

Gateway Alteration – Briefing Report

Department ref. no	PP_2019_CUMB_002_00
LGA	Cumberland Council
LEP to be amended	Holroyd Local Environmental Plan 2013
Address	1 Crescent Street, Holroyd (Lot 10 DP 808585)

1. SUMMARY

1.1 Background

The planning proposal applying to land at 1 Crescent Street, Holroyd (Figure 1 below) was subject to the former Pre-gateway Review process (now Rezoning Review) in 2016, following the former Holroyd Council (now Cumberland Council) failing to make a decision on the proposal within 90 days. The former Sydney West Central Planning Panel (now Sydney Central City Planning Panel) considered the proposal and concluded that it had sufficient merit to proceed to Gateway, subject to conditions.

On 2 November 2017 the Panel was appointed as the planning proposal authority as Council elected not to complete this role.

Attachment A outlines the relevant background of the planning proposal.

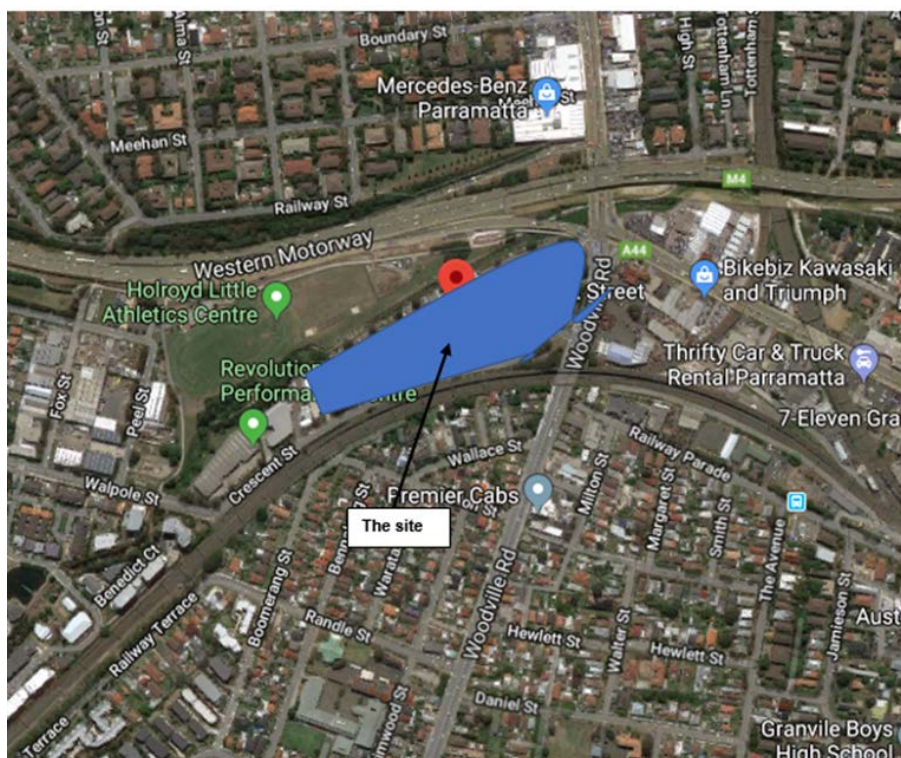


Figure 1 – Site location (Source: Gateway determination report)

1.2 Planning Proposal

The planning proposal (**Attachment B**) seeks to amend the Holroyd Local Environmental Plan (LEP) 2013 as follows:

- rezone the site from B5 Business Development to part B6 Enterprise Corridor (including 'commercial premises' as an additional permitted use), part R4 High Density Residential, part RE1 Public Recreation and part SP2 Infrastructure (Figure 2 below);
- increase the maximum floor space ratio (FSR) control for the site from 1:1 to between 3.4:1 and 4.2:1 (Figure 3 next page); and
- increase the maximum height of building control for the site from 15m to between 32m and 96m (Figure 4 next page).

The planning proposal considered at Gateway sought to:

- accommodate up to 1255 high-rise residential dwellings and 300 jobs at a location within 30 minutes of local centres and jobs;
- retain employment use on part of the site and provide and 12,755m² (NLA – net lettable area) of retail and commercial floor space (which has the potential to accommodate 300 jobs based on economic reporting submitted with the request for a Gateway determination);
- facilitate a minimum of 7% of the total number of dwellings for affordable housing;
- contribute to community benefit by providing publicly accessible open space (16,372m²) zoned RE1 Public Recreation for residents and workers. The proposal will provide linkages to existing public open space, cycleways and pedestrian pathways; and
- contribute to improving the surrounding transport network by providing an easement for future public transport along Crescent Street. The proposal will provide infrastructure improvements to the Woodville Road intersection with Parramatta Road and Crescent Street.

The revised planning proposal (**Attachment B**) (updated by the proponent in accordance with the Gateway as discussed in section 3 of this report) is supported by an Urban Design Report (**Attachment C**), Traffic Report (**Attachment D**) and Affordable Housing Studies (**Attachments E, F & G**). It is proposed that this suite of documentation be placed on public exhibition for community consultation.



Figure 2 – Proposed zoning (Source: Urban design report)



Figure 3 – Masterplan – Site Plan (Source: Urban Design Report)



Figure 4 – Masterplan – Massing Plan (Source: Urban Design Report)

1.3 Gateway Determination

A Gateway determination (**Attachment H**) was issued for the planning proposal by the Department of Planning, Industry and Environment on 17 July 2019.

The Gateway determination contained conditions requiring the planning proposal and supporting documents be updated to ensure consistency, consultation with the RMS, inclusion of affordable housing (7% in perpetuity) as part of the development (subject to studies), inclusion of a satisfactory arrangements clause, need for mandatory commercial floor space and update of the project timeline.

Upon amendment of the proposal and studies to address the above conditions, the Gateway requires approval from the Department prior to exhibition occurring.

The Gateway determination also required the preparation of a site specific development control plan (DCP) prior to public exhibition.

2. REQUESTED AMENDMENT

The proponent has requested two amendments to the Gateway determination with an aim of allowing the planning proposal to proceed to public exhibition. The proponent's request (**Attachment I**) is outlined and considered below.

2.1 Amendment 1 – Condition 1(c)

Condition 1(c) states that prior to undertaking public exhibition, the planning proposal should be amended to:

'prepare a study investigating the feasibility of providing affordable housing as part of the proposal. The study should be prepared in consultation with Council and should compare the feasibility of the proposed affordable housing contribution against the requirements under the Cumberland Interim Affordable Housing Policy and a minimum of 7% of the total number of new residential units being dedicated in perpetuity as requested by the Sydney Central City Planning Panel'.

The proponent engaged Urbis to address this condition. Urbis prepared an Affordable Housing Feasibility Study dated 31 May 2019 (**Attachment E**), addendum dated 4 October 2019 (**Attachment F**) and report/letter dated 4 October 2019 (**Attachment G**). Urbis prepared the information using the Department's model for testing housing affordability and tested the feasibility of various affordable housing contribution scenarios (including the scenario identified in the Gateway determination).

The study investigated a number of scenarios which varied the percentage of affordable rental housing compared to the total number of dwellings in the development. The scenarios also investigated the length of time the dwellings would be committed for use as affordable rental housing.

The studies identified that the minimum requirement outlined in the Gateway condition is not feasible. The study identified that two possible scenarios (7% for 12 years and 8% for 10 years) are feasible. The proponent seeks to offer a scenario where 7% of residential floor space (88 dwellings) is offered for a period of 12 years.

The proponent argues that the application of the affordable housing targets is inconsistent across the Cumberland LGA (**Attachment G**) with regard to the application of Council's Interim Affordable Housing Policy.

The Central City District Plan identifies an affordable rental housing target generally in the range of 5% to 10% of new residential floor space, subject to viability. The District Plan does not identify a timeframe for how long the affordable housing units are to be provided, however the Greater Sydney Commission has confirmed that the intention is for housing to be provided in perpetuity.

The site is within the Parramatta Road Corridor Urban Transformation Strategy area. The strategy requires a minimum of 5% per cent of new housing is Affordable Housing. The strategy does not provide commentary on timeframe. However, the strategy does note that the delivery of affordable housing be provided in accordance with the government policy of the day. In this instance, as there is no affordable housing policy delivered in connection with State Environmental Planning Policy No. 70 - Affordable Housing (Revised Schemes) the relevant benchmark policy is considered to be the Central City District Plan.

The proponent requests that Condition 1(c) be amended to require an Affordable Housing provision of a minimum 7% of the total number of new residential units for a period of 12 years. This is on the basis that they study has identified that the target nominated in the Gateway condition is not feasible.

While the proposal is inconsistent with the numerical target identified by the Gateway condition, the condition did require the preparation of an affordable housing strategy to consider the matter further. The studies have been prepared and found that the numerical target identified by the condition is not feasible. The rate proposed by the proponent is consistent with the Parramatta Road Corridor Urban Transformation Strategy and is within the target set by the Central City District Plan in percentage of housing however only for 12 years rather than in perpetuity. However, the Central City District Plan also identifies that the proposal needs to be viable and the study provided by the proponent identified that the target nominated in the Gateway condition is not viable.

Should the Panel support the proponent's requested amendment to the Condition 1(c), it is recommended that Panel forward the Gateway Alteration request to the Department for consideration.

2.2 Amendment 2 – Condition 2

Condition 2 of the Gateway determination requires a site specific DCP to be prepared in consultation with Council and for it to be publicly exhibited with the planning proposal.

The planning proposal flagged the need for the preparation of a DCP in order to guide development of the site and respond to site specific issues raised during the process to date. The Gateway determination required the DCP to be prepared in collaboration with Council and exhibited with the proposal to enable the community to comment.

In the proponent's request to amend this condition (**Attachment I**), the proponent has noted difficulties with seeking Council's involvement to draft a DCP. Further the proponent has advised that Council will not formally endorse any draft site-specific DCP for the proposal whilst it is still opposed to the rezoning (**Attachments I & J**). Accordingly, it is the proponent's view that the planning proposal cannot progress to the exhibition stage unless this condition is amended.

The proponent has requested that the Gateway determination be amended to allow the preparation of the DCP following the finalisation of the planning proposal and prior to the determination of any development application (DA) over the site. A provision could be included within the final amendment to require a site specific DCP be prepared prior to development consent being granted. This approach has been utilised within other Local Environmental Plans previously (such as clause 6.18 of the Parramatta LEP 2011). Clause 6.18 of the Parramatta LEP 2011 establishes a clear framework for the preparation of a Development Control Plan, including key issues that must be addressed. This would be tailored to suit the proposed development and required to be completed prior to development approval being granted. The revised planning proposal suggests the following clause below.

Development requiring the preparation of a development control plan

(1) The objective of this clause is to ensure that development on certain land occurs in accordance with a site-specific development control plan.

(2) This clause applies to development on land identified as “1 Crescent Street, Holroyd” on the Key Sites Map.

(3) The development control plan must provide for all of the following—

(a) design principles and objectives of development,

(b) building layout and design controls,

(c) encouragement of sustainable transport, including increased use of public transport, walking and cycling, road access and the circulation network and car parking provision, including integrated options to reduce car use,

(d) provision of open space and landscaping, and improvements to, the public domain,

The Panel may consider additional requirements to the above in its role as Planning Proposal Authority and the suitability of this control will be further considered by the Department as part of the consideration of the Gateway Alteration, if supported by the Panel.

This approach is a reasonable alternative as it will allow the planning proposal to proceed to the public exhibition stage and ultimately finalisation, while ensuring that a DCP is prepared to support the future development prior to development approval being issued. This methodology would also allow the proponent to lodge a concept development application under section 4.23 of the *Environmental Planning and Assessment Act 1979*. The alteration to the Gateway determination will also prevent the planning proposal being unreasonably delayed.

3. REQUEST FOR PUBLIC EXHIBITION

The planning proposal, and supporting studies, have been amended as required by the Gateway determination conditions (except for conditions 1(c) and 2 as discussed above). **Attachment K** provides an assessment of compliance with the Gateway conditions which are required to be satisfied prior to public exhibition.

The proponent has requested alterations to conditions 1(c) and 2 of the Gateway determination in order to allow public exhibition to occur. If this Gateway Alteration is approved, then the revised planning proposal, as submitted to the Panel (**Attachment B**), would be consistent with the Gateway conditions.

The proponent, in addition to the alteration to the Gateway determination, has requested that the Panel form the opinion that the planning proposal is consistent with the Gateway conditions (subject to alteration) and allow the planning proposal to proceed to public exhibition. Should the Panel form this opinion, the proposal will require endorsement by the Department, prior to the public exhibition being held.

Should the planning proposal not be altered, the planning proposal cannot be made available for public exhibition at this stage.

4. CONCLUSION

The proponent has amended the planning proposal in response to the conditions of Gateway determination. The proponent has requested that an alteration to the Gateway determination be sought in relation to two conditions in order to allow the planning proposal to proceed to public exhibition. The public exhibition and public authority consultation process will allow the two respective issues to be addressed further prior to the Panel's consideration to finalise the planning proposal.

5. RECOMMENDATION

It is recommended that the Panel:

- i. note and agree to the proponent's request to alter conditions 1(c) and 2 of the Gateway determination as outlined in sections 2.1 and 2.2 of this report and forward the request to the Department for consideration; and
- ii. agree to endorse the revised planning proposal for public exhibition and seek the approval of the Department for public exhibition, subject to the Department agreeing to the Gateway Alteration in line with sections 2.1 and 2.2 of this report.

ATTACHMENTS

Attachment A – Background/History

Attachment B – Planning Proposal

Attachment C – Urban Design Report

Attachment D – Traffic Report

Attachment E – Affordable Housing Study

Attachment F – Affordable Housing Study Addendum

Attachment G – Affordable Housing Response

Attachment H – Gateway determination

Attachment I – Request for amendment

Attachment J – Meeting minutes

Attachment K – Review of conditions

Attachment L – RMS comment

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