

Item No: C1117 Item 6

Subject: 469-483 BALMAIN ROAD, LILYFIELD - PLANNING PROPOSAL

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SUMMARY

The Roche Group Pty Ltd requested a Rezoning Review for a Planning Proposal with the Department of Planning and Environment (DPE) to amend *Leichhardt Local Environmental Plan (LLEP) 2013* to add an additional permitted use for residential accommodation to the IN2 - Light Industrial zoning of the site at 469 – 483 Balmain Road, Lilyfield. The Planning Proposal also seeks to introduce new development standards for building heights up to 6 storeys with a Floor Space Ratio of 2.54:1. The Planning Proposal would retain 6,000sqm of light industrial floor space and provide 142 apartments.

The Rezoning Review was considered by the Sydney Eastern City Planning Panel (the Panel) on the 12 October 2017 who determined that the Planning Proposal should proceed to Gateway subject to a number of concerns being considered including land use conflicts between industrial and residential uses and the rationale for the proposed building height and Floor Space Ratio. The Panel has invited Council to be the Relevant Planning Authority (RPA) for this proposal and has requested that Council advise in writing within 42 days of its letter if it would like to be the Relevant Planning Authority (RPA) for this matter.

It is recommended that Council resolve to accept the role of RPA and advises the Panel accordingly. The role of RPA will enable Council to manage the Gateway process more closely and better influence the final outcomes of the Planning Proposal.

RECOMMENDATION

THAT Council:

- 1. Receive and note this report;**
- 2. Accepts the role of Relevant Planning Authority for the Planning Proposal at 469 – 483 Balmain Road, Lilyfield;**
- 3. Request the Department of Planning and Environment delegate to Council the Plan Making functions to make the LEP amendment; and**
- 4. Submits the Proponent's Planning Proposal to the Department of Planning and Environment for a Gateway Determination.**

BACKGROUND

The site is 6,823sqm and provides large floor plates for an existing furniture warehouse (Sounds Like Home), an aluminum door/window manufacturer, an import business as well as artist studios, photography and jewellery businesses. The industrial floor space supports valuable urban services for the local population and businesses and accommodates 26 employees and 50 artists.

The Planning Proposal was submitted to Council on the 16 December 2016 requesting the following amendments to *LLEP 2013*:

- rezoning from IN2 – Light Industrial to B4 - Mixed Use;
- increasing the Floor Space Ratio from 1:1 to 2.3:1 (170 residential units); and

- a range of building heights from 15 metres to 31 metres in several 1 to 9 storey buildings.

An amended Planning Proposal was submitted on the 21 June 2017, refer to **ATTACHMENT 1** for:

- retention of the IN2 - Light Industrial zoning;
- 6,000sqm of flexible employment industrial/office floor space including 400sqm for art studios and an 80sqm neighbourhood shop;
- an additional permitted use for residential accommodation through a local provision;
- an increase of building heights up to 6 storeys across the site;
- an increase in Floor Space Ratio from 1:1 to 2.54:1;
- residential gross floor area of 11,325sqm facilitating 142 apartments;
- 185 car parking spaces; and
- provision of 5% affordable housing.

On 25 August 2017 Council received notification that a Rezoning Review application for the Planning Proposal had been submitted to the DPE and that Council had 21 days to respond. Council made a submission dated 15 September 2017 to the DPE including an assessment of the merits of the Planning Proposal, refer to **ATTACHMENT 2**.

A detailed timeline of the current Planning Proposal and two previous 2005 and 2012 Planning Proposals lodged for this site is provided at **ATTACHMENT 3**.

On 12 October 2017, the Panel considered the Planning Proposal and found it demonstrated both strategic and site specific merit and should proceed to Gateway, refer to Panels letter and record of decision at **ATTACHMENT 4** and **ATTACHMENT 5**. The Panel required the further exploration of the compatibility of use between industrial and residential uses. The Panel also recommended that the delegate amend the planning proposal to:

1. *"Include a provision that enables residential development to occur on the site subject to meeting objectives which include but are not limited to:*
 - a. *retain the viability of industrial uses on the site; and*
 - b. *no detrimental impact on the uses (current or future) on the adjoining IN2 zoned land.*
2. *Ensure a rationale for the height, floor space ratio, and building massing and modulation for the site is prepared and exhibited with the planning proposal.*
3. *Ensure mechanisms are provided for creative employment space.*
4. *Retain the two buildings on the site which have historical importance.*
5. *A site specific development control plan is prepared in accordance with clause 6.14 Development control plans for certain development of Leichhardt Local Environmental Plan 2013."*

Subsequent to the above, Council received a letter on 16 October 2017 inviting Council to be the RPA for this planning proposal and to advise the Planning Panel Secretariat of its decision within 42 days, refer to **ATTACHMENT 4**.

RATIONAL FOR WHY COUNCIL SHOULD BE THE RELEVANT PLANNING AUTHORITY

The RPA can play a more active role in influencing the final outcome for this Proposal. The RPA can negotiate on behalf of the community to improve the final design and development standards. It can also reference the planning principles for the site established during the 2007 community consultation.

If Council is not the RPA the Panel will be the RPA and it cannot be a party to a Voluntary Planning Agreement (VPA). Council as RPA can reach a VPA for community benefits such as affordable housing, protection of historical buildings, retention of creative artist studio spaces, creation of a pedestrian through site link and a 5 Green Star rated sustainable development.

If Council is not the RPA and the DPE is nominated as the RPA, there is a risk that DPE may not amend the Planning Proposal or negotiate with the proponent to address any concerns raised during community consultation, as was the case with the Lords Road Planning proposal. This is considered an unacceptable risk.

This report recommends submitting the Proponent's June 2017 Planning Proposal for a Gateway Determination and at the same time setting out the issues with the Proposal that should be addressed by the Gateway process. These issues are summarised below.

The role of RPA will not compromise Council's ability to support or not support the Planning Proposal.

KEY ISSUES WITH THE PLANNING PROPOSAL

An assessment of the proposal against relevant strategic policies and on its merits has been undertaken. This is detailed in Council submission to the DPE dated 15 September 2017 (refer to **ATTACHMENT 2**). In brief the key issues are:

- **Land Use Conflicts**
- **Height, FSR and bulk and scale**
- **Creative Artists studio space**

(i) Land Use Conflicts

The Planning Proposal has not satisfactorily addressed how the proposed design and operation of the development would integrate industrial and residential uses to avoid land use conflicts. The concern is that the proposed 6,000sqm of industrial floor space could not be readily used for industrial activities because of inherent potential conflicts with the occupants of the proposed residential apartments. The residential accommodation could also hinder the role and function of the wider industrial precinct that currently supports 23 businesses. This concern of Council Officers was also shared by the Panel who stated:

"The Panel supports the protection of the existing amount of industrial floor space (min. 6,000sqm) on the site and any residential use of the site must be designed to ensure the viability of this industrial use".

Retention of this zone and 6,000sqm light industrial floor space in one of the few remaining light industrial land precincts in the former Leichhardt LGA would however ensure that there was no net loss of industrial floor space. The site is almost 40% of the Balmain Road industrial precinct and future uses of the site will have an impact on the role and function of the remainder of the area. It is critical that potential land use conflicts are avoided and minimised.

If a favourable Gateway Determination is issued it should therefore address access, operating hours, uses and separation, noise, amenity and impact on the broader industrial precinct.

(ii) Urban design, height, FSR and bulk and scale

A detailed urban design report and concept plans accompanied by a site specific Development Control Plan that meets the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code (SEPP 65) and the Apartment Design Guide (ADG) are required to determine compatibility with the character and residential amenity of the area and whether the proposed development standards of height and FSR are acceptable.

The Proposal's height, bulk and scale and the FSR of 2.54:1 are incompatible with the low density character of the area, adjacent Local and State Heritage Items and heritage significant buildings on site.

(iii) Creative Artists studio space

The proposed 400m² of art studio space is insufficient given that currently part of the site accommodates 50 artists and has consent for 1,200sqm of studio space. This 400m² needs to be increased to support the creative uses on site and to be consistent with State and Local policies that aim to protect arts and culture.

FINANCIAL IMPLICATIONS

The proponent has paid the Council's Stage 1 - Planning Proposal fee and the SGS peer review already completed. The proponent must also pay for any further Council's peer reviews of new supporting studies or additional independent studies should these be deemed necessary.

The Proponent has also submitted an offer to enter into a VPA. The revised VPA offer will be the subject of evaluation and negotiation with the proponent. The final terms of the offer can be finalised after a Gateway determination and prior to the final determination of the Planning Proposal. Matters for consideration could include affordable housing, public domain improvements, sustainability initiatives, retention of affordable artist studios and protection of the significant heritage character buildings.

PUBLIC CONSULTATION

No public consultation has been undertaken to date.

Statutory public consultation processes will be undertaken at the next stage in the assessment of the planning proposal. This process would be administered by Council whether it accepts the RPA role or not.

Council's standard community engagement framework includes exhibition for at least 28 days with notification:

- on the Inner West Council Your Say website
- in the Inner West Courier
- in writing to the owners and occupiers of adjoining and nearby properties

The outcomes of the public authority consultation and public exhibition would be reported to Council.

CONCLUSION

It is recommended that Council write to the Panel and accept the role of RPA to give it more influence over the Planning Proposal and final design and planning outcomes, seek delegation of the plan making function and submit the proponent's Planning Proposal request.

ATTACHMENTS

1. [↓](#) Planning Proposal With Addendum : 469 - 483 Balmain Road, Lilyfield
2. [↓](#) Letter to Department of Planning and Environment Councils submission on Rezoning Review request

3. [↓](#) History and timeline of Current and Previous Planning Proposals for this Site
4. [↓](#) Letter from Panel to Council advising of Panel decision
5. [↓](#) Record of Panels Decision 12 October 2017

Addendum to Planning Proposal for 469-483 Balmain Road, Lilyfield

1 Objectives or intended outcomes | Part 1

The objectives and intended outcomes of this proposal are:

- To facilitate redevelopment of an underutilised site in a main street location in close proximity to a range of services and public transport options.
- To provide for an improved cultural and community hub and foster the growth of creative industries which add to the richness and diversity of the local community.
- To retain the character buildings on the site maintaining a link with the existing neighbourhood character while allowing for improved built form outcomes in the surrounding lower scale residential streets.
- To maintain and enhance the uses in the IN2 Light Industrial Zone through the provision of a modern flexible employment space, while also incorporating a range of housing types including affordable housing for the Leichhardt area.
- To take advantage of good existing public transport and high quality open space that is in close proximity to the site.
- To facilitate redevelopment of the site that takes advantage of the site's characteristics to minimise any impact on surrounding developments.
- To provide a high quality design outcome and a sustainable development.
- To assist in achieving State and Local Government's employment and housing targets.

The planning proposal seeks to achieve these objectives by allowing the redevelopment of the site for employment purposes including creative industries, affordable or key worker housing, residential development and a neighbourhood shop.

2 Explanation of provisions | Part 2

The planning proposal seeks the proposed amendments to the *Leichhardt Local Environmental Plan 2013* as follows:

- Add *residential accommodation* as additional permitted use to the currently IN2 Light Industrial Zoned site;
- Amend the maximum floor space ratio map to show the FSR for the site as 2.54:1.
- Introduce the following new local provision applying to the site:

6.1x Development on certain land at Lilyfield

(1) This clause applies to Lot 2 DP 101583

(2) Despite any other provision of this Plan, development consent may be granted to a single development application for development on land to which this clause applies that is both of the following:

(a) a proposal to develop the 469-483 Balmain Rd site in its entirety, and

(b) a proposal for development with a maximum floor space ratio of 2.54:1, inclusive of a component of residential accommodation.

(3) Development consent must not be granted under subclause (2) unless the consent authority is satisfied that:

(a) a high standard of architectural and urban design appropriate to the building type and location will be achieved, with articulated height and massing providing an appropriate transition to the existing streetscape, and

(b) the total gross floor area of the part of the development that is used for non-residential or employment purposes is a minimum of 6,000 square metres, and

(c) the development will not exceed 6 storeys in height, and

(d) the development will cause no adverse overshadowing impact of neighbouring properties, and

(e) the development will provide and facilitate pedestrian access connecting Fred Street to Alberto Street, and

(f) the development will incorporate environmentally sustainable design principles, and

(g) the development will include the necessary design and acoustic measures to ensure that light industries within the development, as well as any existing industrial uses on land surrounding the development, do not have a significant adverse impact on the amenity of future residents of the development.

3 Part 3 | Justification

3.1 Section A | Need for the planning proposal

Q1. *Is the planning proposal a result of any strategic study or report?*

The Planning Proposal is the result of an analysis that balances an outcome that will best serve the needs of the future community and be able to be delivered consistent with market demand in the locality.

Additionally, the proposal supports a number of strategic objectives at the state and local level:

- Objectives of the Leichhardt 2021 plan strongly encourage providing local employment of a type that meets the needs of the local population encouraging jobs close to home and a vibrant local economy.
- The site has reached the end of its economic life and the Leichhardt Employment and Economic Development Plan advocates transforming appropriate industrial land (such as the subject site) into different land uses including affordable housing for key workers and students. Under this proposal, the equivalent floor space and zoning is maintained but transformed into a modern flexible space likely to ensure the longevity of permissible uses.
- The proposal is consistent with the key directions of the *A Plan for Growing Sydney* relating to employment, urban renewal and housing growth in areas with good amenity and connectivity in the Central Subregion.
- The proposal is consistent with the direction in the Draft Central District Plan with regard to taking a precautionary approach to rezoning of employment lands in maintaining the current zoning and will deliver a greater amount of employment than the existing use of the site.
- The proposal while not in the Bays Precinct is in close proximity to plans for major open space and high tech employment outcomes which are a key priority of *A Plan for Growing Sydney* and the NSW Government.

Q2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

The Planning Proposal is the best means of ensuring an appropriate redevelopment that increases the number of jobs on the site, provides a closer match of employment to the needs of the local population, provides a continuation and improvement to the employment/arts/community uses on the site and provides an additional housing supply, including affordable housing.

3.2 Section B | Relationship to the strategic planning framework

Q3. *Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?*

A Plan for Growing Sydney

A Plan for Growing Sydney released in 2014 represents the current NSW Government policy for land use planning in Sydney. An analysis against the relevant aims for employment, lifestyle and housing is below.

As noted in the revised Hill PDA Economic Impact Assessment (June 2017), the subject site is part of an isolated industrial area and not a key industrial precinct. Most of the Plan for Growing Sydney's objectives are around supporting employment in Strategic Centres and other key areas.

Notwithstanding the above the proposal retains the current IN2 Light Industrial Zoning and will provide a minimum of 6,000 sqm of modern flexible employment space.

Table 1 – Analysis against Action 1.9.2 of A Plan for Growing Sydney

ACTION 1.9.2: SUPPORT KEY INDUSTRIAL PRECINCTS WITH APPROPRIATE PLANNING CONTROLS states that the Industrial Lands Strategic Assessment Checklist will guide the assessment of proposed rezoning of industrial lands	
Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands?	An analysis of the former Leichhardt Council's strategies is listed below. In short both the former Leichhardt Council's Economic Development Plan and Leichhardt 2020+ both support the tailoring of jobs to the local population, the lifestyle benefits of jobs close to home and the provision of a diverse and affordable housing supply. By retaining 6,000sqm of employment space and allowing for residential development. The proposal adds to the local supply of jobs and housing.
Near or within direct access to key economic infrastructure? Contributing to a significant industry cluster	<p>The site is well located close to the Sydney CBD with good access to transport infrastructure and very near the proposed redevelopment of a major high tech jobs precinct planned at White Bay.</p> <p>The site is home to a mix of uses not belonging to any particular industry cluster and not predominantly industrial in nature. The development of the site into flexible modern employment space of an equivalent amount of floor space will likely result in a fivefold increase of employment onsite.</p>
How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?	<p>The subject site represented approximately 0.7 percent of zoned employment lands in the former Leichhardt LGA in 2015 and just 0.2 percent of the supply within the newly defined Inner West LGA. The retention of an equivalent amount of floor space will result in no net loss and a likely increase in utilisation.</p>
How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?	<p>The proposal will deliver significantly greater employment than presently exists on the site. Hill PDA predict that the new flexible space could accommodate 131 jobs compared to the existing 26.</p>

Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries?	The former Leichhardt Council's own economic development plan acknowledges that the site would not be viable for redevelopment as a stand-alone industrial use. The addition of residential component enables the redevelopment for an equivalent amount of flexible employment space that will foster small business, light industrial, high tech and creative industries.
Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?	No and the existing use of the land is being retained.

Table 2 – Analysis against Goal 2 of A Plan for Growing Sydney

Goal 2 – A city of housing choice, with homes that meet our needs and lifestyles	
<p>Direction 2.1 – Accelerate housing supply across Sydney</p> <p>2.1.1 Accelerate housing supply and local housing choices.</p> <p>2.1.2 Accelerate new housing in designated infill areas (established urban areas) through the Priority Precincts and Urban Growth NSW programs.</p> <p>Direction 2.2 – Accelerate urban renewal across Sydney – providing homes closer to jobs</p> <p>2.2.2 Undertake urban renewal in transport corridors which are being transformed by investment, and around strategic centres.</p> <p>Direction 2.3: Improve housing choice to suit different needs and lifestyles</p> <p>2.3.3 Deliver more opportunities for Affordable Housing</p>	<p>The redevelopment of the subject site to retain the same quantum of employment floor space and add medium density housing development will contribute to housing supply across Sydney and deliver more housing in a key strategic location that reflects the demographic needs of the community.</p> <p>A total of 142 residential apartments is proposed as part of the redevelopment of the site which will incorporate a mix of one bedroom, two bedrooms and three bedroom residential apartments.</p> <p>The subject site is currently supporting 26 jobs and the proposal is expected to generate approximately 131 jobs.</p> <p>By redeveloping the site to more than five times the amount of employment in a type of employment closely matched to the surrounding areas demographics the proposal will provide more jobs close to home.</p> <p>The site is in close proximity to two light rail stops, Callan Park and the Bays Precinct. A high degree of amenity is provided by the transport and recreational infrastructure in the immediate vicinity.</p> <p>The proposal is accompanied by a VPA offer to deliver five percent affordable housing on the site.</p>

Table 3 – Analysis against Goal 3 of A Plan for Growing Sydney

Goal 3 – A great place to live with communities that are strong, healthy and well connected
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Direction 3.1 Revitalise existing suburbs	<p>The subject sites are located within an established suburb in Sydney. Redeveloping the sites will improve residents' access to jobs, services and creation which will enhance the liveability of Sydney.</p> <p>The redevelopment of the former industrial site to provide a supply of modern employment space more compatible with the demographics of the surrounding area will reduce need for overall vehicle commuting trips and result in lifestyle improvements from shorter journey to work trips.</p> <p>The redevelopment of the site will result in significant amenity improvements for the surrounding residential areas, particularly on the Fred Street frontage.</p> <p>The redevelopment of the site will specifically address this objective, and will support urban renewal.</p>
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Table 4 – Analysis against the Central Subregion objectives of A Plan for Growing Sydney

Central Subregion – Objectives <ul style="list-style-type: none"> • A competitive economy • Accelerate housing supply, choice and affordability and build great places to live • Protect the natural environment and promote its sustainability and resilience 	<p>The proposal is consistent with the Central Subregion priorities to accelerate housing supply, choice and affordability and build great places to live.</p> <p>By providing greater local employment, housing, community/cultural facilities and affordable housing the proposal will contribute significantly to achieving the plans objectives for the subregion.</p> <p>The proposal is also well located to encourage sustainable public transport and active transport use, such as walking and cycling.</p>
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Draft Towards our Greater Sydney

In November 2016, the Greater Sydney Commission released a draft update to *A Plan for Growing Sydney 2014*, it proposes an amendment to the previous metropolitan plan and contains the following revised priorities.

A Productive Sydney	A Liveable Sydney	A Sustainable Sydney
A growing city A city with smart jobs A 30-minute city	An equitable, polycentric city A city of housing choice and diversity A collaborative city	A city in its landscape An efficient city A resilient city

Figure 1 - Towards Our Greater Sydney Priorities

The amendment proposes a large increase in jobs and housing, 817 000 jobs and 725 000 new homes. In housing terms this is at least a 9% increase in homes beyond that sought by *A Plan for Growing Sydney in 2014*. The draft states that the need for additional capacity is greatest in the North and Central Districts,

The objectives relating to smart jobs and a 30-minute City are particularly relevant to this proposal as it will supply a greater density of employment and housing matched to the needs of the local population than presently exists on the current underutilized site.

The proposal also aims to deliver a supply of medium density and subsidized affordable housing that will directly contribute to the housing choice and diversity of the local area.

Draft Central District Plan

The Draft Central District Plan was put on public exhibition in November 2016 until the end of March 2017. While the draft plan makes no specific reference to housing and employment targets for Lilyfield, it does reinforce the role of housing and employment in local and strategic centres. It is important to note that the plan is still in draft form and subject to a process of consultation.

Within the current hierarchy of NSW strategic plans, the District Plans are intended to give effect to the aims and objectives of the metropolitan strategy *A Plan for Growing Sydney 2014*). The planning proposal and included Hill PDA Economic Impact Assessment contains a comprehensive assessment of the proposals ability to deliver to deliver a supply of housing and greater employment in an area well serviced by transport and community infrastructure satisfying the consolidated objectives of this plan.

The draft Central District Plan reiterates the importance of three main principles from *A Plan for Growing Sydney* and states that these underpin its proposed priorities. These principles are

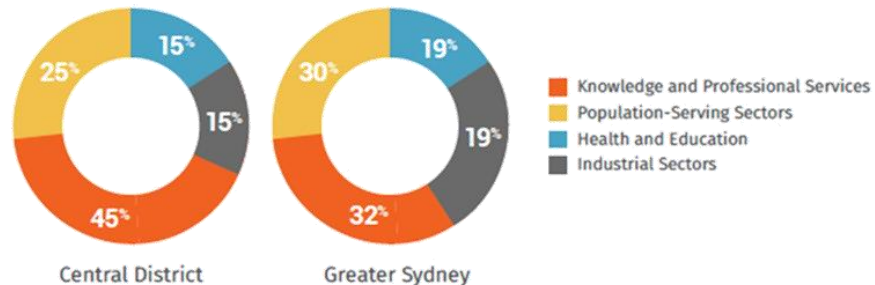
1. *Principle 1: Increasing housing choice around all centres through urban renewal in established areas*
2. *Principle 2: Stronger economic development in strategic centres and transport gateways*
3. *Principle 3: Connecting centres with a networked transport system*

The first objective is of particular relevance to this proposal as it increases housing supply, choice and employment in an established area. It also builds on the cultural and creative richness of the area by providing space for a continuation and enhancement of cultural and creative activities on the site.

The draft District Plan contains further evidence which can be used to determine the proposals fit with the *A Plan for Growing Sydney 2014* objectives. The proposal is designed to provide a supply of employment that better matches the demographics of the surrounding area. The Draft District Plan contains the following information;

In the 20 years between 1996 and 2016, the growth of the District's jobs was largely in knowledge and professional services (67% growth), health and education (56%) and population-serving (46%) sectors. A modest decline occurred in industrial sector jobs. (Pg37)

Figure 3-2: Employment profile by sector in Central District vs Greater Sydney (2016)



Source: Transport Performance & Analytics (TPA) (formerly known as Bureau of Transport Statistics), Transport for NSW, Greater Sydney Employment Forecasts, 2011 to 2041 (2016 Release), NSW Government, Sydney

Figure 2 - Draft Central District Plan Employment Profile

The planning proposal will provide the equivalent amount of employment space as presently exist on the site that is a better fit with the employment needs of the current demographics of the area. Spaces suited to small professional firms, start-ups, urban services and creative industries. The greater density of employment of a kind matched to the local area, will provide more jobs closer to where people live.

The draft Central District Plan contains a number of relevant priorities to the proposal, these are discussed below;

Relevant Priorities

The Draft Central District Plan groups its priorities under the categories of productivity, liveability and sustainability.

Productivity

The overarching productivity priorities are:

- Driving the growth of the Eastern City
- Enhancing the Eastern City's role as a global leader
- Planning for job target ranges for strategic and district centres
- Growing economic activity in centres
- Improving 30-minute access to jobs and services
- Managing Sydney's trade gateways

When measured against the priorities of the draft plan the proposal will deliver significant employment and housing growth on a site which has remained stagnant and underutilised for many years. The proposal aims to match employment to the demographics of the surrounding area and provide a diversity of housing in close proximity to local and CBD jobs in accordance with the ambition of a 30-minute city.

The draft plan expresses concern about the erosion of employment and urban services land in the Central District. It urges Councils to take a precautionary approach and proposes that proposals which seek to rezone industrial land should demonstrate that there is a net community benefit and this should take into account the economic, social and environmental considerations of the change of use.

Hill PDA have completed an Economic Impact Assessment of the planning proposal and this along with a further response to issues raised by Council and the draft Central District Plan are attached to the planning proposal.

In applying the above net community benefit considerations to the current proposal it is clear that the outcome for the site will remain unchanged if the proposal does not proceed. The site is an isolated pocket of industrial land landlocked by very fragmented residential land with quite narrow streets. Clearly the current built form is not conducive to an intensified employment use and the Hill PDA analysis shows that none of the current uses on the site could be characterised as providing urban services for the surrounding area. the Hill PDA economic analysis shows that there will be a significant increase in employment on the site and there is a substantial economic benefit to the redevelopment of the site.

From a social perspective, the site currently contributes relatively little in the way of employment and provides for only two dwellings. There is currently provision for artist space on the site however this space is in poor condition. Redevelopment will allow for a range and diversity of housing types, new community and creative space and a kind of employment space that matches the local need.

Regarding the environmental considerations of the proposal there are no significant additional impacts from overshadowing and the opportunity for local employment and active transport options for future residents will have a positive environmental impact.

Liveability

The overarching liveability priorities are:

- Improving housing choice
- Improving housing diversity and affordability
- Coordinating and monitoring housing outcomes and demographic trends
- Creating great places
- Fostering cohesive communities
- Responding to people's need for services

While medium density housing exists in the local area the draft district plan states that the Northern and Central Districts are in greatest need for increased housing supply and diversity. The proposal will provide approximately 142 new dwellings of which 5% are proposed to be affordable rental accommodation. The proposed dwellings, employment and community space is located adjacent to Callan Park, good services and transport and will provide a highly desirable place to live and work.

The proposal creates opportunities for living and working either onsite or in close proximity. It also proposes a significant community space which should generate synergies with the office component of the proposal given the presence of creative industries in the area.

Sustainability

The overarching sustainability priorities are:

- Enhancing the Central District in its landscape
- Protecting the District's waterways
- Managing coastal landscapes

- Protecting and enhancing biodiversity
- Delivering Sydney's Green Grid
- Creating an efficient Central District
- Planning for a resilient Central District

Proximity of employment, housing and recreation both on the site and in a location with high quality walking cycling and public transport connections adds to the efficiency of the urban area and reduces pressure on greenfield and less suitable locations.

Q4. Is the planning proposal consistent with a council's local strategy or other strategic plan?

An assessment against the following local strategies have been provided below

- *Leichhardt 2020+.*
- *Leichhardt Employment and Economic Development Plan (2013).*
- *Leichhardt Community and Cultural Plan 2011 - 2021*
- *Leichhardt Integrated Transport Plan*
- *Draft Inner West Council Affordable Housing Policy*

Leichhardt 2020+
Table 5 – Analysis against Leichhardt 2020+

Leichhardt 2020 + This Plan was adopted by Leichhardt Council in May 2007. The Leichhardt 2020+ Plan identifies current and emerging long term issues and priorities for Leichhardt LGA and the wider community.	
Objective 1.3- Engage and connect all local people, people with special needs, businesses and institutions to build our community.	The proposal has been developed with a focus on meeting local community needs for both employment, housing and cultural activities. The opportunity to work live and recreate in the locality will help connect members of the local community and result in increased quality of life.
Objective 2.1- Develop integrated plans to reduce our dependence on private cars for local regular community activities and trip purposes;	By creating local employment that fit the demographics of the surrounding area it provides the opportunity for people to live close to work. Providing dwellings in an accessible location also means that that more often public or active forms of transport are the optimal choice for commuter and non-commuter trips. This is the most effective measure to reduce car dependence.
Objective 2.4- Plan local community facilities and services to fit the places we live and the way we want to live;	As shown in Figure 3 and discussed above the site is located in close proximity to a wide variety of community facilities and local services. This is important for both employment and residential uses on the site. The provision of a café, gallery, artist studio and convenience shopping will also contribute to the amenity of the local area and the lifestyle of its inhabitants.
Objective 3.1- Our town plan and place plans optimise the potential of our area through integrating the built and natural environment with a vision of how we want to live as a community, and how areas should develop to meet future needs;	<p>The provision of studio spaces and a type of employment offering that will appeal to small professional suites, creative and technical business will provide a type of employment that is not only closely matched to the local population but by providing jobs close to home will contribute to the quality of life of the local community.</p> <p>The close proximity of existing and planned open space also directly supports this objective.</p>

<p>Objective 5.1: Develop integrated planning to promote thriving and diverse businesses that build on the demands and characteristics of the community, and reduce our dependence on private cars; and</p>	<p>The proposal will provide a greater level of business activity than exists on the site as demonstrated in the Hill PDA Economic Impact Assessment.</p> <p>Currently 75 percent of residents of the former Leichhardt local government area travel outside the area for work. The following statistics on the former Leichhardt local government area from Profile.id demonstrate that the proposal will deliver an employment outcome closer to the demand and characteristics of the local community.</p> <ul style="list-style-type: none"> • A larger percentage of persons employed in professional, scientific and technical services (16.9 percent compared to a Sydney average of 9.6 percent) • A larger percentage of persons employed in information media and telecommunications (6.5 percent compared to a Sydney average of 3.0 percent) • A smaller percentage of persons employed in manufacturing compared to a Sydney average (4.7 percent compared to 8.5 percent)
<p>Objective 5.2: Develop accessible and environmentally sustainable businesses that help to build local communities</p>	<p>A renewed modern more flexible built form is more likely to be sustainable and attractive to a wider range of industries in the longer term than the declining industrial and manufacturing uses presently on the site.</p> <p>The redevelopment of the site as part of this proposal will allow for the building of a more sustainable building form and provide better amenity for the surrounding residents.</p>

Leichhardt Employment and Economic Development Plan (2013)

The Leichhardt Employment and Economic Development Plan (EEDP) is a 10-year strategic plan for economic development in the former Leichhardt local government area.

Key considerations relevant to the proposed development include:

- Demand for industrial land is in locations which enable large modern industrial facilities to maintain low cost operations. Land suitable for new industries is largely in Western Sydney.
- The percentage of office space versus commercial space is changing with a larger proportion of office space required than in the past.
- Recommendations for Council to respond to industrial trends are to increase the amount of office space in industrial areas and transform appropriate industrial land into affordable housing for key workers and students.
- Strategic sites and underutilised land provide the opportunity to be transformed into other uses such as affordable housing for key workers and students;
- Smaller industrial sites in the Leichhardt LGA are surrounded by residential development which increases the likelihood of opposition to new industrial uses and reduces the viability of industrial property.

Objective 3 of the Plan is to embrace the new economy, it lists two relevant strategies to achieve this;

- Strategy 3.1 Support small business and start-ups.
- Strategy 3.3: Support the growth of creative industries.
-

The provision of 400 square metres community arts space included in 6000 square metres of flexible employment space zoned Light Industrial equals the existing floor space on site and is likely to attract a greater density of employment and services than presently exists on the site. The Hill PDA Economic Impact Assessment predicts a fivefold increase in employment density.

Q4. Is the planning proposal consistent with applicable State Environmental Planning Policies?

An analysis of the consistency of the proposed amendments with relevant State Environmental Planning Policies (SEPPs) is listed in Table 6.

Table 6 – Analysis against State Environmental Policies

Policy	Assessment
SEPP 55 – Remediation of Land	SEPP 55 introduces planning controls for the remediation of contaminated land. The policy states that the planning authority must consider whether the land is contaminated, and if so that the land is suitable in its contaminated state for the permitted uses in the zone, or that the land requires remediation before the land is developed for that purpose.

Policy	Assessment
	<p>A preliminary contamination assessment conducted by Douglas Partners has concluded that the site has a low to moderate potential for significant or broad scale contamination. There may be moderate to high concentrations of contamination at point sources of contamination.</p> <p>The report finds that the site has potential to accommodate a change of use, subject to the completion of any remediation deemed necessary as a result of a Phase 2 assessment, which Douglas Partners advises would be required prior to any future development application for mixed use development on the land. Notwithstanding future residential uses would be located above ground level.</p> <p>This is consistent with the Managing Land Contamination, Planning Guidelines SEPP 55–Remediation of Land (1998).</p> <p>The Douglas Partners report is attached at Appendix E.</p>
SEPP 65 – Design Quality of Residential Apartment Development	<p>Roberts Day have conducted an assessment of the proposal, and have concluded that the proposal has the ability to comply with SEPP 65 and the Apartment Design Guideline.</p> <p>This will be further assessed at the development application stage.</p>
SEPP (Buildings Sustainability Index: BASIX) 2004	<p>SEPP BASIX requires all future residential developments to achieve mandated levels of energy and water efficiency, as well as thermal comfort.</p> <p>BASIX Certificates are included as part of future development applications that is being lodged concurrently with the planning proposal which demonstrates compliance with SEPP BASIX requirements.</p>
SEPP (Infrastructure) 2007	<p>As part of the proposal a Traffic Impact Assessment is included which assesses the transport impacts that may arise from the proposal.</p>
Development Near Rail Corridors and Busy Roads (Interim Guideline)	<p>There are referral requirements at development application stage.</p>

Q6. *Is the planning proposal consistent with applicable Ministerial Directions (s.117 Directions)?*

The proposal is consistent with all relevant Ministerial directions under Section 117(2) of the *Environmental Planning and Assessment Act 1979*.

An assessment of the proposal against the applicable Section 117 directions is supplied in Table 7.

Table 7 – Assessment against Section 117 Direction

Section 117 Direction	Assessment
<p>Business and Industrial Zones</p> <p>The objectives of this direction are to:</p> <p>encourage employment growth in suitable locations,</p> <p>protect employment land in business and industrial zones, and</p> <p>support the viability of identified strategic centres.</p>	<p>The planning proposal will deliver a significantly greater number of jobs than are currently available on the site (131 from 26). Further the jobs created are likely to be better match to the local demographics of the area.</p> <p>The current proposal will result in no net loss in land zoned for industrial uses. However, the site is currently underutilized and the majority of uses on site are not industrial in nature.</p> <p>The Planning Proposal would result in a more intensive use of space and increase in employment on site in a locality with good access to transport and amenities,</p> <p>The provision of a modern purpose built flexible employment space will ensure the longevity of industry, creative uses and employment on the site.</p>
<p>Environment and Heritage</p> <p>2.3 Heritage Conservation</p>	<p>No state or local listed heritage items exist on the subject site, a full heritage assessment has been completed by NBRIS which found the character buildings on the site did not meet the criteria for heritage listing.</p>
<p>Housing, Infrastructure and Urban Development</p> <p>3.1 Residential Zones</p> <p>3.4 Integrating Land Use and Transport</p>	<p>The existing Lilyfield housing stock is comprised of a majority of single or semidetached dwellings. The introduction of a greater range of medium density dwelling of a range of sizes and types will satisfy this direction by providing a greater supply of more affordable and accessible types of dwellings.</p> <p>The Lilyfield/Roselle area has good access to infrastructure, open space and a range of services</p> <p>The increased activity both industrial, commercial and residential will provide further activation to the Rozelle local centre and a more sustainable source of local employment over the longer term.</p> <p>Redevelopment of the site will provide future residents the opportunity to live and work locally introducing a potential for further containment in the area, resulting in overall reduction in vehicle kilometres travelled.</p> <p>The proposal also aims to improve access to housing, jobs and services by allowing people to live and work in areas where walking, cycling and public transport are viable alternatives to car based transport.</p>
<p>Hazard and Risk</p> <p>4.1 Acid Sulphate Soils</p> <p>4.3 Flood Prone Land</p>	<p>The proposal is consistent with the Standard Instrument and has provisions which aim to ensure suitability of any development and will manage the impact of any acid sulphate soils.</p> <p>The site is not in a flood prone area.</p>
<p>Local Plan Making</p>	<p>The proposal can be achieved through the amendment of local provisions and mapping changes to the LLEP, no concurrences, or public land reservation is proposed.</p>

Leichhardt Community and Cultural Plan 2011 - 2021

The Plan identifies five Strategic Objectives for social inclusion, equity, access, creative expression, cultural engagement and community wellbeing:

1. Connecting people to each other
2. Connecting people to place
3. Developing community strengths and capabilities
4. Enlivening the arts and cultural life
5. Promoting health and wellbeing.

The table below contains an assessment of the proposal against the five strategic objectives of the *Leichhardt Community and Cultural Plan 2011 – 2021*.

Objective	Assessment
1. Connecting people to each other	<p>The provision of a supply of employment closely matched to the demographics of the surrounding area enables more people to work locally and create stronger connections with the local community and spend less time commuting.</p> <p>The addition of a renewed significant arts space will foster connections with the local creative community as well as allowing for potential connections with employment uses onsite and in the surrounding area. The design of the proposal allows for the possibility of live/work arrangements.</p>
2. Connecting people to place	<p>The preservation of the older building forms of the site provides a historical built form reference to the history and previous use of the area. This will have the effect of connecting the future community to the area.</p> <p>The ability to live and work in the locality is probably the strongest element of connection to place, reduces travel times and travel by foot or cycle will allow future workers and residents to fully appreciate the desirable local environment.</p>
3. Developing community strengths and capabilities	<p>The supply of 6,000 square metres of new adaptable floor space will generate approximately 131 local jobs, this kind of space is likely to be attractive to urban services and creative industries, particularly with the planned artist facilities.</p> <p>The proposed affordable housing will assist in ameliorating housing stress experienced in the local area and enable some members of the community to</p>

	remain in the local area who would have otherwise been forced to relocate due to rising housing costs.
4. Enlivening the arts and cultural life	The provision of 400 square metres of space dedicated to creative uses including artist studios, art gallery and creative space is directly consistent with this objective.
5. Promoting health and wellbeing.	The location of housing and employment in an area that has good access to public transport and that encourages working in the local area will increase work and recreational travel by active means and reduce reliance on car based trips. This has been shown to have positive health benefits. Additionally, the sites close proximity to a number of existing and planned areas of high quality open space creates an environment that promotes health and wellbeing.

The proposal will replace an underutilised site which is home to a mix of uses not belonging to any particular industry cluster and not predominantly industrial in nature.

The current uses on the site have little role in servicing the local area and the proposal is to replace these with local housing, employment, affordable housing and an arts/cultural facility. As such the proposal is directly consistent with the objectives of the *Leichhardt Community and Cultural Plan 2011 – 2021*.

Leichhardt Integrated Transport Plan

The Leichhardt Integrated Transport Plan states “Approximately 18% of Leichhardt LGA residents work within the LGA and a total of 63% work either within the Leichhardt LGA or in one of the adjoining LGAs”. This relatively high level of containment is evidence of the areas high level of transport accessibility and the significant employment options in the local area. As stated in the planning proposal Lilyfield is extremely close to the Sydney CBD and the new planned employment precinct of White Bay as well as significant sources of local employment.

The transport plan contains nine objectives which are shown below and followed by a table providing an assessment of the proposal against these objectives.

1. Improve accessibility within and through the LGA.
2. Create a legible, direct and safe pedestrian and cycling environment.
3. Encourage public transport use.
4. Provide a safe and efficient road network for all road users.
5. Provide appropriate levels of parking.
6. Facilitate integration of land use, transport and community & cultural activities.
7. Provide convenience for users of Leichhardt.
8. Promote health and wellbeing.
9. Improve environmental conditions.

Objective	Assessment
1. Improve accessibility within and through the LGA.	The provision of a supply of employment closely matched to the demographics of the surrounding area enables more people to work locally and create stronger connections with the local community and spend less time commuting.
2. Create a legible, direct and safe pedestrian and cycling environment.	A new Fred St pedestrian connection is proposed and it is also proposed to incorporate widened footpaths to enhance neighbourhood amenity and pedestrian circulation around the site
3. Encourage public transport use.	The proposal will result in the placement of significant employment and housing in close proximity to
4. Provide a safe and efficient road network for all road users.	<p>In providing for an improved pedestrian environment and minimising vehicle movements through the residential area the proposal meets this objective.</p> <p>The traffic report states that the future development would have minimal impact on the surrounding area and adequate transport infrastructure exists to cater for the future development.</p>
5. Provide appropriate levels of parking.	<p>The proposal is capable of complying with the parking provisions in the Leichhardt DCP. This will be further assessed at development application stage.</p> <p>Vehicular access to the development is proposed to be provided from Alberto Street, Fred and/or Cecily Street. The existing driveways to the site from Balmain Road, and two of the existing site driveways from Alberto Street, will be removed. This will improve parking in these streets.</p>
6. Facilitate integration of land use, transport and community & cultural activities.	The proposal integrates employment, housing, and arts/community space all in close proximity to established centre and in easy walking distance of high quality public transport.
7. Provide convenience for users of Leichhardt.	Employment space matched to the demographics of the local area will allow for more people to live and work locally which has significant quality of life and convenience advantages. It is also a more sustainable travel option.
8. Promote health and wellbeing.	The proposal has been designed to provide opportunities for live/work onsite and encourage local employment for local people. This should result in

	<p>greater use of active transport options such as walking and cycling.</p> <p>The improvement and provision of new pedestrian footpaths and provision of a pedestrian link connecting Fred Street to Alberto Street will further encourage walking and cycling.</p>
9. Improve environmental conditions.	<p>The current operations of the site involve larger delivery vehicles, at grade above ground parking and present a poor interface to the adjoining residential area.</p> <p>Vehicular access to the development can be provided in a number of configurations as demonstrated by the traffic report. The redevelopment of the site is likely to result in improved environmental conditions in the immediate vicinity.</p>

Draft Inner West Council Affordable Housing policy

Released in November 2016 for public comment the Draft Inner West Affordable Housing Policy was formulated in response to decreased housing affordability in the LGA and an increase in the number of households experiencing housing stress.

The draft strategy states that *"redevelopment is most likely to take place in older industrial areas and areas of low quality commercial development. The strategy suggests that a levy of 15% is likely to be sustainable for developments of six stories and above in such areas, particularly given the order of accuracy of the modelling and the relatively conservative assumptions used"*.

The planning proposal will allow the redevelopment of an older isolated pocket of former industrial land to be developed to meet the aims of the strategy.

The draft Central District Plan suggests that affordable housing of up to 5-10% would be appropriate and an analysis of existing affordable housing schemes in Sydney shows that on the ground outcomes of between 3% and 4% have been delivered.

The current planning proposal is proposing rather than deliver the entire public benefit in the form of affordable housing a balance of community/cultural facilities, employment outcomes and affordable housing is more appropriate given the state and local strategic aims. The proposed 5% provision of affordable housing will deliver a best practice example when measures against existing schemes while also delivering on a range of other objectives.

Provision of artist spaces, provision of employment space and the provision of 5% affordable housing represents a balanced approach to the delivery of a public benefit to the local area.

Art Haus

469-483 BALMAIN ROAD

Supplementary Submission

21 June 2017



Revised Concept

01

Overview

In response to feedback received from Inner West Council on 6th June 2017, RobertsDay has revised the design concept for the Planning Proposal for 469 – 483 Balmain Road, Lilyfield.

The revised Proposal retains all of the key features of the submitted concept including affordable housing, public domain improvements, artist studios, retention of character buildings and a sustainability framework able to achieve a 5 star, green star rating.

In addition, the revised Proposal incorporates all of Council's recommendations. Specifically, there has been a significant increase in employment floor space, reduction in maximum building height to 6 storeys and increased setbacks. Further, the revised Proposal demonstrates ADG compliance, acceptable solar / privacy for adjoining neighbours and the possibility for a vertically integrated mixed-use project where conflicts are minimised.

Revised Concept - Summary of Changes

Industrial land and floor space

Council request	Design response
Council supports the retention of a minimum of 6,000m ² for employment uses.	The revised Proposal has 6,000m ² of employment floor space located across the entire ground floor and part of the first floor around the retained character buildings. With generous floor to ceiling heights set by the retained character buildings, the employment floor space is adaptable and flexible.

Height and building envelopes

Council request	Design response
Council will consider a maximum 6 storey building height including both employment and residential uses.	The revised Proposal has a maximum 6 storey height located towards the Balmain Rd frontage. A context responsive building envelope then steps down in height towards the other street frontages including: 2 to 4 stories along Alberto St; 3 to 6 stories along Cecily Street; and, 2 stories along Fred St.
Maximum height controls will be specified for both the employment and residential components.	The revised Proposal vertically integrates employment and residential uses. As such, the proposed maximum height is 6 storeys.
Concept design are ADG compliant and minimise privacy and solar impacts on adjoining properties.	At this stage of the process the Proposal is ADG compliant. Consistent with the original Planning Proposal, the revised Planning Proposal provides adequate solar amenity to adjoining properties.
	Between 9am and 11am on 21 June, although there is some overshadowing on adjoining properties along Alberto St, it essentially falls onto blank walls, garages and fences.
	Similarly, properties along Fred St receive full sunlight during the morning. Whilst there is increased overshadowing in the afternoon it is located with the road and existing built form, rather than private open spaces.
One and two storey residential should be considered nearest to Fred St and Alberto St properties.	It is noted the existing buildings largely present as 3 storey blank walls to the surrounds. Notwithstanding, the revised Proposal presents as two storey buildings to Fred St and Alberto St.
Responding to the above will determine appropriate floor space.	In responding to the above the proposed FSR is 2.54:1. Despite a reduction in building height and residential floor area from the original Proposal, the proposed FSR has increased due to the significant increase in employment floor space requested by Council.

Setbacks

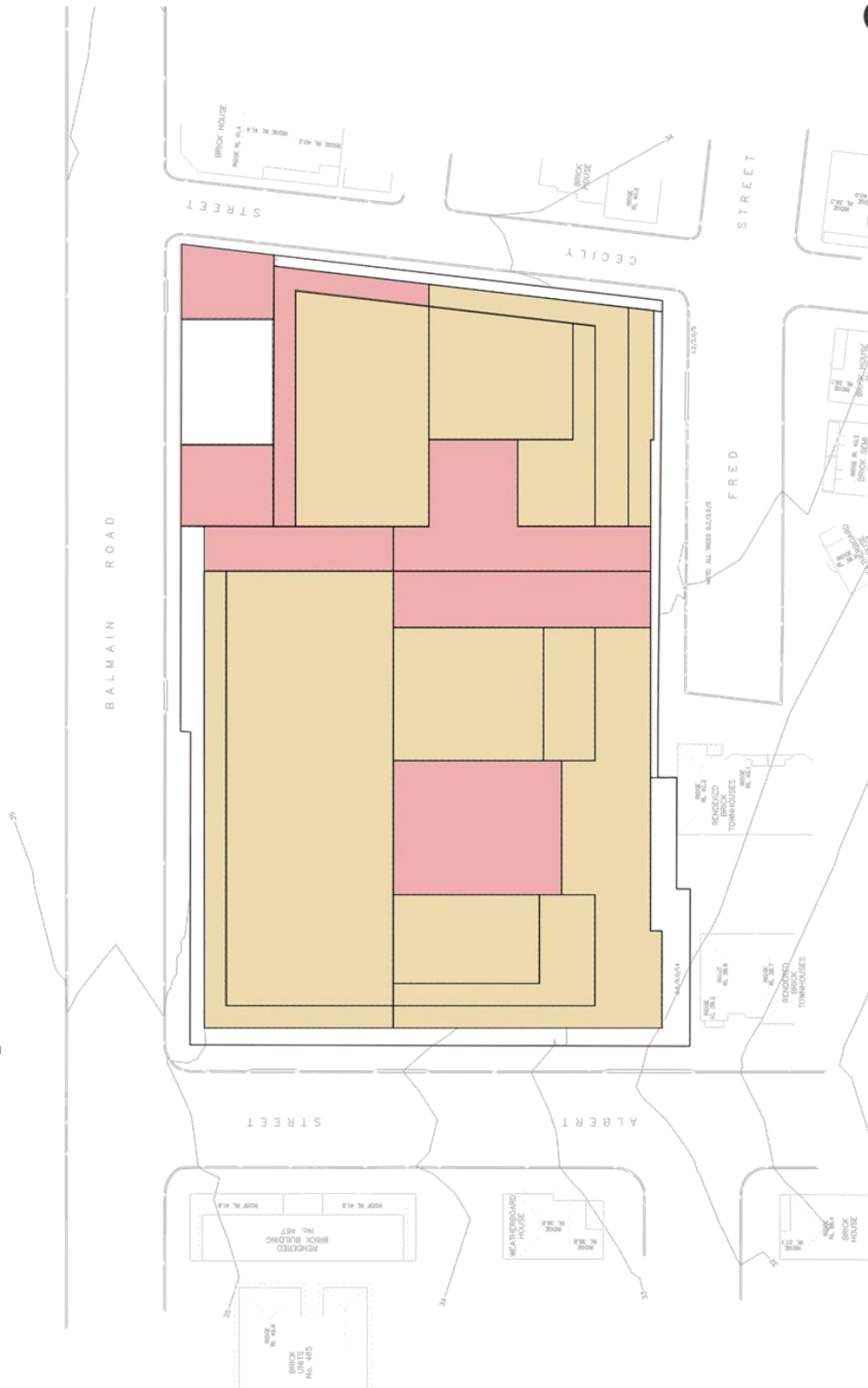
Council request	Design response
Council will consider additional controls for the site such as a minimum residential setback from the eastern boundary in light of the sites interface with other industrial uses.	There are no existing, adjoining land uses to the east that would result in a land use conflict. But, the revised Proposal does provide appropriate horizontal and vertical setbacks to avoid any future conflicts.
The residential component should be setback further so that the six storey component is not directly adjacent to these buildings to ensure the heritage integrity of these buildings is retained.	It is noted the retained character buildings are not classified as 'heritage'. Notwithstanding, based on Council's advice the residential component has been setback an additional 3m from the retained character buildings.

Other matters

Council request	Design response
Consideration of access / deliveries and floor to ceiling heights.	The revised Proposal provides flexibility for access and deliveries including possibilities from all street frontages (except Balmain Rd). Based on the retained character buildings, a generous ground floor floor to ceiling height will create attractive employment floor space.
Other measures that could be implemented to mitigate land use conflicts within the site include:-	<ol style="list-style-type: none"> 1. Separate street access to residential cores; 2. Smart technology to separate residential and employment access, including parking; 3. Higher acoustic treatment for the slab separating employment and residential components.



Revised Concept - Plan View

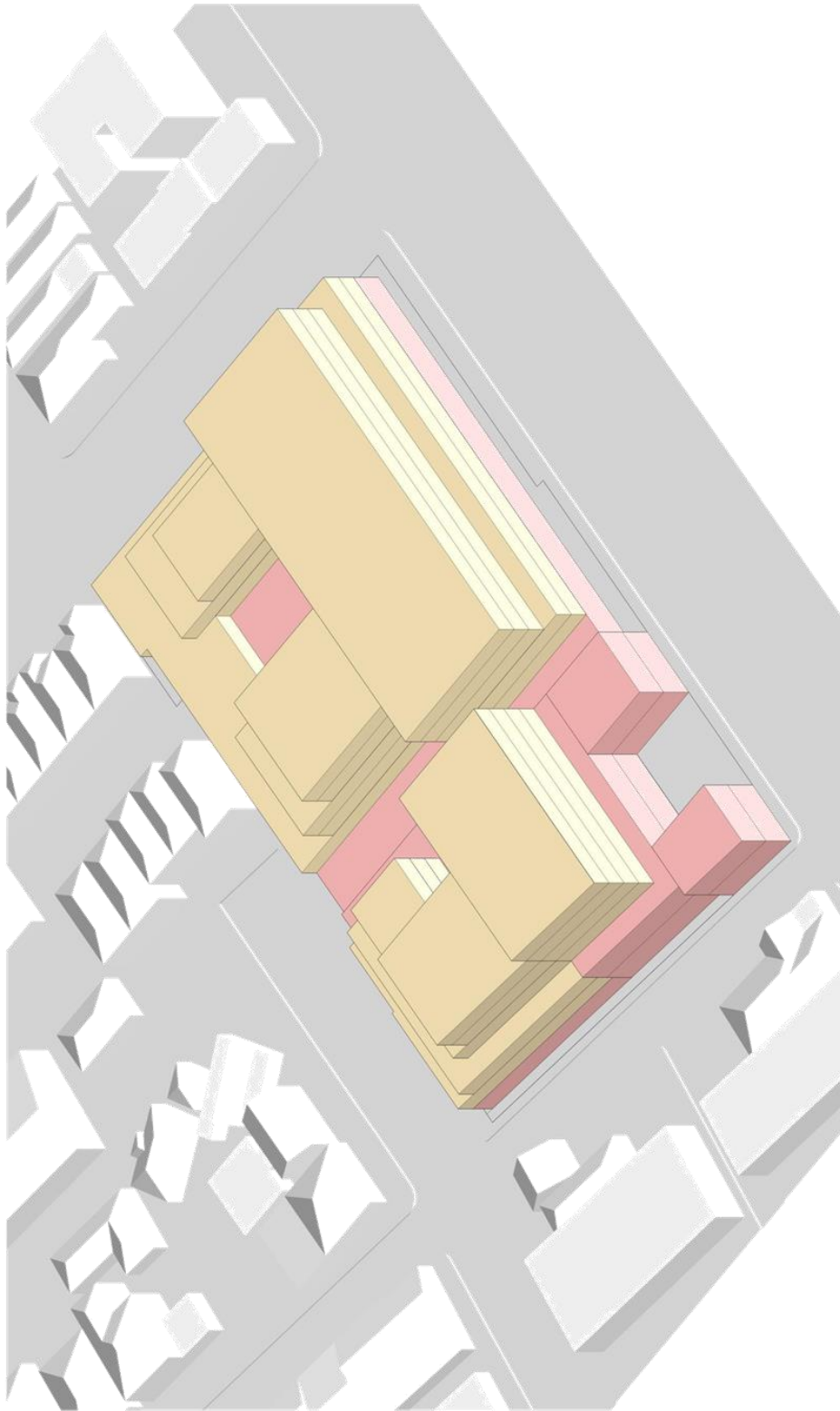


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SCALE 1:500
0m 5m 10m
NTS



Revised Plan - Axonometric View



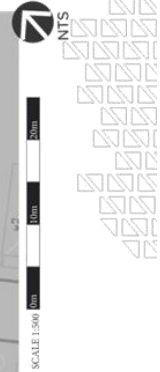
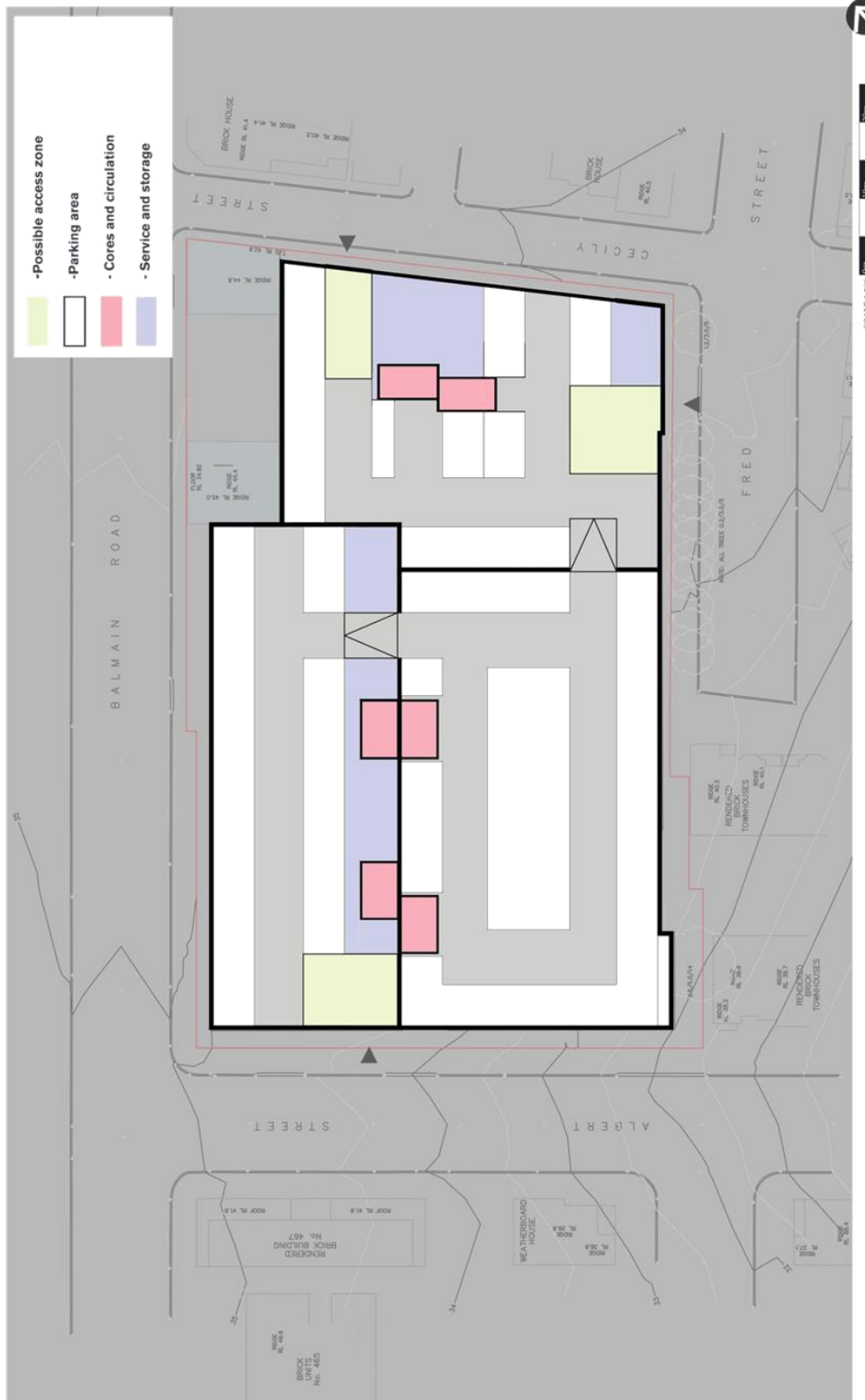
Revised Ground Floor - Employment and Circulation



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Revised Indicative Parking (Basement)



Revised Height Plan

Legend

-  - Retained character buildings
-  - 1 storey
-  - 2 storeys
-  - 3 storeys
-  - 4 storeys
-  - 6 storeys



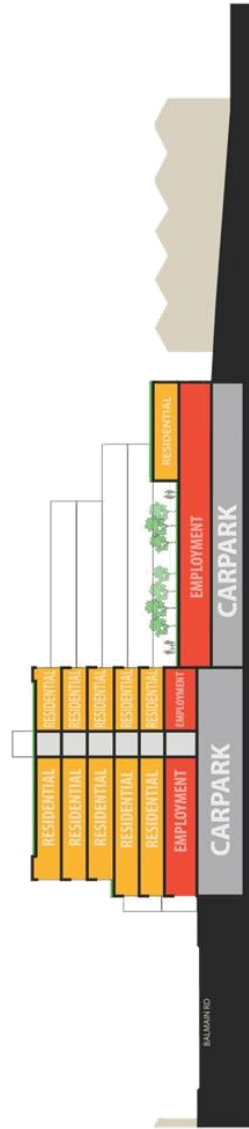
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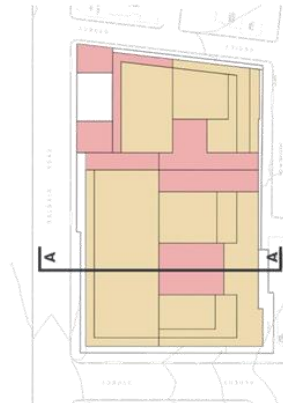
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Revised Height - Illustrative Cross section



Section AA



Legend

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SCALE 1:500

0m 10m 20m

Revised Setbacks and Building Separation





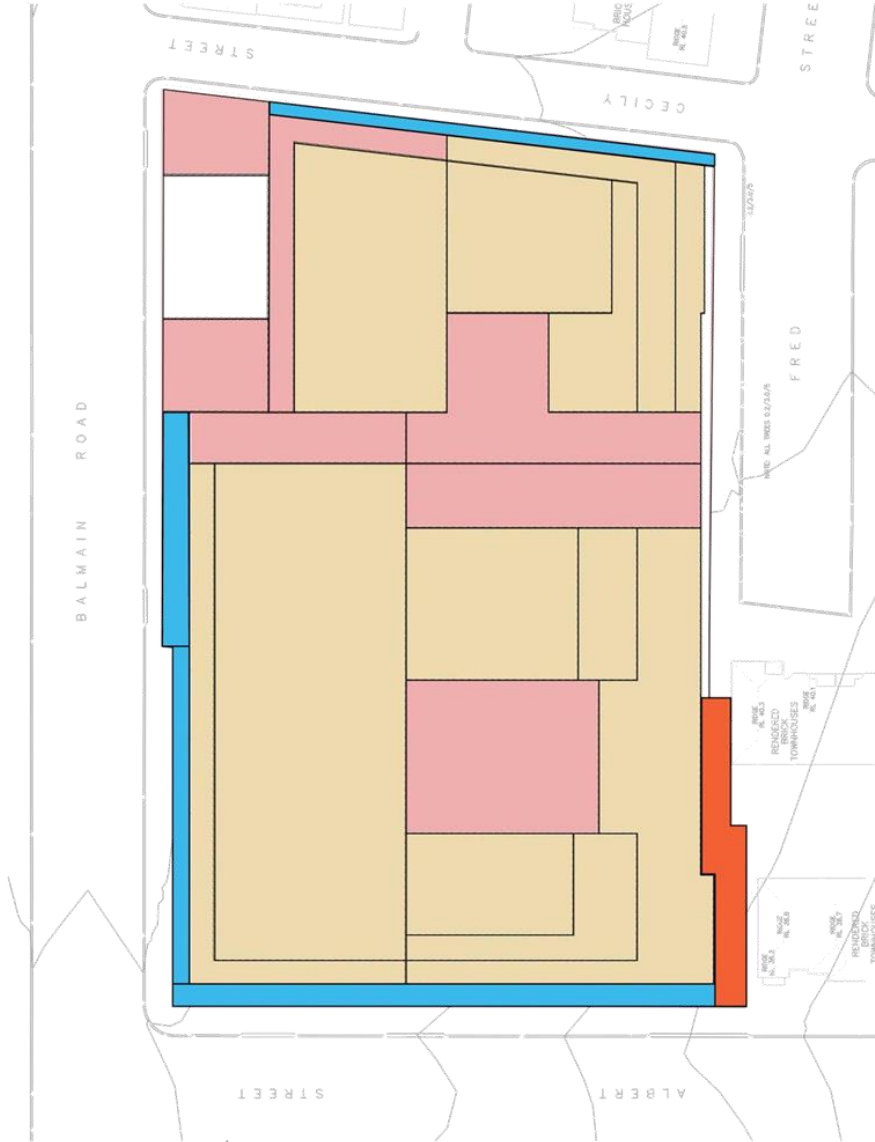
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Revised Concept - Proposed Public Benefit

Legend

	- Widened footpath	394.0 sqm
	- Pedestrian link between Alberto St and Fred St ranging from 3.5-3.8 m wide	142.0 sqm
Total Pedestrian Benefit		536.0 sqm



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11

Revised Yield Summary Table

FLOOR AREA	GBA	Efficiency	NSA	GFA
Residential	15,774	82	12,935	11,325
Employment	6,667	90	6,000	6,000
Total (m²)	22,441		18,935	17,325

DWELLINGS	Unit mix (%)	# of dwellings
1B	24	34
2B	46	65
3B	30	43
Total		142

PARKING	minimum spaces	maximum spaces
Residential	91	145
Employment	24	40
Total	115	185

FSR - FLOOR SPACE RATIO	
Site Area (m ²)	6,824
GFA (m ²)	17,325
FSR	2.54

Revised ADG Compliance

At this early stage of the process a preliminary assessment of the design has been undertaken against SEPP 65 to demonstrate compliance along with the Apartment Design Guide 'Rule of Thumb' Assessment.

Criteria	Requirement	Response
Developing the Controls		
2A Primary Controls	Demonstrate context responsiveness	Compliant – Proposal demonstrates context responsive design process responding to local context and solar amenity to generate building envelopes.
2B Building Envelopes	Carefully test primary controls	Compliant – In preparing the Planning Proposal three alternate concepts were tested. The submitted concept optimises the concept's contribution to the local context, public domain and commercial feasibility
2C Building Height	Site specific building envelopes	Compliant – A variety of building heights have been proposed synthesising solar amenity, solar envelope, adjoining streetscape character and built form, and desire to create a quality pedestrian experience and human scale.
2D Floor Space Ratio	Floor space ratio aligns with desired density and provides opportunity for articulation	Compliant – The proposed FSR is a by-product of a context responsive design process providing the desired density and significant opportunity for building articulation.
2E Building Depth	10 – 18m for adequate daylight and natural ventilation. Greater building depths with increased building articulation, perimeter wall depth and where higher ceilings provided (e.g. building reuse).	Compliant – Proposed buildings fronting Alberto St, Cecily St and Fred St have apartment building depths ranging between 10m to 18m. The major apartment building fronting Balmain Rd has a depth of 25m to: 1) accommodate deeper adaptable first floors and second floor to allow other uses to evolve over time 2) take advantage of the Callan Park amenity whilst optimising the floor plate to facilitate a variety of quality apartment types through the detail design process including 'up and over' apartments 3) to facilitate increased building articulation to create a fine-grain building mass.
2G Street Setbacks	Determine street setback controls relevant to desired streetscape character, including increased setbacks where street or footpath widening is desired.	Compliant – Except for a building setback on Alberto Street for the at-grade car park, the existing building has zero front setbacks to Balmain Rd, Cecily St and Fred St. With extensive blank walls, the existing building does not positively contribute to the adjoining streetscape character. The proposed front setbacks will enhance the character of the adjoining streetscape and improve the pedestrian experience. On Balmain Rd the buildings are setback 1.8m to 3m to create a widened footpath and improved main street experience. On Cecily St the buildings are setback 1.5m to widen a very narrow footpath and improve pedestrian flows. On Fred St and Alberto St, the buildings are setback between 1.0m and 3.8m to create an appropriate transition to the adjoining streetscape and improve pedestrian connections. In addition, the proposed active facades will improve the sense of safety, comfort and enjoyment.
2H Side and rear setbacks	NA	NA - The site forms a complete urban block and therefore does not have any side or rear setbacks.



ADG Compliance

At this early stage of the process a preliminary assessment of the design has been undertaken against SEPP 65 to demonstrate compliance along with the Apartment Design Guide 'Rule of Thumb' Assessment.

Criteria	Requirement	Response
Sitting the Development		
3A Site analysis	Site analysis demonstrates decisions have been based on local opportunities and surrounding context	Compliant – The design sequence diagrams in the Planning Proposal demonstrate decisions have been based on local influences.
3B Orientation	Buildings respond to streetscape and solar amenity.	Compliant – Buildings envelopes address the street and also ensure existing solar amenity of surrounding properties is not adversely impacted upon. This is explained further in the Solar Analysis.
3C Public Domain Interface	Transition between private and public domain is achieved without compromising safety and security.	Compliant – The existing buildings on-site largely present blank walls of approximately 9.55m to the adjoining public realm. The blank walls are not conducive to safety. The proposal significantly improves the transition between the private and public realm. Employment floor space covers the entire ground floor with residential component on the upper levels.
3D Communal Open Space	Communal open space has a minimum area of 25% of the site area achieving a minimum of 50% sunlight for 2hrs between 9am and 3pm on 21 June.	Compliant – With a site area of 6,825m ² the proposal requires 1,706m ² of communal open space. The proposal provides a total of 3,958m ² of communal open space including 2,568m ² at the podium floor and balance as communal roof gardens. The communal open space receives adequate sunlight.
3E Deep Soil Zones	7 to 15% of site must provide for deep soil.	Compliant – The proposal provides 820m ² being 12% of the site which is a good outcome given the large employment floor plate across the ground floor.
3F Visual Privacy	Minimum separation between windows and balconies is 1 to 4 storeys: 3m – 6m 5 to 8 storeys: 4.5m to 9m 9 storeys plus: 6m to 12m	Compliant – The proposal satisfies the minimum separation for apartment buildings to facilitate compliance during detail design. Where the 'terrace' style buildings address the proposed Fred St thru-site link, internal planning can prevent overlooking of adjoining dwelling.
3G Pedestrian Entries	Building entries connect to the public realm, are easy to find and large sites provides key pedestrian links.	Compliant – The proposal provides for direct building entries from the adjoining public realm. Further, the proposal provides a pedestrian link connecting Fred St to Alberto St.
3H Vehicle Access	Vehicle access points are safe and minimise conflict.	Compliant – Vehicle access is flexible and includes all street frontages (except Balmain Rd).



Solar Analysis

Winter Solstice (21 June)



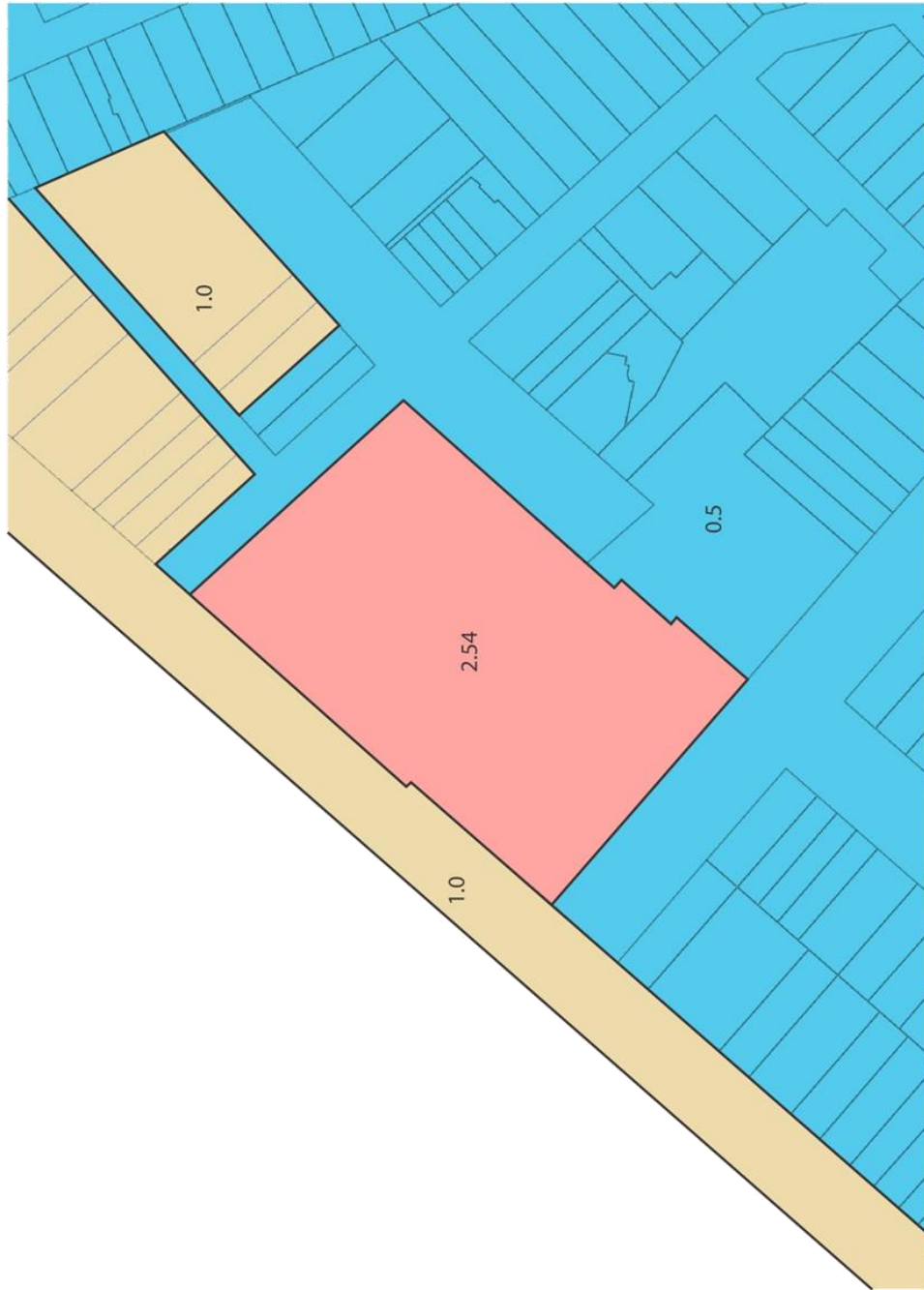
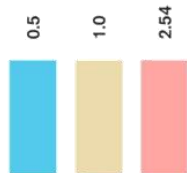
Building envelopes for the site are stepped down towards Alberto Street and Fred Street, allowing sunlight to reach adjoining properties and not be adversely impacted. The shadow diagrams show that there is very little impact on existing private and public open space and it is balanced throughout the day.

Between the hours of 9am and 11am on 21 June, although there is some overshadowing on adjoining properties along Alberto Street, it essentially falls onto blank walls and garages. Shadowing in this area decreases throughout the day.

Similarly, properties along Fred Street receive full sunlight during the morning. While there is increased overshadowing in the afternoon, it is located within the road and existing built form, rather than private open spaces.

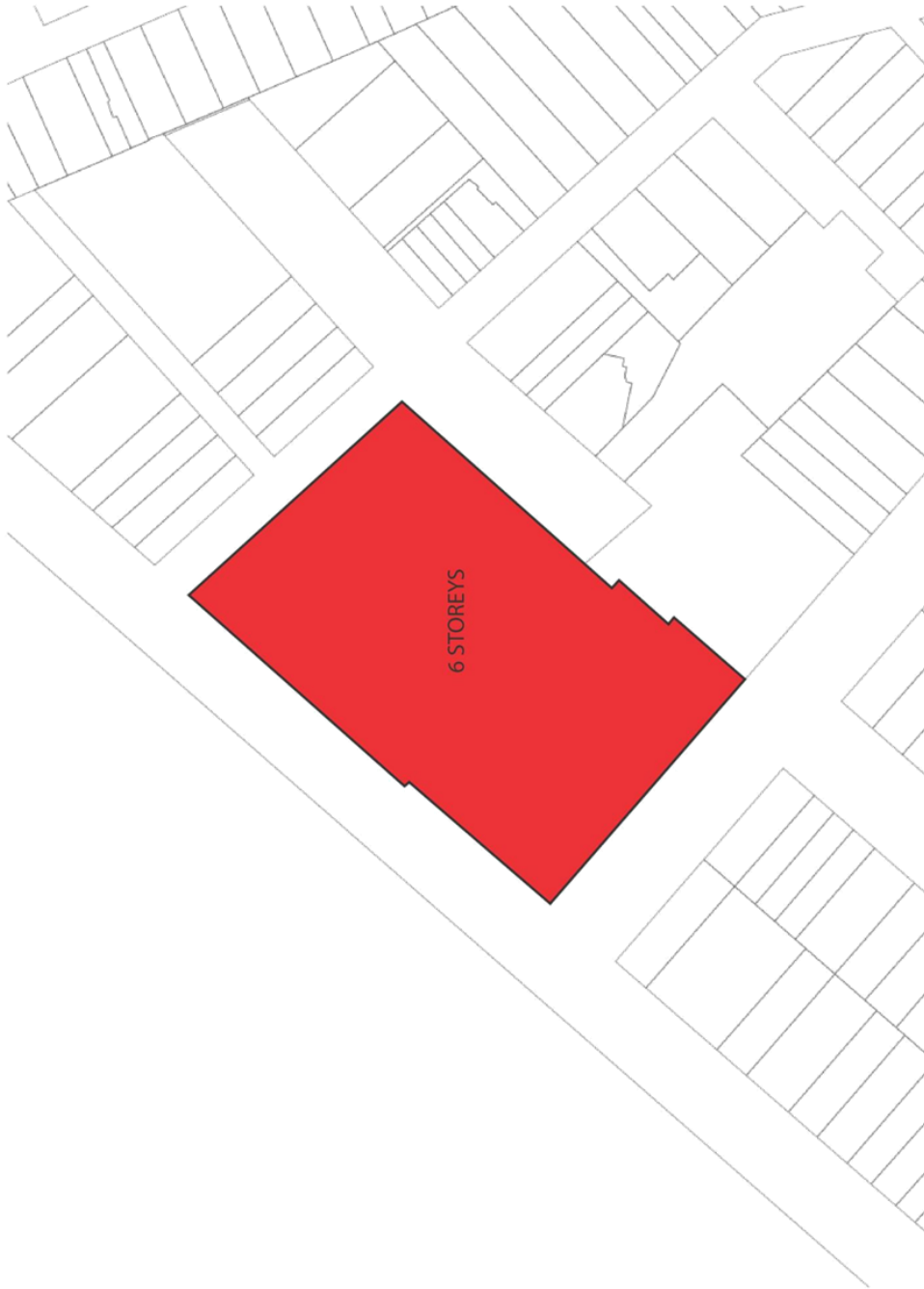
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Revised Floor Space Ratio



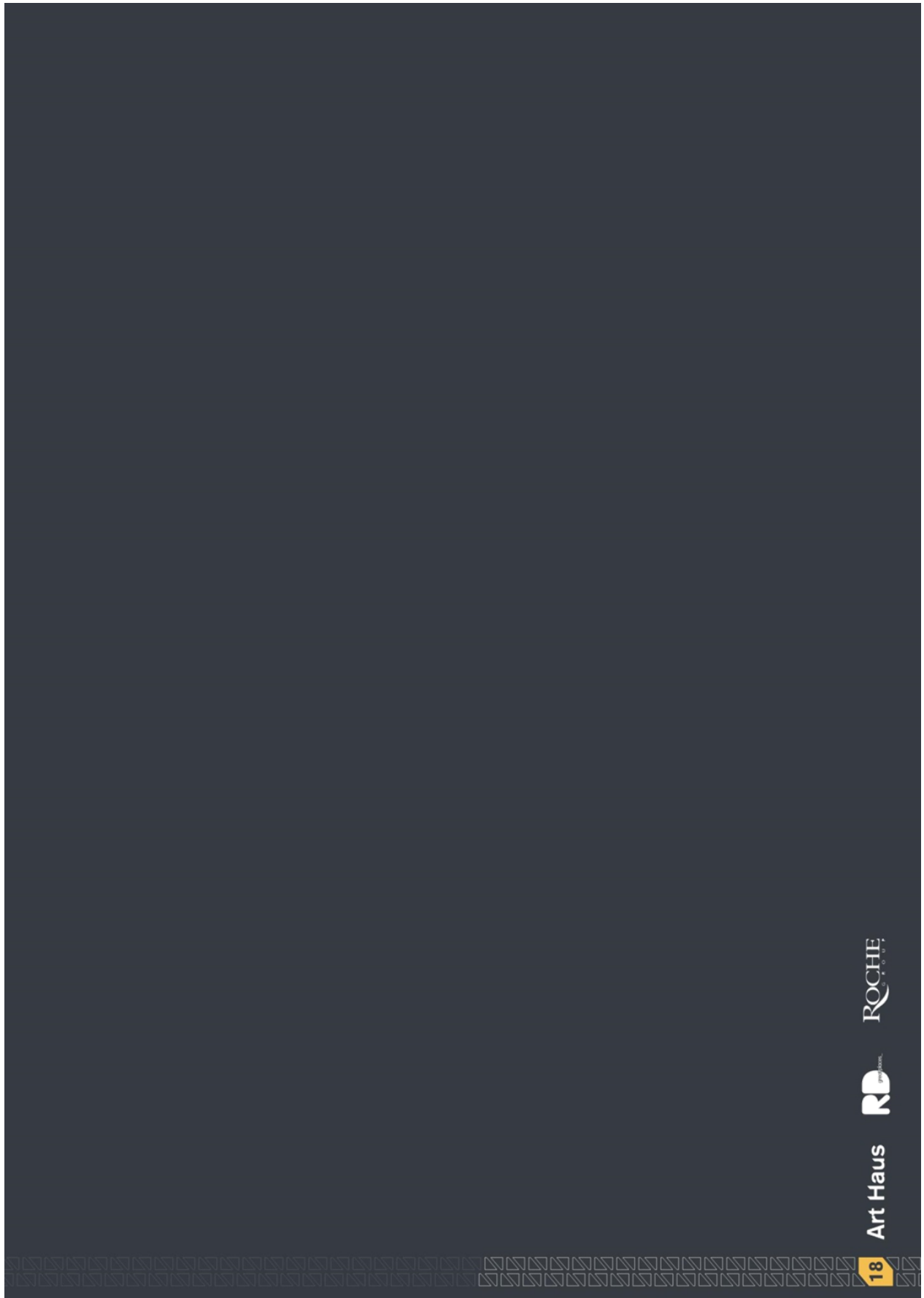
Revised Height of Building

 6 STOREYS



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18

Item 6

Attachment 1

FPD

Planning Proposal



469-483 Balmain Road, Lilyfield

Prepared on behalf Roche Group
November 2016

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Item 6

Attachment 1

Contents

Executive Summary	v
1 Site analysis and context	1
2 Local Context	2
3 Description	4
4 Current Planning Controls	5
5 Strategic context	6
5.1 A Plan for Growing Sydney	6
5.2 The Bays Precinct	7
6 The Proposal	9
6.1 Urban Design	9
6.2 Analysis against the previous design principles for the site.	11
7 Proposed Public Benefits	14
7.1 Community art space/Artist studios	14
7.2 Affordable housing	14
8 Objectives or intended outcomes Part 1	16
9 Explanation of provisions Part 2	17
10 Part 3 Justification	19
10.1 Section A Need for the planning proposal	19
10.2 Section B Relationship to the strategic planning framework	19
10.3 Section C Environmental, social and economic impacts	28
10.3.1 Overshadowing and Visual impact	28
10.3.2 Heritage	29
10.3.3 Transport	30
10.3.4 Contamination	31
10.3.5 Economic Analysis	32
11 Section D State and Commonwealth interests	34
12 Part 4 Mapping	35
13 Part 5 Community consultation	37
14 Part 6 Project timeline	38
15 Summary of Benefits	39

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Item 6

Attachment 1

Executive Summary

This request for an amendment to the *Leichhardt Local Environmental Plan 2013* (LLEP) has been prepared by FPD on behalf of Roche Group. The subject site is owned by Roche Group Pty Ltd, it is located at 469 – 483 Balmain Road, Lilyfield and is in single ownership. The site is currently zoned IN2 – Light Industrial under the provisions of the LLEP. Maximum permissible FSR is limited to 1:1. There is no height of building control applicable to the site.

The proposal is to rezone the site B4 Mixed Use with an FSR of 2.3 and a mix of heights from 10 to 30 metres. These controls will allow for mixed use development of approximately 1200 square metres of employment generating floorplate that will support small offices and work spaces that are likely to attract small business and creative industries, a community/cultural space of approximately 400 square metres, up to 170 dwellings and a contribution of four percent affordable housing.

The proposal will accommodate built form of between one and nine storeys with the majority of the height contained mid-block in the north western part of the site and only 15 percent of the site at the higher nine storey form.

The proposal has been designed to provide a mix of uses consistent with the current and future needs of the local area and to make a positive addition to the Balmain Road streetscape while providing significant amenity improvements to the surrounding residential development. Much attention has been paid to providing no additional adverse impact on the surrounding area.

The proposal will provide more local employment than currently exists on the site and employment of a type that matches the demographics of the local area, this type of employment is likely to prove more sustainable over the longer term and will have the effect of reducing vehicle trip and improving local quality of life as people have the choice to live and work locally. A substantial body of evidence has been provided that looks at the change in employment type and the supply of industrial land over the whole of the new Inner West Council area, recognising the regional nature of employment and industry.

In recognition of the longstanding occupation by groups of local artist's provision has been made to provide a high amenity studio and gallery space in the form of a purpose built community/cultural space.

The proposal provides a significant amount of medium density housing which will add to the variety and mix of the local housing stock providing a diversity and in some cases more affordable type of housing than presently exists in the locality.

In recognition of the need for affordable/key worker housing in the locality Roche Group have committed to the provision of an amount of affordable housing consistent with recent precedents in the Leichhardt area and Sydney metropolitan best practice.

A draft planning proposal was lodged with the Inner West Council for feedback. A letter highlighting a number of clarification and request for further information was received in response. This letter and the detailed response is included at Appendix F.

Report Structure

This report has been prepared consistent with the Department of Planning and Environment's *A guide to preparing planning proposals 2012* for the purpose of requesting the Inner West Council to initiate the request for a gateway determination pursuant to section 55 of the *Environmental Planning and Assessment Act 1979*.

It is structured as follows:

- A description of the site, state and regional context, local context and the current planning framework.
- An outline of the strategic context and justification for the proposal.
- A description of the planning proposal and the proposed public benefits.
- The planning proposal analysis and detail as required by the Department and Environment's *A guide to preparing planning proposals 2012*:
 - Part 1** – A statement of the objectives and intended outcomes of the planning proposal.
 - Part 2** – An explanation of the provisions that are to be included in the proposed instrument.
 - Part 3** – The justification for those objectives, outcomes and the process for their implementation.
 - Part 4** – Maps, where relevant, to identify the intent of the planning proposal and the area to which it applies.
 - Part 5** – Details of the community consultation that is to be undertaken on the planning proposal.
 - Part 6** – Details of the project timeline
- Summary of the benefits of the planning proposal.

Supporting Evidence

The Planning Proposal is supported by the following supporting documentation:

- Appendix A: Urban Design Analysis
- Appendix B: Economic Assessment
- Appendix C: Heritage Assessment
- Appendix D: Transport Study
- Appendix E: Contamination Report
- Appendix F: Pre-lodgment advice from Council and response

Project Team

SG Haddad Advisory	Strategic
FPD	Planning
Roberts Day Architects	Urban Design and Architecture
Hill PDA	Economics
Douglas Partners	Contamination
NBRS	Heritage
Colston Budd Rogers & Kafes	Traffic

1 Site analysis and context

The site is located at 469 – 483 Balmain Road in the suburb of Lilyfield. Lilyfield is located in the newly formed Inner West Council local government area.



Figure 1 – Site location



Figure 2 – Aerial photo of surrounds

2 Local Context

A map showing the sites relationship to the surrounding area is provided in Figure 3.



Figure 3 – Local context

The site is located on Balmain Road just beyond the main retail strip of Rozelle. It is an isolated pocket of aging industrial buildings surrounded on the north by similar development, on the east and southern boundaries the area contains a mix of medium density and small lot housing. Directly to the West the large open space of Callan Park is located.

The site has a number of characteristics that support its redevelopment for a significant mixed use outcome. Key attributes are listed below:

- Well connected by road network, being located on Balmain Road, the main road leading through to Balmain, and 500 metres from Victoria Road.
- Within five kilometres of the Sydney CBD which contains a host of amenities and services as well as being the largest employment area in Australia.
- There are a number of significant bus routes which service the site. Buses operate along Balmain Road (Route 440) up to every 10 minutes in the peak hours and 500 metres from the site services operate even more frequently along Victoria Rd.
- The site is located in a walkable neighbourhood that is 800 metres from Lilyfield Light Rail Station and approximately 800 metres to Rozelle Light Rail Station. There also good cycling and pedestrian connections to Rozelle, Balmain, local open space and the CBD.
- Close proximity to retail and services, including Balmain's high street, educational, community and creative uses. Regional size shopping facilities exist at Birkenhead Point, Broadway and the site is within a few kilometres of the Sydney CBD.
- Significant open spaces, most notably Callan Park across the road, the Drummoyne Bay, Rozelle Common, Easton Park Oval and significant planned open space at the Rozelle Goods Yard less than 600 metres from the site.

3 Description

This Planning Proposal is in relation one lot, within the Inner West Local Government Area, as detailed in Table 1.

Table 1 Site summary

Site	469-483 Balmain Road, Lilyfield
Land description	Lot 2 DP 101583
Site area	6,824 square metres.
Existing uses	<p>A mix of residential, retail and light industrial uses occupy the site.</p> <p>A full analysis of the uses and employment on the site is provided in Appendix B</p>
Existing built form	<p>The site contains a series of early and late 20th Century buildings which were formerly the Pitcher Bakery Company of Balmain Road, Leichhardt with a c 1964 addition to the Alberto Street factory.</p> <p>The buildings are primarily constructed of brick with the 1964 building of steel and concrete structure and brick facades.</p> <p>All buildings are between one and two storeys but are large in scale due to the former and current industrial and warehousing uses. They have a height ranging between two and four storeys (approximately seven metres to 14 metres) depending on the building, with the tallest section of the building at the corner of Fred and Cecily Street.</p> <p>A car park is located in the south western corner of the site, accessed from Alberto Street, with space for approximately 15 vehicles.</p>

5 Strategic context

The subject site is located in a part of Sydney that is experiencing significant growth and investment. The current uses of the site do not represent the best utilisation of the site for the local residents or for the city as a whole.

Roche Group's proposal aims to deliver a mix of employment, housing, community/cultural uses and affordable housing that will complement the existing character of the area and add to the future character of the area.

5.1 A Plan for Growing Sydney

A Plan for Growing Sydney was released by the current State government in 2014 as a guide to overall metropolitan planning in Sydney. Two of its most central themes are encouraging urban growth around supporting infrastructure (particularly transport) and a focus on mixed use centres.

The subject site is located in the Central Subregion and the relevant key priorities of the plan to the subject site are discussed in Part3 of this report.

The employment uses on the site have little connection with the surrounding area and could not be categorised as strategically important. Sound planning principles would suggest that land uses in an area should closely relate to the needs of the local area.

As such the proposal has been designed to provide a supply of employment that is matched to the demographics and advantages of the area. This will result in a greater number of jobs onsite as well as contributing to the community of the area, reducing overall vehicle trips and providing opportunities for jobs close to home for both new and existing residents.

The former Leichhardt Council's employment plan, the *Leichhardt Employment and Economic Development Plan 2013-2023*, recommends "Policy options available to Council include allowing a greater amount of office space in industrial areas and nominating appropriate industrial land to be transformed into affordable housing for key workers and students."

The former Leichhardt Council's *Leichhardt 2020+* plan also strongly supports local jobs and jobs close to home, these can only be achieved by matching the employment offering to the demographics of the area. As such redevelopment to a higher concentration of local employment represents a better and more environmentally and economically sustainable use of the site.

The site is located within walking distance of major bus routes, two light rail stops on the Inner West Light Rail. The subject site is adjacent to the Rozelle local centre and will provide an opportunity for local employment and housing of a type that matches the demand in the local area.

5.2 The Bays Precinct

In 2015 the NSW Government announced its intention to redevelop the area known as the "Bays Precinct". Two of the main precincts, Rozelle Goods Yards and the White Bay Power Station, are within the 10 minute to 15 minute walking catchment of the site. There are a number of objectives of The Bays Precinct that complement redevelopment of the site for mixed use development. In particular, the following objectives will support the redevelopment of the site:

- "To deliver a hub of export orientated knowledge intensive jobs that can increase Sydney's global competitiveness."
- "To deliver a world class active transport solution that unlocks the economic and human potential of the Bays Precinct and demonstrates a model of environmental excellence."

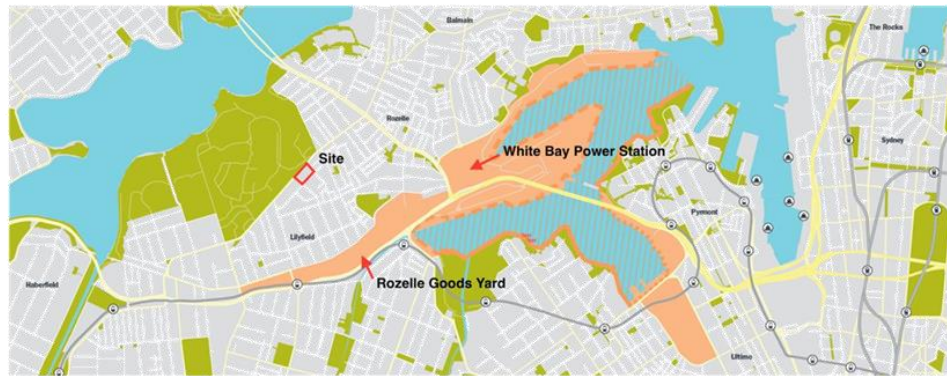


Figure 6 - The Bays Precinct (Urban Growth NSW)

A Plan for Growing Sydney has a key priority for the Bays Precinct of:

Implement the UrbanGrowth NSW urban renewal program for the Bays Precinct to provide capacity for housing and employment, improve public access to foreshore areas, revitalise the White Bay Power Station heritage asset, maintain working port functions and provide opportunities for maritime activities.

The two main areas likely to have a significant relationship with the subject site are the Rozelle Goods Yards and the White Bay Power Station Site

Rozelle Goods Yard

The government has announced its intentions for the Rozelle Goods Yard to become a major public open space area following the completion of WestConnex. This will constitute a major addition to the open space network in the Lilyfield area, it has potential to integrate with Bicentennial Park in Glebe and constitutes a major regional open space area.

White Bay Power Station

In June 2016 the NSW Government abandoned a private sector request for proposals process and tasked its development organization Urban Growth with redeveloping the White Bay site as a major employment area as an immediate priority. Urban Growth NSW plans to commence the redevelopment of the White Bay Power Station in 2017.

The 10-hectare White Bay Power Station site will provide a major employment destination within easy walking distance of the site and will also provide opportunities for collaboration with proposed employment uses on the Lilyfield site.

Light Rail

As depicted in Figure 4, the site is within the walking catchment of two light rail stations on the Inner West Light Rail. This line is currently being extended and by 2019 services will commence on an additional 12 km route extending from Circular Quay along George Street to Central Station, through Surry Hills to Moore Park, then to Kensington and Kingsford via Anzac Parade.

The NSW *Long Term Transport Masterplan* and *Sydney's Light Rail Futures 2012* also nominate the potential for light rail or bus rapid transit on Victoria Road as a "*priority corridor for further investigation*". Over the longer term this would further improve the already excellent accessibility of the site.

6 The Proposal

The Planning Proposal would facilitate a mixed use development comprising medium density residential, retail, commercial and community uses to a maximum floor space ratio of 2.3:1 or 15,695 square metres.

While the exact form and mix will be subject to a development application it is expected that the proposed planning controls will deliver:

- 170 apartments with a GFA of 13,600 square metres (average of 80 square metres);
- Approximately 1,600 square metres GFA of non-residential uses comprising:
 - 400 square metres for a studio space for artists; and
 - 1,200 square metres of flexible commercial/retail space.

6.1 Urban Design

Roberts Day Architects have prepared an urban design analysis which is included at Appendix A. The previous design principles developed by Council have been used to define the proposed envelope as well as recent examples of similar development sites in Leichhardt. The Robert Day analysis also contains an overview of these proposals for context.

Key urban design elements of the proposal are listed below

- 400 square metres of space dedicated to creative uses including artist studios, art gallery and creative space
- 1,200 square metres of new adaptable floor space to generate local 66 jobs, primarily on the ground floor main street Balmain Road frontage.
- 11 per cent of the site area is dedicated to the public realm, including new plaza and widened tree-lined footpaths
- Provision of a pedestrian link connecting Fred Street to Alberto Street.
- Retention of the character buildings with the land between the two character buildings being transformed into a north-facing plaza
- A detailed solar analysis has informed the building envelopes ensuring solar amenity to adjoining properties
- Retained character buildings and new plaza provides an opportunity for a creative hub with possible uses including an arts gallery, artist studios, cafe etc
- The stepped envelope is divided into a series of smaller buildings with their own character reflecting the diverse building forms and fine grain of the surrounding area.
- Balmain Road, Cecily Street and Alberto Street footpaths may be widened to improve the pedestrian experience
- The building envelope is typically setback at the fourth storey to engage the eye and create a human scale experience for people
- Proposed buildings fronting Fred Street are reduced in height to be no taller than existing residential buildings on the Eastern side of Fred Street.

It is intended that the project will explore sustainability and amenity features during the development application stage such as green roofs, walls and water efficiency measures.



Figure 7 – Transition to neighbouring Balmain Road properties (Roberts Day)



Figure 8 – Low scale interface to Fred Street (Source: Roberts Day)

As depicted in Figure 9 below, only a very small percentage of the site is at the higher building form and this is sensitively located mid-block. The proposal has been designed to provide a sensitive interface and transition to the surrounding area.

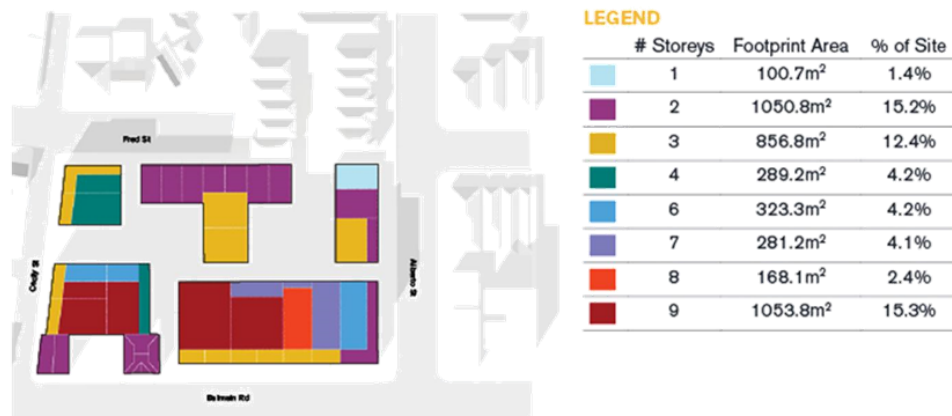


Figure 9 – Height allocation (Source: Roberts Day)

6.2 Analysis against the previous design principles for the site.

In 2007, the former Leichhardt Council adopted a set of nine design principles to guide future development on the site. These were prepared in conjunction with an established Resident Reference Group and were informed by previous proposals (2005) on the site. While significant time has elapsed and the general level of amenity in the area improved the surrounding built form and site have not changed significantly. As such the proposal has been developed in line with these principles, an analysis of the proposal against each of the principles is provided below.

Principle 1 – Heritage conservation

Any re-development of buildings on the Former Bakery site at 469-483 Balmain Road must conserve and not detract from the cultural heritage significance of the former bakery buildings and operation, particularly in terms of size, form, scale, orientation, sitting, materials and landscaping.

The assessment conducted by NBRF finds that the level of potential heritage value of the former ABBCO site does not demonstrate one or more criteria at a level that would warrant listing as a heritage item at the local level.

In spite of the lack of formal heritage significance Roche Group have elected to attempt to integrate the remnant bakery and ABBCO site into the proposed development. This is consistent with the previous design principles developed by the former Leichhardt Council in 2007 for the site. These character building will provide a level of interest to the streetscape, allowing the future development to harmonise with the surrounding neighbourhood character. They will also attractively frame a proposed public plaza between the two buildings on Balmain Road.

Principle 2 – Land use

Any future development must maintain or increase employment for industrial purposes.

The proposal will generate significantly more employment onsite. Currently only 26 jobs exist on site and under the proposal it is anticipated this will increase to approximately 66 jobs, these jobs are expected to be a closer match to the employment needs of the local area and are more likely to be professional, creative or small service business jobs.

In recognition of the changing demographics and needs of the Lilyfield area, the proposal has been designed to accommodate a range of employment types that both reflect the employment demands of the surrounding area, service the needs of the surrounding community and maximise the advantages of the local area.

Rather than a blanket prescription towards industrial uses the proposal has been designed to attract start-up creative and technical businesses and maximize potential for local residents to live and work in close proximity.

Principle 3 – Local amenity

Any development must not adversely affect the amenity of nearby land uses, particularly that of surrounding residences and Callan Park including noise, air, visual, solar and streetscape amenity.

An overshadowing analysis has been conducted by Roberts Day and this is contained in Appendix A.

In keeping with good planning and the 2007 design principles, a sensitive approach has been taken to ensure that no additional adverse impact is created from the subject site, building envelopes are stepped down towards Alberto Street and Fred Street allowing sunlight to reach adjoining properties.

During the AM hours an additional shadow created by the future buildings is essentially located within roads and driveways. Where shadowing peaks after 3pm, it is generally located on existing built form. There is very little impact on existing private and public open space.

Vehicular access to the development is proposed to be provided from Alberto Street. The existing driveways to the site from Balmain Road, and two of the existing site driveways from Alberto Street, will be removed. This will improve parking in these streets.

Principle 4 – Built form/ building envelope

In retaining the heritage integrity of the early former bakery buildings, any increase in floor space should be contained within the existing building envelope.

Building envelopes over the remainder entire site should sensitively relate to the spatial and built form characteristics of the existing built environment.

In keeping with good planning and the 2007 design principles a sensitive approach has been taken to ensure that no additional adverse impact is created from the subject site, building envelopes are stepped down towards Alberto Street and Fred Street allowing sunlight to reach adjoining properties.

Principle 5 – Parking and vehicular access

The location and design of driveways, parking spaces and other areas used for the movement of vehicles must be efficient, safe, convenient and integrated into the design of the development to minimise their visual impact.

Parking is all underground basement level.

Principle 6 – Traffic generation

Traffic congestion is a significant issue in the locality, therefore, traffic associated with any redevelopment of the site should have minimal impacts on the local road network. Ingress and egress should be encouraged from Balmain Road or to be equitably distributed across the site.

Vehicular access to the development is proposed to be provided from Alberto Street. The existing driveways to the site from Balmain Road, and two of the existing site driveways from Alberto Street, will be removed. This will improve parking in these streets.

Principle 7 – Site/block permeability

A public pedestrian connection should be provided through the site and between Fred and Alberto Streets to better enable block permeability.

A pedestrian connection will be provided as part of the proposal.

Principle 8 – Open Space

Any development must provide sufficient open space and landscaped areas to accommodate the needs of the current and future land uses on site.

11% of the site area is dedicated to the public realm, including new plaza and widened tree-lined footpaths, a pedestrian link connecting Fred St to Alberto St is proposed and Balmain Road, Cecily St and Alberto St footpaths may be widened to improve the pedestrian experience.

Principle 9 – Ecologically sustainable development

Any redevelopment design for the site must demonstrate incorporation of ecologically sustainable development principles.

The development of the site is intrinsically sustainable due to the following factors;

MIXED USE – the provision of a significant supply of employment matched to the local populace will encourage more local trips and jobs close to home. These will result in a reduction in car use and increased likelihood of walking.

PROXIMITY TO TRANSPORT - The light rail stops and buses within walking distance to the site, will encourage active transport.

INCLUSION OF CAR & BIKE SHARE Car & bike share schemes will reduce reliance on car use and result in improved physical health.

WALKABLE STREETSCAPE - Wide footpaths and new pedestrian links that are pleasant to walk down promotes walking and active transport.

It is proposed to explore a number of sustainability measures through the development of the site such as solar panels, green roofs and walls, water harvesting, urban agriculture, and the use of natural ventilation where possible.

7 Proposed Public Benefits

The following elements of the proposal have been designed to enhance the employment and residential outcomes on the site and make a wider contribution to the Rozelle locality. They are the subject of a concurrent Voluntary Planning Agreement offer to Council.

7.1 Community art space/Artist studios

A space of approximately 400 square metres is planned in recognition of the long standing association a group of local artists has had with the site. The space is proposed to be publicly accessible and provide a venue for the continuation of an arts based community space in the area.

7.2 Public domain improvements (footpath widening and Fred Street pedestrian link)

As mentioned above a new Fred St pedestrian connection is proposed and it is also proposed to incorporate widened footpaths to enhance neighborhood amenity and pedestrian circulation around the site.

7.3 Affordable housing

In recognition of the affordability issues facing the area, particularly the importance of a supply of housing for key workers in the locality, Roche Group is proposing to dedicate 3-4% percent of the residential component of the site to Council as affordable housing or key worker housing.

This has a strong strategic basis, with Goal 2 of *A Plan for Growing Sydney* recognising the need for a greater diversity of housing and in particular a need for more affordable housing in Sydney.

Further, the former Leichhardt Council in 2011 released an affordable housing strategy which identified the following key issues in the local government area:

- Lack of affordable housing for rental for low and moderate income earners.
- Declining housing diversity particularly the stock of low cost accommodation including older residential flat buildings and boarding houses that have been providing affordable private rental housing. The loss of boarding house stock is a critical issue in Leichhardt, particularly given the high proportion of residents in the private rental market and in housing stress. Boarding house accommodation traditionally provides more affordable private rental accommodation, largely for single people.
- The need for more one bedroom, studio and boarding house-style accommodation to assist in meeting the needs of the community through different stages of the housing life cycle and particularly for young people, key workers and elderly people on lower incomes.
- The development capacity of (the former) Leichhardt Council is limited. Its heritage provisions, limited land supply and few remaining major former industrial redevelopment sites restrict its ability to produce new affordable housing.
- Tighter public housing eligibility criteria focusing housing to those most in need.
- (The former) Leichhardt Council's *Leichhardt Employment and Economic Development Plan 2013-2023* recognises the potential of underutilised industrial

sites contributing to affordable housing. The *Leichhardt 2020+* plan also has an objective to increase the supply affordable housing.

The percentage of affordable housing is consistent with current best practice in Sydney for inclusionary zoning and is proportionate to that achieved in areas such as Ultimo Pyrmont, the Kolotex/Labelcraft sites and Redfern Waterloo.

8 Objectives or intended outcomes | Part 1

The objectives and intended outcomes of this proposal are to:

- To facilitate redevelopment of an under utilised site in a main street location in close proximity to a range of services and public transport options.
- To provide for an improved cultural and community hub which adds to the richness and diversity of the Rozelle community.
- To retain the character buildings on the site maintaining a link with the existing neighbourhood character while allowing for improved build form outcomes in the surrounding lower scale residential streets.
- To provide high quality residential development, incorporating a range of housing types including affordable housing for the Leichhardt area.
- Take advantage of good existing public transport and high quality open space that is in close proximity to the site.
- Facilitate redevelopment of the site that takes advantage of the site's characteristics to minimise any impact on surrounding developments.
- Remove heavy vehicles associated with existing industrial uses from the predominately residential area.
- Assist in achieving State and local government's housing targets.

The planning proposal seeks to achieve these objectives by allowing the redevelopment of the site for community purposes, commercial premises, affordable or key worker housing, residential development and a cafe.

9 Explanation of provisions | Part 2

The planning proposal seeks to achieve the intended outcomes outlined in Part 1 of this report by proposing amendments to the LLEP as follows:

- Rezone the site to B4 Mixed Use as per the Standard Instrument Template, and;
- Modify the FSR for the site to 2.3:1.
- Introduce a height of buildings map showing a clear transition to the lower scale residential development at the rear of the site, with height ranging from 15 metres at the rear to 31 metres at the Balmain Road frontage.

The B4 Mixed Use Zone would permit commercial, community, residential uses and a café on the site. The objectives and provisions of the LLEP B4 Mixed use zone are reproduced below:

Zone B4 Mixed Use

1. Objectives of zone

- To provide a mixture of compatible land uses.
- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling.
- To support the renewal of specific areas by providing for quality medium density residential and small-scale retail and commercial uses.
- To ensure that development is appropriately designed to enhance the amenity of existing and future residents and the neighbourhood.
- To constrain parking and restrict car use

2. Permitted without consent

Home-based child care; Home occupations.

3. Permitted with consent

Boarding houses; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Home industries; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Recreation facilities (indoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Seniors housing; Serviced apartments; Shop top housing; Any other development not specified in item 2 or 4.

4. Prohibited

Agriculture; Air transport facilities; Airstrips; Animal boarding or training establishments; Boat building and repair facilities; Boat launching ramps; Boat sheds; Camping grounds; Car parks; Caravan parks; Cemeteries; Charter and tourism boating facilities; Correctional centres; Crematoria; Depots; Eco-tourist facilities; Environmental facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Freight transport facilities; Heavy industrial storage establishments; Helipads; Highway service centres; Home occupations (sex services); Industrial retail outlets; Industrial training facilities; Industries; Jetties; Marinas; Mooring pens; Moorings; Mortuaries; Open cut mining; Port facilities; Recreation facilities Recreation facilities (outdoor); Research stations; Residential accommodation; Rural industries; Service stations; Sewerage systems; Sex services premises; Storage premises; Tourist and visitor accommodation; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Warehouse or distribution centres; Waste or resource management facilities; Water recreation structures; Water supply systems; Wharf or boating facilities; Wholesale supplies.

10 Part 3 | Justification

10.1 Section A | Need for the planning proposal

Q1. *Is the planning proposal a result of any strategic study or report?*

The planning proposal is the result of an analysis that balances an outcome that will best serve the needs of the future community and be able to be delivered consistent with market demand in the locality.

Additionally, the proposal supports a number of strategic objectives at the state and local level:

- Objectives of the Leichhardt 2021 plan strongly encourage providing local employment of a type that meets the needs of the local population encouraging jobs close to home and a vibrant local economy.
- The site has reached the end of its economic life and the Leichhardt Employment and Economic Development Plan advocates transforming appropriate industrial land (such as the subject site) into different land uses including affordable housing for key workers and students.
- The proposal is consistent with the key directions of the *A Plan for Growing Sydney* relating to employment, urban renewal and housing growth in areas with good amenity and connectivity in the Central Subregion.
- The proposal while not in the Bays Precinct is in close proximity to plans for major open space and high tech employment outcomes which are a key priority of *A Plan for Growing Sydney* and the NSW Government.

Q2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

The Planning Proposal is the best means of ensuring an appropriate redevelopment that increases the number of jobs on the site, provides a closer match of employment to the needs of the local population, provides a continuation and improvement to the arts/community uses on the site and provides an additional housing supply, including affordable housing.

10.2 Section B | Relationship to the strategic planning framework

Q3. *Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?*

The Planning Proposal is consistent with the objectives and actions contained within the following plans and strategies.

NSW Premiers Priorities – NSW State Plan

In 2014 the NSW Premier Mike Baird released his 13 key priorities for NSW. The relevant key priority for this proposal is *Increase housing supply across NSW - Deliver more than 50,000 approvals every year*. Without a ready supply of zoned land in places where people want to live, this aim will not be achieved.

The subject site is located in a high demand area with good access to social and physical infrastructure and as such represents a sustainable and economically efficient option for meeting Sydney's housing supply needs.

A Plan for Growing Sydney

A *Plan for Growing Sydney* released in 2014 represents the current NSW Government policy for land use planning in Sydney. An analysis against the relevant aims for employment, lifestyle and housing is below.

As noted in the attached Hill PDA report the subject site is an isolated industrial area and not a key industrial precinct. Most of the Plan for Growing Sydney's objectives are around supporting employment in Strategic Centres and other key areas.

The Plan provides a set of principles for use when considering the change of use of industrial land in a key industrial precinct. While the land not a key industrial precinct an analysis against these principles serves as a useful guide in considering the change of use.

Table 2 – Analysis against Action 1.9.2 of A Plan for Growing Sydney

ACTION 1.9.2: SUPPORT KEY INDUSTRIAL PRECINCTS WITH APPROPRIATE PLANNING CONTROLS states that the Industrial Lands Strategic Assessment Checklist will guide the assessment of proposed rezoning of industrial lands	
Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands?	An analysis of the former Leichhardt Council's strategies is listed below. In short both the former Leichhardt Council's Economic Development Plan and Leichhardt 2020+ both support the tailoring of jobs to the local population, the lifestyle benefits of jobs close to home and the provision of a diverse and affordable housing supply.
Near or within direct access to key economic infrastructure? Contributing to a significant industry cluster	<p>The site is well located close to the Sydney CBD with good access to transport infrastructure and very near the proposed redevelopment of a major high tech jobs precinct planned at White Bay.</p> <p>The site is home to a mix of uses not belonging to any particular industry cluster and not predominantly industrial in nature.</p>
How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?	The subject site represented approximately 0.7 percent of zoned employment lands in the former Leichhardt LGA in 2015 and just 0.2 percent of the supply within the newly defined Inner West LGA.
How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?	The proposal will deliver significantly greater employment than presently exists on the site.

Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries?	The former Leichhardt Council's own economic development plan acknowledges that the site would not be viable for redevelopment, amenity issues on surrounding resident and the reuse of the character building would make this even more unlikely. The proposal is to redevelop for a community arts space and workspaces that will foster small business, high tech and creative industries.
Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?	No

Table 3 – Analysis against Goal 2 of A Plan for Growing Sydney

Goal 2 – A city of housing choice, with homes that meet our needs and lifestyles	
<p>Direction 2.1 – Accelerate housing supply across Sydney</p> <p>2.1.1 Accelerate housing supply and local housing choices.</p> <p>2.1.2 Accelerate new housing in designated infill areas (established urban areas) through the Priority Precincts and UrbanGrowth NSW programs.</p> <p>Direction 2.2 – Accelerate urban renewal across Sydney – providing homes closer to jobs</p> <p>2.2.2 Undertake urban renewal in transport corridors which are being transformed by investment, and around strategic centres.</p> <p>Direction 2.3: Improve housing choice to suit different needs and lifestyles</p> <p>2.3.3 Deliver more opportunities for Affordable Housing</p>	<p>The redevelopment of the subject site for a mix of employment uses and medium density housing development will contribute to housing supply across Sydney and deliver more housing in a key strategic location that reflects the demographic needs of the community.</p> <p>A total of 206 residential apartments is proposed as part of the redevelopment of the site which will incorporate a mix of one bedroom, two bedrooms and three bedroom residential apartments.</p> <p>The subject site is currently supporting 26 jobs and the proposal is expected to generate approximately 66 jobs.</p> <p>By redeveloping the site to more than double the amount of employment in a type of employment closely matched to the surrounding areas demographics the proposal will provide more jobs close to home.</p> <p>The site is in close proximity to two light rail stops, Callan Park and the Bays Precinct. A high degree of amenity is provided by the transport and recreational infrastructure in the immediate vicinity.</p> <p>The proposal is accompanied by a VPA offer to deliver four percent affordable housing on the site.</p>

Table 4 – Analysis against Goal 3 of A Plan for Growing Sydney

Goal 3 – A great place to live with communities that are strong, healthy and well connected	
Direction 3.1 Revitalise existing suburbs	<p>The subject sites are located within an established suburb in Sydney. Redeveloping the sites will improve residents' access to jobs, services and creation which will enhance the livability of Sydney.</p> <p>The redevelopment of the former industrial site to provide a mix of employment more compatible with the demographics of the surrounding area will reduce need for overall vehicle commuting trips and result in lifestyle improvements from shorter journey to work trips.</p> <p>The redevelopment of the site will result in significant amenity improvements for the surrounding residential areas, particularly on the Fred Street frontage.</p> <p>The redevelopment of the site will specifically address this objective, and will support urban renewal.</p>

Table 5 – Analysis against the Central Subregion objectives of A Plan for Growing Sydney

Central Subregion – Objectives <ul style="list-style-type: none"> • A competitive economy • Accelerate housing supply, choice and affordability and build great places to live • Protect the natural environment and promote its sustainability and resilience 	<p>The proposal is consistent with the Central Subregion priorities to accelerate housing supply, choice and affordability and build great places to live.</p> <p>By providing greater local employment, housing, community/cultural facilities and affordable housing the proposal will contribute significantly to achieving the plans objectives for the subregion.</p> <p>The proposal is also well located to encourage sustainable public transport and active transport use, such as walking and cycling.</p>
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Q4. *Is the planning proposal consistent with a council's local strategy or other strategic plan?*

An assessment against the following local strategies have been provided below

- *Leichhardt 2020+.*
- *Leichhardt Employment and Economic Development Plan (2013).*

Leichhardt 2020+
Table 6 – Analysis against Leichhardt 2020+

Leichhardt 2020 + This Plan was adopted by Leichhardt Council in May 2007. The Leichhardt 2020+ Plan identifies current and emerging long term issues and priorities for Leichhardt LGA and the wider community.	
Objective 1.3- Engage and connect all local people, people with special needs, businesses and institutions to build our community.	The proposal has been developed with a focus on meeting local community needs for both employment, housing and cultural activities. The opportunity to work live and recreate in the locality will help connect members of the local community and result in increased quality of life.
Objective 2.1- Develop integrated plans to reduce our dependence on private cars for local regular community activities and trip purposes;	By creating local employment that fit the demographics of the surrounding area it provides the opportunity for people to live close to work. Providing dwellings in an accessible location also means that that more often public or active forms of transport are the optimal choice for commuter and non-commuter trips. This is the most effective measure to reduce car dependence.
Objective 2.4- Plan local community facilities and services to fit the places we live and the way we want to live;	As shown in Figure 3 and discussed above the site is located in close proximity to a wide variety of community facilities and local services. This is important for both employment and residential uses on the site. The provision of a café, gallery, artist studio and convenience shopping will also contribute to the amenity of the local area and the lifestyle of its inhabitants.
Objective 3.1- Our town plan and place plans optimise the potential of our area through integrating the built and natural environment with a vision of how we want to live as a community, and how areas should develop to meet future needs;	The provision of studio spaces and a type of commercial offering that will appeal to small professional suites, creative and technical business will provide a type of employment that is not only closely matched to the local population but by providing jobs close to home will contribute to the quality of life of the local community. The close proximity of existing and planned open space also directly supports this objective.

<p>Objective 5.1: Develop integrated planning to promote thriving and diverse businesses that build on the demands and characteristics of the community, and reduce our dependence on private cars; and</p>	<p>The proposal will provide a greater level of business activity than exists on the site as demonstrated in the Hill PDA report.</p> <p>Currently 75 percent of residents of the former Leichhardt local government area travel outside the area for work. The following statistics on the former Leichhardt local government area from Profile.id demonstrate that the proposal will deliver an employment outcome closer to the demand and characteristics of the local community.</p> <ul style="list-style-type: none"> • A larger percentage of persons employed in professional, scientific and technical services (16.9 percent compared to a Sydney average of 9.6 percent) • A larger percentage of persons employed in information media and telecommunications (6.5 percent compared to a Sydney average of 3.0 percent) • A smaller percentage of persons employed in manufacturing compared to a Sydney average (4.7 percent compared to 8.5 percent)
<p>Objective 5.2: Develop accessible and environmentally sustainable businesses that help to build local communities</p>	<p>The type of commercial and retail businesses proposed tailored to meet the need so the local area is more likely to be sustainable in the longer term than the declining industrial and manufacturing uses presently on the site.</p> <p>The redevelopment of the site as part of this proposal will allow for the building of a more sustainable building form and provide better amenity for the surrounding residents.</p>

Leichhardt Employment and Economic Development Plan (2013)

The Leichhardt Employment and Economic Development Plan (EEDP) is a 10-year strategic plan for economic development in the former Leichhardt local government area.

Key considerations relevant to the proposed development include:

- Demand for industrial land is in locations which enable large modern industrial facilities to maintain low cost operations. Land suitable for new industries is largely in Western Sydney.
- The percentage of office space versus commercial space is changing with a larger proportion of office space required than in the past.
- Recommendations for Council to respond to industrial trends are to increase the amount of office space in industrial areas and transform appropriate industrial land into affordable housing for key workers and students.
- Strategic sites and under utilised land provide the opportunity to be transformed into other uses such as affordable housing for key workers and students;
- Smaller industrial sites in the Leichhardt LGA are surrounded by residential development which increases the likelihood of opposition to new industrial uses and reduces the viability of industrial property.

Objective 3 of the Plan is to embrace the new economy, it lists two relevant strategies to achieve this;

- Strategy 3.1 Support small business and start-ups.
- Strategy 3.3: Support the growth of creative industries.
-

The provision of 400 square metres community arts space and approximately 1200 square metres of small flexible workspaces or offices

Q4. Is the planning proposal consistent with applicable State Environmental Planning Policies?

An analysis of the consistency of the proposed amendments with relevant State Environmental Planning Policies (SEPPs) is listed in Table 7.

Table 7 – Analysis against State Environmental Policies

Policy	Assessment
SEPP 55 – Remediation of Land	SEPP 55 introduces planning controls for the remediation of contaminated land. The policy states that the planning authority must consider whether the land is contaminated, and if so that the land is suitable in its contaminated state for the permitted uses in the zone, or that the land requires remediation before the land is developed for that purpose.

Policy	Assessment
	<p>A preliminary contamination assessment conducted by Douglas Partners has concluded that the site has a low to moderate potential for significant or broad scale contamination. There may be moderate to high concentrations of contamination at point sources of contamination.</p> <p>The report finds that the site has potential to accommodate the proposed change of use, subject to the completion of any remediation deemed necessary as a result of a Phase 2 assessment, which Douglas Partners advises would be required prior to any future development application for mixed use development on the land.</p> <p>This is consistent with the Managing Land Contamination, Planning Guidelines SEPP 55–Remediation of Land (1998).</p> <p>The Douglas Partners report is attached at Appendix E.</p>
SEPP 65 – Design Quality of Residential Apartment Development	<p>Roberts Day have conducted a preliminary assessment of the proposal, and have concluded that the proposal has the ability to comply with SEPP 65 and the Apartment design guideline.</p> <p>This will be further assessed at the development application stage.</p>
SEPP (Buildings Sustainability Index: BASIX) 2004	<p>SEPP BASIX requires all future residential developments to achieve mandated levels of energy and water efficiency, as well as thermal comfort.</p> <p>BASIX Certificates are included as part of future development applications that is being lodged concurrently with the planning proposal which demonstrates compliance with SEPP BASIX requirements.</p>
SEPP (Infrastructure) 2007	<p>As part of the proposal a Traffic Impact Assessment report by Colston Budd is included at Appendix D, which assesses the transport impacts that may arise from the proposal.</p>
Development Near Rail Corridors and Busy Roads (Interim Guideline)	<p>There are referral requirements at development application stage.</p>

Q6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 Directions)?

The proposal is consistent with all relevant Ministerial directions under Section 117(2) of the *Environmental Planning and Assessment Act 1979*.

An assessment of the proposal against the applicable Section 117 directions is supplied in Table 8.

Table 8 – Assessment against Section 117 Direction

Section 117 Direction	Assessment
<p>Business and Industrial Zones</p> <p>The objectives of this direction are to:</p> <p>encourage employment growth in suitable locations,</p> <p>protect employment land in business and industrial zones, and</p> <p>support the viability of identified strategic centres.</p>	<p>The rezoning of the site will deliver a significantly greater number of jobs than are currently available on the site (66 from 26). Further the jobs created are likely to be better match to the local demographics of the area.</p> <p>A mixed use development on the site would result in a net loss in land zoned for industrial uses. However, the site is currently underutilised and the majority of uses on site are not industrial in nature. The desired retention of the character buildings limits potential uses and intensification opportunities.</p> <p>The Planning Proposal would result in a more intensive use of space and increase in employment on site in a locality with good access to transport and amenities,</p> <p>The proposed rezoning would result in a loss in land zoned for industrial uses. However, the site is in a predominantly residential area, which impacts on its ongoing suitability for many industrial uses.</p> <p>From a future supply perspective, the site represented approximately 0.7 percent of zoned employment lands in the former Leichhardt local government area in 2015 and just 0.2 percent of the supply within the newly defined Inner West local government area.</p> <p>The limited industrial uses currently on site do not directly service the neighbouring commercial zone or local residents.</p>
<p>Environment and Heritage</p> <p>2.3 Heritage Conservation</p>	<p>No state or local listed heritage items exist on the subject site, a full heritage assessment has been completed by NBRS which found the character buildings on the site did not meet the criteria for heritage listing.</p>

Section 117 Direction	Assessment
Housing, Infrastructure and Urban Development	The existing Lilyfield housing stock is comprised of a majority of single or semidetached dwellings. The introduction of a greater range of medium density dwelling of a range of sizes and types will satisfy this direction by providing a greater supply of more affordable and accessible types of dwellings.
3.1 Residential Zones	
3.4 Integrating Land Use and Transport	The Lilyfield/Roselle area has good access to infrastructure, open space and a range of services The increased activity both commercial and residential will provide further activation to the Rozelle local centre and a more sustainable source of local employment over the longer term. Redevelopment of the site will provide future residents the opportunity to live and work locally introducing a potential for further containment in the area, resulting in overall reduction in vehicle kilometres travelled. The proposal also aims to improve access to housing, jobs and services by allowing people to live and work in areas where walking, cycling and public transport are viable alternatives to car based transport.
Hazard and Risk	
4.1 Acid Sulphate Soils	The proposal is consistent with the Standard Instrument and has provisions which aim to ensure suitability of any development and will manage the impact of any acid sulfate soils.
4.3 Flood Prone Land	The site is not in a flood prone area.
Local Plan Making	The proposal can be achieved through the amendment of mapping changes to the LLEP, no concurrences, or public land reservation is proposed.
Metropolitan Planning	Consistent, discussed previously in the report
7.1 Implementation of the Metropolitan Plan	

10.3 Section C | Environmental, social and economic impacts

Q7. Is there any likelihood that critical habit or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The proposal is contained within a site long used for industrial purposes, no critical habitat or threatened species will be affected as a result of this proposal.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed.

10.3.1 Overshadowing and Visual impact

An overshadowing analysis has been conducted by Roberts Day and this is contained in Appendix A.

In keeping with good planning and the 2007 design principles, a sensitive approach has been taken to ensure that no additional adverse impact is created from the subject site, building envelopes are stepped down towards Alberto Street and Fred Street allowing sunlight to reach adjoining properties.

During the AM hours an additional shadow created by the future buildings is primarily located within roads and driveways. Where shadowing peaks after 3pm, it is generally located on existing built form. There is very little impact on existing private and public open space.

10.3.2 Heritage

As part of the current proposal Roche Group are proposing to retain the character buildings of the former bakery and ABBCO site.

A heritage assessment completed by NBRS Architecture and Heritage is provided in Appendix C, it finds that while the site is in proximity to a range of heritage items the site of itself does not meet the recognised criteria for heritage listing and in spite of ample opportunity has not been listed to date.

Following is an extract of the heritage assessment completed NBRS Architecture and Heritage.

Site

The site contains a number of masonry buildings, constructed at various dates between 1907 and ca.1960. The site contains three principal buildings, namely:

- *Pilchers Bakery;*
- *Former ABBCO Pty Ltd office; and*
- *Factory building with two residential apartments above.*

Heritage Assessment

The assessment finds the former ABBCO Factory site, while having low historic and associative significance, does not demonstrate the heritage criterion set by the NSW Heritage Council at a level sufficient to warrant listing as an item on any local or state heritage register. The site occupies an entire block facing Balmain Road opposite Callan Park Hospital and adjoins the Eastern Residential Sub Area which is predominantly one- and two-storeys in scale.

The former ABBCO Bread Factory complex is the result of several construction phases dating from 1907. Open areas, including cart areas and stables have been enclosed and adapted, or redeveloped resulting in the irreversible loss of original fabric. Original machinery and ovens were removed in ca1990, and the surviving original building fabric does not demonstrate the earlier significant bread-making use associated with the site.

While prominent due to its location, the buildings have little aesthetic value and limited ability to demonstrate the historic processes that led to their construction. The original use for bread production ceased in the last third of the 20th century and the complex has subsequently been fragmented by a variety of uses in its component parts.

The site has not been identified by any other heritage authority despite its obvious prominence and proximity to other heritage items.

Conclusions and Recommendations

The assessment finds that the level of potential heritage value of the former ABBCO site does not demonstrate one or more criteria at a level that would warrant listing as a heritage item at the local level.

The external form of the northern section of the complex exhibits the characteristics of a warehouse or factory and may be suitable for adaptation for other uses subject to planning approval. The complex no longer operates as a bakery and the equipment and spaces associated with bread-making were removed in the early 1990s.

Other warehouse and factories situated in the northern Balmain Road Commercial /Industrial Sub Area have been retained and progressively adapted for other uses, such as artist studios, architect office, coffee roasting, light manufacturing (glass window and shop fitout fabrication) in recent years.

In the event that the buildings are demolished, appropriate recording of the site and on site interpretation might be considered.

In spite of the lack of formal heritage significance Roche group have elected to attempt to integrate the remnant bakery and ABBCO site into the proposed development, this is consistent with the previous design principles developed by the former Leichhardt Council in 2007 for the site.

These character building will provide a level of interest to the streetscape, allowing the future development to harmonise with the surrounding neighbourhood character. They will also attractively frame a proposed public domain area between the two buildings on Balmain Road.

10.3.3 Transport

Colston Budd Rogers & Kafes were engaged to review the transport aspects of the planning proposal. The report considered the planning proposal would provide for some 1,600 square metres commercial plus 170 residential apartments, the report makes the following key points:

Traffic generation and transport capacity

- Traffic generated by development anticipated in the planning proposal would have its greatest effects during weekday morning and afternoon peak periods when it combines with other traffic on the surrounding road network
- The development would have a traffic generation of some 40 to 50 vehicles per hour two-way at peak times. The report describes this as modest traffic generation.
- With allowance for traffic generated by the existing site uses, traffic increases in Alberto Street would be some 20 to 30 vehicles per hour two-way at peak times. Traffic increases in other streets would be lower at some 10 to 20 vehicles per hour two-way.
- The analysis found that the signalised intersection of Balmain Road with Cecily Street is operating with average delays of less than 15 seconds per vehicle during peak periods. This represents level of service A/B, a good level of service.

- The unsignalised intersection of Balmain Road with Alberto Street is operating with average delays for the highest delayed movement of less than 20 seconds during peak periods. This represents level of service B, a reasonable level of service.
- The intersection of Cecily Street with Fred Street is operating with average delays for the highest delayed movement of less than 15 seconds per vehicle during peak periods. This represents level of service A/B, a good level of service.
- The site therefore has good access to public transport services, being local in close proximity to bus routes and light rail.

Parking

- According to the Leichhardt DCP and based on a mix of 30 percent one bedroom, 60 percent two bedroom and 10 percent three bedroom apartments, the provision would be in the range of some 141 to 230 spaces. These would all be underground basement parking.
- The DCP also includes the following requirements:
 - one bicycle space per two dwellings for residents;
 - one bicycle space per 10 dwellings for visitors;
 - one bicycle space per 10 employees for commercial development; and
 - one bicycle space per 400 square metres GFA for commercial development.

Access

- Vehicular access to the development is proposed to be provided from Alberto Street. The existing driveways to the site from Balmain Road, and two of the existing site driveways from Alberto Street, will be removed. This will improve parking in these streets.
- The report states there may be also potential for a secondary residential access off Fred Street, this would allow for increased permeability and have minimal effect on the surrounding area due to low trip generation from the residential use.

In conclusion, the future development would have minimal impact on the surrounding area and adequate transport infrastructure exists to cater for the future development.

10.3.4 Contamination

Given the industrial history of the site Douglas Partners were commissioned to undertake an assessment of potential contamination of the site. A full phase 1 contamination assessment is attached at Appendix E.

The phase one assessment concludes the site has low to moderate potential for significant contamination mainly in areas previously used for underground storage tanks and potential for chemical spills, areas of fill from unknown sources will warrant further investigation at the next phase of assessment.

The Douglas Partners report acknowledges the proposal is at planning proposal stage and concludes that given appropriate treatment the site can be made safe to accommodate the future mixed use land use change.

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

10.3.5 Economic Analysis

HillPDA was commissioned by Roche Group to undertake an Economic Assessment of the proposal. The advice is included at Appendix B.

The HillPDA advice deals with a number of key issues;

- The merit of the change of use
- The employment generating potential of the project
- The consistency with state and local policy
- The suitability of the site for an amount of residential development
- The economic benefits arising from the proposal.

With regard to the change of use the report finds that given the present nature of industrial demand in Sydney and the fact that the site is not in a key strategic location characterised by specific industry cluster or privileged access to road or freight infrastructure the present state of under utilisation is expected to continue.

The light industry on the site does not serve a unique local purpose and the redevelopment of the site to small office spaces is more likely to appeal to the local employment demographic. Taking a more regional approach now that planning for the area is the preserve of the new Inner West Council shows that while industrial land in Leichhardt may be somewhat limited there is a surplus in supply in the Marrickville LGA.

From a supply perspective, the subject site represented approximately 0.7 percent of zoned employment lands in the Leichhardt LGA in 2015 and just 0.2 percent of the supply within the newly defined Inner West LGA.

The report evaluates the present uses on the site and a survey of employees was conducted by Roche Group as an input. The subject site is characterised by limited parking, narrow surrounding roads and close proximity to small lot residential. Uses on the site consist of residential (three percent), storage (seven percent), wholesale (56 percent), artistic space (12 percent) and light manufacturing (17 percent). The total employment on the site and its economic benefit are summarised in the table below.

Table 9 – HillPDA Analysis of Employment generation and activity

	Current uses	Planning Proposal
Total jobs generated	26	66
Total salaries (\$m) generated	\$1.5m	\$2.9m
Industry value added (to GDP)	\$2.3m	\$4.4m
Construction costs	-	\$63.7
Total economic activity from construction	-	\$210m
Job years in construction	-	666

It should be noted that the significant increase in employment is a closer match to the local workforce. This will result in decreased congestion from the possibility of more local trips and improved quality of life for the future employees as they work closer to home. It is also consistent with both the state and local planning objectives.

The share of Leichhardt's workforce classified as managers and professionals rose from 33.2 percent in 2001 to 62 percent in 2011. Leichhardt residents are more likely to be employed in service sectors than in primary and secondary industries, with a 16.8 percent share of employment within the professional, scientific and technical services sector the highest of any industry subsector. The changing demographic profile of Leichhardt is consistent with an influx of high income young white collar professionals.

The Planning Proposal's provision of studio spaces and a type of commercial offering that will appeal to businesses requiring small professional suites will cater for employment uses that are not only closely matched to the local population, but by providing jobs close to home will also contribute to the quality of life of the local community.

Providing office-based employment on the subject site will also have benefits in terms of reducing congestion and increasing passing trade

The report states that an increase in supply of medium density housing in the Lilyfield area is likely to contribute to downward pressure on housing prices that in first quarter 2016 were 22.5 percent higher than the former Leichhardt LGA generally.

Finally, the report concludes that the Planning Proposal would lead to a net increase in jobs (+40 jobs), salaries generated (+\$1.4m) and value added contributed (+\$2.1m). Moreover, the Planning Proposal would generate additional economic activity (+\$210m) and jobs (+666 job years directly and indirectly) during the period of construction and stimulate investment in the locality.

11 Section D | State and Commonwealth interests

Q10. Is there adequate public infrastructure for the planning proposal?

The subject site is currently serviced with electricity, water supply, telecommunications, sewer and stormwater. The site is also located in an inner city location with a multitude of services available in the locality. Transport availability is discussed in earlier sections of this report.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the gateway determination?

The Department of Planning and Environment will have responsibility for considering the gateway request, likely process for consultation any conditions. It is unlikely that the amendments proposed in this proposal will raise any issues of interest to state or commonwealth public authorities.

12 Part 4 | Mapping

The subject site is currently zoned IN2 – Light Industrial under the provisions of the LLEP. An outline of the existing controls is contained in Section 3.

The planning proposal proposes the amendment of three maps under the LLEP:

- 1 Amendment to zoning map to zone site B4 – Mixed Use
- 2 Amendment to maximum floorspace map to increase FSR to 2.3:1
- 3 Amendment to height of building maps to introduce two height zones across the site of 10 metres and 30 metres.

The figures below represent the proposed mapping changes to the Leichhardt LEP.

Amendment to Leichhardt LEP Zoning Map

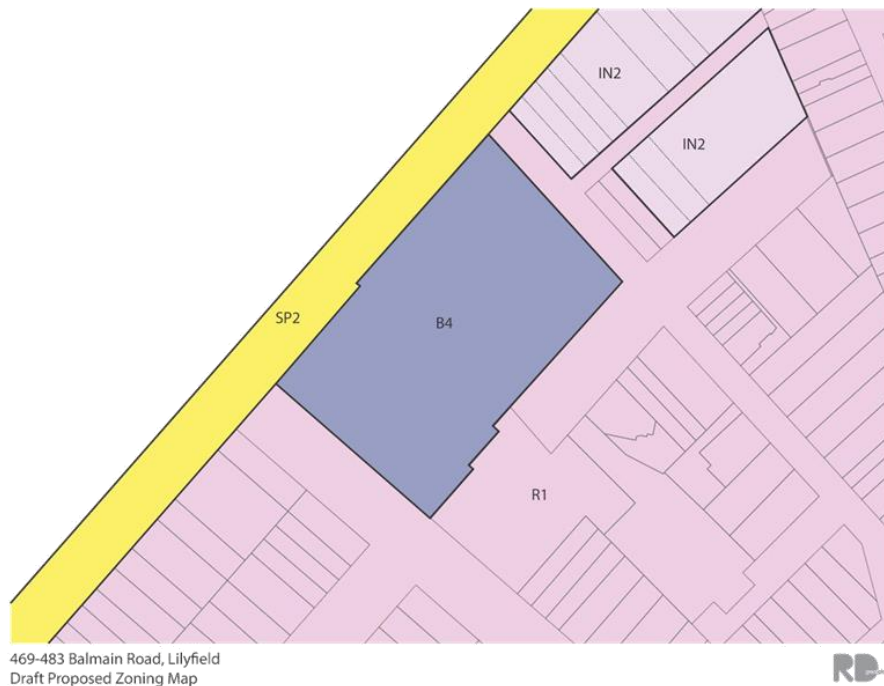


Figure 10 - Land Zoning Map (Source: Roberts Day)

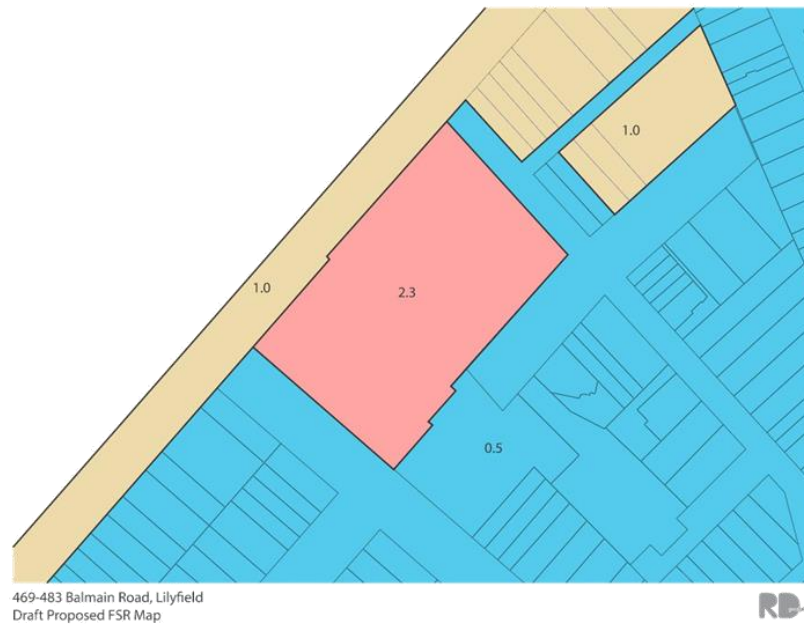


Figure 11 - Maximum Floor Space Ratio Map (Source: Roberts Day)

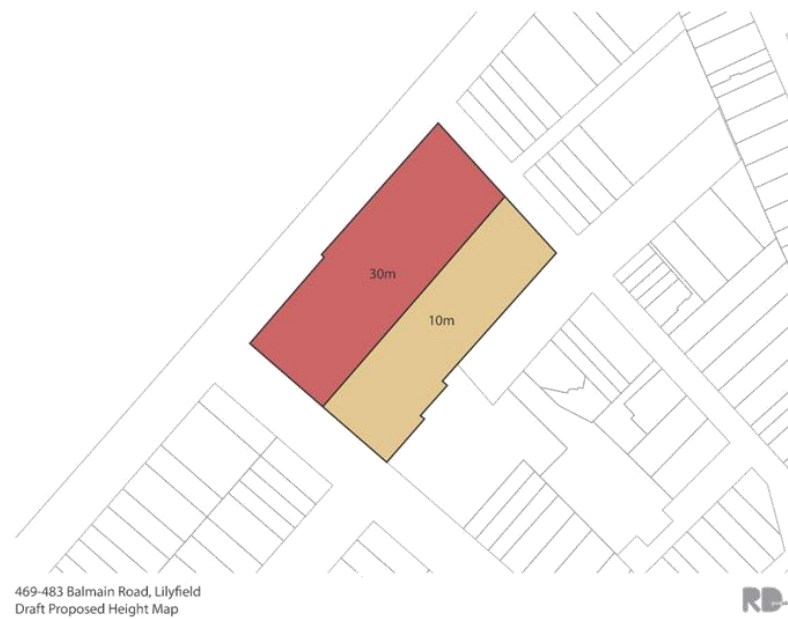


Figure 12 - Height of Buildings Map (Source: Roberts Day)

13 Part 5 | Community consultation

An engagement strategy is being prepared by KJA, to support and inform the planning proposal.

14 Part 6 | Project timeline

An indicative timeframe is set out below in Table 10.

Table 10 – Project timeline

Planning Proposal Stage	Date
Lodgment of planning proposal	September 2016
Inner West Council Reviews and prepares Planning Proposal	October 2016
Inner West Council consideration of Planning Proposal and any resultant DCP Amendment.	November 2016
Inner West Council submits Planning Proposal to Department of Planning and Environment (DP&E) for Gateway Determination.	November 2016
Receive Gateway Determination	November/December 2016
Public exhibition and public authority consultation of Planning Proposal	February 17
Inner West Council reviews submissions received during public exhibition and public authority consultation.	March 2017
Drafting of instrument and finalisation of mapping.	April 2017
Amendment to LLEP notified.	April/May 2017

15 Summary of Benefits

The following summarises the key benefits of the proposal.

Supply of diversity of housing products	✓	One, two, three bedroom units
	✓	Creates greater diversity in local housing market by addition of medium density housing stock and range of dwelling sizes
Better Employment Outcome	✓	Closer match to demographics of area
	✓	Jobs close to home
	✓	Small commercial/creative workspaces will foster creative industries and small/startup businesses
Affordable housing	✓	Provision of four percent affordable housing
Retention of cultural uses	✓	Retention and improvement of cultural and community space



Contact: Harjeet Atwal
Phone: 9335 2247

15 September 2017

Mrs Karen Armstrong
Director Sydney Region East, Planning Services
Department of Planning and Environment
GPO Box 39
SYDNEY 2001

E-MAIL: karen.armstrong@planning.nsw.gov.au

Dear Mrs Armstrong,

RE: 469 – 483 BALMAIN ROAD, LILYFIELD – PLANNING PROPOSAL

I refer to your letter to Council dated 25 August, 2017 regarding the above Planning Proposal that seeks to amend Leichardt Local Environmental Plan 2013.

The Rezoning Review request submitted to the Department of Planning and Environment (the Department) includes a Rezoning Review Report dated August 2017. This document has not previously been submitted to Council. With the exception of the Rezoning Review Report dated August 2017, all other documents submitted to the Department are the same.

The Planning Proposal was submitted to Council on 16 December 2016. The amended proposal was submitted to Council on the 21 June 2017 and is the subject of the Rezoning Request with the Department. The two proposals differ significantly in terms of the zone and all of the proposed development standards as shown in the table below.

	Original Planning Proposal	Amended Planning Proposal (APP)
Zone	B4 Mixed Use	IN2 Light Industrial with residential accommodation as an additional permitted use
FSR	2.3:1	2.54:1
Height	Max 9 storeys - 31m/15m	Max 6 storeys
Employment Floor space	1,600 sqm	6,000 sqm
Residential Floor space GFA/units	14,042 sqm/ 170 units	12,935 sqm / 142 units

The retention of the IN2 Light industrial zone and provision of a minimum 6,000sqm of existing light industrial floor space should be sought as part of any Planning Proposal seeking to redevelop this site. The protection of industrial land for industrial uses is a long standing Council policy consistent with S.117 Ministerial Directions, the Draft Central District Plan precautionary principle for protecting employment land, and Council's position on two previous rezoning proposals for this site.

Customer Service Centres

Petersham | P (02) 9335 2222 | E council@marrickville.nsw.gov.au | 2-14 Fisher Street, Petersham NSW 2049

Leichhardt | P (02) 9367 9222 | E leichhardt@lmc.nsw.gov.au | 7-15 Wetherill Street Leichhardt NSW 2040

Ashfield | P (02) 9716 1800 | E info@ashfield.nsw.gov.au | 260 Liverpool Road Ashfield NSW 2131

The proponent has submitted the Rezoning Review request before Council had considered or agreed how the proposed design and operation of the development would integrate industrial and residential uses. Consequently as it stands the amended Planning Proposal submitted for the Rezoning Review would amend Leichhardt Local Environmental Plan 2013 controls that are less than 5 years old.

Under Planning Circular PS 16-004 the amended Planning Proposal can therefore only be considered if it meets the Strategic Merit Test.

The 2015 HillPDA Industrial Precinct Review for the NSW Department of Planning which underpins the Draft Central District Plan identifies the Balmain Road precinct as one of the most successful small precincts in Greater Sydney.

The amended Planning Proposal could create a development where the proposed industrial floor space cannot be used for this purpose because of inherent conflicts with the residential element. The amended Planning Proposal additional permitted uses would therefore as Productivity Priority 5 of the Draft Central District Plan puts it hinder the role and function of the industrial floor space. In addition Productivity Priority 5 requires any relevant Planning Proposal to demonstrate how this type of issue is taken into account. The amended Planning Proposal does not do this.

The current amended Planning Proposal therefore fails the Strategic Merit Test and Council recommends that the Panel rejects the Proposal. A more detailed assessment outlining Council's concerns is provided in Attachments 1 and 2 with supporting studies at Attachment 3 and 4 and a relevant Australian Research Council report on the importance of artistic creative manufacturing businesses in the Inner City titled Made in Marrickville at Attachment 5 (as a hyperlink).

Should you have any questions or require additional information, please contact Harjeet Atwal on 9335 2247 or Svetlana Kotevska on 9392 5232.

Yours sincerely



Harjeet Atwal
PLANNING OPERATIONS MANAGER

ATTACHMENT 1 – DETAILED COMMENTS

Amended Planning Proposal 469-483 Balmain Road, Lilyfield

POTENTIAL LAND USE CONFLICTS

The amended Planning Proposal urban design for additional permitted use for residential accommodation on this IN2 Light Industrial site would be incompatible with the existing and many other potential industrial activities. Conflicts are likely to arise over access arrangements between vehicles, pedestrians and residential/employment land uses, loading and operating hours as well location of land uses, noise, odour, dust and separation between uses.

The proposed built form does not demonstrate that land use conflicts in the proposed vertically integrated development can be minimised or avoided. The proponent's response to date on the issue of land use conflicts is limited with reference made to having flexibility for access and deliveries from all street frontages except Balmain Road, but the concept plans do not show separate access for the residential or industrial components. The proponent's Supplementary submission on urban design aspects refers to other measures that could be implemented to mitigate land use conflicts within the site that include:

- Separate street access to residential cores
- Smart technology to separate residential and employment access including parking (no details provided)
- Higher acoustic treatment for the slab separating employment and residential components.

Evidence and design solutions for these approaches are not provided.

A precautionary approach would be consistent with the Department's Gateway determination on 16 March 2016 regarding the Victoria Road Precinct, Marrickville that required review of the Residential zoning to retain the IN1 General Industrial Zone. The Gateway Assessment Report as prepared by Department officers indicates that residential development was not supported in part of the precinct given the direct interface with the core industrial lands and the likely land use conflict that would arise.

INCONSISTENCY WITH STRATEGIC PLANS

Council officers have assessed the Planning Proposal against the following State Government planning strategies and directions and Council policies:

- a. Directions for a Greater Sydney 2017 – 2056
- b. A Plan for Growing Sydney 2014, Towards our Greater Sydney 2056 draft amendment
- c. Draft Central District Plan 2016
- d. Section 117 Directions
- e. Leichhardt 2025+
- f. Leichhardt Community and Culture Plan 2011 – 2021
- g. Leichhardt Employment and Economic Development Plan 2013 – 2023
- h. Leichhardt 2014 Industrial Lands Study and Leichhardt Industrial Precinct Planning Report 2016
- i. Leichhardt Local Environmental Plan 2013
- j. Relevant SEPPs including SEPP 55; SEPP 65; SEPP 70
- k. Inner West Council Affordable Housing Strategy 2017
- l. Leichhardt Development Control Plan 2013
- m. Leichhardt Integrated Transport Plan 2013 - 2023

DIRECTIONS FOR A GREATER SYDNEY 2017 – 2056

The Planning Proposal does not address the new policy document titled *Directions for a Greater Sydney 2017 – 2056* and the 10 principles in its Justification.

A PLAN FOR GROWING SYDNEY 2014

A Plan for Growing Sydney 2014, amended by the draft Towards our Greater Sydney 2056, establishes the regional planning framework for new housing, jobs and the growth of strategic centres and gateways close to transport infrastructure. It has several relevant goals, directions and actions.

Goal 1 - A competitive economy with world class services and transport

- Direction 1.9 Support priority economic sectors
 - Action 1.9.2 Support Key Industrial Precincts with appropriate planning controls

The Plan for Growing Sydney, that was amended by the draft Towards our Greater Sydney 2056 released in November 2016, has a vision for Sydney as a metropolis of three cities that is shaped by three main priorities:

<u>Productive Sydney</u>	<u>A Liveable Sydney</u>	<u>A Sustainable Sydney</u>
A growing city	An equitable, polycentric city	A city in its landscape
A city with smart jobs	A city of housing choice and diversity	An efficient city
A 30-minute city	A collaborative city	A resilient city

Towards our Greater Sydney 2056 and Action 1.9.2 of a Plan for Growing Sydney aim to support key industrial precincts with appropriate planning controls. A productivity priority is the 30 minute city. The Plan for Growing Sydney's 2014 *Action 1.9.2 Support Key Industrial Precincts with Appropriate Planning Controls* referenced the Industrial Lands Strategic Assessment Checklist (page 49 Draft Metropolitan Strategy for Sydney to 2031) for the assessment of proposed rezonings of industrial lands and poses the following questions.

Is the proposed rezoning consistent with State and/or Council strategies on the future role of industrial lands?

The Proponent's Economic Impact Assessment states that the proposal is consistent with State strategies on the future role of industrial lands, adopted Council Policy and the SGS Industrial Land Study 2014 that recommends the retention of all industrial lands to meet increased demand from a growing population.

The EIA also states that "it is unlikely that a commercially viable redevelopment for currently permissible IN2 uses could be found and therefore the site would remain underutilised for IN2 uses without the rezoning to allow residential accommodation as an additional permitted use". This is incorrect as the site is fully occupied and utilised and therefore does not need to be transformed from industrial to flexible office/industrial space and commercial uses. The overall Balmain Road precinct has 23 businesses and is suitable for a broad range of employment uses. The SGS Peer Review (Attachment 4) of the proponent's original EIA noted that it did not provide sufficient detail of the businesses and employment on the site nor evidence that the site is underutilised.

The Proponent's EIA has not adequately addressed the potential impact of the proposed flexible employment office/retail floor space on existing businesses or other potential industrial tenants. The introduction of business or office uses, will change the character of the precinct, displace existing uses and change market perceptions of the site. This would in turn lead to higher rents for light industrial uses and displace these uses from the site. This is strongly inconsistent with Council's Employment and Economic Development Plan, Leichhardt

SGS Industrial lands study 2014, SGS Industrial Precinct Planning Final Report 2016. New commercial uses could also create potential land use conflicts with existing industrial uses.

Given the projected deficits of industrial land in the former Leichhardt LGA and the wider Inner West LGA, it is unlikely that there are alternative sites for these uses in the local area they serve. There is a supply and demand gap for industrial land in the Inner West and a need to increase the stock of industrial floor space. The existing uses are urban services for local population and businesses. They should be retained to support a diverse local community and economy.

Is the site: Near or within direct access to key economic infrastructure? Contributing to a significant industry cluster?

The Proponent's EIA states that the subject site is not contributing to a significant industry cluster. Council disputes this as the entire Balmain Road industrial precinct is currently functioning well with 23 businesses providing **urban services** for the area that encourage economic growth, business opportunities and employment.

Despite the amended Planning Proposal's claim about poor accessibility for industrial uses road and public transport accessibility is good. In addition, the West Connex Rozelle portal will be approximately 1km from the site so its subregional and regional accessibility to the north of the Harbour, the Airport and Port Botany will improve.

How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?

Former Leichhardt Council's Industrial Lands Study 2014 and the Leichhardt Industrial Precinct Planning Report 2016 recommended the protection and intensification of industrial floor space with retention of industrial sites because there is a shortage of industrial land at a subregional level.

The former Leichhardt LGA in particular has a small, dwindling stock of industrial land, which means its residual stock of lands must be protected.

The Leichhardt 2014 Industrial Land Study showed that even without any further rezonings at that point in time, the former Leichhardt LGA would have a shortfall of up to 54,965sqm of industrial floor space by 2036 and in the Balmain Road precinct alone, a shortfall of up to 3,297sqm.

Consequently, the approximately 6,000sqm of existing industrial floor space on the site must be retained without any limitations on its use for light industry.

In 2008 the former Leichhardt LGA had 108.9ha of industrial land, including the Rozelle Rail yards/Bays Precinct. Since then around 93ha of industrial land have been or due to be rezoned as follows:

- 4.9ha at George Street and Allen Street, Leichhardt and Terry Street, Rozelle
 - Camperdown and Tebbutt Street Parramatta Road Urban Transformation Strategy (PRUTS) – 12.2 ha
 - Bays Precinct (Rozelle Rail yards) - 75.8 hectares
- Total projected loss - 93ha or 85% of the total 2008 Leichhardt LGA industrial land supply (with pre 2016 rezoned sites included).

In other words the zoned land supply will fall from 108.9 ha to 15.9ha in approximately 10 years. This makes it even more important to protect the existing industrial floor space on this site that is almost 40% of the Balmain Road industrial precinct. If it were rezoned, the pressure to rezone the rest of the precinct will be difficult to resist. The whole precinct is 1.8 ha and 12% of the residual industrial land supply of 15.9ha in the former Leichhardt LGA.

How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?

The Balmain Road industrial precinct is currently functioning well with 23 businesses providing urban services for the area and light industrial employment. These businesses contribute to economic growth, business opportunities and employment with 26 mainstream jobs and 50 artists working on the site. Given the cumulative loss of industrial land in the former Leichhardt Local Government Area the capacity of the site to accommodate these jobs should be protected.

The amended Planning Proposal's suggested introduction of flexible employment floor space for offices/retail would potentially have a negative impact on the existing site's industrial floor space provision as well as the rest of the Balmain Road industrial precinct and erode its viability as a locally significant industrial precinct.

The attached SGS Peer Review notes that the proponents original Economic Impact Assessment (EIA) area overview fails to consider the negative impact of the Planning Proposal on adjacent industrial properties in the Balmain Road industrial precinct. SGS recommended that the adjacent sites should be considered in any overview of the area to gain a full understanding of the risk of fragmentation of the precinct.

The site is 6,823sqm and provides large floor plates for an existing furniture wholesaler, an aluminium door/window manufacturer, an import business as well as artist studios and a photography and jeweller business. The loss of the largest site in the precinct to non-industrial employment uses or another zone could damage the role and function of the Balmain Road industrial precinct, thereby setting an undesirable precedent for other industrial precincts that would have a negative impact on subregional employment objectives and targets.

Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries?

The Planning Proposal provides no compelling evidence that the site cannot be used for an industrial purpose. It can readily accommodate a wide range of traditional and new industrial land uses. Indeed the original EIA states:

“recent research from Colliers International suggests that there is a significant shortage of industrial properties for lease within the Inner West market...As a consequence, rents and capital values have been experiencing strong growth...some of the demand is being driven by tenant migration with many occupiers being pushed out by rezoning, conversion and infrastructure development. Compulsory land acquisition associated with the West Connex project and the proposed planning changes associated with Parramatta Road Urban Transformation Strategy will result in a decrease in industrial lands supply within the Inner West LGA which will need to be factored into future land use planning” (pg 25 Proponents EIA).

The site is fully tenanted and sufficient demand exists to attract new tenants and based on the shortage of sites in the area, the industrial floor space should be retained as pure industrial floor space unhindered by concepts of flexible business and commercial floor space.

Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?

The land is not critical to meeting the need for land for an alternative purpose.

The proposal is also inconsistent with the following Goals of the Plan for Growing Sydney.

Goal 2 - A city of housing choice, with homes that meet our needs and lifestyles

- Direction 2.1 Accelerate housing supply across Sydney
 - Action 2.1.1 Accelerate housing supply and local housing choices
- Direction 2.3 Improved housing choice to suit different needs and lifestyles
 - Action 2.3.3 Deliver more opportunities for affordable housing

The plan identifies the most suitable urban renewal areas as well connected to employment in centres and strategic centres, with frequent public transport. This site is not in an identified centre or strategic centre and is not identified for significant renewal.

Goal 3 – A great place to live with communities that are strong, healthy and well connected

- Direction 3.1 Revitalise existing suburbs
- Direction 3.3 Create healthy built environments
- Direction 3.4 Promote Sydney's heritage, arts and culture

Goal 4 – A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources

- Direction 4.3 Manage the impacts of development on the environment
 - Action 4.3.1 Apply urban green cover technical guidelines

The Planning Proposal does not adequately address Goals 3 and 4. The substantial reduction of art studio space from the existing approved 1,200m² to 400m² would adversely effect the existing community. The concept design plans provided so far do not demonstrate compliance with the Apartment Design Guide to ensure that the low density character of the local environment and nearby heritage items including Callan Park are not adversely impacted. Further details would be required to establish if the Proposal could adequately address Goal 4.

DRAFT CENTRAL DISTRICT PLAN 2016

The Greater Sydney Commission (GSC) Draft Central District Plan has productivity, liveability and sustainability priorities. With regard to the productivity priorities, the draft Central District Plan advocates a precautionary approach to the protection of industrial land for urban services and the addition of permitted uses, as Productivity Priority 5. In 2015, the Central subregion had 1,490 hectares of zoned employment and urban services land, as 11% of Greater Sydney's total stock. Only 4% of this land was undeveloped. That employment land stock should be protected. The Plan also confirms that smaller parcels of employment and urban services land are important to the District's economy and that rezonings for other non-industrial uses reduce potential long term growth and improvements in productivity.

The 2015 HillPDA Industrial Precinct Review for the NSW Department of Planning and GSC District Plans, provides a health check for all 135 industrial precincts in Greater Sydney.

Each precinct was scored on job generation, function and output with an overall scale of 0 to 15. Only the largest and most successful precincts such as that around Sydney Airport scored over 11. The most successful small precincts scored between 9 and 10.5. They include this Balmain Road industrial precinct with a score of 9.5.

The 2015 Hill PDA Precinct Review also identified the important role such small precincts play in providing important local urban services. The Balmain Road precinct supports 23 businesses (refer Table 9) including:

Fred Street:

- glass and aluminium industry (domestic and commercial);
- Atom industries (lawn and garden manufacturer);
- coffee roasters;
- architect;
- Thirst for Life (importer, distributor and retailer of premium drinks) and
- art studios.

Balmain Road:

- crystal shop;
- Hanoi restaurant
- beauty centre;
- Balmain timber yard;
- framing shop;
- physiotherapist,
- offices (101 Capital investment services; 5 senses marketing & brand business and a stock broker),
- Revel systems (high tech company for ipad point of sales systems),
- computer support business

This same review also recognises the challenges of creating new employment lands in inner city areas and the following key review points, support the retention of industrial floor space on this site:

- there is strong price driven demand for small industrial spaces (under 500sqm) in the Central Subregion pg 81
- more creative types of uses (designers, food production and sale etc) are attracted to the Subregion pg 81
- small local industries (furniture storage and renovation, printerries, food production and creative industries) flourish in these locations (Leichhardt LGA is specifically mentioned), given nearby local demographics pg 83.
- in terms of industrial trends, there is a growing and evolving demand for industrial areas within inner city and middle ring suburbs of Sydney to serve the needs of the growing local population (i.e. panel beaters and household trades) pg 68-69
- growing demand for more intensive backroom data storage and archives close to inner city offices pg 68
- growing demand for urban support services as a result of forecast rate of residential and business population growth pg 68
- in the Bays Precinct, "the maritime-related industrial uses in the area are well supported. which will see kindred support industry encouraged to move to the area" pg 83. The subject site could accommodate uses to support these maritime industries.

This precinct is functioning well with an urban services light industrial character and some non-industrial commercial activity. Consequently, the Planning Proposal objective of retain light industrial floor space in the IN2 zone can be supported.

The Proposal's 5% affordable housing offer only meets the minimum liveability District Plan target of 5% to 10% affordable housing and improving housing choice and affordability. The Planning Proposal does not sufficiently explain how its proposed Development Control Plan (DCP) linked to a Voluntary Planning Agreement (VPA) will achieve District Plan sustainability priorities.

SECTION 117 MINISTERIAL DIRECTIONS

Question 6 of "A Guide to Preparing Planning Proposals (2016)" prepared by the Department of Planning and Environment, asks "Is the Planning Proposal consistent with applicable Ministerial Directions" (section 117 Directions).

Direction 1.1 Business and Industrial Zones, Clause 4(d) states that a Planning Proposal "should not reduce the total potential floor space area for industrial uses in industrial zones". To be consistent with this direction the Planning Proposal must retain the existing industrial floor space e.g. a minimum of 6,000sqm.

Council's policies, recent industrial lands studies and the 2015 Hill PDA Industrial Precinct Review prepared for the NSW Department of Planning to inform the GSC Draft Central District Plan do not support or justify any loss of industrial/employment land at Balmain Road. The precinct is suitable for and well positioned to retain and attract light manufacturing and creative industries.

Further evidence is required to clarify whether the Planning Proposal is consistent with Direction 2.3 Heritage Conservation given the heritage significant buildings on or close to the site including the State Heritage listed Callan Park. The proposal must include a report assessing its impacts on these heritage items.

LEICHHARDT 2025+ STRATEGIC PLAN

Leichhardt 2025+ is the strategic plan for the former Leichhardt LGA. It's six key service areas underpin Council planning for social, environmental, economic and civic leadership outcomes over a 10 year period.

The height, bulk and scale of the proposed development will have an impact on community wellbeing and the places where residents of the area live and work. Further architectural and urban design details are required to determine the Planning Proposal's consistency with the following objectives, key goals and strategies of the Plan:

- maintain and enhance the character of the urban environment
- "to promote thriving and diverse businesses that build on the demands and characteristics of the community"
- support and share innovation and creativity to develop the local economy
- promote affordable, accessible, adaptable and diverse housing types
- promote a high standard of urban design in the public and private domain

Retention of 6,000sqm of light industrial floorspace, would be consistent with the objectives of promoting diverse businesses, supporting creativity and developing the local economy as well as protecting economic assets and the supply of industrial land.

LEICHHARDT COMMUNITY AND CULTURE PLAN 2011 - 2021

The Leichhardt Community and Culture Plan is a 10 year strategic plan that addresses social and cultural aspirations, challenges and related issues. It underpins the Community Strategic Plan.

The first floor of the former bakery part of the site provides approximately 1,200sqm of studio space for 50 artists. The proposed 400m² of art studio space would be a significant reduction. Consequently, the Proposal is inconsistent with the following objectives and strategies of the Community and Culture Plan:

- foster strong clusters of creative and recreational activities (Strategy 2.1.3)
- enlivening the arts and cultural life (Objective 4)
- the Leichhardt Local Government Area is a place where arts and cultural practice is energised and connected (Outcome 4.3)
- support artists to access affordable work, rehearsal, exhibition and living spaces that are permanent or transitional (Strategy 4.3.2)

LEICHHARDT EMPLOYMENT AND ECONOMIC DEVELOPMENT PLAN (EEDP) 2013 SGS INDUSTRIAL LAND STUDY 2014 SGS INDUSTRIAL PRECINCT PLANNING 2016

The Balmain Road industrial precinct is recognised in the EEDP as one of the Leichhardt LGAs main industrial precincts. In 2011, 18% of LGAs jobs and 17% of the LGAs residential workforce (approx. 4,988) people were employed in light industry, logistics and wholesale trade and this grew at a rate of 6% between 2006 – 2011 or more than 1% per year (the 2016 Census employment figures are not available yet). The former Leichhardt LGA had a 3% industrial land vacancy rate in 2015 (% of undeveloped land) based on NSW DoPE Employment Lands Development Program 2011-2015.

The former Leichhardt Council commissioned SGS to undertake two industrial land studies in 2010 and 2014 and an industrial precinct study in 2016. The Planning Proposal has been assessed against these studies.

The Balmain Road precinct floor space is 18,072sqm comprised of:

• local light industry (services)	7,365sqm
• office	5,534sqm
• light manufacturing	<u>3,613sqm</u>
Total	<u>18,072sqm</u>

(SGS Leichhardt Industrial Precinct Planning Report April 2016 Table 6)

The Planning Proposal site is 6,824sqm or almost 40% of the precinct. The precinct is predominantly an urban services area with industrial trade supplies, small scale manufacturing, retail and wholesale functions supporting an array of light industrial uses. The Balmain Road precinct is projected to have a shortage of 3,297sqm of land by 2036 under SGS's medium supply scenario. It will be the third largest industrial precinct left in the former Leichhardt LGA after current rezonings, Bays Precinct and PRUTS are implemented.

SGS Leichhardt Industrial Precinct Planning Review April 2016 notes that "The precinct has large floorplates considering the relatively small size of the precinct and the clear vehicular access around three of the precinct's sides are an important attribute, especially as vehicles do not have to travel along many local roads to access the precinct" (pg. 54).

There is a shortage of industrial land for local urban services within the former Leichhardt LGA and the 2014 Industrial Lands Study shows a projected deficit of between 7,000sqm to 55,000sqm of industrial floor space by 2036.

Retention of all existing light industrial floor space on site (minimum of 6,000sqm) is consistent with key objectives of the EEDP. These include:

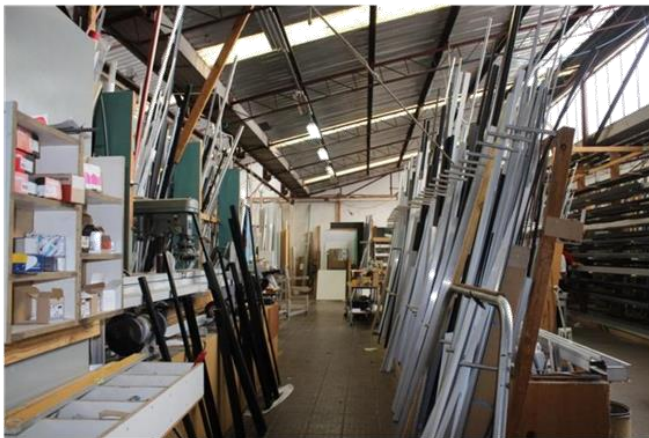
- to protect and leverage economic assets and enhance key employment lands (objective/strategy 4)
- encourage industries and services by location such as light industry, logistics, wholesale (printers, panel beaters, cabinet makers, timber supplies, auto repairs) in the Balmain Road area
- to retain enough industrial land to meet the current and future needs of the local area.

The creative industry sector is recognised as an important element of the New Economy. In 2006 creative industries employed 5% of the NSW workforce. Employment in the creative industries grew at twice the rate of other industries, increasing by 28%, against 13.5% for all industries in the 10 years to 2006. By 2011 the number of Leichhardt LGA residents working in creative industries had increased to 2,800 (9%). The planning proposal would reduce the 1,200m² of artist studio/creative space to 400m².

The 10 Year EEDP built on the SGS 2010 industrial site review methodology by setting out a more detailed analytical approach for the review of proposed rezonings of industrial land from the following three perspectives:

- quantitative (is there enough industrial land to meet current and forecast demand?)
- qualitative (does the industrial land have the attributes required by potential tenants?)
- economic viability (are industrial uses viable on the land?)

These perspectives are detailed in several EEDP criteria which are effectively synonymous with the Plan for Growing Sydney's 2014 Industrial Lands Strategic Assessment Checklist assessed above in this report.



Photos:
**Aluminium window and door
framer light industry**





*Photo:
Aluminium window and door
framer light industry*

**ATTACHMENT 2 – BACKGROUND FOR DETAILED COMMENTS IN ATTACHMENT 1
and KEY PLANNING ISSUES**

1 Zone and revised Economic Impact Assessment
Retention of IN2 – Light Industrial Zone and existing industrial floor space
<p>The sites IN2 – Light Industrial zone should be retained for the following reasons:</p>
<ul style="list-style-type: none"> • The site currently accommodates an aluminium window manufacturer, warehouse/Sounds Like Home, an online auction business and creative industries/artist studios. • The industrial floor space supports valuable urban services for the local population and businesses • One of the LEP IN2 objectives is to support and protect industrial land, consistent with local and State Government policies including Council's industrial land studies and Economic and Employment Development Plan • The zone objectives seek to retain existing employment uses and foster a range of new industrial uses to meet the needs of the community. The objectives encourage employment opportunities whilst supporting the viability of centres by not introducing uses such as retail that would compete with centres. Neighbourhood shops and take away food and drink premises which do not detract from local centres are permissible. • The IN2 zone objectives aim to provide a wide range of light industrial, warehouse and related land uses. • Retention of this zone and 6,000sqm light industrial floor space in one of the few remaining light industrial land precincts in the former Leichhardt LGA, ensures no net loss of employment floor space from this site. • This zone will help sustain local light industrial employment opportunities in the inner west where industrial land is increasingly scarce and under extreme pressure from property speculation. It will maintain the existing supply of industrial land in the area, cater for future increased demand for urban services land and enable Council to meet its employment land targets. • Leichhardt LEP Clause 6.9 Business and office premises in the IN2 Light Industrial Zone, permits business and office premises associated with the creative sector such as media, advertising, fine arts and craft, design, film and television, music, publishing, performing arts and cultural heritage. The intent is to place a restriction on IN2 zone office or businesses that might otherwise locate in a town centre. • The existing employment floor space must be protected for light industrial uses in a future redevelopment. An LEP local provision can specify the minimum floor space area for light industry as 6,000sqm thereby ensuring no net loss of industrial floor space. This is consistent with the S.117 Direction 1.1 to not reduce the potential floor space area for industrial uses in industrial zones.
Other Business Zones
<p>Council officers considered the proponents original Planning Proposal seeking a B4 – Mixed Use zoning and concluded that this could not be supported for the above reasons relating to protecting the IN2 zoned land and also because:-</p>
<ul style="list-style-type: none"> • Given the projected shortage of industrial land in the former Leichhardt LGA and loss of two of the former Leichhardt LGAs largest light industrial IN2 zones to Business zones in the Parramatta Road Urban Transformation Strategy (PRUTS), with B4 – Mixed Use at Taverners Hill and B5 – Business Development at Camperdown, there is no need or justification for rezoning this Balmain Road site to B4 land • Under Standard Instrument LEP provisions the B4 - Mixed Use Zone objectives include –“To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling”. The zone encourages retail development and

- as the site is not part of the current B2 Local Centre at Rozelle this is not supported.
- The mandated permitted uses in B4 zones include commercial premises and shop top housing, which would allow inappropriate large retail uses on this site in addition to mainstream business and office premises having an adverse impact on the Rozelle/Balmain centres
 - The LLEP 2013 B4 Zone also includes residential flat buildings as permitted with consent. If the site was zoned B4, there would be no mechanism for Council to require the retention of 6,000sqm light industrial employment as the zone would permit residential flat buildings without any employment uses.
 - The LLEP 2013 B4 Zone prohibits Industries. This includes general industry, heavy industry and light industry and rezoning this site to B4 would result in a loss of light industrial employment uses/floor space.

No other business zone is appropriate for this site for the following reasons:

- The Zone B5 Business Development Standard Instrument Objective is a mix of business and warehouse uses, bulky goods premises that require a large floor area, in locations that are close to and support the viability of centres. This zone permits with consent the following uses: Bulky goods premises; Child care centres; Garden centres; Hardware and building supplies; Landscaping material supplies; Passenger transport facilities; Respite day care centres; Warehouse or distribution centres.

Leichhardt LEP 2013 does not have a B5 zone although this zone is proposed in the PRUTS area. PRUTS does not support residential accommodation in the proposed B5 zone.

- The Zone B6 Enterprise Corridor Standard Instrument Objective is to promote businesses along main roads (including business, office, retail and light industrial uses). This zone mandates the following uses as permitted with consent: Business premises; Community facilities; Garden centres; Hardware and building supplies; Hotel or motel accommodation; Landscaping material supplies; Light industries; Passenger transport facilities; Plant nurseries; Warehouse or distribution centres.

Leichhardt LEP 2013 does not have a B6 zone although it is proposed by PRUTS which would make residential a permitted use in the LLEP 2013. This would be inappropriate for Balmain Road which does not meet Enterprise Corridor criteria.

- The Zone B7 Business Park Standard Instrument objective is to provide a range of office and light industrial uses, to encourage employment opportunities and to enable other land uses that provide facilities or services to meet the day to day needs of workers.

The Leichhardt LEP 2013 B7 zone prohibits shop top housing and residential flat buildings. It does permit live/work units provided the dwellings accommodate offices or light industrial uses on the ground floor and the dwelling and ground floor premises are occupied by the same persons or persons. This zone would not enhance the level of industrial floor space in the precinct.

Comment on revised Economic Impact Assessment

It is noted that the Proponent's revised EIA does not address S.117 Directions. The Proponent's justification for the Planning Proposal is that the site has reached the end of its economic life. However, the site is fully occupied by an array of light industrial tenants and artists and generates rental income. This is reflected in the 2015 HillPDA Industrial Precinct Review for the NSW Department of Planning and GSC District Plans, health check for each industrial precinct that scored the Balmain Road industrial precinct 9.5

within the category of the most successful small precincts scoring between 9 and 10.5.

The proponent's planning proposal provides conflicting statements. For example, it states that the redevelopment will maintain and enhance the uses in the IN2 Zone through the provision of modern flexible employment space. However, elsewhere it states that a renewed and modern more flexible built form will be attractive to a wider range of land uses compared to the declining industrial and manufacturing uses presently on the site (pg 13). The Economic Impact Assessment (EIA) also states it will not be viable to include light industrial uses in a redevelopment, as follows:

"it is also unlikely that there would be a commercially viable redevelopment option for the Subject Site for traditional light industrial uses given the constraints around accessibility, parking and the need for appropriate buffer zones on account of the surrounding residential uses". pg 6

The Planning Proposal (pg 5) refers to the retention of existing uses of land but the supporting EIA contradicts this stating that there will be provision of 5,520sqm of flexible office/industrial space or office/retail floor space for employment. The EIA states that the non-residential uses would predominantly be office and retail uses (5,520sqm) as follows:

"Approximately 6,000sqm GFA of non-residential uses comprising:

- o 400sqm for a studio space for artists;*
- o 80sqm for a neighbourhood shop; and*
- o 5,520sqm for office suites and retail uses"*

Council is concerned that the proponent is making a superficial attempt and not genuinely seeking to retain industrial floor space for existing uses. A minimum 6,000sqm of light industrial floor space must be retained to ensure no net loss of industrial land. This should not be encroached into by other uses such as non-creative conventional offices as per Clause 6.9(3) of LLEP 2013.

Employment in a shrinking local light industry sector would also become more difficult to find in the IWC area. The sort of office and retail jobs that might materialise from conventional office uses on the site can be readily found in Inner West centres and in the Sydney CBD.

The EIA claim that the EEDP advocates transforming appropriate industrial land into affordable housing for key workers and students is erroneous. The analysis section of the EEDP dealing with generic Industrial Trends actually only states that transforming appropriate industrial land into affordable housing is a **policy option** for investigation by Council. In addition such a rezoning if found to have merit would have to be for a 100% affordable housing project.

2 Urban Design, Building Heights and Distinctive Neighbourhood Character

The proponent has not provided a full ADG compliance assessment of the Proposal's concept designs against SEPP 65. It is considered that the bulk and scale and the FSR of 2.54:1 is excessive and incompatible with the low density character of the area, adjacent Local and State Heritage Items and heritage significant buildings on site.

The design has negative amenity impacts including poor streetscape outcomes due to the height, bulk and scale, limited residential building setbacks, overshadowing of proposed common open space areas that are located to the south of the tallest residential buildings and overlooking of the front and rear yards of Fred and Alberto Street properties.

A detailed urban design report and site specific DCP, supported by concept design plans to demonstrate compliance with the SEPP 65 and Apartment Design Guide are required to determine appropriate heights that complement the character of the surrounding low density neighbourhood.

No sections or floor heights have been provided to allow accurate confirmation of the maximum building height (in metres). The industrial component requires greater floor to ceiling heights in recognition of the proposed industrial uses. This may have a further impact on total building height and its impact on the streetscape and neighbouring properties.

Building envelopes that demonstrate compliance with the ADG are required to determine an appropriate height. A maximum stepped building height of up to 4 residential storeys with plant/lift overruns above the ground floor employment floor space and limited to the Balmain Road frontage may be considered if an urban design can demonstrate unequivocally that is appropriate for the site and local context. This is important with existing heritage buildings adjacent to the site, two heritage character buildings on site and Callan Park opposite. It should be noted that the closest existing flat building on the corner of Balmain Road/Alberto Street is only 4 storeys.

The proposed residential component on the eastern side of the site should be appropriately setback to address the streetscape along Cecily Street. Significant residential setbacks would be required (a minimum 15m) towards the existing eastern industrial precinct with the majority of residential development located to the west of the site closest to Alberto Street.

Greater setbacks are required to the upper stories on Balmain Road to reflect proximity to Callan Park and align with the rear of the on site heritage buildings to be retained.

Appropriate setbacks should be provided to Alberto Street to respond to the low rise residential area on the western side of the development. Additional overshadowing of the properties on Alberto Street should be addressed through adequate setbacks.

The Proponent suggests the two buildings with heritage character on the north east corner of the site have potential to be adaptively reused depending on their structural integrity. Council's inspection found that the buildings are structurally sound and worthy of retention due to their heritage significance. This includes retaining part of the corner building on Balmain Road/Cecily Street and the rear section along Cecily Street where demolition is proposed. The proposal should also be setback further to minimise impact on its curtilage.

Further details to establish how the proposed development would address Leichhardt DCP controls for the Nanny Goat Hill Distinctive Neighbourhood (C1, C2, C5, C7 and C11) are needed. These controls seek to preserve the low-rise, low density character of the area, ensure consistent architectural styles, enhance heritage items and encourage the viability of existing industrial uses. Leichhardt LEP Clause 6.14 (4) requires a site specific DCP for sites of this size.

The Planning Proposal should also address the NSW Government adopted Better Placed policy released by the NSW Government Architects Office that champions good design and great places.

3 Floor Space Ratio/Density

The current Floor Space Ratios for this part of Lilyfield are:

R1 General Residential Zone - 0.5:1

IN2 Light Industrial Zone – 1:1

The proposed Floor Space Ratio is 2.54:1, that has an estimated yield of 142 units. The site area is 6,824m² and the proposed total gross floor area is 17,325m² made up of:

- 11,325m² of residential
- 6,000m² of employment

A reduction in density is required to keep integration with the low density character of the local area and reduce visual privacy impacts/overlooking of neighbouring properties plus overshadowing of open space areas.

Given that the surrounding context is a low density residential and industrial neighbourhood next to the Callan Park State Heritage Item and local heritage items, the proposed FSR of 2.54:1 is excessive. This FSR cannot be justified and is not supported by detailed concept design plans demonstrating compliance with the Apartment Design Guide. The proponent needs to reduce the FSR to ensure:

- higher quality urban design outcomes in keeping with the existing low density neighbourhood character
- minimal amenity impacts on existing properties
- better outcomes for the residents of the proposed development in respect of elements such as solar access and extent of landscaped area

The proposal must demonstrate consistency with the design quality principles of SEPP 65 especially Principle 3: Density. Generally where Council has supported rezoning of industrial land for residential flat buildings developments in similar low density areas an FSR of 1.5:1 has been shown to have more acceptable bulk and scale outcomes.

4 Solar Access, Overshadowing and Visual Privacy

Solar Access and Overshadowing

Insufficient details have been provided to determine whether:

- 70% of the apartments within the development receive 2 hours of sunlight and
- a minimum of **2 hours** direct sunlight to over 50% of the common open spaces, in compliance with the *Apartment Design Guide*

Leichhardt DCP 2013 Part C3.9 Clause C17 requires that new developments must ensure that solar access is retained for three hours between 9am and 3pm during the winter solstice to 50% of the total area of north facing private open spaces of neighbouring dwellings. The proposal appears to comply with this requirement, however detailed solar access diagrams should be submitted to clarify this.

Visual Privacy

Inadequate separation distances are proposed between buildings and are non compliant with the ADG, which would have a negative impact on visual privacy. The ADG requires that buildings 6 storeys in height have a minimum building separation of 18m whereas only 6m and 13.6m separation is provided. Also, between the 6 storey and 4 storey components 15m is required and 12m to 13.6m is provided.

The 3.5m to 3.8m setbacks between the 14-22 Alberto Street townhouses to the south of the Planning Proposal's 2 storey buildings, would be inadequate in privacy terms. The ADG requires that for buildings up to four storeys there is 6 metres separation to habitable rooms/balconies and 3 metres to non-habitable rooms and that this is increased by 3m when adjacent to a different zone that permits lower density residential development to provide for a transition in scale and increased landscaping. Consequently, a 6m to 9m (where there are habitable rooms) setback would be required to the townhouses to the south. The proposed development only has a 3.8m setback to the townhouses and it is occupied by a proposed public footpath right on the boundary which would further reduce the privacy of the immediately adjacent townhouses.

5 Amenity and open space

The ADG requires communal open space to be at least 25% of the site. The subject site area is 6,825sqm. A minimum of 1,706sqm of communal open space is required. Detail is required to be shown on the plans confirming the open space provided on site.

The ADG requires that at least 60% of apartments are naturally cross ventilated and details need to be submitted to confirm this.

The proposed Fred Street/Alberto Street pedestrian link is a narrow strip abutting the proposed buildings with no passive surveillance. In order to create integration with the local community and enhance pedestrian safety, there should be a through site link provided from Fred Street to Balmain Road. This link was an agreed upon principle set for the site following community consultation in 2007. This would create a buffer and separation between uses, plus an opportunity for ground floor businesses to have shop fronts to this laneway. Further, it could be designed to allow shared pedestrian access to Balmain Road and use by service and delivery vehicles. A vehicular cul-de-sac with bollards and other design measures could be used to prevent vehicles exiting onto Balmain Road. A through site path designed in accordance with the principles of Crime Prevention Through Environmental Design and Principle 7 – Safety of SEPP 65 will be safer and more socially inclusive.

The building footprint is to all site boundaries with minor exceptions and this limits the available deep soil zone for planting and landscaping. The ADG requires 7-15% of the site to provide deep soil planting. The Proponent's statement suggests that 820sqm (12% of the site) of deep soil planting will be provided, but this is not shown on any plans. The footpath widening would not be sufficient.

6 Affordable Housing

Council's Affordable Housing Policy requires 15% affordable housing in high density redevelopments on private land based upon a GFA of 1,700m² or more. This equates to 22 units in this proposed development. The proponents offer of 5% (7 units) represents a deficiency of 15 units. The proponent suggests that 400m² artist studio space, employment space, 11% of the site for footpath widening and a pedestrian link from Fred Street to Alberto Street will be public benefits in lieu of affordable housing.

Minimum public benefit benefiting the public interest is derived from footpath widening and the pedestrian link through to Alberto Street. This will benefit the future occupants of the development more so than the existing community and cannot be used as grounds to reduce the affordable housing provision. The proposed artist studio space is grossly deficient compared to the current artist studio space on the site.

The proponent fails to acknowledge that there is a disproportionate and growing number of local people in housing stress and a chronic shortage of affordable housing in the Inner West local government area (LGA). Council policy is to increase the supply of affordable housing for very low, low and moderate income households.

The Subregional Draft Central District Plan has a target of between 5% to 10% affordable rental housing to be applied in rezonings for residential development and the proponent is only aiming to achieve the lowest benchmark.

7 Traffic and Transport

The Proponent's Updated Transport Aspects Report of the revised Planning Proposal indicates that there will be little or no significant impact on the existing road network or intersections. In summary it suggests:

- that SIDRA capacity analysis indicated that with the additional development traffic:
 - the signalised intersection at Balmain Road and Cecily Street would have a good level of service A and B as would the Fred Street/Cecily Street intersection
 - unsignalised intersection of Balmain Road and Alberto Street would have a reasonable service level of B.
- a likely peak period traffic generation of 70 vehicles per hour, 2-way
- traffic increases on the four surrounding streets would be between 5 to 35 vehicles per hour two-way at peak times (+35 on Alberto and Fred Streets)
- parking and access details will be finalised as part of the development application process, however, the report states that *"Appropriate access will be provided to the development from Alberto Street, Fred Street and/or Cecily Street"*.

Between 115 and 185 on-site parking spaces will be provided depending upon the final residential unit mix. This huge range creates a substantial uncertainty about the traffic that would be generated by the development. While the study indicates traffic generation based on RMS guidelines, these guidelines are not specifically based on the provision of parking, which can have an impact on the ultimate traffic generation of a development.

In accordance with the Council's *Development Control Plan 2013*, the total required parking is a minimum of 174 and a maximum of 276 car spaces for the entire development including residential, commercial/industrial/shops and visitor parking. The proponents suggested minimum parking provision of 115 to 185 car spaces does not achieve this. The proponents suggested Draft DCP parking and access controls states that "subject to an agreed 'green travel' plan, parking rates may be discounted from existing rates to reflect proximity to public transport and other measures (e.g. car share).

In relation to potential increased loading on existing public transport services the Study provides mode share estimates. It does not provide current patronage rates for local bus services so the estimates of mode share do not allow any assessment of the impact of the development on overcrowding of bus services.

Council considers however that from a transport and traffic perspective the proposal is unlikely to have major impacts on local amenity, street network operation or the adjacent public transport system.

Concern is expressed, however, that without details of the access arrangements and number of movements through each point of access, safety considerations cannot fully be addressed. Additional details are required to accurately assess the proposal.

Council's Traffic Engineers have advised that the residential access driveway to the site should be via Fred Street as it has wider footpaths, and has less traffic and pedestrian movements. Given the industrial access will have to accommodate service vehicles it is recommended that this vehicular access should be via Alberto Street. This will distribute the traffic more evenly across the road network as Alberto Street is much wider than Cecily Street there would be improved manoeuvrability for larger vehicles associated with industrial land uses.

It is unclear where the residential traffic generation rates have been derived from. Further details should be provided regarding the rates used in the assessment.

8 Contamination

Council has reviewed the Phase 1 Contamination Assessment site investigation report provided by the Proponent in respect of the *State Environmental Planning Policy No 55 Contaminated Land* (SEPP 55).

At this stage, Council is not satisfied that the site can be made suitable for the proposed residential development and use in accordance with SEPP 55. There are concerns relating to fill from unknown sources as a result of past activities (e.g. asbestos use and the presence of Underground Storage Tanks) on the site. The preliminary site investigation recommends that further investigation is warranted. Consequently, a Phase 2 / Detailed Site Investigation is required. If the Department issues a Gateway determination the following information is required prior to exhibition:

1. a Detailed Site Contamination Investigation by an independent appropriately qualified environmental consultant.
2. the investigation is to be carried out in accordance with Leichhardt's Local Environment Plan 2013 and relevant NSW EPA Guidelines for Contaminated Sites. Under SEPP 55 – Remediation of Land the report should assess the nature, extent and degree of land contamination.
3. if the Detailed Site Investigation Report does not find any contamination of land and groundwater, it must clearly conclude that 'the land is suitable for its intended land use' posing no immediate or long term risk to public health or the environment and is fit for occupation by persons, together with clear justification for this conclusion.
4. if the Detailed Site Investigation Report finds that the land is contaminated and requires remedial works to meet the relevant Health Based Investigation Level, a Remediation Action Plan (RAP) will be required so that Council can satisfy itself the site can be remediated before the site is used for residential development.
5. any RAP is to be prepared in accordance with the relevant Guidelines or approved by NSW Environmental Protection Authority, including the Guidelines for Consultants Reporting on Contaminated Sites. The RAP should include procedures for the following:
 - excavation of Hydrocarbon-contaminated soil;
 - site management planning;
 - validation sampling and analysis;
 - prevention of cross contamination and migration or release of contaminants;
 - groundwater remediation, dewatering, drainage, monitoring and validation; and
 - unexpected finds.
6. a Hazardous materials survey will be required prior to the commencement of any works.

9 Social Impact Assessment

The Proponent's Social Impact Assessment prepared by Hill PDA identifies construction disturbance as the only negative impact of this Planning Proposal. This disregards several other potential negative social impacts.

The SIA states that the social infrastructure requirements in table 16 show a negligible demand for certain social infrastructure. This is incorrect as 142 dwellings represents 2.8% of the Central District Plans 5 year 5,900 dwelling target for the IWC area. The SIA fails to consider the cumulative impacts of placing additional demand on existing infrastructure in respect of recently approved developments such as Allen Street, Leichhardt and future development earmarked for Balmain Leagues, Bays Precinct and general IWC population growth.

Creative Arts / Artists' Studios

The Greater Sydney Commission's Central District Plan (4.7.2) details the importance of arts and culture for connected communities and vibrant public places and states that; "Arts and cultural policy, investment and actions should be well integrated into urban development. This can be achieved through planning proposals for urban renewal areas and priority precincts...". A Plan for Growing Sydney, Direction 3.4 aims to 'Promote Sydney's heritage, arts and culture'. Similarly, Leichhardt Community and Cultural Plan aims to enliven the arts and cultural life by promoting and supporting local creative clusters and helping artists find affordable work, rehearsal, exhibition and living spaces that are permanent or transitional.

The proponents original economic impact assessment report states that 802m² is currently tenanted by approximately 50 artists in partitioned spaces. The days/hours of usage of the partitioned spaces varies for each artist. The reduction of artist studio space from the 1,200sqm approved to the 400sqm proposed in this development would be a significant loss of affordable local artist space and is inconsistent with local and state policies. Attachment 5 demonstrates the importance of such artistic clusters in Sydney's inner city.

The primary demand from the artistic segment of creative industries is for affordable spaces which are suitable for versatile activities, including large scale work such as sculpture. Cheap rent industrial warehouse-style spaces are critical for local artists. Newly built office spaces and shop are likely to be too expensive for most artists and occupied by more conventional commercial businesses that can afford higher rents. Larger affordable work spaces should be incorporated into the proposal to meet this need. The offer of artist studio space in the planning proposal has not detailed whether the artist studios will be dedicated to Council in perpetuity as part of a VPA. Affordable space is key for the existing 50 artists to continue their art and maintain their connection to the place and the arts community.

The assertion that the artist space is underutilised in terms of intensity of usage and that artists could use the space more efficiently by using areas for storage when not on site,



rather than requiring a permanent partitioned space is not supported. It fails to understand the creative process and the needs of artists. This inherently requires more space for working, displaying their pieces, drying paintings and inspirational collective areas for a variety of artists such as ceramists, glass artists and painters. Packing and unpacking their work would disrupt the continuity of the creative process and spaces for processes that are not traditional desk based activities.

The social and cultural aspirations of the local arts community will be diminished unless the Proposal replaces the existing studio space with a similar amount of floor space with favourable rents and terms.

Recreational Impacts

Balmain Road sporting ground is 56m from the site and is not identified in the open space and recreational facilities section of the SIA (Table 15). Council's recreational planners have advised that the Balmain Sports Ground is fully booked and intensively used by sports clubs for training Tuesday, Wednesday, Thursday and Friday evenings up to 9pm with associated flood lights and on weekends until sunset. The use of this sporting ground may result in conflicts with the proposed residential land use of the subject site particularly with night games, noise and flood lights. These recreational activities must not be curtailed as a result of the introduction of new residential development. Council's recreational planner advises that the Planning Proposal relies largely on existing Council and State managed open space to meet its requirements to provide recreational facilities for new residents. The former Leichhardt Council's recreation needs study highlighted that Rozelle had an open space provision of 1.68 per 1,000 people. This figure is below the NSW benchmark figure of 2.83 ha per head of population. Under Councils S.94 Plans, it is likely that s94 levies payable would be circa \$2,738,186, part of which would be directed to improving existing open space facilities and enhancing access to these.



Out of School Hours and Child Care (OSHC) Services

There are 12 Local Child Care Centres within 2km of the site with 66% of centres almost at capacity according to the SIA (Table 14). A March 2017 Council survey of out of school hours care (OSHC) services in the Inner West LGA highlighted unmet demand for OSHC across the LGA. At nearby Rozelle Out of School Hours Care, the waiting list for after school care during this period was 60. OSHC services in Lilyfield also had waiting lists for after school care or were very close to capacity. The re-zoning proposal is likely to increase demand for OSHC services in an area already at capacity. This is not addressed in the SIA which only identifies capacity in Birchgrove and Leichhardt which

are remote from the site.

Education facilities – primary and high schools

The NSW Department of Education (DoE) has advised that the number of units proposed (originally 170), would generate 10-15 primary school aged students and only a couple of secondary school aged students (based on 2011 ABS data). The DoE advised that there is no current capacity at the existing 3 local primary schools, but future potential expansion of Orange Grove PS could address capacity issues. While all the local Sydney Secondary College's campuses are near capacity, the Planning Proposal demand is very minor (2 students) and can be accommodated. Further, the new inner Sydney high school to open in 2020 will create capacity at the local high schools.

Adaptable Dwellings: The SIA states that some of the dwellings will be adaptable with disabled access, however little detail has been provided.

SIA Methods

If this Proposal was to receive a favourable Gateway determination it is recommended that the SIA demographic analysis section 3 is updated before public exhibition to reflect the latest census statistics for 2016. Current information is needed to ensure accurate community profiling and understanding of potential impacts on the community and infrastructure.

The following omissions and errors in the SIA plus inconsistencies with the Planning Proposal have been identified:-

- it is suggested that the proposed 142 dwellings would accommodate 255 residents. This should be updated to reflect the 2016 census household occupancy rates.
- no consultation has been undertaken with existing tenants, the artists, neighbours or other stakeholders (e.g Friends of Callan Park). The SIA does not adequately address the needs of target social groups such as young people, Aboriginal or Torres Strait Islanders, culturally and linguistically diverse people)
- there is no draft Central District Plan section in the SIA under Planning Policy – section 2 State Planning Policies and Strategies and should address the following draft District Plan Liveability and Sustainability Actions and related outcomes:
 - Liveability Action 5: Increase in affordable rental housing
 - Liveability Action 6: Increase in affordable housing
 - Liveability Action 13: Conserve and enhance environmental heritage
 - Liveability Action 15 & Sustainability Actions 4 & 5: Increase in the provision of community facilities including open space and its utilisation
 - Sustainability Actions 8 and 9: Embed NSW Climate Change Policy framework into local planning and support initiatives for a low carbon future
 - Sustainability Action 11: Mitigate the urban heat island effect in renewal projects and reduce ambient temperatures
- the SIA refers to Leichhardt's residential development strategy and 2008 Inner West subregional dwelling target of 2000 by 2031. This policy and target is now superseded by the Draft Central District Plans 5 year and 20 year dwelling targets It is noted the Inner West Council is already on target to achieve the Draft Central Plans targets and the Liveability Priority 3: Implement the Affordable Rental Housing Target
- the Planning Proposal does not refer to retail uses in the development but on page 5 does state that small offices and work spaces will be provided to attract small businesses, whereas the SIA page 6 refers to retail uses in the new floor space
- SIA refers to flexible commercial/retail space and no definition of what this would be is provided (pg 9)

The Proponent's Planning Proposal request must be supported by a more

comprehensive, robust and updated SIA that addresses the concerns outlined in the assessment above.

10 Sustainability and Stormwater

The Planning Proposal must make a clear commitment to deliver the sustainability measures as illustrated in the proposed urban design in relation to water harvesting/management, solar panels, green roofs/green walls through a site specific draft DCP that also incorporates relevant Leichhardt *DCP 2013* controls.

This full site specific DCP should address water sensitive urban design fully, indoor air quality, transport, building materials and emissions to demonstrate innovation and best practice environmental sustainability. Such an approach is consistent with the objectives of the Council's Climate Change Plan which encourages adaptation to climate change via water sensitive urban design, energy efficiency, renewable energy use of sustainable building materials, connected, walkable neighbourhoods, active and public transport, greening and shading.

The proposal should demonstrate that it will achieve a Green Star Multi-Unit Residential v1 5 star rating as per the Proponents documents submitted and amended Urban Design Report. The former Leichhardt Council attained a very high standard of environmental sustainability performance for the rezoning of industrial land at Terry Street, Rozelle with the developer achieving a Green Star 5 star rating. The Leichhardt Council Environmental Sustainability Strategy encourages the use of Voluntary Planning Agreements as a mechanism to achieve development with environmental performance above NSW Government BASIX SEPP requirements.

Council's Stormwater Engineers noted that the development would exceed the capacity of the existing stormwater pit in Fred Street and that Council's stormwater infrastructure and drainage system would need to be extended by the developer to address this issue.

11 Heritage

Council's independent heritage assessment of the site by GML Heritage Pty Ltd confirms that two existing character buildings meet the historic and rarity, heritage significance criterion for listing (refer Attachment 3). The assessment concluded that:

- The 1907 and 1917 buildings demonstrate local heritage significance for historic and rarity values. The remainder of the site does not demonstrate sufficient heritage value to warrant retention.
- Council may wish to consider undertaking a planning agreement with the proponent which encourages the conservation and adaptive re-use of the 1907 and 1917 buildings as part of any future redevelopment of the site.
- Opportunities to conserve and adaptively re-use the 1907 building and 1917 administrative building should be explored by the developer in consultation with Council.
- Further investigation should be undertaken to determine the extent of original fabric which remains in situ and a strategy put in place that encourages maximum retention of original fabric where possible and the conservation of their rare industrial character. A heritage architect should provide input into the design.
- The history and significance of the retained buildings should be communicated to the public via interpretation and the restoration of significant components, for example the painted 'Pilchers Bakery' sign to Cecily Street, the internal features that relate back to the site's original use and early timber/masonry structural elements.

The ABBCO office building, Pilchers Bakery (2 storey brick building on the corner of Balmain Road and Cecily Street) and the connecting building between these two fronting Balmain Road (refer to Figure 1) are therefore worthy of heritage listing under Leichhardt LEP given their significant fabric and must be protected. The proposed concept design currently shows that a significant part of the Pilchers Bakery building would be demolished and must be amended to show its protection and retention. Council's Heritage Advisor site



Figure 1

inspection established that the structural walls, floors and ceilings appear intact. The internal partitions and alterations such as false ceilings are reversible and the original floor plan is recoverable. The condition of these buildings do not warrant demolition.

The Proponent's Heritage Assessment must be revised to assess the Proposals impact on Callan Park, a State Heritage Item opposite the site and on the local heritage item on Fred Street, as it currently fails to mention these items. The Heritage Assessment needs to be updated as part of the minimum requirements for a Planning Proposal that include a justification of the proposal under S.55 of the Act and against S.117 Directions with heritage conservation being a relevant Direction.

The Proponent's Heritage Impact Statement's (HIS) assessment of the physical fabric and heritage significance of the buildings is inadequate, particularly in respect of the ABBCO office building. Further assessment is required for the two buildings referenced as the 'character buildings'. The applicant should refer to the Heritage Office of NSW maintenance series of guideline documents (specifically those regarding timber and masonry structures), Australia ICOMOS *Conservation Guidelines for Building Surveyors* and *Engineering Heritage and Conservation Guidelines* published by the Institute of Engineers. The HIS must be updated to rank not only the heritage significant fabric but also the spaces that relate to each building. This will guide development of the site. For instance in large open spaces any infill should be designed to allow an understanding and appreciation of the original space and any exposed timber structures. An archival recording of all three buildings should also be undertaken.

This will underpin a revision of the Planning Proposal to propose the heritage listing of the ABBCO, Pilchers Bakery and connecting buildings shown in Figure 1.

A VPA could recognise heritage constraints that will be addressed in the required site specific DCP.



Photo: Automatic Bread Baking Company (ABBCO - Office Building) and Pilchers Bakery (corner with Balmain Road and Cecily Street)

12 Site Specific Local Provision Clause 6.1

Should the Department support the amended Planning Proposal in its current form and issue a Gateway Determination, Council requires an updated local provision to ensure that the future development will address the following matters:

Development consent may be granted to a single development application for development on land to which this clause applies that addresses the following:

- a. A proposal to develop the 469- 483 Balmain Road site in its entirety,
- b. A proposal for the purpose of light-industry and residential development
- c. Not less than 6,000 sqm of the total gross floor area of the development must be used for light industry as defined by permissible uses in LLEP 2013, in the land use table for Zone IN2 and Part 6.9.

This local provision must also include elements for:

- d. Protection and conservation of the heritage significant buildings on the site as shown in Figure 1
- e. A pedestrian through site link between Fred Street and Balmain Road
- f. Minimum setbacks from the site boundaries to the residential component
- g. The height of the development should be specified in metres and AHD with provision for greater floor to ceiling heights in the light industrial component. Specifically, the ground and first floor levels related to the non-residential and employment floor space must have a floor to ceiling height of 5.2m, with the ground floor of the development reserved exclusively for employment purposes as part of any redevelopment of the land.

Conclusions and recommendations:

1. Any Planning Proposal for 469 – 483 Balmain Road, Lilyfield must retain the IN2 Light industrial zone and dedicate a minimum 6,000sqm of floor space for IN2 Light Industry permissible uses (including business and offices uses for creative purposes as defined in Clause 6.9(3) of Leichhardt Local Environmental Plan 2013).
2. The amended Planning Proposal has not demonstrated that residential accommodation as an additional permitted use in a vertically integrated development will not hinder the role and function of the industrial zone and the wider industrial precinct.
3. The amended planning proposal is inconsistent with A Plan for Growing Sydney; the draft Central District Plan; the Leichhardt Employment and Economic Development Plan 2013 – 2023, Leichhardt 2014 Industrial Lands Study and Leichhardt Industrial Precinct Planning Report 2016.
4. The amended planning proposal does not propose an adequate level of affordable housing and does not comply with the recommendations of the draft Central District Plan or the Inner West Council's Affordable Housing Policy.
5. The height, bulk, scale and form of the building envelopes sought are excessive and incompatible with the low density character of the neighbourhood and State Heritage listed Callan Park and local heritage items.
6. The planning proposal does not adequately respond to identified heritage impacts.

Should the Department support the Planning Proposal in its current form and issue a Gateway Determination, the following **additional information** should be provided prior to public exhibition:

- a. an urban design report and concept plans accompanied by a detailed site specific Development Control Plan that meets the requirements of State Environmental Planning Policy 65 – Residential Flat Design Code and the Apartment Design Guide (ADG) and achieves a 5 Green Star Rating. These are required to determine compatibility with the character of the area and whether the proposed development standards of height and FSR are acceptable.
- b. additional details of how land use conflicts between the industrial land uses/IN2 zone and existing businesses in the rest of the Balmain Road industrial precinct and new residential accommodation on the site could be avoided or mitigated. This must address building/floor space configuration, separation of uses, access arrangements that should be separate for the residential and employment components, servicing, loading and operating hours and provide research and evidence of successful examples of vertically integrated developments accommodating different land uses.
- c. Evidence of the existing number of businesses, employees and floor space areas.
- d. Provision of at least 15% affordable housing
- e. A Phase 2 / Detailed Site Contamination Investigation to demonstrate that the site is suitable for residential development in accordance with SEPP 55
- f. An updated local provision reflecting the concerns raised in this letter

Amended:

- g. Heritage impact assessment
- h. Economic impact assessment
- i. Social Impact assessment
- j. VPA offer reflecting the above

ATTACHMENT 3

Heritage Significance assessment prepared by GML Heritage Pty Ltd June 2017

Item 6**Attachment 2**

ATTACHMENT 4

4a.SGS Peer Review of Economic Impact Assessment

4b. SGS letter of additional advice

ATTACHMENT 5**Made in Marrickville – Creative-Manufacturing Industries Report**

(Click on the title/hyperlink to the report)

http://www.urbanculturalpolicy.com/wp-content/uploads/2017/08/Made_in_Marrickville_DP170104255-201702.pdf

Item 6**Attachment 2**

HISTORY

The landowners Roche Group Pty Ltd have submitted two previous Planning Proposals to rezone the site to a mixed use zone with residential development as outlined in the Table below.

Previous Planning Proposals

August 2005	<p>Planning Committee meeting considered a report where the Proponent's consultants proposed three (3) options for the site:</p> <ol style="list-style-type: none"> 1. retain the industrial zoning, retrofit the existing building with FSR of 2.9:1 2. rezoning for residential 3. rezoning for mixed use at FSR of 2.6:1 with buildings between 5 to 7 storeys and total GFA of 17,751sqm <p>The Planning Committee (PC05/41) resolved that the report be received and noted; precinct and local area briefings and a separate Councillor briefing be organised prior to any endorsement regarding the usage of the site and the applicant is to fund a public briefing and notification. Further, the ordinary Council meeting resolved (373/05) that:</p> <ul style="list-style-type: none"> • Council does not intend to rezone this site • Staff advise Roche Group the owners that the concept plans for a mixed use development which would require rezoning would not be given in principle approval • Council develop strategic planning guidelines for the precinct • Council in consultation with residents, businesses and landholders develops planning guidelines for the site to inform a DA to Council • Council conduct a public meeting to inform the planning guidelines <p>The community response to the public meeting was reported to the November 2005 Planning Committee meeting (PC05/67) noting no rezoning was supported and the site should be heritage listed and artists' studios retained. It was resolved that Council establish a resident reference group to work in detail with Council to establish planning guidelines</p>
14 June 2007	<p>A report to Councils Planning Committee for the former bakery site (DA00/0511) set planning and development principles for the site following community consultation with a resident reference group. Council adopted 9 design principles which any new proposal would need to respond to before it would consider any proposed changes to existing industrial zoned land. This included Principle 2 – Land Use <i>"Any future development must maintain or increase employment for industrial purposes"</i> and Principle 7 – <i>site/block permeability</i>. A heritage assessment and character study had also been prepared dated July 2006</p>
3 July 2012	<p>Council considered a report on a new Planning Proposal to rezone the site from industrial to a B2 – Local Centre business zone including 4200m² for employment (retail and business) and 89 residential units. The Proposal was based on an indicative concept design informed by the 9 design principles from 2007 and had an FSR of 2:1, through site links east-west and north-south. Council resolved to defer consideration of Proposal until Leichhardt Employment and Economic Development Plan would be adopted in 2013</p>

Current Planning Proposal – timeline

15 August 2016	Pre-Planning Proposal submission meeting with Council officers regarding the specialist reports that would be required to support a rezoning request
September 2016	Pre lodgement draft Planning Proposal accompanied by an Economic Impact Assessment and urban design report submitted on behalf of the owner Roche Group Pty Ltd
14 October	Councils response raised 18 points of concern and questions particularly

2016	regarding the loss of industrial land and the proponents Economic Impact Assessment
4 Nov 2016	The proponent submitted a partial response to Councils queries
9 December 2016	Council letter reiterated most of the initial concerns and requested additional information including survey plans and architectural drawings (indicative floor plans, apartment design layouts)
16 December 2016	Planning Proposal formally lodged after meeting with Council officers and an undertaking by proponent to provide additional supporting information before Christmas 2016
14 February 2017	Additional information requested by Council submitted including further economic justification, concept design diagrams and details addressing the strategic policy context
21 Feb 2017	Design diagrams, elevations and details of compliance with the Apartment Design Guide submitted
22 March 2017	Social Impact Assessment submitted to Council
29 March 2017	Voluntary Planning Agreement letter of offer submitted to Council
17 May 2017	Meeting between Council officers, Roche Group and their design and planning consultants
26 May 2017	Proponents submitted an outline of a revised concept Planning Proposal
6 June 2017	Council letter in response to the new concept Planning Proposal outlined the need to retain the IN2 industrial zone and floor space, in principle height of no more than 6 storeys, provide greater setbacks and information to be updated in a revised Planning Proposal
21 June 2017	Proponents submitted a revised Planning Proposal Economic Impact Assessment, Transport assessment, supplementary urban design concept block plans, VPA offer and a supporting letter
25 June 2017	Proponent submitted revised Planning Proposal document
22 August 2017	Proponent submitted a request for a Rezoning Review with the Department of Planning and Environment
25 August 2017	Letter to Council from the Department of Planning and Environment advising of the Proponents Rezoning Review request and requiring a submission within 21 days
15 September 2017	Council wrote to the Department of Planning and Environment outlining its concerns with the Planning Proposal and recommending it is rejected
12 October 2017	Sydney Eastern City Planning Panel (the Panel) met with Council, the Proponent and Department of Planning staff on the 12 October 2017 and determined that the Planning Proposal should proceed to gateway subject to conditions.
16 October 2017	Sydney Eastern City Planning Panel (the Panel) letter to Council inviting Council to be the Relevant Planning Authority (RPA) for this proposal (refer to Attachment 2) and advising that a Planning Proposal would need to be submitted 42 days after nominating to be the RPA.



Mr Rik Hart
General Manager
Inner West Council
council@innerwest.nsw.gov.au

16 October 2017

Dear Mr Hart

Request for a Rezoning Review – 2017SCL049 - PGR_2017_IWEST_002_00

I refer to the request for a Rezoning Review for a proposal 469-483 Balmain Road Lilyfield to amend Leichhardt Local Environmental Plan 2013. The proposal seeks to introduce a Maximum Building Height equivalent to 6 storeys for the site, increase the maximum FSR, introduce residential accommodation as an additional permitted use and introduce a minimum non-residential/employment floor space of 6,000 sqm.

The Sydney Eastern City Planning Panel (Planning Panel) has determined that the proposal should proceed to Gateway determination stage. In making this decision, the Planning Panel considered the request and advice provided by Council. A copy of the Panel's decision is attached.

Consequently, Council is invited to be the Relevant Planning Authority (RPA) for this proposal and to advise the Planning Panels Secretariat within 42 days of the date of this letter whether it will accept the role of RPA for this proposal. Should Council agree to be the RPA, it will need to prepare a planning proposal under section 55 of the *Environmental Planning and Assessment Act 1979*, and submit it for a Gateway determination within 42 days after accepting this role.

If Council does not wish to progress this matter, the Planning Panel will be appointed as the RPA to prepare the planning proposal.

If you have any queries on this matter, please contact Stuart Withington, Manager, Planning Panels Secretariat on (02) 8217 2062 or via email to stuart.withington@planning.nsw.gov.au

Yours sincerely



Maria Atkinson
Chair, Sydney Eastern City Planning Panel

encl. Rezoning Review Record of Decision

Planning Panels Secretariat

320 Pitt Street Sydney | GPO Box 39 Sydney NSW 2001 | T 02 8217 2060 | www.planningpanels.nsw.gov.au


**Planning
Panels**
**REZONING REVIEW
RECORD OF DECISION
SYDNEY EASTERN CITY PLANNING PANEL PLANNING PANEL**

DATE OF DECISION	12 October 2017
PANEL MEMBERS	Maria Atkinson (Chair), Sue Francis, John Roseth, Debra Laidlaw Brian McDonald
APOLOGIES	None
DECLARATIONS OF INTEREST	None

REZONING REVIEW

2017SCL049 – Inner West - PGR_2017_IWEST_002_00 at 469-483 Balmain Road Lilyfield (AS DESCRIBED IN SCHEDULE 1)

Reason for Review:

- ☐ The council has notified the proponent that the request to prepare a planning proposal has not been supported
- ☒ The council has failed to indicate its support 90 days after the proponent submitted a request to prepare a planning proposal or took too long to submit the proposal after indicating its support

PANEL CONSIDERATION AND DECISION

The Panel considered: the material listed at item 4 and the matters raised and/or observed at meetings and site inspections listed at item 5 in Schedule 1.

Based on this review, the Panel determined that the proposed instrument:

- ☒ **should** be submitted for a Gateway determination because the proposal has demonstrated strategic and site specific merit
- ☐ **should not** be submitted for a Gateway determination because the proposal has
- ☐ not demonstrated strategic merit
 - ☐ has demonstrated strategic merit but not site specific merit

The decision was unanimous.

REASONS FOR THE DECISION

The Panel accepts that the planning proposal demonstrates both strategic and site specific merit and should proceed to Gateway.

The Panel believes the site specific merits of compatibility of use between industrial and residential requires further exploration.






The Panel supports the protection of the existing amount of industrial floor space (minimum 6,000m²) on the site and any residential use of the site must be designed to ensure the viability of this industrial use.

The Panel recommends that the delegate give consideration to the following matters:

1. Include a provision that enables residential development to occur on the site subject to meeting objectives which include but are not limited to:
 - a. retain the viability of industrial uses on the site;
 - b. no detrimental impact on the uses (current or future) on the adjoining IN2 zoned land
2. Ensure a rationale for the height, floor space ratio, and building massing and modulation for the site is prepared and exhibited with the planning proposal.

3. Ensure mechanisms are provided for creative employment space.
4. Retain the two buildings on the site which have historical importance.
5. A site specific development control plan is prepared in accordance with clause 6.14 Development control plans for certain development of Leichhardt Local Environmental Plan 2013.

While the majority of the Panel supported the proposed FSR of 2.5:1, Panel members Brian McDonald and Debra Laidlaw were of the opinion that the FSR and the height (approximately 23 metres) were too large to achieve desirable outcomes for both industrial and residential function and amenity.

PANEL MEMBERS	
 Maria Atkinson (Chair)	 John Roseth
 Sue Francis	 Debra Laidlaw
 Brian McDonald	

SCHEDULE 1		
1	PANEL REF – LGA – DEPARTMENT REF - ADDRESS	2017SCL049 – Inner West - PGR_2017_IWEST_002_00 at 469-483 Balmain Road Lilyfield
2	LEP TO BE AMENDED	Leichhardt Local Environmental Plan 2013
3	PROPOSED INSTRUMENT	The Rezoning Review request seeks to amend the Leichhardt Local Environmental Plan 2013 for 469 – 483 Balmain Road, Lilyfield. The proposal seeks to introduce a Maximum Building Height equivalent to 6 storeys for the site, increase the maximum FSR, introduce residential accommodation as an additional permitted use and introduce a minimum non-residential/ employment floor space of 6,000 sqm.
4	MATERIAL CONSIDERED BY THE PANEL	<ul style="list-style-type: none"> Rezoning review request documentation Briefing report from Department of Planning and Environment
5	MEETINGS AND SITE INSPECTIONS BY THE PANEL	<ul style="list-style-type: none"> Site inspection and briefing meeting with Department of Planning and Environment (DPE): Thursday 12 October 2017 at 10:00am <ul style="list-style-type: none"> Panel members in attendance: Maria Atkinson (Chair), Sue Francis, John Roseth, Debra Laidlaw, Brian McDonald Department of Planning and Environment (DPE) staff in attendance: Martin Cooper, Brendan Metcalfe Briefing meeting with Council: Thursday 12 October 2017 at 1:30pm <ul style="list-style-type: none"> Panel members in attendance: Maria Atkinson (Chair), Sue Francis, John Roseth, Debra Laidlaw, Brian McDonald Department of Planning and Environment (DPE) staff in attendance: Martin Cooper, Brendan Metcalfe, Karen Armstrong Council representatives in attendance: Harjeet Atwal, Svetlana Kotevska, Roger Rankin Briefing with Proponent: Thursday 12 October 2017 at 2:00pm <ul style="list-style-type: none"> Panel members in attendance: Maria Atkinson (Chair), Sue Francis, John Roseth, Debra Laidlaw, Brian McDonald Department of Planning and Environment (DPE) staff in attendance: Martin Cooper, Brendan Metcalfe, Karen Armstrong Council representatives in attendance: Harjeet Atwal, Svetlana Kotevska, Roger Rankin Proponent representatives in attendance: Sam Haddad, Michael File, Dominic Roches, Wes Van Der Garden, Day Perez, Stephen Moore

Item No: C1117 Item 7

Subject: 466-480 NEW CANTERBURY ROAD, 26-38 HERCULES STREET, DULWICH HILL - PLANNING PROPOSAL

Prepared By: Harjeet Atwal - Planning Operations Manager

Authorised By: Gill Dawson - Group Manager Strategic Planning

SUMMARY

Angus Developments Pty Ltd requested a Rezoning Review for a Planning Proposal with the Department of Planning and Environment (DPE) to amend *Marrickville Local Environmental Plan (MLEP) 2011* to rezone land from IN2 - Light Industrial at 466 - 480 New Canterbury Road and 26 - 38 Hercules Street, Dulwich Hill to permit residential, employment and open space. The planning proposal also seeks new development standards for building height and Floor Space Ratio.

The Rezoning Review was considered by the Sydney Eastern City Planning Panel (the Panel) on the 12 October 2017 who determined that the Planning Proposal should proceed to Gateway as the proposal demonstrated both strategic and site specific merit. The Panel has invited Council to be the Relevant Planning Authority (RPA) for this proposal and has requested that Council advise in writing within 42 days of its letter if it would like to be the Relevant Planning Authority (RPA) for this matter.

It is recommended that Council resolve to accept the role of RPA and advises the Panel accordingly. The role of RPA will enable Council to manage and influence the outcomes of the Planning Proposal as well as the process including community consultation.

RECOMMENDATION

THAT Council:

- 1. Receive and note this report;**
 - 2. Accepts the role of Relevant Planning Authority for the Planning Proposal at 466-480 New Canterbury Road & 26-38 Hercules Street, Dulwich Hill;**
 - 3. Request the Department of Planning and Environment delegate to Council the Plan Making functions to make the LEP amendment; and**
 - 4. Submits the Proponent's Planning Proposal to the Department of Planning and Environment for a Gateway Determination.**
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BACKGROUND

On 27 July 2016, Council received a Planning Proposal to amend the MLEP 2011 by:

- Amending the zoning from IN2 Light Industrial to RE1 Public Recreation for the proposed public open space link along the western edge of the site and public open space pocket park on the south-eastern corner of the site, and to B5 Business Development for the remaining land;
- Including a Clause 22 in Schedule 1 Additional permitted uses of MLEP 2011 to permit residential flat buildings throughout the B5 Business Development zone, and neighbourhood shops limited to the north-western corner of the site;