

## ATTACHMENT 2 - PRCUTS IMPLEMENTATION PLAN OUT OF SEQUENCE COMPLIANCE TABLE

### 67-75 Lords Road, Leichhardt

The subject site is outside the PRCUTS '2016 - 2023 Release Area' which means that the redevelopment of the site should be in the medium to long term between 2024 and 2054. Proposals that depart from this staging need to be considered against the PRCUTS 'Out of Sequence Checklist' to ensure that changes to the land use zones and development controls can be justified against the underlying Principles and Strategic Actions of the Strategy. These include provision of necessary transport, services and social infrastructure to service a new population. The Checklist also aims to ensure the established benchmarks for the quality of development and public domain outcomes desired for the Corridor are achieved.

For a Planning Proposal to be consistent with the Out of Sequence Checklist, it must demonstrate (without relying on any future development application) that it will:

- Satisfactorily meet **all** the underlying Principles and Strategic Actions of the Strategy; and
- Achieve the established benchmarks for the quality of development and public domain outcomes desired for the Corridor.

Table 1 provides an analysis of the Planning Proposal against the criteria outlined in the Out of Sequence Checklist. Table 2 provides a detailed consideration of the Planning Proposal against the requirements of the checklist.

*Table - 1 Summary of the Out of Sequence compliance checklist*

Out of Sequence checklist criteria		Consistency	Comment**
** Note- For detailed analysis, refer to the comments in the subsequent table.			
Criteria 1 Strategic objectives, land use and development:			
1.	The planning proposal can demonstrate significant delivery or contribution towards the Strategy's Corridor wide and Precinct specific vision.	✗	The PRCUTS dwelling targets for Taverners Hill can be met and surpassed through the rezonings recommended for other parts of the precinct without rezoning this site.
2.	The planning proposal satisfies the Strategy's seven land use and transport planning principles and fulfils the relevant Strategic Actions for each Principle.	✗	
3.	The planning proposal can demonstrate significant net community, economic and environmental benefits for the Corridor and the Precinct or Frame Area within which the site is located.	✗	The Planning Proposal does not adequately demonstrate that it meets the strategic, land use and development objectives outlined in the PRCUTS Implementation Plan. It 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 consequently, should not be supported.
4.	The planning proposal is consistent with the recommended land uses, heights, densities, open space, active transport and built form plans for the relevant Precinct or Frame Area.	✗	
5.	The planning proposal demonstrably achieves outcomes aligned to the desired future character and growth projections identified in the Strategy.	✗	
6.	The planning proposal demonstrates design excellence can be achieved, consistent with councils adopted design excellence strategy or the design excellence provisions provided in the Parramatta Road Corridor Planning and Design Guidelines.	✗	
Criteria 2 Integrated Infrastructure Delivery Plan			
An Integrated Infrastructure Delivery Plan, which identifies advanced infrastructure provision and cost recovery for the local and regional infrastructure identified in the Infrastructure Schedule, must support the planning		✗	The Planning Proposal is accompanied by an Integrated Infrastructure Delivery Plan

Out of Sequence checklist criteria		Consistency	Comment**
<p>proposal. The Integrated Infrastructure Delivery Plan must demonstrate a cost offset to council and agency costs for a set period that aligns with the anticipated timing for land development identified in the Implementation Plan 2016 - 2023. Infrastructure to be considered includes:</p> <ul style="list-style-type: none"> <li>• Public transport</li> <li>• Active transport</li> <li>• Road upgrades and intersection improvements</li> <li>• Open space and public domain improvements</li> <li>• Community infrastructure, utilities and services.</li> </ul>			<p>(IIDP) prepared by Northrop which provides a methodology for calculating the local and state infrastructure contributions. The proponent has offered to make contributions towards hard and soft infrastructure as part of the Planning Proposal process.</p> <p>The State and local infrastructure contributions included in the proponent's IIDP are limited in scope. Council officers have reservations in relation to populating the 2016 PRCUTS Infrastructure Schedule without having undertaken associated work to update and determine the required local and State infrastructure contributions. There are also reservations about the methodology used; formulas applied and conclusions of the proponent's IIDP.</p> <p>The IIDP clearly underestimates the true costs of providing a range of infrastructure projects required by PRCUTS. The Planning Proposal should, therefore, not be supported.</p>
<b>Criteria 3 Stakeholder engagement</b>			
1.	Consultation and engagement with relevant stakeholders (council, government agencies, business, community, adjoining properties and user or interest groups, where relevant) have been undertaken, including any relevant pre-planning proposal engagement processes required by local council.	×	The proponent has undertaken preliminary stakeholder consultation as a part of the Planning Proposal process including online surveys, letterbox drop and drop knocking, newspaper advertisement and a public drop-in session to advice nearby residents of the PP. Meetings have also been held with various Government and community stakeholders including IWC, DPE, the APIA club and existing tenants. However, Council considers that the community engagement is still inadequate, despite informing the Proponent throughout the pre-planning Proposal stage that such consultation was imperative.
2.	An appropriate level of support or agreement is documented.	×	There is insufficient evidence that there is an appropriate level of support for the PP in its current form. While it is clear that the

Out of Sequence checklist criteria		Consistency	Comment**
			<p>Proponent has attempted to address the issues of concern, it is evident that there is still a significant level of opposition to this PP, particularly shown in the letter from the South Haberfield Action Group.</p> <p>The issues of concern included:-</p> <ul style="list-style-type: none"> <li>• Loss of industrial land</li> <li>• Out of character with local area</li> <li>• Additional population will strain local services (schools, light rail etc)</li> <li>• Increased traffic generation and congestion (particularly around the school and pedestrian/bike areas)</li> <li>• Loss of privacy and sunlight to Haberfield residents</li> <li>• Potential impact on heritage value of Haberfield Conservation Area due to height.</li> </ul>
3.	Provision of documentary evidence outlining the level of planning or project readiness in terms of the extent of planning or business case development for key infrastructure projects.	×	The proponent has been unable to provide an adequate level of documentary evidence defining the level of project readiness for the delivery of key infrastructure projects.
<b>Criteria 4: Sustainability</b>			
	The planning proposal achieves or exceeds the sustainability targets identified in this Strategy.	×	<p>The PP provides a generic and theoretical Sustainability Report, resulting in the proposal inadequately addressing the sustainability targets specified in Principle 6 of PRCUTS. The PP also does not adequately outline how the future redevelopment of the site would be sustainable. This is unacceptable as it does not provide any certainty that the sustainability targets and requirements of PRCUTS would be achieved in the future.</p> <p>This is inconsistent with the criteria which require that the PP achieves or exceeds the sustainability targets identified in this strategy. The Proposal is inconsistent with this criterion and therefore, should not be</p>

Out of Sequence checklist criteria	Consistency	Comment**
		supported.
<b>Criteria 5: Feasibility</b>		
The planning proposal presents a land use and development scenario that demonstrates economic feasibility with regard to the likely costs of infrastructure and the proposed funding arrangements available for the Precinct or Frame Area.	✗	The Planning Proposal does not provide a detailed development feasibility analysis to meet this criterion. The Economic Impact Assessment (AEC, September 2018) and the feasibility advice from Cushman & Wakefield (October 2018) is flawed and contains numerous assumptions, disclaimers and conclusions which are not supported.
<b>Criteria 6: Market viability</b>		
The planning proposal demonstrates 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. Viability should not be used as a justification for poor planning or built form outcomes.	✗	The Planning Proposal does not provide a thorough needs assessment of the existing/ future market conditions to support rezoning in the current context.

Table - 2: Detailed analysis of Planning Proposal against the Out of Sequence criteria

Criteria 1: Strategic objectives, land use and development	Out of Sequence Checklist analysis
	<p>1. The planning proposal can demonstrate significant delivery or contribution towards the Strategy's Corridor wide and Precinct specific vision.</p> <p>The Strategy's Corridor wide vision contained in the Strategy document states: <i>Incremental renewal of the Corridor will occur over the long term to deliver a high quality, multi-use corridor with improved transport choices, better amenity, and balanced growth of housing and jobs.</i></p> <p>The Precinct specific vision for Taverners Hill is contained in the Planning and design Guidelines and states: <i>Taverners Hill will be an urban village with walking and cycling links via the GreenWay, access to many public transport modes and many neighbourhood parks, squares and leafy streets.</i></p> <p><u>Proponent's comments:</u></p> <p>The PP addresses each of the individual principles comprising housing choice and affordability, diverse and resilient economy, accessible and connected, vibrant community places, green spaces and links, suitability and resilience and delivery. The PP asserts that the proposal is consistent with these principles and vision given it provides additional housing with a mix of dwelling sizes and affordable housing close to transport and services. Further reasons given are that the proposed non-residential uses will provide for economic activity and the through-site links and public open space will achieve the accessibility and green areas principles.</p> <p>The proponent claims that the Planning Proposal is consistent with the following Taverners Hill Precinct Guidelines recommended in the PRCUTS:</p> <ul style="list-style-type: none"> <li>• Existing Character and Identity</li> <li>• Opportunities and Constraints</li> <li>• Future Character and Identity</li> <li>• Open Space, Linkages and Connections and Public Domain</li> <li>• Street function and Precinct Transport</li> <li>• Fine Grain</li> <li>• Green Edge Setbacks, Transition and Activity and Commercial Zones</li> <li>• Recommended Planning Controls <ul style="list-style-type: none"> <li>○ Land use</li> <li>○ Building Heights</li> </ul> </li> </ul> <p><u>Officer's Comments:</u> The proponent's justification against the Precinct Guidelines is not supported. The following points outline Council officer's analysis:</p> <ul style="list-style-type: none"> <li>• Commentary against the guidelines under the 'Future Character and Identity' of the precinct is provided below: <ul style="list-style-type: none"> <li>○ <i>Positioning Taverners Hill as a transit oriented development to capitalise on the existing rail service provision and the rapid transit network along Parramatta Road</i> – It is acknowledged that the PP is located in close proximity to transport (light rail, bus stops along Parramatta Road and heavy rail further to the south) and in this way would be considered to be a transit-orientated development. However, the PP is considered to be premature as it comes in advance of any improvements being made to public transport services along Parramatta Road. The PRCUTS Implementation Plan recommends that the rezoning of this site be considered in the post 2023 phase to align with infrastructure improvements and development growth. There are concerns, therefore, about the timing of this Planning Proposal as it comes in advance of the studies underway at local and State government levels to inform the future works in the Corridor area including the preparation of a precinct wide traffic study to determine the cumulative traffic impacts of a growing population and large infrastructure projects such as WestConnex. In this way, it is considered that the PP is unacceptable.</li> </ul> </li> </ul>

- *Encouraging appropriately scaled residential uses and a mix of employment and non-residential uses and a variety of creative industries* – The PP is considered to be contrary to this vision given it is replacing creative industries with residential development and the proposed non-residential floor space is unlikely to be capable of accommodating any significant light industrial activity. Furthermore, the proposed density and design of the development in the current form is considered to be inappropriately scaled having regard to the surrounding residential area;
- *Retaining the heritage and fine grain industrial character and appropriately transitioning new, higher-density development to existing areas and conservation areas* – The PP does not adequately retain the industrial character of the area given the removal of these uses from the site. Furthermore, it is unknown if there are any adverse impacts on the heritage value of the nearby heritage items due to the Heritage Impact Statement being inadequate. As outlined in the Report, the PP also fails to adequately comply with the siting and setbacks and amenity provisions of the Key Guidelines of the Fine Grain Study for the Taverners Hill Precinct required by Clause 10.7 of the Planning and Design Guidelines of the PRCUTS.

The site is located in the Character Area 8 of Parramatta Road Corridor Fine Grain Study which recommends the following objectives for the area:

*1. Opportunity to establish village character focused at the junction of Lords Road and Flood Street* – This is not relevant to the site;

*1. New development adjacent to heritage listed school Kegworth Public School must respond sensitively to interface* - This is not relevant to the site;

*2. Opportunity for development to step up in height towards the Greenway, along the western edge of the Precinct* – While it is acknowledges that the site can accommodate an increase in height towards the GreenWay, the proposal in its current form lacks sufficient setbacks and exceeds the maximum height as set out in the PRCUTS to adequately satisfy this objective. The urban design review is further considered in the report.



Image 1 - Extract from proponent's urban design scheme indicating the proposed building envelope

- *Providing clearly defined, high quality and safe pedestrian and cycling linkages to both light and heavy rail stations and across Parramatta Road* – The PP attempts to provide linkages to the Marion Light Rail Stop and throughout the site as well as along Lords Road, however, these proposals are not adequately outlined in the PP. The shared pedestrian/cycle pathway along the edge of the site (minimum pathway width 3.5 metres) is desirable which would help provide a connection between the site and other sites to the south to the light rail stop in future. The proposal does little to address this vision of PRCUTS. This green link is imperative in Council's vision to achieve a connected network of local and regional open spaces as it would provide a connection throughout the area.

It is also considered that the proposed public open space should be provided along the western side boundary to add to the GreenWay. The ground level setback from the western side boundary is insufficient to allow this public open space to function appropriately as part of this open space network. Further, the pedestrian access along Lords Road has not been adequately prioritised given the lack of an adequate setback of the development along this frontage of the site. Accordingly, the PP is considered to be contrary to this vision;

- *Enhancing access to open space areas to the north, the GreenWay as well as Leichhardt (Norton Street) in the east* – As outlined above, there is insufficient information to assess the proposed open space linkages and pedestrian links along the Lords Road frontage. The location of the proposed public open space should also be relocated to the western boundary to augment the existing green open space of the GreenWay;
- *Creating pockets for urban spaces and high pedestrian activity by introducing new laneways and pedestrian prioritised linkages which enhance permeability provide activated streetscapes, and link new developments, key uses and activities across the Precinct* - As outlined above, the Proposal does not contribute towards providing an improved streetscape along Lords Road and does not provide the required prioritised linkages along this frontage (illustrated below). The proposed residential development will result in additional visitor traffic in the area. While the Planning Proposal has the potential to contribute towards public domain improvements such as footpath widening along Lords Road (to make it more pedestrian friendly), and new street trees, this has not been adequately addressed in this Proposal. Furthermore, it is also considered that pedestrian access along Lords Road is not prioritised given the lack of an adequate setback of the development along this frontage of the site;
- *Completing missing links along the GreenWay at Parramatta Road and Longport Street* – this is not applicable to the site or the PP;
- *Designing for the impact of major through-traffic roads* – Lords Road is not a major through-traffic road and accordingly, this is not relevant to the PP;
- *Addressing aircraft noise* - this is not applicable to the site or the PP.

## **2. The planning proposal satisfies the Strategy's seven land use and transport planning principles and fulfils the relevant Strategic Actions for each Principle.**

Proponent's comments: The proponent claims that the Planning Proposal is consistent with the Strategy's seven land use and transport planning principles as listed below and fulfils the relevant Strategic Actions for each Principle.

- Housing choice and affordability
- Diverse and resilient economy
- Accessible and connected
- Vibrant community places
- Green spaces and links
- Sustainability and resilience
- Delivery

Officer's response: The proposal is considered to be inconsistent with the following land use and transport planning principles:

*Principle 1: Housing choice and affordability* - The proposal will contribute towards housing choice and diversity as it proposes a residential development with a mix of 1, 2 and 3 bedroom dwellings. However, no specific provisions have been made to provide 'diverse housing' as required under the PRCUTS (Refer to the Strategic actions below). The Planning Proposal does not adequately contribute towards the provision of permanent affordable housing. While the PP includes affordable housing units, the proposal to provide such units through Bridge Housing is contrary to Council's Affordable Housing Policy. This policy requires that such units are owned by Council for the long term. Further inconsistencies included the affordable housing being :

- The Social Impact Statement says that 15% of dwellings or 8% of GFA are allocated to affordable housing dwellings but it does not indicate 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.
- It is not clear which SEPP or policy will be followed after 10 years when Bridge Housing is no longer managing the dwellings. In addition, the following concerns with the proposal are listed below:

In addition, the proposal is considered to be premature as it comes ahead of Council's Local Housing Strategy which is to be finalised by mid-2019 to inform the appropriate mix of housing on rezoning sites. It is recommended that any increased density should only be considered after a strategic review of the Inner West housing market area including demand/ supply analysis rather than be considered in the context of individual sites/ ad hoc proposals.

Consequently, the Proposal is inconsistent with the following strategic actions:

#### *Housing Diversity:*

- *Review, update or prepare a new Local Housing Strategy that implements the Parramatta Road Corridor Urban Transformation Strategy's Principles and Strategic Actions, taking into account changed economic and demographic characteristics, new transport opportunities and population projections.*
- *Provide 'diverse housing' for both purchase and rental markets that satisfies the objectives and Design Criteria of the Apartment Design Guide, that may include:*
  - *lower cost market housing for rent or purchase, including new generation boarding houses with high quality shared spaces;*
  - *moderately priced housing that is affordable to purchase for households earning up to \$150,000 or 80-190% of the median income;*
  - *rental properties with long-term tenures and optional extensions in place;*
  - *housing that uses design innovations, resulting in new products such as decoupled/optional car parking, which are suited to essential service workers, young 'city makers' early in their careers looking for 'starter homes', families with children, and downsizers/seniors;*
  - *student accommodation;*
  - *aged-care housing;*
  - *housing that promotes innovation in other ways across type, tenure, construction methodology or other mechanisms to make such housing more attainable to a diversity of income groups.*
- *Explore incentives such as value sharing where rezoning is necessary to achieve renewal of private sites to capture a proportion of the increased land value to fund affordable, diverse and social housing projects.*

#### *Affordable Housing:*

- *Provide a minimum of 5% of new housing as Affordable Housing, or in-line with Government policy of the day.*

- Principle 2: Diverse and Resilient economy - The Planning Proposal will result in loss of existing jobs as it would rezone the site from Industrial to Residential. Notwithstanding, it is consistent with the proposed land use recommended under the PRCUTS.

The PRCUTS as well as the GSRP and District Plans emphasise the importance of employment lands and urban services in Sydney and in particular, in the Parramatta Road Corridor for its proximity to the city and surrounding residential areas. This concept of retaining industrial land is also reinforced through various economic and industrial land studies as outlined in the Report. This Principle states that there will always be a strong role for employment and economic activity in the Corridor, given its strategic location and position within the heart of a growing population. PRCUTS recommends consideration of innovative mechanisms to broaden the role of urban support service industries to enable existing occupiers to remain, yet allow an intensification of use. This can be realised by including transitioning zoning controls to allow existing businesses to continue to operate, permitting a variety of new business occupiers or providing incentives to incorporate urban support services industries into the proposal.

This has not been achieved by the PP given it results in a total proposed loss of between 8,000m<sup>2</sup> and 10,000m<sup>2</sup> of industrial floor space from the site. In addition, the Social Impact Statement specifically indicates that there will be a reduction of the existing non-residential floor space by more than double from 7,142m<sup>2</sup> to 3,000m<sup>2</sup> (approximately). The usability of this non-residential floor space is also highly questionable given its layout under the upper level residential apartments and lack of adequate servicing etc.

The proposal to provide 2,500m<sup>2</sup> of non-residential floor space (500m<sup>2</sup> is proposed for community uses) is unlikely to result in any significant industrial or employment uses being carried out on the site given the inherent noise, parking, servicing and hours of operation impacts likely to be generated for future residents on the site. The proposed non-residential land uses do not resolve the issue of the loss of urban services land and does not contribute to employment or economic activity which is being lost under the PP.

The PP provides less space for new employment opportunities. The site currently provides approximately 160 jobs with the PP proposing around 97-120 jobs. As outlined above, it is unlikely that such uses will be compatible with the future residential uses on the site and it is questionable as to the likely number of jobs given the proposed non-residential spaces have not been outlined at this stage.

Therefore, the proposal is inconsistent with the following strategic actions:

*Planning for jobs:*

- *Implement the built form controls identified in the Parramatta Road Corridor Planning and Design Guidelines to encourage new typologies that overcome these challenges and facilitate evolving and innovative employment uses.*

- Principle 3: Accessible and connected - This Principle is concerned with reshaping and better connecting places and associated movement networks to better serve customers and encourage sustainable travel. This principle also highlights that the Strategy will be implemented in two distinct stages, being 2016 – 2023 and post 2023 with land use change prior to 2023 being guided by the Parramatta Road Corridor Implementation Plan 2016 – 2023. Such land use change will be accommodated within planned improvements to Western Line rail frequencies and a rapid bus solution from Burwood to Sydney. 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. This principle outlines that this short term staged approach allows for the land use change to move in sync with the available transport capacity, whilst ensuring the scale, timing, and staging of longer term land use changes respond to Government transport investment.

The PP is out of sequence with the action plan for Taverners Hill hence its being assessed against this checklist. The transport infrastructure is not in place to sustain this development at this time. Furthermore, the Precinct Wide Traffic Study required by Taverners Hill Action Plan has also not been completed.

Notwithstanding this, the Planning Proposal has the potential to contribute towards the achievement of this sustainable travel by a shared pathway (pedestrian

and cycle link) along the western site boundary to connect the site, and other land to the south, with the Marion Light Rail Stop. While the PP indicates that such a link will be provided, and which is encouraged by the GreenWay Master Plan 2018, such a link has not been adequately demonstrated. There has been no consultation with the relevant landowners as to the acceptability of this link and there is no information on the dimensions of this connection or its location having regard to the Greenway, vegetation removal and the like. Accordingly, the Planning Proposal is also inconsistent with the following Strategic Actions:

*Integrated Transport Network:*

- *Implement the Sydney CBD to Parramatta Strategic Transport Plan:* The Planning and Design Guidelines for Taverners Hill (Clause 10.5) require that Lords Road is prioritised for pedestrians as well as the need to provide connected open spaces.

For Lords Road to function as a successful prioritised walking link (refer to image below), public domain improvement works such as footpath widenings, new streetscape plantings to enhance its amenity and streetscape are desirable. The Planning Proposal is inadequate in this regard as it does not contribute to making Lords Road as a street for pedestrians lacking the necessary details and commitments to undertake this.

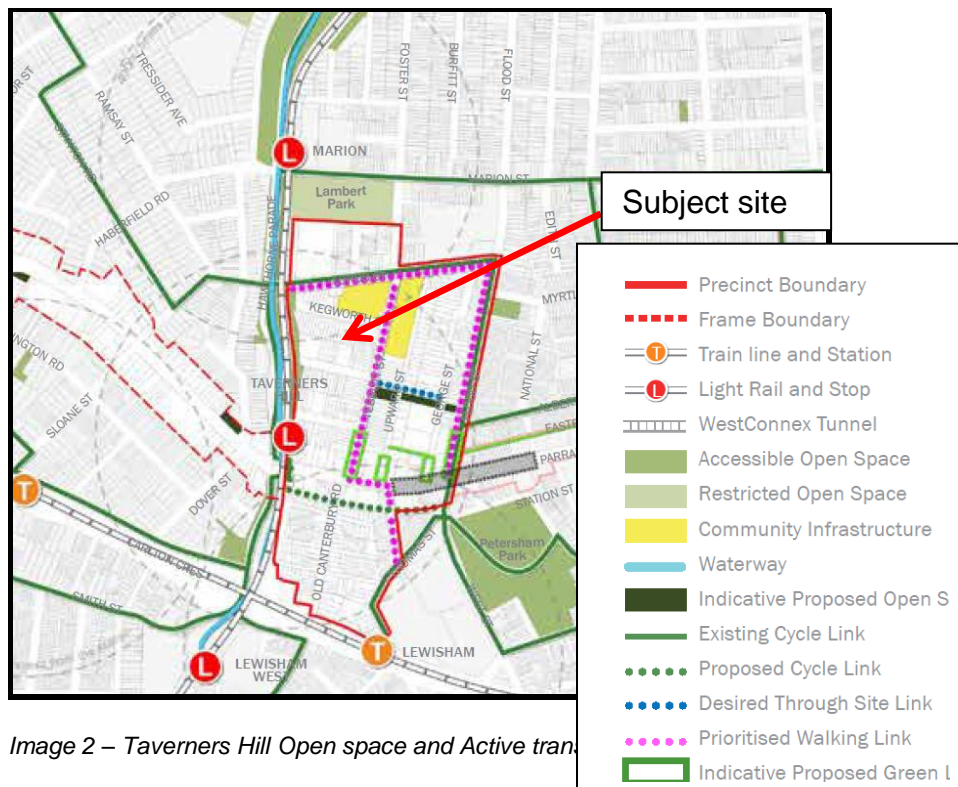


Image 2 – Taverners Hill Open space and Active transport

*On-street rapid transit for Parramatta Road:*

- *Amend the State Environmental Planning Policy (Infrastructure) 2007 to identify Parramatta Road between Burwood and the Sydney CBD as a strategic corridor, inserting provisions that require planning proposals and development applications along the Corridor to be referred to Transport for NSW for comment, particularly at and around future super stop locations* - This work is yet to be undertaken by DPE. There are concerns with the

timing of this PP as it comes in advance of these studies underway at local and State government levels to inform the future infrastructure provision in the Corridor area including the preparation of a PRCUTS Inner West corridor traffic study to determine the cumulative traffic impacts of implementation of the Strategy. This collaborative DPE, Council and TfNSW study will help inform the preparation of IIDP for Out of Sequence Planning Proposals in the PRCUTS area and shape infrastructure considerations for future public transport and road upgrades and intersection works that will be required to service new developments in the corridor. The proposed increase in density in this Proposal should not be supported until the traffic modelling has been completed.

TfNSW and Department's SIC team have alerted Council that this Planning Proposal is unlikely to be supported until the completion of Corridor wide Traffic Modelling Study. This is currently an unresolved matter.

*Principle 4: Vibrant Communities and Places* – This Principle requires the promotion of quality places and built form outcomes that will transform the Corridor over time. As outlined in the Report, there are a number of concerns with built form proposed for the site under the PP and there is a lack of detail regarding the proposed linkage to the Marion Light rail stop. There are also insufficient details regarding the prioritised pedestrian linkage along the Lords Road frontage of the site. The PP is also considered to be incompatible with the surrounding residential context which, in the short term, defined by the Strategy as up to 2023, will remain a low density residential area. Even in the medium term, between 2023 and 2036, the immediate area will comprise development only up to 17 metres in height. The lack of adequate setbacks to the corner of Davies Lane and lords Road and the removal of trees in this portion of the site results in an inadequate relationship with the surrounding development. There is numerous urban design concerns raised as outlined in the accompanying report.

The likely private nature of the central open space area will result in very limited public open space being provided on the site. It is also unclear as to the potential impact of the PP on the nearby heritage items located in Lambert Park and Kegworth Public School given the Heritage Impact Statement was considered unsatisfactory by Council.

The PP is inconsistent with the following strategic actions:

*15 minute neighbourhoods:*

- *Deliver each Precinct along the Corridor as a '15 minute neighbourhood' through land use changes that implement the following principles:*
  - *improved walkability, cycling and safety to support healthier communities*
  - *improved housing choice and diversity*
  - *increased usability of, and access to, safe open space*
  - *improved local economic opportunities*
  - *adequate local services and infrastructure*

*Design Excellence:*

- *Prepare and implement a design excellence strategy*
- *Principle 5: Green spaces and links* - This Principle requires that proposals embellish existing open spaces and provide new active and passive open spaces to support the recreational needs of the community and to encourage healthy and active lifestyles. The Strategy details that one of the key features of liveability is the nexus between the built environment, infrastructure and open space. Open space underpins the social, environmental and economic benefits that are essential to the healthy functioning of the built environment. An interconnected network of high quality public domain spaces in employment and residential areas, which also connect seamlessly to local and regional active transport links, is desired for the area.

The PP does not sufficiently demonstrate that the proposed public open space on the site and local connection to other open spaces and public transport has been provided. The removal of various trees on the site due to inadequate building setbacks, particularly in the south-east corner, does not achieve the required greening of the corridor as envisaged by the plan.

Based on the discussions elsewhere in this report, the Planning Proposal is inconsistent with the following strategic actions:

*Neighbourhood parks and open space:*

- *Strategically rezone parts of the Corridor for open space purposes, with a view to allocating land to create a high quality interconnected network of publicly accessible open space throughout the Corridor.*
- *Provide a diverse range of connected, high quality open space and public domain areas to each Precinct in accordance with the Precinct Plans that ensures linear parks and trails linked to waterways, vegetation corridors and road reserves within 1 km of 95% of all dwellings.*

*Greening the Parramatta Road Corridor:*

- *Implement building setbacks as identified on the Precinct Plans within the Parramatta Road Corridor Planning and Design Guidelines....*

- *Principle 6: Sustainability and Resilience* – This Principle requires that proposals create liveable local Precincts along the Corridor that are sustainable, resilient and which make Sydney a better place. The Sustainability Planning Report provided with the PP is a generic and theoretical description of the potential sustainability measures which could be provided in any future redevelopment of the site. There are very limited references to the site or the proposal. There is no referencing or consideration of the sustainability requirements under the PRCUTS reference report Sustainability Implementation Plan. 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. There are also significant trees to be removed under the current proposal. The PP is inconsistent with this Plan. This is unacceptable given the Checklist explicitly requires a Planning Proposal to sufficiently demonstrate that it would achieve or exceed the sustainability targets identified in the Strategy.

Consequently, the Proposal is inconsistent with the following:

*Adaptive sustainability practices:*

- *Implement comprehensive built form strategies for building efficiency, renewable energy, strategic parking, public domain and sustainable infrastructure to target the long-term achievement of:*
  - *20% reduction in greenhouse gas emissions*
  - *renewable energy installation*
  - *30% reduction in peak electricity demand*
  - *30% reduction in water consumption*
  - *>15% of water delivered by non-potable sources, including rainwater or recycled water*
  - *30% reduction in car use*
  - *10-15% car share take-up rate*
- *Principle 7: Delivery* – This Principle requires the delivery and facilitation of action and aims to consolidate the planning and management of urban renewal in the Corridor into a single point of reference, owned and administered by a single, overarching body with the capacity to drive and deliver change in the

Corridor. The Planning Proposal is inconsistent with the following Strategic Actions:

*Effective Governance:*

- *Implement the Implementation Plan 2016 - 2023:* As discussed previously, the PP is out of sequence and fails on several aspects of this checklist.
- *Establish a robust funding mechanism to apply to new rezoning/development proposals that will fund the local and regional infrastructure demands required to service the future population growth in the renewed Corridor:* The Planning Proposal comes in advance of any such work being completed by Council or the State Government. There is an existing shortfall of industrial lands and community infrastructure in the local area. Whilst it is unrealistic to expect that the proposal can fund all the desired infrastructure owing to its size, Council officer's analysis indicates that the proposal has the potential to contribute towards a range of public domain works and it has not adequately addressed these opportunities. Some of these works are listed in the following discussion.
- *Advise and assist councils in the revision of local contributions plans to address funding of local infrastructure and services in the Corridor -* The proponent has provided a schedule of public works and an associated offer to enter into a Voluntary Planning Agreement in conjunction with the Planning Proposal to demonstrate how the proposal will contribute to the Local and State infrastructure. The proposed local works have a total value of \$4,068,000 (excluding GST and excluding the affordable housing component) and include the following:

Public Benefit Items

- Multi-purpose space to be transferred to Council to comprise a stratum titled with a gross floor area of 500sqm with a minimum floor to ceiling height of 3.6m, constructed of brick and roof. It will be directly accessible from Lambert Park. The offer is made on the basis that the space that is the subject of the VPA will not form part of the floor area for the purpose of calculating the FSR of the site.
- Upgrade to lighting in Lambert Park - Upgrade lighting on Lambert Park, which is leased by Council to the APIA Club, including design, engineering and project management (Value - \$160,000 ex GST).

Local Infrastructure Items

- Public art - Public art in the form of a sculpture and water feature near the entrance to the tunnel under the railway (Value - \$130,000 ex GST);
- Public open space –
  - The central open space area comprising 1,650sqm which will be accessible to members of the public via a Public easement for recreation (Value - \$1,680,000);
  - Shareway and through site links and provision of a pedestrian path (1,832sqm) via a Right of Carriageway and footway with the potential to connect to the Marion Street Light Rail Station on the eastern side of the light rail corridor (should access through Lambert Park eventually) (Value - \$1,860,000)
  - Maintenance of central open space for the life of the building (80 years) (Value - \$60,000 ex GST)
- Railway land bush regeneration - Clear out weeds, remove privet, and provide self-maintaining planting (area of 780 sqm) to the satisfaction of Council's landscape officers, and Transport for NSW, including negotiations for access with and subject to permission of Transport NSW (Value - \$188,000);
- Streetscape planting - Improved streetscape with plantings of street trees on Kegworth Street and Lords Road (Value - \$50,000 ex GST);
- Public domain - Public domain upgrades, roadworks, landscaping works (Value - \$100,000 ex GST);

Affordable Housing

- Affordable housing provision - A total of 35 affordable apartments within the development, to be owned and managed by Bridge Housing, for a minimum of 10 years. The apartments will be located in a separate stratum as required by Bridge.

These proposed local infrastructure works are considered to be too limited. The Proposal could potentially contribute towards provision of more '**significant**' benefits, including but not limited to:

- New open space along the western boundary of the site which would act as extension of the existing GreenWay;
- Road upgrades along Lords Road including footpath widening, cycleway and new street trees.
- Adequate affordable/ key workers housing

These works could potentially considerably enhance the public domain and deliver community benefits on the site and adjoining area which will be vital to realising the vision of PRCUTS.

3. The planning proposal can demonstrate **significant** net community, economic and environmental benefits for the Corridor and the Precinct or Frame Area within which the site is located.

Proponent's comments: The proponent asserts that the Planning Proposal would provide net community, economic and environmental benefits by:

- Economic benefits including the provision of between 96 and 128 jobs within the proposed 2,500m<sup>2</sup> (500m<sup>2</sup>) non-residential spaces;
- Community benefits including the provision of 235 residential apartments with a mix of unit sizes and including 35 affordable housing apartments. Public open space, connections to the Marion Light rail stop, a community facility to be used in association with Lambert Park and the upgrading of lighting to Lambert Park were further community benefits noted by the PP; and
- Environmental benefits were listed as the provision of sustainable buildings (under 5 Star Green Building Council), increased tree canopy on the site and along Lords Road, contributions towards the GreenWay, remediation of potentially contaminated land, improve water quality through the provision of deep soil zones on the site, reduction in truck movements given the loss of the industrial uses and increased use of public and active transport.

Officer's response: There are concerns with the economic, community and environmental benefits outlined above by the Proponent:

- Economic benefit – The Economic Impact Assessment prepared by AEC dated September 2018 (EIA) was lacking in a number of crucial elements which make its case for a net economic benefit unsatisfactory and not supported:
  - The EIA did not compare or consider the case whereby the site was retained as industrial land. This should have represented the base case being the continuation of the existing uses on the site which appear to be viable (given they still exist on the site). Instead, the EIA compared only the base case, being the development of the land strictly in accordance with PRCUTS which is 100% residential, to the proposal which was considered as two scenarios. These scenarios comprised minor differences in the composition of this non-residential space, split between co-working spaces and commercial spaces suitable for offices and technical/scientific/education services. Interestingly, neither of these scenarios accounts for light industrial uses and urban services land even though these uses are listed as potentially ones of the uses of the non-residential space;
  - The EIA did not consider the cumulative impact to the remainder of the LGA in terms of the loss of the industrial land and jobs. This is a major weakness of this study given the LGA is losing industrial land at an alarming rate; and
  - The EIA did not consider the likely amenity impacts arising from the close proximity of non-residential and residential uses, such as noise, operating hours, parking and servicing and the like. The long terms impacts of this proximity are likely to result in the removal of uses which

result in noise or other amenity problems. This aspect was not considered in this economic impact assessment.

Other criticisms of this justification are that the PP indicated that once operational, the site would create between 96 and 128 jobs under the various scenarios. In terms of jobs produced, the proposal is only resulting in slightly less or slightly more, or very similar, job numbers to the current situation. None of which are 'significant' in impact.

The Proposal also states a key benefit of the development is the opportunity to have more jobs on-site through the non-residential component, which in turn generates more economic activity to support additional jobs in the wider LGA. Understanding true economic value requires a wider view - a combination of job numbers, output per job, as well as the broader economic contribution of the activity. This broader contribution requires an understanding of business-business relationships and business-customer relationships in the local economy. Input-output modelling is only focussed on business-business linkage and is usually based on average business-business relationships. Furthermore, input-output modelling is not spatial and the issue in this case is a spatial problem. Therefore, the economic cost of transitioning from the industrial use of this site would be complex and include on-site effects (such as the change in on-site jobs, change in on-site output), multiplier effects (change in jobs in linked industries and change in output in linked industries) and broader economic spatial effects (the economic cost on business and supplier linkages with the next available source and business relocation costs). The broader economic and spatial effects in this area requires more industry research, hence the grey area that surrounds industrial land value and policy. Therefore, the figures in these sections should be a consideration in the assessment of the Proposal but not the driving factor.

It is therefore considered that the economic impact assessment is fundamentally flawed and the loss of important industrial land is not supported as outlined in the accompanying report. No intrinsic economic benefits would arise from the Planning Proposal. Instead, it would result in loss of employment generating and urban services land without deploying any innovative mechanisms that might broaden the role of employment generating and urban services land. Accordingly, the PP does not result in a net economic benefit.

- Community benefit – the PP outlines various positive and negative social impacts arising from the PP. It is evident that the P has overstated the positive and underrated the negative impacts which are considered in more detail in the Report. The PP involves connections to the Marion Light rail stop as well as public domain improvements along Lords Road to provide the required prioritised pedestrian link in this area. These aspects of the proposal, however, are insufficiently demonstrated and accordingly cannot be used as justification of net community benefit. The inconsistency of the proposed affordable housing with Council's Affordable Housing Policy is also evidence which fails to achieve the net community benefit test. Furthermore, the provision of new residential apartments at market rate is not considered to be a 'net community' benefit.

Also, the Planning Proposal does not contribute adequately towards the provision of publically accessible open space given the location of this open space is central on the site and away from the other areas of the public domain such that this space is unlikely to be used as public open space. This area is more suitably located adjoining the western boundary where it can act as an extension of the existing GreenWay and would have greater connection to the existing public domain. The PP is also out of sequence for the PRCUTS with the requisite infrastructure and other strategic planning policies and precinct wide traffic study still incomplete.

The significant difficulty that the existing tenants are having in relocating also results in an adverse impact on the community. The loss of jobs, and in all likelihood, local jobs is a loss for the community. This has been understated in the PP. Accordingly, having considered all of the above matters; it is considered that the PP does not result in a net community benefit.

- Environmental benefit – the PP does not provide net environmental benefits given the lack of commitment or documentation to meet the sustainability targets outlined under the PRCUTS as well as the lack of any significant public open space on the site given the open space in the central portion of the site does not constitute true public open space as outlined above. The lack of adequate details regarding the public connections linkages to public and active transport further exacerbate the inadequate environmental benefits of the PP. Accordingly, there are

minimal net environmental benefits arising from the PP.

As discussed previously in various sections of this report, the Planning Proposal fails to demonstrate 'significant' net community, economic and environmental' benefits and therefore, should not be supported.

4. The planning proposal is consistent with the recommended land uses, heights, densities, open space, active transport and built form plans for the relevant Precinct or Frame Area.

Proponent's comments: The proponent claims that the Planning Proposal is consistent with the recommended land use, height and FSR recommendations for the relevant Precinct Area. The PP also points out that the Planning and Design Guidelines of the PRCUTS do not require any open space or active transport linkages for the site, notwithstanding some are provided in the PP.

Officer's response: The following table provides a detailed analysis of the Proposal against the PRCUTS recommended controls. The Proposal is generally consistent with the recommended land use but inconsistent with all the other built form controls as discussed below:

Control	PRCUTS recommendation	Proposed	✓ or X	Officer's comments
Land use	<ul style="list-style-type: none"> <li>R3 Medium Density Residential (CI 10.9(A) P&amp;D Guidelines - map);</li> <li>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 townhouses and terrace type dwellings given the good proximity to public transport (10.9(A) P&amp;D Guidelines - text)</li> <li>Retain the existing low-density character across the remainder of the precinct (Key Action – Land Uses 2, Taverners Hill Precinct, Page 109 PRCUTS )</li> </ul>	<ul style="list-style-type: none"> <li>R3 Medium Density Residential</li> <li>High density mixed use – commercial and residential flat development</li> </ul>	X	<p>The Proposal is consistent with the recommended land use 'R3 Medium Density Residential' as coloured on the land use map. However, the supporting text in PRCUTS Strategy encourages the retention of the existing low-density character across the remainder of the precinct. This has not been adequately considered by the Proposal.</p> <p>The PP states that the Council '....<i>supports the inclusion of non-residential uses in this location to retain employment and urban services on the site</i>' (page 25). However, there are substantial limitations and assumptions to this claim including the following:</p> <ul style="list-style-type: none"> <li>At a fundamental level Council would lose 7,479sqm of current light industrial and urban services space if the development went ahead.</li> <li>The development <i>may</i> provide at a maximum 2,500sqm of light industry use. Council may be supportive of this use however <i>the overriding issue</i> is that Council would lose a substantial amount of light industrial space (7,479sqm) in the first instance, which goes against their current, endorsed policy to retain industrial lands.</li> <li>Industrial and urban service uses are not guaranteed in the 2,500sqm allocation as the space is to be 'adaptable'. Therefore, Council could lose all of the industrial uses on this site.</li> </ul>

## Criteria 1: Strategic objectives, and development

				Therefore, if this space resulted in light industrial and urban services uses, it would only be 2,500sqm at a maximum.
Density/ FSR	<ul style="list-style-type: none"> <li>2.4:1 (CI 10.9(C) P&amp;D Guidelines – map);</li> <li>Rather than completely filling sites, this strategy aims at creating flexibility to respond to the existing scale and character conditions present throughout the Taverners Hill Precinct and Frame Area (CI 10.9(C) P&amp;D Guidelines – text);.</li> </ul>	2.44:1	×	The PP involves 23,158sqm of residential floor space, 2,500sqm of non-residential floor space and 500sqm of community floor space for a multi-use facility to be used in association with the APIA club and offered top Council. This is a total of 26,158sqm over a site comprising an area of 10,691sqm. The resulting FSR is 2.44:1 which is inconsistent with the recommended FSR control in the PRCUTS.
<p>Open Space, Linkages &amp; Connections &amp; Public Domain</p> <p>(CI 10.5 of the P &amp; D Guidelines page 204)</p> <p>Street Function &amp; Precinct Transport (CI 10.6 of P &amp; D Guidelines, page 206)</p>	<ul style="list-style-type: none"> <li>Leverage new development to provide new open space and high-quality and active public domains (Key Action page 109 of Strategy);</li> <li>Capitalise on the proximity to light rail by providing increased connectivity for pedestrians and cyclists where possible.</li> <li>Wherever possible, provide a series of connected open spaces through future development to achieve a diverse sequence of open spaces, uses and active frontages.</li> <li>Prioritise Lords Road, Tebbutt Street north of Parramatta Road and Carrington Street for pedestrians.</li> </ul>	<ul style="list-style-type: none"> <li>Development incorporates open space within the centre of the site.</li> <li>The proposal encourages active transport through being located in close proximity to existing and future public transport services, existing parks and educational establishments.</li> <li>The proposal encourages a new linkage to Marion Light Rail stop to the north.</li> </ul>	×	<p>The proponent's intention to provide open space on the site can be supported in principle but has not been clearly indicated in the concept plans. It also would seem better located adjoining the western boundary to augment the GreenWay and assist with the future connection to Marion light rail stop.</p> <p>There are also concerns regarding the extent of this open space and its integration with the surrounding area as it is unlikely that the community would use this space given it is located centrally within the site, surrounded by future buildings with limited frontage to the public domain.</p> <p>Also, the Planning Proposal does not contribute adequately towards improving Lords Road to provide improved prioritised pedestrian link along the Street given the lack of details provided and the lack of an adequate setback of proposed Building 5 along this frontage.</p>

## Criteria 1: Strategic objectives, and development

	<ul style="list-style-type: none"> <li>Street trees along should be protected and enhanced.</li> <li>All other streets through the Precinct and Frame Area will perform a Local Street function. Any new streets or laneways will also perform a Local Street function.</li> </ul>			
<p>Built form</p> <p>Block Configuration and Site Planning (CI 4.1 of P &amp; D Guidelines, page 51)</p> <p>Building Massing, Scale and Building Articulation (CI 4.2 of the P&amp;D Guidelines)</p> <p>Setbacks &amp; Street Frontage Heights CI 4.3 of the P&amp;D Guidelines)</p> <p>Transition Zones and Sensitive Interfaces (CI 4.4 of the P&amp;D Guidelines)</p> <p>Fine grain (CI 10.7 of P &amp; D Guidelines, page 208) and Green Edge Setbacks, Transitions and Activity and Commercial Zones (CI 10.8 of P &amp; D Guidelines, page 208)</p>	<ul style="list-style-type: none"> <li>Respond to the scale of surrounding buildings and definition of the street networks and public spaces.</li> <li>Protect and enhance the rich, distinctive and valued character of the Corridor, particularly those elements that contribute to a sense of place and identity.</li> <li>Arrange building forms (including heights and massing) to reinforce the future desired structure and character of the area as set out in the relevant Precinct and Frame Area Guidelines</li> <li>Reduce heights, increase setbacks or provide appropriate transitions to heritage buildings and places or sensitive uses.</li> <li>Floor plates above 8 storeys should be limited to 750m<sup>2</sup> GFA to create slender tower forms.</li> <li>Apply the relevant building articulation principles illustrated in Figures 4.2 - 4.7,</li> </ul>	The proponent claims that the proposal is consistent with the recommended built form controls.	×	<p>The PP is inconsistent with a number of the key guidelines of the fine grain study in relation to the nearby heritage item given the Heritage Report does not adequately demonstrate that there will not be an adverse impact on the heritage item.</p> <p>The PP is inconsistent with the building setbacks and street frontage heights of Table 4.1 given the Lords Road frontage of Building 1 has a street wall height of 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 has a 3 to 6 storey street wall height (Building 5) on a nil front setback also contrary to the Guidelines.</p> <p>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.</p> <p>The PP is inconsistent with these controls which 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 (CI 4.4 of the P&amp;D Guidelines).</p> <p>The PP is considered to be inconsistent with these controls as outlined below:</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

## Criteria 1: Strategic objectives, and development

	<p>based on location.</p> <ul style="list-style-type: none"> <li>• Provide building setbacks and street frontage heights in accordance with Table 4.1.</li> <li>• The maximum wall length without articulation is 45m.</li> <li>• Demonstrate consistency with the objectives and key guidelines for the relevant character area as set out in the PRC Fine Grain Study, September 2016. Character areas are shown in Figure 10.12.</li> <li>• Provide setbacks consistent with Section 4 of the Guidelines in all other areas of the Precinct and Frame Area.</li> <li>• Provide a built form transition consistent with Figure 10.14 to edge of Precinct.</li> <li>• Provide a built form transition consistent with Figure 10.15 to heritage items and heritage conservation areas.</li> </ul>			<ul style="list-style-type: none"> <li>• 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.</li> </ul> <p>This would establish a new precedent for the area of a bulky residential block with no street level or upper level setbacks. This is inconsistent with the objective of reflecting the existing character area.</p> <p>Greater transitions and setbacks to the street are required as outlined above. 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.</p> <p>The PP would result in a nine (9) storey development with a 6m setback and building frontage of 55 metres to the land in close proximity to the GreenWay. Beyond this area is the Haberfield Conservation Area C42 (nominated area of State significance) listed under the Ashfield LEP 2013. The proposal does not provide appropriate bulk, scale and transitions to these areas or the adjoining Haberfield Heritage Conservation area.</p> <p>In principle, the proponent's intention to retain some of the existing non-residential character is supported; however, the proposed design scheme does not reflect the existing or desired character and therefore, should not be supported.</p>
Transport and Movement (Key Actions for Taverners Hill– Urban Transformation Strategy (Page 109)	<ul style="list-style-type: none"> <li>• Capitalise on the improved, high-capacity public transport connections along Parramatta Road to the Sydney CBD.</li> <li>• Capitalise on the good access to three major transport modes: light rail, heavy rail and frequent buses along Parramatta Road.</li> </ul>	The PP satisfies this key action.	✓	The site is located adjoining the light rail line with good access to Marion light rail stop. Proximity to Parramatta road for bus services.

5. The planning proposal demonstrably achieves outcomes aligned to the desired future character and growth projections identified in the Strategy.

Proponent's comments: The proponent claims that the new development is consistent with the desired future character as it will provide 3,000m<sup>2</sup> of non-residential space, will provided an active frontage along Lords Road and will provide new north-south connections to the Marion light rail stop. The PP is also stated as providing 23,158m<sup>2</sup> of residential floor space and 235 dwellings to the Precinct contributing to the growth projections for dwellings.

Officer's response: The PP states that the new development will align with the Future Character Requirement of the PRCUTS, '*Taverners Hill existing mix of warehouse and service industries interspersed with residential dwellings will be reinforced*' (Planning and Design Guidelines, p. 202), due to the inclusion of the 3,000sqm non-residential uses and affordable housing provision. While in theory, the Proposal *would* present a *mix of uses* within the site itself and in relation to the Taverners Hill Precinct given the residential/non-residential components of the development, the more important issue is over the term, 'existing mix'. The Proposal, in essence, changes the 'existing mix' by reducing the overall land use of industrial and urban services and raises the level of residential use in the Precinct. This change promotes greater uniformity of the site with its immediate surroundings towards residential use, rather than 'reinforcing' the 'existing mix' of the site's current light industrial land use juxtaposed with the surrounding (mostly) residential land use of Taverners Hill.

Therefore, it could be argued that the current land use and composition of the subject site better aligns with the Future Character Requirement of the PRCUTS and provides a *greater mix* of warehouse and service industries/residential uses that retains and *reinforces* the existing mix. The Proposal has also been assessed previously under Criteria 1 'Future Character and Identity' guidelines above.

The following section evaluates the Proposal against the PRCUTS Proposed Growth Projections and Proposed Indicative Land Use Mix (CI 10.4 Future Character and Identity of the P&D Guidelines, page 202):

#### Proposed Growth Projections

	2023	2050
<b>Population</b>	900	3,265
<b>Dwellings</b>	451	1,350
<b>Jobs</b>	3,720	4,110

#### Proposed Indicative Land Use Mix (additional)

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

Image 3 - Extract form the PRCUTS Planning and Design Guidelines indicating the proposed growth projections and indicative land use mix for Camperdown precinct (p. 202)

PRCUTS anticipates that 47,000sqm of additional residential GFA would be developed or needed in the short term until 2023 as well as an additional population of 900 people in 451 new dwellings. In terms of employment land, the Strategy envisages the creation of 3,720 new jobs and 35,000sqm of employment floor space. As evidenced by the Action Plan (Figure 7 on page 37 of the Implementation Plan), the majority of the land included in the short term area is comprised of the B4 Mixed Use zone with only small parts of this area comprising the R3 Medium Density zoning. Clearly, the Strategy envisages that the majority of this additional short term residential land is to be provided as part of a mixed use development, along Parramatta Road and extending up Tebbutt Street, bounded by Hathern Street and in the Kolotex/Labelcraft development.

In the longer term, defined in the Strategy as 2036-2050 and including the site of this PP, further residential and employment floor space is expected (170,000sqm and 35,000sqm respectively) along with an additional population of 3,265 people, 1,350 new dwellings and an additional 4,110 jobs. The Proposal is inconsistent with the proposed future growth projections in the short term as the site is not included in the short term projections being outside the 2016-2023 Action Plan. The growth

projections are further discussed in the report.

A significant magnitude of investment in infrastructure is required to enable the successful transformation of the Corridor. This includes major new public transport infrastructure, roads and extensive community infrastructure. Rezoning land too early could result in inefficient growth outcomes. Each of the Precincts and Frame Areas has a logical phasing as outlined above in the growth and floor space projections, based on infrastructure availability or major land use issues. Decisions on phasing should take into account heritage, low-density areas, environmental overlays, and efficient infrastructure rollout and market considerations. Phasing of employment nodes should balance impacts on other employment nodes with the need to establish employment opportunities early on.

The action plan requires both residential and employment floor space which, while provided in the PP, is out of sequence. This out of sequence status 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. Furthermore, the Strategy does not envisage that stand alone residential development, like that proposed for this site, is required until the medium and long term time periods. It is unknown when this B4 mixer uses land will be development to provide employment, particularly the jobs lost on this site, which is not envisaged to development until then, this cannot be guaranteed once a rezoning has been gazetted. Accordingly, the PP is unacceptable and cannot be supported in this basis.

6. The planning proposal demonstrates design excellence can be achieved, consistent with councils adopted design excellence strategy or the design excellence provisions provided in the Parramatta Road Corridor Planning and Design Guidelines.

Proponent's comments: The proponent claims that the proposed development achieves design excellence through being designed by award winning architects and that the proposal would be subject to the Inner West Architectural Excellence Panel. The PP was accompanied by an Urban Design Study claiming that the proposal is consistent with the design provisions of PRCUTS (and in fact simply adopted the design principles from the PRCUTS, however, a design excellence statement nor an independent design review were submitted.

Officer's response: Design excellence fosters design outcomes that go beyond statutory requirements to achieve innovative, liveability, sustainability, aesthetic and functionality outcomes in buildings and the public domain. Principle 4 in relation to vibrant communities and places (page 64 of the Strategy) highlights the importance of design excellence, with one of the purposes of the Planning and Design Guidelines being to ensure future development achieves high design quality and design excellence (1.1 of the P&D Guidelines Page 5). The PP essentially meets all of the criteria requiring design excellence being a site which has frontage to public open spaces and significant corridors (Lambert Park and the GreenWay), adjoins a heritage listed items, comprises a site area more than 1,500m<sup>2</sup> and exceeds four storeys in height. Design excellence needs to be clear, transparent, provide certainty, and timely. One of the mechanisms mentioned in the PRCUTS to deliver design excellence includes reporting of the PP to independent and expert design review panels. This Planning Proposal will be reported to Inner West Planning Panel which can provide independent and transparent advice on the future development of this site. The recommendations of the Panel will be reported to Council for consideration as a part of the Planning Proposal assessment report.

Another mechanisms identified in the Strategy in relation to Principle 4 is to prepare and implement a design excellence strategy. Council has not yet formulated any design excellence strategy and therefore, the proposal should satisfy the design provisions recommended in the PRCUTS to ensure that the future development would result in a high design quality. In this case, such design provisions have not been complied with by the Planning Proposal.

Council officers have undertaken an in-house analysis of the proposed urban design scheme as well as engaging an external consultant to peer-review the PP and in particular the Urban Design Study. As discussed in various sections of this report, it is considered that the proposal is inconsistent with a number of the design and built form provisions recommended under PRCUTS and does not *'go beyond statutory requirements to achieve innovative, liveability, sustainability, aesthetic and functionality outcomes in buildings and the public domain'* as required by the Strategy. Council's peer-review of the Urban Design Study also revealed various concerns with the urban design aspects of the PP including:-

- Further setbacks are to be introduced for the proposed building at the corner of Lords Road and Davies Lane, to mitigate the scale and to protect the existing

- mature trees along the Lords Road frontage;
- 30m height limit as indicated in the PRCUTS would provide adequate height to accommodate an eight storey apartment building;
- ground level setback between 3m and 7m to Davies Lane is recommended for Building 5 to accommodate a minimum 3m footpath and landscaping;
- Review ADG building-to-building separation with regard to the buildings on the site and amend the design accordingly. Review Building 5 ground floor apartments for general amenity;
- clarify whether there will be roof top gardens;
- clarify the traffic circulation strategy and review the minimum clear width required for the shared path (potential problem with servicing of non-residential spaces).
- Confirm whether a narrow footpath along the western boundary of the site is desirable.
- Further shadow study in a plan view format for further assessment.
- visual impact to be further considered with 'before' and 'after' photomontages of the proposal from key vantage points.
- Retention of the row of trees at the Lords Road –Davies Lane corner to provide screening of the new development.
- Breakdown the scale of the south elevation of Building 3 with recesses (indicated on page 19 of the Urban Design Report) and by other architectural means.
- Building 2 requires greater (sufficient) articulation to the western boundary and upper level setback to reduce impact to the GreenWay.

For these reasons, it is considered that the PP does not achieve design excellence.

An Integrated Infrastructure Delivery Plan, which identifies advanced infrastructure provision and cost recovery for the local and regional infrastructure identified in the Infrastructure Schedule, must support the planning proposal. The Integrated Infrastructure Delivery Plan must demonstrate a cost offset to council and agency costs for a set period that aligns with the anticipated timing for land development identified in the Implementation Plan 2016 - 2023. Infrastructure to be considered includes:

- Public transport
- Active transport
- Road upgrades and intersection improvements
- Open space and public domain improvements
- Community infrastructure, utilities and services.

The Planning Proposal is accompanied by an Integrated Infrastructure Delivery Plan (IIDP) which provides a methodology for calculating the local and State infrastructure developer contributions. The proponent has offered to make contributions towards local and state infrastructure as part of the Planning Proposal.

There are concerns with the timing and sequencing of this Planning Proposal as it comes in advance of studies underway at local and State government levels to define what future infrastructure works will be necessary in the Corridor area. This includes preparation of a PRCUTS IW Corridor wide traffic study to determine the cumulative traffic impacts that will follow from implementation of the Strategy. This joint DPE, Council and TfNSW study aims to inform the IIDP and would provide detailed consideration of future infrastructure works including public transport and road upgrades; and intersection works to be undertaken as part of new developments in the corridor.

Council is yet to prepare an Inner West S7.11 (previously s94) Contributions Plan for the Parramatta Road Corridor to determine the level of monetary contributions required for infrastructure works including delivery of new open space, active movement corridors, road upgrades, provision of recreational, community and cultural facilities etc.

The State and local infrastructure developer contributions included in the proponent's IIDP are considered to be limited. Council officers have reservations regarding how the proponent has populated the PRCUTS Infrastructure Schedule without Council/ State Government having undertaken associated work to determine the infrastructure contributions.

The proponent claims that the proposed development incorporating 235 residential apartments will have limited impact on existing infrastructure as it can be adequately serviced because the site is already in a developed urban location. The proponent's IIDP concludes that 'upgrades in existing infrastructure are not required to support the demand created by specific development'. This inference is not supported by an adequate analysis and consequently, cannot be accepted. The Planning Proposal would result in additional dwellings which would generate pressure on existing infrastructure, utilities and services. The development should, therefore, contribute a pro-rata share of the total level of developer contributions that will be required across the entire Taverners Hill precinct.

Council officers are of the view that the PRCUTS Infrastructure Schedule cannot be readily applied to determine accurate infrastructure contributions as the Council and State Government have not yet completed the 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 that will require additional detailed investigation. There are also gaps in this Schedule which cannot adequately be addressed until such time as Council implements a new local Contributions Plan. Its preparation will require additional analysis including audits of existing facilities and preparation of needs studies for the wider local government area beyond the Corridor.

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 (P34 of Attachment 15) 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/m<sup>2</sup> for a new building. This is very low and should be approximately \$3,500/m<sup>2</sup> 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/m<sup>2</sup>.

### Public Transport Network

- Item 22 Rail and Light Rail: TfNSW in their comments (Page 30 Appendix 2 Attachment 15) 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 reservations about the methodology used; formulas applied and the conclusions of the IIDP. Overall, it is noted that the proponent has underestimated the level of construction rates for projects listed, but not quoted in the Infrastructure Schedule. The Council's Property Capital Projects team have provided the following detailed analysis of these proposed rates in the Infrastructure schedule (Appendix 5):

### Active Transport Network

- Items 1-13:** These works cannot be precisely estimated as the scope of works is broad and generic. Notwithstanding this the proposed base rate of \$225/m is very low and the recommended rate would be approximately \$350/m with some works such as site establishment being as high as \$950/week.

### Community Infrastructure/Facilities

- Item 14 - Meeting Space:** Proponent's rate equates to \$2,500/ m<sup>2</sup> for a new building. This is very low and is anticipated to be approximately \$3,500/m<sup>2</sup> or \$1.5M.
- Item 15 - Cultural space:** Proponent's rate equates to \$200K/ building refurbishment which is low. This is generic without knowing which buildings are chosen and the extent of the refurbishment. In Council's view the rates should be approximately \$350K-\$400K per building.
- Item 16 - Childcare:** Council recently completed a 60 places childcare building at Leichhardt park for \$3.5M. Using this rate would mean 49 places equates \$2.86M. The rate quoted (\$2M) is poor and probably excludes landscaping, furniture, fixtures and equipment.
- Item 17 - Outside of school hours:** Should be the same as above.

### Road/ Intersection Upgrade

- Item 18:** This rate cannot be adequately commented until Council has completed its precinct wide traffic modelling;

### Open Space and Recreation

- Item 19–24:** 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 quite high. That rate should be more like \$400/m<sup>2</sup>.

## Public Transport Network

### Taverners Hill Precinct Urban Amenity Improvements Program

- **Items 26-27 Proposed cycling link:** The proposed rates for design, lighting and a proper cycling path have been very poorly quoted. Based on Council's recent works or the upgrade of the path (2.5m to 3m asphalt footpath and new lights between Marion Street and Parramatta Road, the rate ended up in the vicinity of \$1,600/m). For new work this should be more like \$1,800- \$2,000/m instead of the proposed rate \$255/m.

### Taverners Hill Regional/State Infrastructure

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.

Support of this Proposal could compromise the holistic and inclusive basis for achieving wider strategic planning objectives at local and State government level. Accordingly, it is considered that the PP does not satisfy these criteria.

Criteria 3: Stakeholder Engagement	1. Consultation and engagement with relevant stakeholders (council, government agencies, business, community, adjoining properties and user or interest groups, where relevant) have been undertaken, including any relevant pre-planning proposal engagement processes required by local council.
	The proponent has undertaken preliminary stakeholder consultation as a part of the Planning Proposal process.
	2. An appropriate level of support or agreement is documented.
	The Planning Proposal is accompanied by documentation which outlines the stakeholder engagement undertaken by the proponent as part of the Planning Proposal process. It is noted that a number of key concerns raised by Council and State Government agencies including Transport for NSW, Roads and Maritime Services and residents remain unresolved.
	3. Provision of documentary evidence outlining the level of planning or project readiness in terms of the extent of planning or business case development for key infrastructure projects.
Criteria 4: Sustainability	No documentary evidence has been provided in this regard. The Precinct wide Traffic Study required by the PRCUTS has not been completed and accordingly it is difficult to comply with these criteria.
	The planning proposal achieves or exceeds the sustainability targets identified in this Strategy.
	<p>The PP is accompanied by a <i>Sustainability Planning Report</i> prepared by Northrop dated 25 September 2018. This Report, however, does not address the sustainability targets specified in Principle 6 of PRCUTS nor does it outline how the future redevelopment of the site would be sustainable given this report is a generic, theoretical outline of such measures. This is unacceptable as it does not provide any certainty that these targets would be achieved in future. If the Planning Proposal proceeds to the Gateway Stage, the Sustainability provisions should be part of the future LEP amendment clause to ensure that the development achieves these sustainability targets.</p> <p>The following sustainability and resilience requirements would have to be built into the Planning Proposal:</p> <ul style="list-style-type: none"> <li>• Future development must satisfy the Adaptive sustainability practices and targets outlined in Principle 6: Sustainability and resilience set out on page 70-71 of the PRCUTS Strategy document;</li> <li>• Future development must satisfy the energy and water target requirements as set out in the Table 3.6 (pg. 49) and Clause 3.10 of the PRCUTS Planning and Design Guidelines.</li> <li>• Future development must demonstrate consistency with the smart parking strategies and design principles outlined in section 3.8 - Car Parking and Bicycle Parking of PRCUTS Planning and Design Guidelines and agreed with Council.</li> <li>• Public domain and building should be designed to reduce any localised urban heat island effect by: <ul style="list-style-type: none"> <li>○ providing new moderate/ large sized street trees along the site's Lords Road frontage.</li> <li>○ Providing vegetation, green roof, green walls and materials with a high solar reflectance index of at least 50% of all building surfaces. Western and northern building facades should be a particular area of focus.</li> </ul> </li> <li>• Stormwater run-off flow rates from the site should not be more than predevelopment site discharge rates.</li> <li>• Stormwater run-off quality should reduce annual loads of: <ul style="list-style-type: none"> <li>○ Total nitrogen by 45%</li> <li>○ Total phosphorus by 65%</li> <li>○ Total suspended solids by 85%.</li> </ul> </li> <li>• Provide additional publically available open space along the site's western edge and contribute towards the provision of a new linear connection including shared pedestrian and cycleway towards the Marion Light Rail Stop.</li> <li>• Incorporate Water-Sensitive Urban design treatment along the site's western boundary.</li> </ul>

	<p>The planning proposal presents a land use and development scenario that demonstrates economic feasibility with regard to the likely costs of infrastructure and the proposed funding arrangements available for the Precinct or Frame Area.</p>
Criteria 5: Feasibility	<p><u>Proponent's response:</u> The Proponent states that the PP is feasible based on the conclusions of both the Economic Impact Assessment prepared by AEC dated September 2018 (EIA) and the separate feasibility advice prepared by Cushman &amp; Wakefield dated 24 October 2018. Both of these reports indicated that the proposal is feasible.</p> <p><u>Officer's response</u> - There are concerns with both of these sources of information which are detailed below.</p> <p>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 <i>“represents a valuable opportunity to achieve the objectives of the PRCUTS for the Precinct”</i>. In essence, the EIA argues that since no other sites have been developed (or sold) that it makes this site more attractive for development. To arrive at this conclusion, however, the EIA makes two assumptions both of which have no basis and are not supported.</p> <p>The first is the EIA concludes that since there has been such 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 300m<sup>2</sup> and 600m<sup>2</sup>. While the subject site does not suffer from the site consolidation issues being a large site of 10,691m<sup>2</sup>, 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 and therefore are, according to this argument, feasible to development are therefore have the potential to be rezoned and developed.</p> <p>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, the scenario where there is either 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 and to assume that there will be no significant residential development undertaken in the area in the short term (i.e. up to 2023) when the Action Plan for the precinct clearly sets out a maximum of 47,000m<sup>2</sup> of gross floor area seems implausible and unsupportable.</p> <p>The second source of justification for the Proponent's assertion that the PP is feasible is the feasibility advice from Cushman &amp; Wakefield. This advice has been provided in support of this Criteria and concludes:</p> <p><i>“Our analysis suggests that even with the noted infrastructure charges the project will return economically feasible return metrics (Profit and Risk and Internal Rate of Return) based upon our current understanding of the market and acceptable return metrics”.</i></p> <p>However, this feasibility advice uses significant disclaimers, judgements and restrictions. The advice states (my emphasis added):</p> <p><i>“We comment that the proposal is at the <b>very early stages</b> of the development lifecycle and as such, our feasibility assessment is <b>decidedly subjective and based upon numerous assumptions</b>. Where possible we have verified these costs against industry benchmarks however, in some instances it has been necessary to use <b>our professional judgement in the absence of benchmarks or appropriate advice</b>”.</i></p>

Criteria 5: Feasibility	<p>Without any evidence or factual information to support this opinion and with such a multitude of disclaimers, assumptions and judgements and the acknowledgment that the PP is in the very early stages, it is considered that this feasibility advice is inadequate to demonstrate compliance with these criteria.</p> <p>The absence of an appropriate funding analysis also results in this PP not being appropriate and therefore the feasibility cannot be adequately considered. The PRCUTS Taverners Hill Action Plan 2016 - 2023 provides an outline for funding framework or satisfactory arrangements for provision of new roads, community facilities and open space which would be delivered by new developments and funded through S94 (now S7.11) contributions, the SIC levy and/or works in kind. In this regard, the PP has not provided a feasibility study to demonstrate economic feasibility for these infrastructure works or of what the proposed funding of these works will be. Only a feasibility letter report was provided which was flawed as outlined above.</p> <p>The Action Plan envisages an increase in residential GFA in the precinct in the short and long term and provides a list of key actions if future land uses permit affordable housing. These include:</p> <ul style="list-style-type: none"> <li>• Provision of a minimum of 5% of new housing as affordable housing or in line with the Government policy of the day and a range of housing diversity types as identified within the Strategy;</li> <li>• Implementation of <i>Sydney CBD to Parramatta Strategic Transport Plan</i> and operation of a rapid bus service along Parramatta Road;</li> <li>• Provision of monetary contributions towards: <ul style="list-style-type: none"> <li>○ Medium and long term open space facilities;</li> <li>○ Community facilities;</li> <li>○ Primary and Secondary Schools;</li> <li>○ Proportion of child care and Out of School Hours places;</li> <li>○ Satisfactory arrangements with Sydney Local Health District for its assets at Royal Prince Alfred Hospital.</li> </ul> </li> </ul> <p>The proposal has not satisfactorily addressed the above requirements and therefore, cannot be supported having regard to feasibility.</p> <p>The Planning Proposal does not provide a thorough and acceptable economic analysis to demonstrate feasibility with regard to the likely costs of infrastructure and the proposed funding arrangements available for the Precinct and Frame Area. The Integrated Infrastructure Delivery Plan (prepared by Northrop) accompanying the Planning Proposal provides a methodology to calculate contributions for State and Local Infrastructure. Council officers have reservations about the methodology used; formulas applied and conclusions of the IIDP.</p> <p>Accordingly, the EIA and feasibility advice is considered to be flawed and therefore the PP is considered not to satisfy these criteria.</p>
	<p>The planning proposal demonstrates 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. Viability should not be used as a justification for poor planning or built form outcomes.</p> <p><u>Proponent's response:</u> The Proponent states that the PP is viable based on the conclusions of the EIA. The EIA considers that the Inner West has high demand for housing, noting that population growth has historically outstripped housing growth in the Inner West, which has resulted in prices experiencing sustained and significant growth from 2006 to 2016. The EIA states that this is indicative of an under supplied market. The location of the proposal close to services including Leichhardt Marketplace, Parramatta Road and the Marion Light rail stop make it likely to be "<i>well-met by the market</i>". In relation to the proposed employment space, the EIA also indicates that since the industrial and manufacturing sector has declined, the proposed employment spaces for the services industries on the site are justified.</p> <p><u>Officer's response:</u></p> <p>The Planning Proposal does not provide a thorough land use and development scenario or any needs assessment to demonstrate that it responds to the market conditions for delivery of housing and employment. The EIA provides a generic analysis of supply and demand for housing and simply extends that to the PP being</p>

'viable'. Sustained and significant growth in house prices should not be primarily attributed to an undersupply of housing as there are other factors likely playing a role in such pricing.

The PP does not provide sufficient information to demonstrate capacity for additional residential floor space growth in the corridor whereby additional land outside of the staging plan for the 2016-2023 Action Plan is to be developed as the subject site is being proposed to be developed ahead of time and out of sequence with the Taverners Hill Action Plan in PRCUTS. This must take into account the existing/ future market conditions and capacity of transport and other infrastructure such as schools, child care facilities, public open space etc. The PP also does not consider the potential viability of this proposal in the event that land already within the staging plan is developed within the 2016-2023 Action Plan sequencing that is land being developed in order under the Action Plan and not out of sequence such as this proposal.

In reality, this Planning Proposal intends to create a development ahead of the recommendations of PRCUTS without putting forward a strong case to justify this in terms of demand and supply of housing and employment. There are concerns that the development would result in loss of employment and urban services land which PRCUTS envisages being retained until at least 2023. There has been no analysis of the potential impact of removing this important industrial land from the supply of employment land ahead of schedule and potentially without other employment land becoming available as per the sequencing of land use and additional gross floor area as outlined in the Action Plan for the Taverners Hill Precinct under PRCUTS. The District and Regional Plans also strongly advocate the retention of all industrial lands. Relying on the GSRP and ESDP which excludes the land under PRCUTS from the industrial lands policies does not negate the adverse impacts this proposal would have on the supply of industrial land. The proposal is inadequate in demonstrating that the existing business is unviable to support its rezoning in the current market conditions.

There are several deficiencies with the Proponent's justification demonstrating market viability criteria that could support the retention of current uses, which include:-

- The EIA provides two examples of properties being marketed for lease in the Taverners Hill Precinct. One has received offers from a microbrewery and electrical wholesaler; and the other from food manufacturers and general office users. This type of market interest justifies the current use of the subject site for industrial and urban service uses. The GSRP also highlights that while these land uses tend to not be high employers, the value lies in the operational and functional role they play for the city.
- The EIA rests on the uncertainty of the need for industrial land to support a shift towards more service-based uses for the site. *'Demand for business premises within the Taverners Hill Precinct has been relatively muted in recent times given a dearth of purchase and lease opportunities. The Precinct is observed to [be] tightly held amid expectations of imminent rezoning'*. The shift towards service employment is justified in part based on anecdotal evidence from local commercial agents that only land for services employment is needed. This is a weak evidence base since this shift towards service employment in the area could come as a consequence of a reduction of industrial land uses rather than a shift in population demand.
- The existence of creative uses on the site currently appears to support the retention of the current uses on the site, despite the EIA inferring that service employment is the only in-demand industry in terms of floor space.
- The EIA also states: *'local agents note many traditional industrial occupiers have found it difficult to compete in the current market given they typically require lower rental rates to be commercially viable compared to the abovementioned uses'*. If traditional industrial occupiers are already finding it difficult to find lower rental sites, then a reduction of potentially 7,479 sqm of industrial and urban space via this Proposal would only exacerbate the problem.

Further, Council and relevant State agencies are yet to undertake associated work including preparation of Local Housing Strategies, Character Area statements, completion of the new Inner West Council LEP/ DCP and Traffic Modelling. The Planning Proposal comes in advance of this work and would compromise the holistic and inclusive basis for implementation of the PRCUTS and the IW LEP and DCP and therefore, should not be supported.

It is considered that if such prospective buyers are already finding it difficult to secure a site now, this will become even more difficult with the loss of this industrial land on this site.

The PP indicates that the likely (or targeted) uses in the future for the site would accommodate a range of service-based and destination businesses who seek a central location from which to service their markets which would be those that do not require heavy or frequent truck access. This tends to suggest that even though the range of possible uses for the non-residential space could be: *'community uses, light industrial and urban services, creative industries, health facilities, education uses, gymnasium, restaurants/cafes and local service business'* as listed in the Proposal, it is more than likely such future uses will not include light industrial uses.