employment and market demand analysis and representation of stakeholder comments. This selective use of data strengthens the argument to transition the site to residential and reduce industrial and urban service at the subject site such as lack of consideration of Inner West Council strategies for

	<p>economic development and industrial land, urban design tending towards non-industrial uses, employment demand suggesting trends to service employment for the area and representation of stakeholder comments that support non-industrial uses. This is a concern given the policy context to retain and manage such land uses.</p> <p>In the context of imminent outcomes of strategic planning projects currently underway at both State and local level including the IWC Employment Lands Review and IWC Local Housing Strategy, the PP is considered to be premature and therefore, should not be supported. The site and its future uses should be planned holistically in the context of its contribution to the revitalisation of Parramatta Road Corridor.</p> <p>The conclusions of the GSRP, ECDP and LILS strongly support protection of Leichhardt's industrially-zoned precincts for their important employment and service function. Having regard for Leichhardt's projected shortfall of industrial land by 2036 and the loss of this site, rezoning this site is likely to have an adverse cumulative impact on the area and will progressively deteriorate as other sites are picked off for rezoning in a similar fashion, particularly if falling under the PRCUTS.</p> <p>Therefore, a precautionary approach should be applied, as once a rezoning occurs there is no reversion.</p> <p>A key consideration is also whether the redevelopment of the site is required to deliver this new residential floor space. The review of the EIA raises some questions about the way in which the argument has been presented and lacks comparison to the current state of the site to make a more informed decision about the merits of the Proposal from an economic perspective.</p> <p>Another major concern is that the non-residential component is proposed under a residential zoning (R3). The lack of protection afforded by the residential zoning raises a concern about the long-term nature of this Proposal's intent to retain these uses. This has flow on effects with the value that is placed on the new floor space and the inherent risks that redevelopment floor space is likely to attract higher rents which in turn may price-out numerous local businesses. A risk is that if the development incurs higher rents, those businesses that are seeking to locate in the area may be priced out.</p> <p>Accordingly, it is also considered that on balance the economic impacts are too great in terms of the loss of industrial land for the proposal to be supported. Furthermore, the EIA is not supported due to the numerous concerns with this analysis as outlined above.</p>
Q10	Is there adequate public infrastructure for the planning proposal?
	As outlined above, there are critical issues with the timing of this Planning Proposal as it comes in advance of any public infrastructure improvements along the corridor including provision of open space, schools, public transport, hospital beds etc. The Planning Proposal is considered to be inadequate in this regard and therefore, should not be supported.
Q11	What are the views of State and Commonwealth public authorities consulted in accordance with Gateway Determination?
	There has been some consultation with local and state public authorities for this proposal. Should the Planning Proposal proceed further, a favourable Gateway determination would identify a full list of public authorities to be consulted as part of the exhibition process.
2.4	Mapping
	<p>The Planning Proposal is supported with a request to amend the zoning, FSR and Height of Building Maps of the LLEP 2013.</p> <p>Given the broader strategic issues and insufficient support for the Proposal, the proposed mapping amendments are not supported.</p> <p>In the case that Council decides to proceed with the Gateway process, it is recommended that the Planning Proposal be revised. The most appropriate way to facilitate the redevelopment of</p>

	the site is through an additional site specific local provision clause in the LLEP 2013 along with the proposed map amendments for the Zoning, FSR and Height of Buildings development standards as proposed.
2.5	Community Consultation
	If the Planning Proposal was to be supported, given a Gateway Determination and Council was the Planning Proposal Authority; the Proposal would be formally exhibited in accordance with the requirements of the Gateway Determination and Council's Community Engagement Framework.
2.6	Project timeline
	The Planning Proposal provides the necessary timetable. However, this would have to be updated if Council decides to submit the Planning Proposal to the NSW Department of Planning for a Gateway Determination. The Gateway Determination, if granted, would determine the actual milestones and maximum timeline required to complete the LEP amendment.

6.0 ASSESSMENT OF AMENDMENTS TO LEICHHARDT DEVELOPMENT CONTROL PLAN 2013

As discussed in the previous sections, there are significant concerns with the proposed building envelope, setbacks, separation distances and incompatibility of the proposal with the surrounding low density residential area. The high-level assessment of the proposed controls in the draft DCP is synonymous with the assessment of environmental impacts under Question 8 (justification) in the table of the merit assessment above in relation to the urban design, built form, landscaping, traffic and transport and flooding impacts.

The draft DCP amendment is not supported in its current form. It is considered that the most appropriate way to amend the development controls for the site would be to do so in conjunction with the Council's broader strategic planning work in relation to the Local Character Area statements, Local Housing Strategies and a Comprehensive IWC DCP to deliver coordinated outcomes for land use and infrastructure.

7.0 VOLUNTARY PLANNING AGREEMENT (VPA)

Platino Properties has submitted a Letter of Offer (Attachment 6) to enter into a Voluntary Planning Agreement (VPA) and make monetary contributions for the provision of local infrastructure. The draft Planning Agreement Offer suggests that the owners of the site, Lord Sixty Seven Pty Ltd, would make contributions comprising public domain items and to local infrastructure items to support the PP.

This VPA states that it is expected that the Proponent will either pay a future Special Infrastructure Contribution or negotiate a separate VPA with the State Government should one be required having regard to Section 7.24 of the EP&A Act. The VPA also states that the Proponent would like to discuss an appropriate offset for local infrastructure items pursuant to Sections 7.11 and 7.12 of the EP&A Act.

The proponent's calculations for infrastructure contributions are based on its own Integrated Infrastructure Delivery Plan (IIDP) prepared by Northrop consultants (See Attachment Integrated Infrastructure Delivery Plan IIDP). There are reservations about the methodology used, formulas applied and conclusions of the IIDP. As discussed previously, the PRCUTS infrastructure schedule methodology cannot be readily deployed to determine accurate infrastructure contribution rates. The PRCUTS Schedule is based on a high level analysis of population, dwelling and employment projections for the Corridor and requires a much more detailed and transparent analysis than that's provided in the IIDP.

The inadequacies of the IIDP are underlined by the proponent own independent assessment of the likely costs of infrastructure by Cushman and Wakefield. It states "our feasibility assessment is decidedly subjective and based upon numerous assumptions". It is noted that the estimated costs included in the Schedule are out of date and haven't been reviewed since June 2016. There are also gaps in this Schedule which cannot be adequately determined until such time as Council implements a new local contributions plan. As a part of amending/ updating its local contributions plan, the Council will be required to undertake additional analysis including audits of existing facilities and the preparation of needs studies beyond the Corridor's boundaries.

In addition, it is noted that while the Proposal intends to make contributions towards affordable housing comprising 35 apartments, this allocation and use of a local housing provider (and not the Council) are inconsistent with Council's Affordable Housing Policy and the objectives of the Sydney Region Plan and District Plan (being inconsistent with Council's Policy).

If Council were to enter into negotiations on a potential VPA, the negotiations should seek the provision of:

- An adequate affordable housing contribution in accordance with the provisions of Council's Affordable Housing Policy (2016);
- Public domain improvements along the western side boundary (adjoining the light rail to augment the GreenWay) with connection to the Marion light rail stop and the eastern and southern boundaries adjoining Davies Lane and Lords Road including the provision of prioritised pedestrian connection along Lords Road and a widening of the footpath along Davies Lane;
- Sustainability provisions in accordance with the requirements of PRCUTS; and
- GreenWay Masterplan items in close proximity to the site, potentially including the following:-
 - Item 1.39 Informal path linking Marion, Walter and Loftus Streets
 - 1.41 relocation of Marion St traffic lights and narrow to 3 lanes
 - 1.42 explore potential for public toilets in Lambert Park
 - 2.17 upgrade pedestrian bridge across canal and footpaths to shared paths
 - 2.08 retention of existing vegetation and staged understorey planting to maintain habitat value + maintenance of existing Lords Rd GreenWay bush care site
 - 2.01 create informal path and vegetation from Hathern to Beeson to Kegworth to Marion (utilising the existing rail corridor/easement on the western edge of the Lords Rd Estate site)

It is considered that the proposed VPA currently has too much of a focus on the internal community open space, which is of limited benefit to the broader community rather than on other relevant items from the PRCUTS Infrastructure Schedule for Taverners Hill

Should the proposal proceed to Gateway determination stage and be approved for exhibition, the VPA would have to be negotiated by Council and exhibited concurrently with the Planning Proposal. Council can only negotiate a VPA relating to the Planning Proposal if it is the Planning Proposal Authority.

8.0 FINANCIAL IMPLICATIONS

The proponent has paid fees for the Council's consideration of a Planning Proposal (\$100,000) and DCP amendment (\$35,000) in accordance with IWC's 2018/2019 Fees & Charges.

9.0 PUBLIC CONSULTATION

This single site Planning Proposal in the former Leichhardt LGA is inconsistent with Leichhardt Council policies and draft policies and in accordance with the former Leichhardt Council's practice has not been subject of preliminary community consultation.

The proponent has undertaken community consultation for the preliminary Planning Proposal to comply with the Out of Sequence Checklist criteria for stakeholder engagement. This has been documented as part of the Planning Proposal application.

As a part of his stakeholder engagement process, the proponent undertook an online survey to understand the issues of concern to the Community. The Proponent, through their consultant, Chikarovski & Associates, provided letters to the surrounding business owners, residents and landowners via a letter box drop and placed a newspaper advertisement in the Inner West Courier on 26 June 2018 advising them of the online survey. Residents who expressed strong opposition to the earlier proposal were also notified of the survey and direct notification was provided to existing tenants encouraging them to forward the survey onto their staff and patrons.

A total of 26 responses were received to the online survey. The survey asked, among other things, what the community wanted to see result from the proposal. Creative arts space and green space (both 20% of responses) were the most wanted uses followed by 16% who wanted to the site to remain in its current use.

Cafes/restaurants (12%), retail (11%) and childcare and a gymnasium (both 7%) were further responses. The fact that 16% of respondents wanted the site left in its current zone and use has not been emphasised in the PP.

A community information (drop-in) session was also held on 22 September 2018 in Haberfield, which was attended by 22 people. This session was advertised in the Inner West Courier and by letter box drop to approximately 50 dwellings in Lords Road, Davies Street and Kegworth Street.

While it was noted that three (3) people indicated support for the proposal, it would appear from the Consultation report that the vast majority of people objected to the proposal. The main issues raised by the submissions included the following:-

- Overdevelopment
- Noise
- Traffic and parking
- Height and overshadowing
- Loss of local employment particularly warehousing spaces
- Lack of green space.

It was also noted that existing tenants were having trouble finding alternative premises. Again, this aspect of the P;P has not been emphasised, and has been glossed over by the fact that the PP will provide 2500m² of non-residential floor space. This floor space is considered to be tokenistic and in response only to objections raised in relation to the PP.

The above issues have been taken into consideration in the assessment of this Proposal.

Should the Planning Proposal proceed to the Gateway Determination Stage, any Council community consultation would be undertaken in accordance with the conditions of the Gateway Determination and Council's Community Engagement Framework.

10.0 OVERALL ANALYSIS

The Planning Proposal for 67-75 Lords Road, Leichhardt has been reviewed taking into consideration:

- The *Parramatta Road Corridor Urban Transformation Strategy* endorsed by the State Government in November 2016 and then given statutory force through Section 9.1 Ministerial Direction in December 2016;
- Principles of the NSW Department of Planning document '*A guide to preparing planning proposals*' and '*A guide to preparing local environmental plans*'; and
- Applicant's justification to support the Planning Proposal with a timing that varies from the recommendations of PRCUTS Planning and Design Guidelines and Implementation Plan 2016 - 2023.

Council officers acknowledge the overarching recommendations of PRCUTS for the site including:

- R3 Medium Density Residential Zone
- Maximum height of 30 metres; and
- Maximum FSR of 2.4:1.

It is noted that there are several discrepancies in the recommendations of PRCUTS as the proposed maps and corresponding text do not match up. In this regard, whilst the site has been recommended for rezoning to R3 Medium Density Residential; the Key Actions in the Strategy and Planning and Design Guidelines emphasise that these residential uses should focus on low density housing and appropriately scaled residential uses.

The Strategy also envisages a seven storey development with a 30m height control which would create a higher development given its proximity to the light rail line. There are also minor anomalies relating to the short-term growth projections for proposed dwelling numbers and residential gross floor area targets in the Taverners Hill precinct.

Most critically, however, as demonstrated at various points throughout this report, the PRCUTS dwelling targets for the Taverners Hill Precinct can be easily met and surpassed without rezoning this site.

Overall, the Planning Proposal fails the Strategic Merit Test as demonstrated in this report and is inconsistent with a number of key objectives, priorities and actions of the Greater Sydney Region Plan, Eastern Harbour City District Plan and PRCUTS.

Whilst the redevelopment of site could potentially contribute towards more housing and diversity in the local area, its rezoning at this point in time is not crucial (or required) to meet the short term housing supply for Inner West LGA and would result in the loss of a very valuable light industrial precinct.

This Planning Proposal has been prepared as a response to the PRCUTS but it fails to adequately address the Strategy's Vision and Key Actions. It departs from the staging identified under the PRCUTS Implementation Plan 2016 – 2023, fails to meet the Out of Sequence Test and is inconsistent with the recommended density in the Planning and Design Guidelines.

The Planning Proposal does not provide any '**significant net community, economic and environmental benefits for the Corridor Area**' nor contribute '**significantly towards the Strategy's Corridor wide and Precinct Specific vision**'. It would result in net loss of jobs and reduce the availability of employment lands and urban services as it would rezone a light industrial zoned site to residential. The Planning Proposal is also inconsistent with the PRCUTS Principle 2 – Diversity and Economy which recommends the use of innovative mechanisms when rezoning sites to broaden the role of urban support service industries.

In fact, as outlined in this Report and accompanying checklist, the Planning Proposal **fails to achieve** all of the seven (7) principles of the PRCUTS comprising housing choice and affordability, diverse and resilient economy, accessible and connected., vibrant community places, green spaces and links, sustainability and resilience and delivery.

The Strategy in conjunction with the *Greater Sydney Region Plan* and the *Eastern Harbour City District Plan* underlines the importance of the Taverners Hill Precinct as reinforcing its existing mix of warehouse and service industries interspersed with residential dwellings with the potential to contribute towards employment. In this regard, PRCUTS recommends rezoning of a large part of the Taverners Hill precinct on the north side of the Parramatta Road for medium density residential uses. The northernmost part of the precinct which includes the subject site has been recommended for rezoning from industrial to residential uses which is inconsistent with the wider objectives of GSRP, ECDP and Leichhardt Council's Leichhardt's Industrial Lands Study, EEDP and Industrial Precincts Planning Report.

In particular, the ECDP also noted that research prepared for the Greater Sydney Commission identified a benchmark requirement of 3 sqm of industrial land per capita for urban services activities. The current and projected per capita level of provision in the Eastern Harbour City is already well below this benchmark. For these reasons, it is considered that a precautionary approach should be taken to this site, notwithstanding that the PRCUTS essentially excludes this part of the Plan from applying given the significant loss of industrial land which has been occurring in recent years as outlined in this report.

Further studies emphasising the need to retain and protect industrial land includes the Greater Sydney Commission's thought paper, '*A Metropolis that Works*' (2018), *Sydney's Urban Services Land Establishing A Baseline provision* (2017) and the Section 9.1 Ministerial Direction 1.1 - Business and Industrial Zones (May 2017). Therefore, the planning proposal is contrary to an overwhelming literature basis of plans and strategies supporting the retention and protection of industrial lands, particularly those lands located in close proximity to the local population for urban services uses and population-serving uses.

Whilst Council officers broadly accept PRCUTS and its recommendations in relation to rezoning, development controls and implementation; there are key concerns regarding rezoning this parcel of land within the Taverners Hill Precinct to allow residential or non-industrial uses as encroachment of non-industrial uses which could compromise Council's ability to realise the vision for job creation and employment land targets in the wider LGA. Furthermore, supporting this proposal would be contrary to

Council's long standing position of preserving industrial land and would diminish Council's past efforts to retain this site for industrial uses comprising two separate planning proposals since 2014.

Council intends to review all its employment lands as part of the wider comprehensive LEP work. Council in collaboration with the State Government is also undertaking a range of broader Strategic planning work and studies including but not limited to:

- Local Housing Strategy
- Local Strategic Planning Statement
- Employment Lands Review
- Local Infrastructure Contributions Plan
- Integrated Transport Plan
- Comprehensive IWC LEP and DCP
- Affordable Housing Contribution Scheme
- PRCUTS precinct wide traffic modelling

The Planning Proposal is considered to be premature in relation to the completion of these strategic planning projects. These projects will provide comprehensive evidence based strategies and innovative visions to direct future strategic planning documents and design parameters for land uses, infrastructure, public domain works, urban design and place making community/social benefits; economic development and appropriate distribution of development uplift for long term sustainable changes throughout the IWC. The site and its future uses should be planned holistically in the context of the Taverners Hill Precinct and its contribution to the revitalisation of Parramatta Road Corridor rather than in an ad hoc piecemeal manner such as via this planning proposal.

Support of this Planning Proposal in its current form and timing, in advance of this broader strategic planning work and specifically the Local Housing Strategy and Employment Lands Review would compromise Council's ability to exercise integrated land use and infrastructure planning for the delivery of coordinated outcomes for housing, jobs, transport infrastructure, social infrastructure, open spaces and urban services land.

The Parramatta Road Section 117 Ministerial Direction and Strategy explicitly states that '*Consent authorities must not approve planning proposals or development applications that are inconsistent with the Corridor Strategy or Implementation Tool Kit unless the consent authority considers that such a decision is justifiable in light of the circumstances of the case*'. This Planning Proposal is inconsistent with the Corridor Strategy and the Implementation Tool Kit; and it fails to adequately justify the variations from the Strategy that it proposes.

The significant loss of this industrial land proposed in this planning proposal, being around 10,000m² of industrial floor space and 160 jobs existing on the site, is too great to support this proposal. This site represents approximately 7% of the IWC areas industrial land supply and is one of only eleven (11) industrial precincts within the Leichhardt area. The Industrial lands studies reviewed in this report indicate that even within various scenarios that test degrees of development within these precincts, Leichhardt is projected to have a shortfall of between 7, 570sqm and 54,965sqm of industrial land by 2036.

Although already small, Leichhardt's industrially-zoned lands are continuing to reduce. The overwhelming evidence is that industrial lands are scarce and they are disappearing which directly contradicts the ECDP which seeks to cast aside this evidence to support large areas of employment lands under the PRCUTS to be rezoned to residential.

Between 2011 and 2015, Leichhardt saw a net loss of almost 5 hectares, 4.5% of the LGA's 2011 total which, coupled with Leichhardt's small amount of industrial land has meant that continued demand, in particular for population-serving industries such as self-storage services or automobile maintenance and repairs, are facing increasing pressures.

The types of uses on this site, including creative industries and local population-serving uses such as the construction industry, cannot be replaced on the site in the current proposal given the likely smaller spaces and the encroachment of residential uses which are inherently incompatible with light industry uses. Furthermore, it has been well documented from the existing industrial tenants on this site that they are

finding it difficult to find alternate accommodation for their businesses. The references to the proposed non-residential spaces on this site under this proposal are described as 'flexible' and is more likely to be commercial in nature than industrial.

The planning proposal is also considered to be out of character with the local area which, at least in the short term, will remain a low density residential area until at least 2023 as outlined in the Action Plan for the Taverners Hill Precinct.

It is recommended that the Planning Proposal application for 67-75 Lords Road, Leichhardt should not be supported by Council. There are also several significant urban design issues with the proposal which result in the current design scheme unacceptable.

11.0 CONCLUSION

The Planning Proposal fails the Strategic Merit test as indicated in this planning report and is inconsistent with a number of key objectives, priorities and actions of State, District and Council plans and policies. The planning proposal is also inconsistent with all six (6) criteria of the out of sequence checklist given it is outside the 2016-2023 Action Plan for the Taverners Hill Precinct. It is recommended that this Planning Proposal should not be supported.

12.0 ATTACHMENTS

1. Council's Assessment Checklist
2. Council's Out of Sequence Assessment Checklist
3. Proponent's Planning Proposal (written report)
4. Urban Design Report
5. Site-specific draft Development Control Plan (DCP)
6. Letter of offer to enter into a VPA - Local and State contributions
7. Traffic and Transport Assessment
8. Economic Impact Assessment
9. Remedial Action Plan/Contamination Report
10. Heritage Impact Assessment
11. Social Impact Assessment
12. Housing Affordability Assessment Report
13. Flooding and Stormwater Management Report
14. Acoustic Assessment
15. Integrated Infrastructure Delivery Plan
16. Consultation Report
17. Survey
18. Feasibility Advice
19. Sustainability Report
20. Utility Capacity Report
21. Light Spill Report
22. Landscape Plan