

Stakeholder Engagement Update Report



Chester Street view – artists impression

1-5 Chester Street, Annandale

Prepared on behalf of: Corvas Pty Ltd

March 9, 2020

Document control

Authors

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Project summary

Applicant	Corvas Pty Ltd
Applicant's address	L2, 210 Clarence Street, Sydney NSW 2000
Land to be developed	1-5 Chester Street, Annandale
Legal description	Lot 11 DP499846
Project description	Stakeholder Engagement Update

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Executive Summary

This report provides an update to the Stakeholder Engagement Report prepared by Ethos Urban in January 2018 lodged with the original Planning Proposal for the site. It sets out the engagement that has been undertaken in connection with the revised Planning Proposal which was lodged in May 2019, and subsequently amended in December 2019.

In particular it sets out the extensive consultation that has been undertaken with Council and various stakeholders to refine the proposal to meet Council's key objectives for the site. It also sets out engagement that has been undertaken to inform the community of the changes to the proposal.

The report relates to a 1,307sqm site at 1-5 Chester Street, Annandale.

The Ethos Urban Stakeholder Engagement report was prepared in support of the previous Planning Proposal for the site which sought a rezoning from IN2 Light Industrial to R3 Medium Density Residential to allow an apartment building of up to 17m in height (six storeys) with a maximum floor space ratio of 2.6:1 (3,398sqm). The application sought to progress the objectives of the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) released by the NSW Government in 2016.

On 30 October 2018, Council determined not to support the proposal, following advice from the Inner West Local Planning Panel on the 11 September 2018. This decision was on the basis of excessive bulk and scale and inconsistency with State and local government policy particularly relating to loss of employment lands.

A revised proposal was lodged with Council in May 2019 which sought to address Council's concerns and comprised a six storey development with a mix of:

- creative office and light industrial uses at the lower levels to retain employment uses, and
- student accommodation above to meet the growing need for student housing in the area.

This approach aligns with the objectives of the Camperdown-Ultimo Collaboration Area Place Strategy (February 2018) released by the Greater Sydney Commission, whilst also delivering on the objectives of the PRCUTS.

This proposal has been further refined in consultation with Council to reduce the height to 5 storeys, reduce the FSR to 2:1 with a minimum non-residential uses FSR of 0.75:1, and reconfigure the site layout to reduce the building's visual impact, bulk and scale viewed from the Johnstons Creek and low density residential properties to the north within the Annandale Heritage Conservation Area. In particular, the majority of the built form fronting Johnstons Creek would be limited to two storeys. Further, the proposed mix of employment uses and student accommodation generates no additional demand for car parking, addressing concerns about car parking demand and reducing traffic generation.

This revised proposal is currently under consideration by Council and comprises the following:

- Proposed zone: B7 Business Park
- Additional permitted uses: boarding house for use as student accommodation
- Maximum height: 17m / five storeys (reduced from six storeys)
- Maximum FSR: 2:1 (reduced from 2.75:1)
- Minimum FSR non-residential uses: 0.75:1

The proposal also provides the following public benefits:

- retention of employment floorspace and the replacement of approximately four jobs enabled under current controls with up to 60 jobs under the Proposal in the creative, education and innovation industries,
- increased supply of much needed purpose built student accommodation servicing the education sector,
- creation of a pedestrian and cycle link along the Creek including landscaped treatment to enhance the public domain and passive surveillance, lighting and CCTV to improve security (providing a future connection to the south along Johnstons Creek), and
- a commitment to sustainability via a minimum 4 star Green Star design.

Further consultation has been carried out with the community in relation to this revised proposal, by way of a letter sent on 13 January 2020 to 310 residents and businesses within the local area.

The applicant had discussions with three community members as a result of the mailout. This represents less than 1% of the residents/business owners who received the letter and demonstrates an appropriate level of support for the proposal as required by the PRCUTS Out of Sequence Checklist Criteria 3.

The issues raised largely related to traffic impacts, car parking, the proposed cycleway and impacts of bulk and scale.

Two of the respondents were largely clarifying matters in relation to the proposal and did not raise significant areas of concerns. One of the respondents had concerns about the impacts of bulk and scale on a dwelling to the north of Johnstons Creek on Chester Street.

The closest dwelling to the site is located at 2B Chester Street. This property has a largely blank wall facing the site with only two small windows within the attic. It is located at least 35m away from the proposed development. This separation distance substantially exceeds the required separation distance under the Apartment Design Guide for habitable spaces of 12m. Views from this dwelling would be screened by the playground and existing trees. The orientation and aspect of the proposed student housing dwellings is such that it would not result in direct overlooking of existing dwellings. Further, the proposal has been redesigned to reduce the bulk and scale facing this direction. Accordingly, any impacts of the proposal on this dwelling would be minimal.

It is expected that this report will support the Council in assessing the Planning Proposal's suitability to progress to a Gateway decision. Following a Gateway decision further consultation would be undertaken with relevant stakeholders including Government agencies, organisations and the local community through a formal public exhibition process.

1 Background

This report provides an update to the Stakeholder Engagement Report prepared by Ethos Urban in January 2018. It sets out the engagement that has been undertaken in connection with the revised Planning Proposal which was lodged in May 2019.

The report relates to a 1,307sqm site at 1-5 Chester Street, Annandale shown at Figure 1.

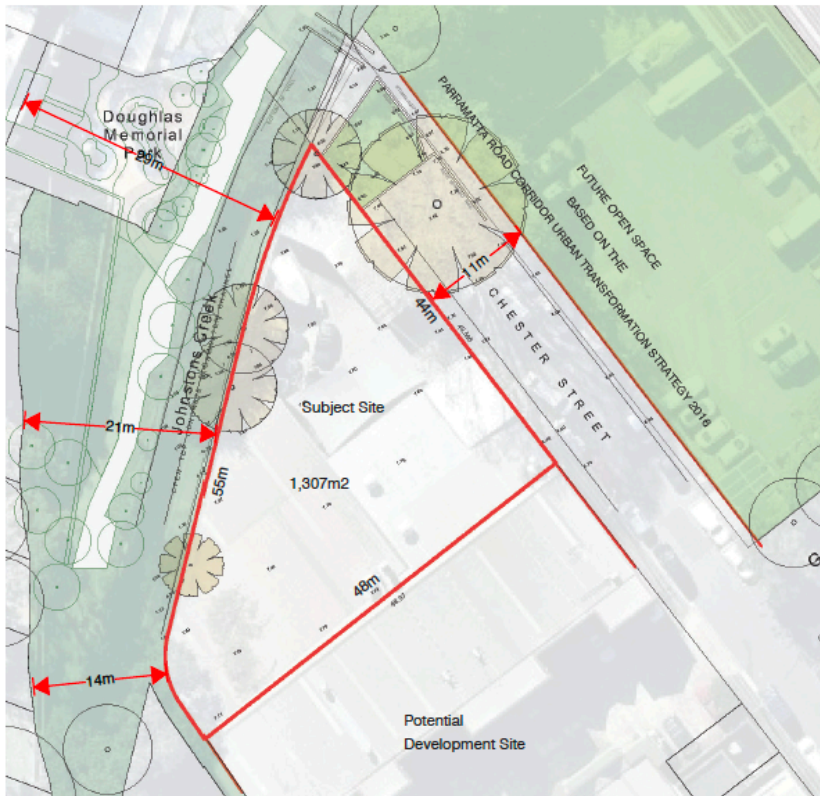


Figure 1: Subject site

The Ethos Urban Stakeholder Engagement report was prepared in support of the previous Planning Proposal for the site which sought a rezoning from IN2 Light Industrial to R3 Medium Density Residential to allow an apartment building of up to 17m in height (six storeys) with a maximum floor space ratio of 2.6:1 (3,398sqm). The application sought to progress the objectives of the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) released by the NSW Government in 2016.

The previous Planning Proposal was lodged with Inner West Council on 2 February 2018. This followed extensive consultation with Council, as well the local community and a number of State Government agencies and organisations including Department of Planning and Environment, Transport for NSW, Roads and Maritime Services, University of Sydney, Sydney Local Health District, Sydney Water, NSW Department of Industry and NSW Department of Education.

On 30 October 2018, Council determined not to support the proposal, following advice from the Inner West Local Planning Panel on the 11 September 2018. This decision was on the basis of excessive bulk and scale and inconsistency with State and local government policy particularly relating to loss of employment lands.

A revised proposal was lodged with Council in May 2019 which sought to address Council's concerns and comprised a six storey development with a mix of:

- creative office and light industrial uses at the lower levels to retain employment uses, and
- student accommodation above to meet the growing need for student housing in the area.

This approach aligns with the objectives of the Camperdown-Ultimo Collaboration Area Place Strategy (February 2018) released by the Greater Sydney Commission, whilst also delivering on key objectives of the PRCUTS. The Camperdown Ultimo Place Strategy applies to the areas to the south and east of the Chester Street site and includes the RPA Hospital, Sydney of University, UTS, Notre Dame University, and TAFE Ultimo. The Place Strategy establishes a vision for the Collaboration Area and highlights the need for affordable employment floor space to accommodate innovation, research and creative industries and affordable student housing.

On 23 July 2019 the revised proposal was considered by the Inner West Local Planning Panel. The Panel resolved to advise Council that it does not support the proposal, but agreed to a series of principles for revising the proposal being to:

- 1) *Rezone the site to Zone B7 Business Park and allow boarding house for student accommodation as an additional permitted use.*
- 2) *Increase the FSR of the site up to 2:1 with a minimum non-residential floor space of 980 sqm (or FSR 0.75:1) dedicated to business and office premises and light industries in the technology, bio-medical, arts, production and design sectors, consistent with the alternate scheme developed by Architectus.*
- 3) *Establish a 17m height limit which would facilitate a five-storey development on the site with minimum floor to ceiling heights for employment uses to be incorporated in the DCP*
- 4) *Ensure that the proposed boarding house will not have an adverse impact on the surrounding industrial uses and that the development will include the necessary design and acoustic measures to ensure that there are no significant adverse impacts on the amenity of future residents of the site.*
- 5) *Ensure that a minimum percentage of non-residential floorspace is made available as affordable space for tech start-ups, innovative creative industries, community uses and artists to align with the objectives of Camperdown Ultimo Collaboration area Place Strategy.*
- 6) *Incorporate appropriate mechanisms to ensure that 'new-gen' boarding house rents are affordable in perpetuity.*
- 7) *Ensure that the development provides a pedestrian and cycle access through the site along Johnstons Creek to align with the objectives of the Parramatta Road Corridor Urban Amenity Improvement Plan and Camperdown Public Domain Masterplan.*
- 8) *Ensure that the development will incorporate environmentally sustainable design principles which exceed the PRCUTS sustainability targets.*
- 9) *Update the site - specific DCP to reflect Architectus's urban design recommendations.*
- 10) *Update the proposal in response to the outcomes of the precinct-wide traffic study once completed.*
- 11) *Update the IIDP and ensure that satisfactory arrangements are made for the provision of State and local infrastructure.*
- 12) *Consider DCP requirements to provide infrastructure or the capacity for EV charging points, including appropriate charging outlets in each parking space.*
- 13) *Future-proof the development by incorporating for recycled water use.*

14) Update the Out of Sequence Checklist assessment to reflect achievement of the above objectives.

Following this decision, the proposal was further refined in consultation with Council to address the principles agreed to the Panel. The revised proposal which was submitted to Council in December 2019 reduces the height to five storeys and reconfigures the site layout to reduce the building's visual impact, bulk and scale viewed from the Johnstons Creek and low density residential properties to the north within the Annandale Heritage Conservation Area. In particular, the majority of the built form fronting Johnstons Creek would be limited to two storeys. This change to the proposal is illustrated in the site plans and cross sections at Figure 1 to Figure 4.

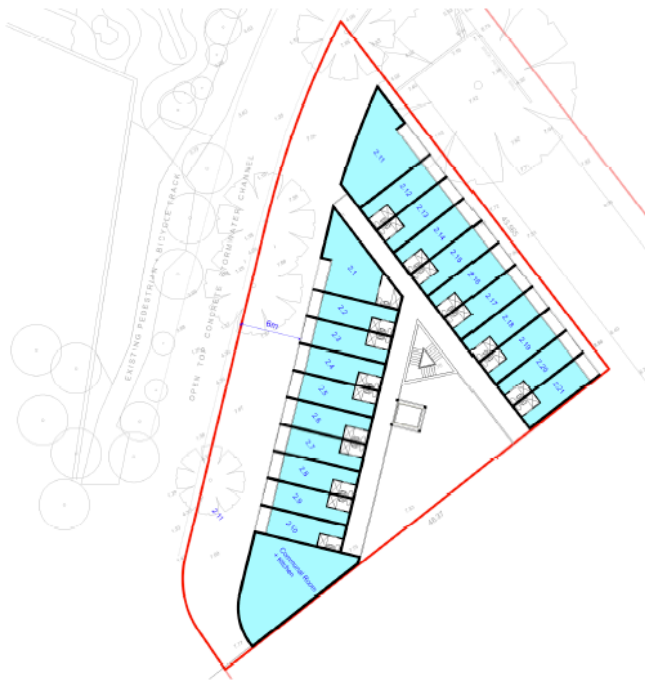
This revised proposal is currently under consideration by Council and comprises the following:

- Proposed zone: B7 Business Park
- Additional permitted uses: boarding house for use as student accommodation
- Maximum height: 17m (five storeys)
- Maximum FSR: 2:1
- Minimum FSR non-residential uses: 0.75:1

The revised proposal is supported by draft site specific Development Control Plan.

The proposal also provides the following public benefits:

- Retention of employment floorspace and the replacement of approximately four jobs enabled under current controls with up to 60 jobs under the Proposal in the creative, education and innovation industries,
- Increased supply of much needed purpose built student accommodation servicing the education sector,
- Creation of a pedestrian and cycle link along the Creek including landscaped treatment to enhance the public domain and passive surveillance, lighting and CCTV to improve security (providing a future connection to the south along Johnstons Creek), and
- A commitment to sustainability via a minimum 4 star Green Star design.



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Figure 2: Site layout lodged May 2019

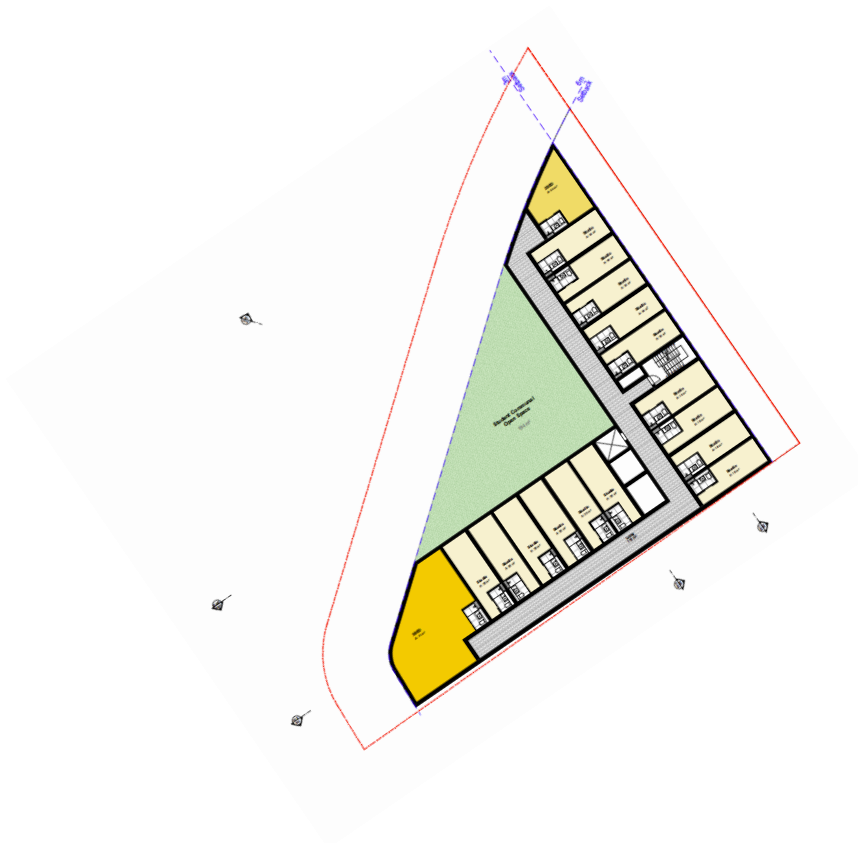


Figure 3: Site layout revised December 2019

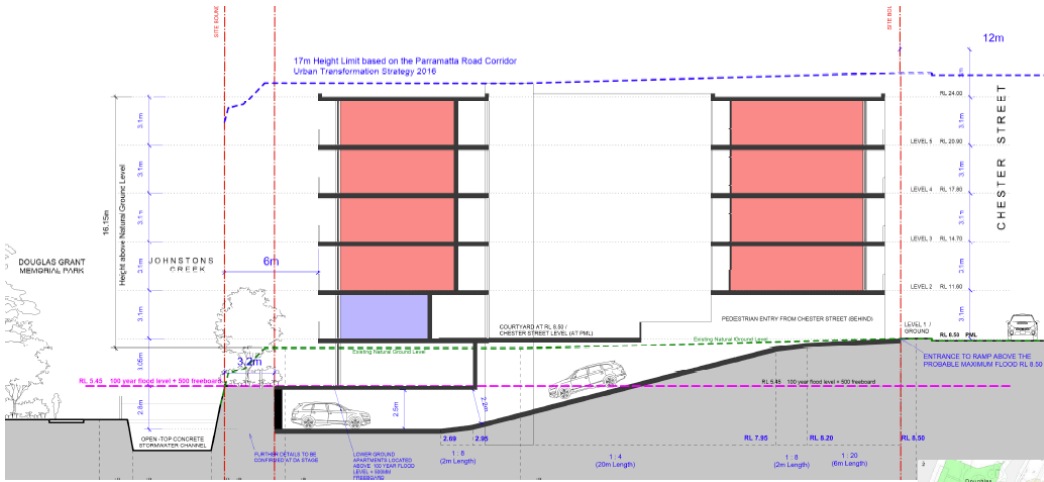


Figure 4: Cross section, lodged May 2019

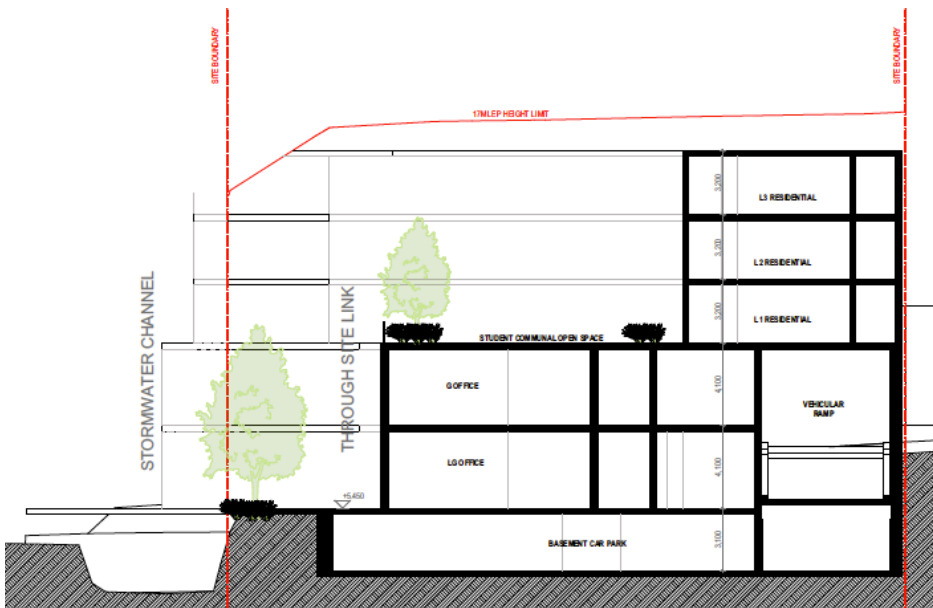


Figure 5: Cross Section refined December 2019

2 Consultation with Inner West Council

The revised proposal has been developed through extensive consultation with Inner West Council, which is documented in the chronology provided at Table 1.

Table 1: Chronology of consultation with Inner West Council

Date	Description
21 March 2019	<p>Meeting with council to discuss revised proposal.</p> <p>Revised proposal presented to Council. Council highlighted the importance of addressing its concerns on the previous proposal.</p>
3 May 2019	<p>Revised proposal lodged with Council for:</p> <ul style="list-style-type: none"> Retention of IN2 Light Industrial zone Minimum FSR 0.75:1 creative / high technology office Additional permitted use for student housing FSR 2:1 (including 0.5:1 bonus under Affordable Rental Housing SEPP provisions) Height 17m (six storeys). <p>Proposal responded to Council's concerns about loss of employment land and the need for student housing in the location.</p>
23 July 2019	<p>Revised proposal considered by Inner West Local Planning Panel. The Panel decision was informed by an urban design peer review prepared by Architectus.</p> <p>The Panel supported the Council officers' position that the site should be rezoned to B7 Business Park with a maximum FSR of 2:1 comprising 0.75:1 for business, office and light industrial. The decision outlined a number of other considerations that should be addressed in a revised proposal.</p>
5 August 2019	<p>Applicant provided a written response to the issues raised in the Architectus peer review.</p>
13 September 2019	<p>Urban design workshop was held with Inner West Council and Architectus.</p>
25 October 2019	<p>A revised option submitted to Council for consideration for:</p> <ul style="list-style-type: none"> Total FSR: 2.6:1 Student housing FSR: 1.77:1 Non-residential FSR: 0.83:1 Height 17m (six storeys) <p>The submissions included a response to issues raised in the urban design workshop.</p>
6 November 2019	<p>Council responded that it would support a proposal with an amended design scheme aligned with the Architectus alternative concept with a maximum FSR of 2:1 and maximum five storeys.</p>
12 November 2019	<p>A revised option submitted to Council for:</p> <ul style="list-style-type: none"> Total FSR: 2.0:1 Student housing FSR: 1.25:1 Non-residential FSR: 0.75:1 Height 17m (five storeys)

Date	Description
29 November 2019	Council requests the applicant to submit a letter asking Council to formally consider the revised proposal and to outline how the proposal responds to the principles recommended by the Inner West Planning Panel and Council officers.
5 December 2019	Meeting with Inner West Council regarding voluntary planning agreement negotiations.
18 December 2019	<p>Letter provided to Inner West Council referring the revised proposal and addressing the recommended principles of the Inner West Planning Panel and Council officers. Proposal comprises:</p> <ul style="list-style-type: none"> • Zone: B7 Business Park, with boarding housing for student accommodation as additional permitted use. • Maximum FSR: 2:1 • Minimum non residential uses: 0.75:1 • Maximum height 17m (five storeys).
12 February 2020	Draft VPA and supporting documents provided to Council in line with Council's VPA Policy.

3 Consultation with local community

Community consultation was carried out in connection with the original Planning Proposal for the site. This comprised a community information evening which was held on 12 December 2017. Residents and business within the surrounding area were invited to attend, by way of a letter to a distribution area agreed to with the Inner West Council (see Figure 6).

The session was attended by 35 people and 18 feedback forms were received during the session. The predominant issues raised included:

- concerns about building bulk, overshadowing, loss of privacy and solar access
- need for sufficient off street parking and lack of on street parking, and
- lack of open space.

The revised proposal addresses these concerns through the revised layout which reduces the building’s visual impact, bulk and scale viewed from Johnstons Creek and low density residential properties to the north within the Annandale Heritage Conservation Area. In particular, the majority of the built form fronting Johnstons would be limited to two storeys. The proposed mix of employment uses and student housing also results in no additional demand for car parking.

To provide an update to the community on the revised proposal and the Planning Proposal process, a letter was sent on 13 January 2020 providing further information and offering an opportunity to contact the applicant to raise any concerns or discuss any issues. A copy of the letter is provided at Attachment 1. The letter was distributed to 310 residents and businesses within the same area as agreed with Council for the previous consultation (see Figure 6).



Figure 6: Community letter distribution range

The applicant had discussions with three community members as a result of the mailout. This represents less than 1% of the residents/business owners who received the letter and demonstrates an appropriate level of support for the proposal as required by the PRCUTS Out of Sequence Checklist Criteria 3.

The discussions with respondents are summarised in Table 2. The issues raised largely related to traffic impacts, car parking, the proposed cycleway and impacts of bulk and scale.

Two of the respondents were largely clarifying matters in relation to the proposal and did not raise significant areas of concerns. One of the respondents had concerns about the impacts of bulk and scale on a dwelling to the west of Johnstons Creek on Chester Street. This issue is discussed in Section 3.1 below.

Further consultation will be undertaken with the local community following a Gateway decision, in the form of a formal public exhibition of the proposal and additional activities to make sure the community have full opportunity to input.

3.1 Bulk and scale impacts on dwellings on Chester Street

The closest dwelling to the site is located at 2B Chester Street. This property has a largely blank wall facing the site with only two small windows within the attic (see Figure 7). It is located at least 35m away from the proposed development (see Figure 8). This separation distance substantially exceeds the required separation distance under the Apartment Design Guide for habitable spaces of 12m. Views from this dwelling would be screened by the playground and existing trees. The orientation and aspect of the proposed student housing dwellings is such that it would not result in direct overlooking of existing dwellings (see Figure 7). Further, the proposal has been redesigned to reduce the bulk and scale facing this direction. Accordingly, any impacts of the proposal on this dwelling would be minimal.

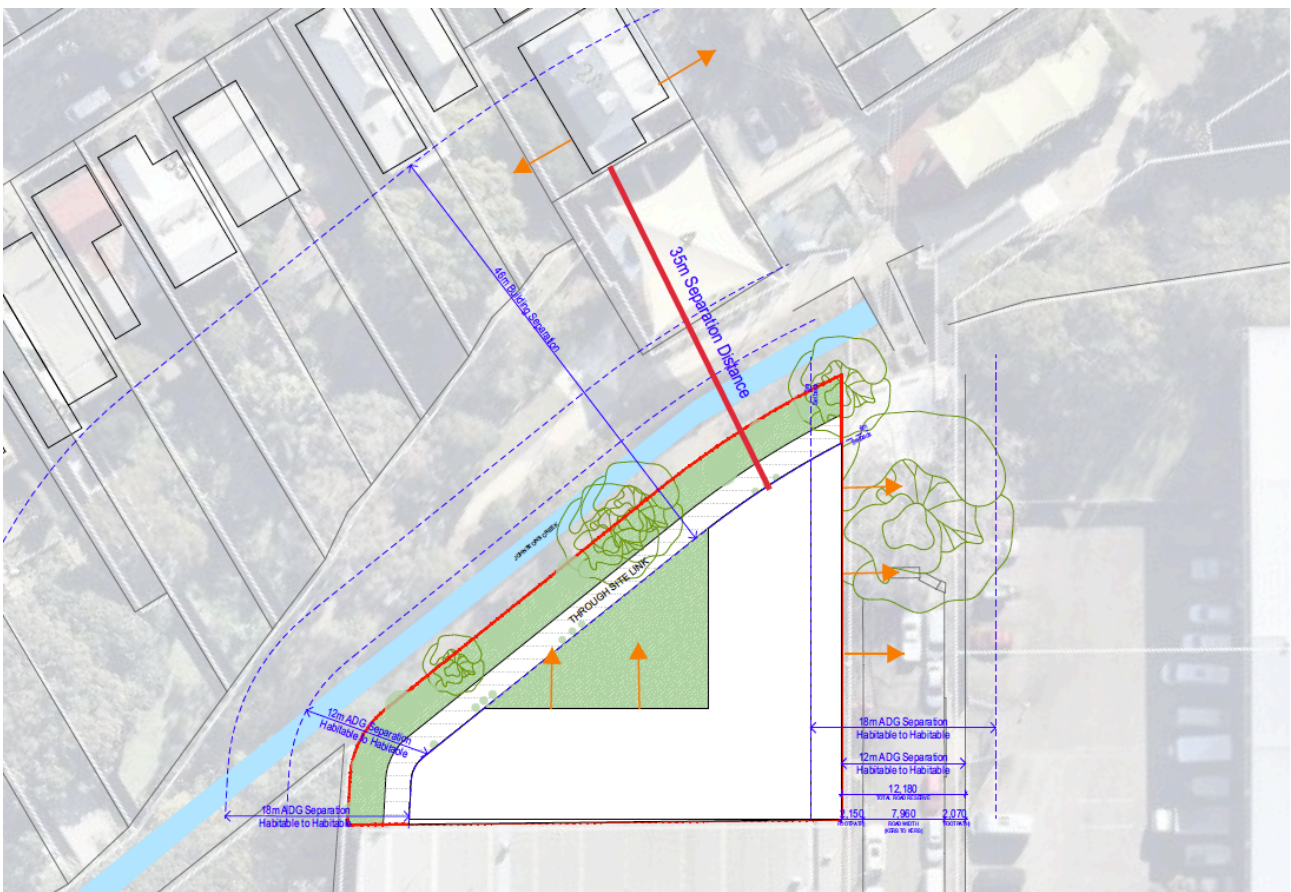


Figure 7: Separation distance to dwellings on Chester Street



Figure 8: Dwellings on Chester Street

Table 2: Summary of community consultation

Respondent	Summary of comments	Summary of response from applicant
Local resident	<p>Email date 16.02.20:</p> <ul style="list-style-type: none"> “Is this project on your website this site (previous design presumably). Development of a 120-Bed Student Accommodation / Co-Living Space Development Value: \$42 Million Was it refused by council or by the planning panel? How many beds in the modified proposal - 4x16? Number of Parking spaces? Why would the path along Johnstons Creek be a "future link to the south"? Would it not work immediately? Is there a traffic study (narrow, deadend street, with approved expansion at Kennards opposite, employment for 60, plus customers)? Heritage treatment of old standstone block wall section at southwest corner? Which parts of Central Park did Britely do? Why call it Camperdown when it is in Annandale? Respondent had concerns regarding parking which seemed to be addressed. 	<p>Response email dated 17.02.20:</p> <ul style="list-style-type: none"> ‘Camperdown’ on Britely Website not relevant. Britely website is to be updated. The following relates to the subject site located at 1-5 Chester St Camperdown. Previous design for larger building, straight residential apartments refused by Panel and Council Current proposal: 51 student accommodation rooms plus 980m2 commercial targeting education and innovation industries There will be approximately 19 car parking bays provided to service employment space available under current controls. The thoroughfare through site link is intended to be linked through neighbouring sites and ultimately connect to Parramatta Rd A traffic engineer has confirmed access/egress requirements. Note nil car parking generation from Student Accommodation, no additional traffic compared to current controls. Heritage has been considered as necessary. Britely senior management (Alex Sicari) development managed Blocks 1, 4N, 4S and 8 (DUO, Conner, Four Points Hotel, what is currently ‘Iglu’ student accommodation) Site is located at 1-5 Chester St Annandale”

Respondent	Summary of comments	Summary of response from applicant
	<p>Email dated 18.02.20:</p> <ul style="list-style-type: none"> No meeting required Respondent expects a traffic increase and expressed the potential worth and protection of heritage wall <p>Email dated 18.02.20:</p> <ul style="list-style-type: none"> Respondent understood the information and seemed to be appeased. However requested lease include a “contract” to not park a car nearby. <p>No further correspondence was received.</p>	<p>Response email dated 18.02.20:</p> <ul style="list-style-type: none"> Britely explained the buildings use, minimal parking proposed and measures to encourage minimal to no car use by students. Britely requested further information on the ‘heritage’ wall in question. <p>Response email dated 18.02.20:</p> <ul style="list-style-type: none"> Britely provided detailed information on the parking strategy as part of the proposal and an overview of student accommodation parking in Sydney
<p>Resident, Water Street</p>	<p>Phone call querying how the 5m setback for the proposal was introduced. The community has taken action against Council’s interest in a bike track along the creek.</p> <p>No further correspondence has been received.</p>	<p>Response email dated 20.02.20</p> <ul style="list-style-type: none"> “We understand members of the community have had previous dealings with Council regarding possible setbacks along Johnstons Creek. Our current design does include a 5m set back along the creek. This was imposed on us by Council as a requirement before they were able to endorse the proposal. This setback is consistent with the proposed Parramatta Road Strategy. Please let us know if you require any further information”.
<p>Resident, Chester Street</p>	<p>Requested copies of the plans to review bulk and scale.</p> <p>Email dated 25.02.20:</p> <ul style="list-style-type: none"> Requested the address be changed to Camperdown and review the offset from her property on p16. Concern that the building is out of character. <p>Email dated 29.02.20</p> <ul style="list-style-type: none"> Has contacted Council regarding these concerns and redrawn P16 and indicating her property. The foot traffic to the “alleyway” beside the house is also a concern. <p>No further correspondence has been received.</p>	<p>Response email dated 19.02.20</p> <ul style="list-style-type: none"> Plans were sent to review bulk and scale. Britely advices Council’s requirement to reduce the height of previous proposal and L-shape floorplate reducing scale adjacent to Annandale Conservation Area. <p>Response email dated 25.02.20</p> <ul style="list-style-type: none"> Britely advised the setback is indeed approx. 34m and almost 3x the requirement under the Apartment Design Guide criteria and the character is consistent with the future aspirations for the education related building services. <p>Response email dated 29.02.20</p> <ul style="list-style-type: none"> Britely have again advised the separation requirements and what is achieved by the development and other proposed design aspects which will assist in creating a greater barrier.

4 Consultation with other stakeholders

A number of Government agencies were contacted regarding the previous Planning Proposal, including Department of Planning and Environment, Transport for NSW, Roads and Maritime Services, University of Sydney, University and University of Technology Sydney (UTS), Sydney Local Health District, Sydney Water, NSW Department of Industry and NSW Department of Education. Of these agencies, responses were only received by Department of Planning and Environment and Transport for NSW / RMS.

At a meeting with Department of Planning and Environment on 19 December 2017 the following matters were discussed in relation to the previous proposal:

- The need for a State infrastructure contribution,
- The Out of Sequence Checklist in PRCUTS
- The ongoing preparation of a Precinct Wide Traffic Study for the Camperdown Precinct
- The need to provide affordable housing.

A letter and email were received from Transport for NSW / RMS on 22 December 2017 and 25 January 2018 respectively. The key issues raised related to the need for a Precinct Wide Traffic Study, Contributions towards regional road infrastructure, trip generation rates appropriate to the site, and the need for active transport to and from the site.

The revised proposal generates no demand for additional car parking, reducing the traffic generation associated with the proposal. Specialist student accommodation provider, UniLodge, has provided advice confirming that nil carparking is suitable for student accommodation on this site, given its location within 500m to Sydney University and within close proximity of a range of shops, services and public transport (Appendix D).

All relevant Government agencies would be consulted further following a Gateway decision.

The following consultation has also been carried out with relevant organisations regarding the suitability of student housing in this location:

- Discussions with Sydney University and UTS who have both confirmed a significant undersupply of student accommodation in the area. UTS has indicated its support for the proposal (Appendix B)
- Discussions with local agents and valuers have also confirmed the need for and undersupply of student accommodation in Sydney. A market report on student accommodation has been provided by Savills (Appendix C).

5 Conclusion

This Stakeholder Engagement Update Report provides an update to the Stakeholder Engagement Report prepared by Ethos Urban in January 2018. It sets out the engagement that has been undertaken in connection with the revised Planning Proposal which was lodged in May 2019.

In particular it sets out the extensive consultation that has been undertaken with Council to refine the proposal to meet Council's key objectives for the site. It also sets out engagement that has been undertaken to inform the community of the changes to the proposal.

It is expected that this report will support the Council in assessing the Planning Proposal's suitability to progress to a Gateway decision. Following a Gateway decision further consultation would be undertaken with relevant stakeholders including Government agencies, organisations and the local community, through a formal public exhibition of the proposal.

Appendix A Community update letter

Appendix B UTS letter

Appendix C Student accommodation market report

Appendix D UniLodge letter