

Item No: C06/20-476

REQUEST FOR GATEWAY ALTERATION FOR THE PLANNING PROPOSAL REQUEST FOR 2 BACHELL AVENUE, LIDCOMBE

Responsible Division: Environment & Planning
Officer: Director Environment & Planning
File Number: PP2018/3
Community Strategic Plan Goal: *A resilient built environment*

SUMMARY

This report provides an overview of a request from the proponent for an alteration to a Gateway Determination for the planning proposal for 2 Bachell Avenue, Lidcombe. The alteration to the Gateway Determination seeks to:

- Increase the floor space ratio control for the site from 2.5:1 to 3:1
- Apply a 29.9m height of building control to the majority of the site, with a 18m height of building controls applying to the frontage to Bachell Avenue
- Add Office and Business Premises as additional permitted uses
- Apply a floor space cap of 7000m² to the additional permitted uses

Other aspects associated with the Gateway Determination, such as the change of zoning to B5 Business Development and removal of the foreshore building line, are not proposed to be altered as part of this request.

The request for an alteration to the Gateway Determination was reported to the Cumberland Local Planning Panel in May 2020. The Panel provided advice that further justification for the change in floor space ratio and the additional permitted uses was required. Following the receipt and review of additional information from the proponent, it is recommended that the planning proposal be forwarded to the Department of Planning, Industry and Environment seeking an alteration to the Gateway Determination.

RECOMMENDATION

That Council:

1. **Endorse an amended planning proposal for 2 Bachell Avenue, Lidcombe, that seeks to amend *Auburn Local Environmental Plan 2010*, to:**
 - a) **Increase the floor space ratio (FSR) control for the site from 2.5:1 to 3:1;**

- b) Apply a height of building (HOB) control for the site of 18m and 29.9m height of building control;
 - c) Amend Schedule 1 to add Office and Business Premise as additional permitted uses to the site; and
 - d) Add a clause to Part 6 that applies a local provision regarding a floor space cap of 7000m² to the additional permitted uses.
2. Endorse that the amended planning proposal be forwarded to the Department of Planning, Industry and Environment seeking an alteration to the Gateway Determination.
3. Note that the following controls are to be retained as included in the Gateway Determination for the proposal:
 - a) Introduction of B5 Business Development Zone for the site.
 - b) Removal of Foreshore Building Line that applies to the site.

REPORT

Background

This report provides an overview of a request from the proponent for an alteration to a Gateway Determination for the planning proposal for 2 Bachell Avenue, Lidcombe. The alteration to the Gateway Determination seeks to:

- Increase the floor space ratio control for the site from 2.5 to 3:1
- Apply a 38m height of building control to the majority of the site, with 14m and 18m height of building controls applying to the frontage to Bachell Avenue
- Add Office and Business Premises as additional permitted uses
- Apply a floor space cap of 7000m² to the additional permitted uses.

Other aspects associated with the Gateway Determination, such as the change of zoning to B5 Business Development and removal of the foreshore building line, are not proposed to be altered as part of this request.

The status of the planning proposal is provided in Figure 1 below.



Figure 1 – Planning Proposal Status

The Site and its Context

The site is located at 2 Bachell Avenue, Lidcombe (Figure 2). The site currently contains a freestanding warehouse, utilised by a laundrette, with a footprint of approximately 2,500m². The warehouse is located in the middle of the site with land on either side vacant. The site is an irregular triangular shape measuring approximately 8,750m² in area.



Figure 2 The Subject Site

Local Context

The site is located on the southern end of the Lidcombe East Industrial Precinct, and is adjacent to a residential area (to the west) and railway infrastructure (to the south).

Regional Context

Planning Controls

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Figure 5 Current Height of Building Control on Site (note: no controls in place)

The site is also identified on the Flood Planning Area Map and the Foreshore Building Line Map, as shown in Figures 6 and 7.



Figure 6 Flood Planning Map



Figure 7 Foreshore Building Line Map

Planning Proposal

Original Planning Proposal

The original Planning Proposal Request submitted to Council in November 2018 sought to:

- Rezone the site from IN1 General Industrial to B5 Business Development
- Introduce a new B5 Business Development zone to the Land Use Table of the *Auburn Local Environmental Plan 2010*
- Amend the floor space ratio control for the site from 1:1 to 3:1
- Remove the Foreshore Building Line that applies to this site.

The Proposal was reported to the Cumberland Local Planning Panel on 13 March 2019. The Panel:

- Supported the change in zoning to B5 Business Development
- Was of the view that insufficient evidence had been provided by the applicant to justify a maximum floor space ratio of 3:1 based on the proposed mix of land uses submitted with the proposal. However, the Panel supported an increase in floor space ratio and was of the view that a floor space ratio of 2:1 may be more appropriate in the context of the site and surrounding land uses
- Recommended consideration should be given to including height controls over the subject site
- Recommended, having regard to the above, the Planning Proposal Request proceed to the next stage of assessment and be reported to Council seeking a resolution to forward an amended planning proposal to the Department of Planning, Industry and Environment for a Gateway Determination.

Proposed Planning Controls Reported to Council

The proposal was reported to Council on 15 May 2019 seeking a Gateway Determination for a planning proposal that sought to:

- Rezone the site from IN1 General Industrial to B5 Business Development
- Introduce a new B5 Business Development zone to the Land Use Tables
- Amend the floor space ratio control for the site from 1:1 to 2.5:1
- Apply a height of building controls of 14m and 27m to the site
- Remove the Foreshore Building Line that applies to this site.

A floor space ratio of 2.5:1 was applied to the site. This floor space ratio was considered to be a compromise between the floor space ratio of 2:1 recommended by

the Panel and the floor space ratio of 3:1 being sought by the proponent. The feasibility of a floor space of 2.5:1 was supported by the proponent's economic study.

Height of building controls of 14m and 27m were applied to the site in response to the Panel's recommendation. The dual building heights were applied to ensuring the taller element of the proponent's concept plan were located to the rear of the site with the lower elements fronting Bachell Avenue, creating a transition from the lower density residential development on the north western side of Bachell Avenue.

Council resolved that the planning proposal with the identified controls be forwarded for a Gateway Determination.

Gateway Determination

A Gateway Determination was issued of 16 December 2019. Prior to public exhibition, the Gateway Determination required:

- A flood impact study to address potential impacts of realignment and enclosure of the existing stormwater drainage channel
- The supporting urban design report be updated to be consistent with the planning proposal and clearly demonstrate the potential built form interface along Bachell Avenue
- The economic study be updated to be consistent with the planning proposal
- The planning proposal be updated, if required, to be consistent with the outcomes of the studies referred to above.

Alteration to the Gateway Determination

An alteration to the Gateway Determination has been requested by the proponent. The alteration seeks to:

- Increase the floor space ratio control for the site from 2.5 to 3:1
- Apply a 38m height of building control to the majority of the site, with 14m and 18m height of building control applying to the frontage to Bachell Avenue to create a transition from neighbouring residential properties
- Add 'Office and Business Premises' as additional permitted use
- Apply a floor space cap of 7000m² to the additional permitted uses.

Further details on the alterations requested is provided in Table 1.

Alteration Request	Details
Office and business premises as additional permitted uses	<p>The proponent's original background studies included office and business premises as component of the redevelopment of the site, although this was not clearly articulated in their original planning proposal.</p> <p>The proponent has emphasised that it was always their intention to seek office and business premise as an additional permitted use as they are essential to the feasibility of the proposal. The proponent's updated economic study indicates that the redevelopment of the site is not viable without office space being part of the redevelopment.</p> <p>To limit the impact on competing locations such as the Lidcombe Town Centre and the Parramatta Road Corridor, the proponent is seeking a floor space cap of 7000m² be applied to the additional permitted uses.</p>
Increase to the floor space ratio	<p>The proponent has provided an updated economic study that concludes that an FSR of 2.5:1 is not feasible. The economic study outlines that an FSR below 3:1 does not provide a sufficient return to alleviate the risks associated with redeveloping the site. The feasibility assessment determines that FSR's of below 3:1 returns less than the 15% return on investment that is required to promote the redevelopment of the site consistent with the proponent's concept.</p>
Height of building control	<p>The proponent has revised their Urban Design Report and are now seeking height of building controls of 38m be applied to the majority of the site, with heights of 14m (approximately 4m wide) and 18m (approximately 9m wide) applying to the frontage to Bachell Avenue.</p>

Table 1 Details of Alteration Request to Gateway Determination

An indicative concept of the proposal associated with the alteration to the Gateway Determination is provided in Figure 8.



Figure 8 Indicative Concept of Proposal for the Site

Amended Planning Proposal

Council has reviewed the alteration request for the Gateway Determination in relation to the land uses proposed on the site, as well as the built form components of floor space ratio and height. Based on this review, an amended planning proposal is identified for the site.

Land Uses Proposed on the Site

The proponent has provided clarification regarding the role of office and business premises as a land use that is intended on the site. This land use would complement other land uses proposed on the site that are consistent with the B5 Business Development zoning, such as high technology industries, warehousing and distribution. The proponent is also seeking a floor space cap of 7000m² for office and business premises.

In relation to the proposed additional permitted uses, while office and business premises is not included in the Land Use Table for B5 Business Development under the draft Cumberland Local Environmental Plan, it is considered appropriate for this location as it would complement the range of other land uses identified in the proposal. The inclusion of office and business premises as additional permitted uses would also support the increase in employment potential at this location, consistent with the outcomes of the Cumberland Employment and Innovation Lands Strategy.

In relation to the floor space cap for office and business premises, the imposition of the cap is supported to allow the viability of the development to be preserved. The cap also aims at protecting office and business uses along the Parramatta Road Corridor and the Lidcombe Town Centre.

Built Form Components

The proponent is seeking amendments to some of the built form components of the site. This includes an increase in the floor space ratio of the site from 2.5:1 to 3:1 and changes to building heights, to enable a transition of height from 14m to 38m.

In relation to the density of the site, a review of the economic study indicates that a floor space ratio below 3:1 does not provide a great enough return to alleviate the risks associated with redeveloping the site. The constraints of the site also require alterations to drainage channels on the site (with an additional cost for the development) to enable an effective use of the site and to remove the flood burden for neighbouring residential properties. It is considered appropriate that a floor space ratio of 3:1 is supported for this proposal.

In regard to the height of building controls for the site, the updated Urban Design Report (Attachment 5) proposed a maximum height of building control of 38m. This height is considered to be inconsistent with height controls for offices along the Parramatta Road Corridor under current planning controls (27m) and proposed planning controls for development identified in the Parramatta Road Corridor Urban Transformation Strategy (27m). A review by Council indicates that a maximum building height of 29.9m is more consistent with the comparable controls and is aligned with the proponent's indicative concept.

In relation to the lower heights, the proponent has also identified a transition of heights of 14m and 18m at the site frontage along Bachell Avenue. While the transition of heights is supported for the site, the inclusion of three tiers of height is not considered to be an effective mechanism in managing height on the site. It is proposed that a similar arrangement to the current Gateway Determination is retained, with a single maximum height at the street frontage, and that this should be 18m in accordance with the indicative concept for the site.

Amended Planning Proposal

Based on the review, an amended planning proposal is identified for the site with the following planning controls as part of the alteration to the Gateway Determination:

- Increase the floor space ratio control for the site from 2.5 to 3:1
- Apply a 29.9m height of building control to the majority of the site, with a height of building control of 18m applying to the frontage to Bachell Avenue
- Add Office and Business Premises as additional permitted uses
- Apply a floor space cap of 7000m² to the additional permitted uses.

The proposed planning controls for the amended planning proposal in relation to floor space ratio and height of building controls are provided in Figures 9 and 10.



Figure 9 Proposed Floor Space Ratio Control with Amended Planning Proposal



Figure 10 Proposed Height of Building Controls with Amended Planning Proposal

It is noted that the following controls are retained as per the Gateway Determination:

- Introduction of B5 Business Development Zone for the site
- Removal of Foreshore Building Line that applies to the site.

Advice from the Cumberland Local Planning Panel

The amended planning proposal for the alteration to the Gateway Determination was reported to the Cumberland Local Planning Panel on 27 May 2020. The Panel recommended that the request not proceed until the following issues are addressed:

- The Panel was not persuaded that an FSR in excess of 2.5:1 has been justified by the proponent and if the amendment is to proceed, further justification for the increased FSR is necessary

- Further, the economic study should be updated to address the impact of the additional permitted uses and proposed office and business premises floor space cap on nearby centres.

The Panel accepted the recommendation of 18m and 29.9m Height of Building control for the site.

The proponent has submitted additional justification in response to the Panel's advice (Attachment 7), with information provided on alignment with strategic planning outcomes, project viability considerations and limited impacts on nearby centres. Council officers have reviewed the additional information provided and considers that the proponent has provided adequate details on the matters raised by the Panel. It is also noted that the site is located within the Eastern Gateway precinct as outlined in the Cumberland Employment and Innovation Lands Strategy.

Strategic Merit Assessment

Land Uses Proposed on Site

There is strategic merit in seeking an alteration to the Gateway Determination for the amended planning proposal as:

- The additional permitted uses of office and business premises is appropriate at this location and supports the renewal of employment lands in Lidcombe, consistent with the strategic directions outlined in the Cumberland Employment and Innovation Lands Strategy, and provides a greater range of employment activities on the site
- The floor area cap of 7000m² for the additional permitted uses balances the viability of the development with the distinct land use needs of the local area, including the Lidcombe town centre and employment lands in Lidcombe and Parramatta Road.

Built Form Components

There is strategic merit in seeking an alteration to the Gateway Determination for the amended planning proposal as:

- The amended floor space ratio for the site supports the economic viability of future development of the site, realising the renewal of employment lands in the Lidcombe area
- The amended height of building controls retains lower height on the street frontage with adjoining areas, and provides an appropriate maximum height towards the rear of the site consistent with the outcomes being sought through the indicative concept.

Consistency with Strategic Merit Assessment for Planning Proposal with Gateway Determination

The amended planning proposal identified for the alteration to the Gateway Determination continues to be consistent with the strategic merit assessment with the planning proposal that has received a Gateway Determination. This includes:

- Consistency with strategic plans, including the Central City District Plan, Cumberland 2030: Our Local Strategic Planning Statement and the Cumberland Employment and Innovation Lands Strategy
- Consistency with technical issues identified, including the introduction of the B5 Business Development zone, flood planning and foreshore building line, and traffic and transport.

Recommended Planning Controls

A summary of the recommended planning controls for the proposal is provided in Table 2. This is based on a review of the proponent's proposed planning controls by Council officers, and advice from the Cumberland Local Planning Panel.

Planning Controls (Holroyd LEP 2013)	Gateway Determination	Request for Gateway Alteration	Cumberland Local Planning Panel Advice (May 2020)	Recommended Planning Controls
Zoning	B5 Business Development	B5 Business Development	B5 Business Development	B5 Business Development
Height of Building	14 metres 28 metres	14 metres 18 metres 38 metres	18 metres 29.9 metres	18 metres 29.9 metres
Floor Space Ratio	2.5:1	3:1	2.5:1 or further justification for a greater FSR	3:1
Additional Permitted use	Nil	Office and business premises that do not exceed 7,000sqm	Further justification of the additional permitted uses	Office and business premises that do not exceed 7,000sqm
Mapping Amendment	Removal of Foreshore Building Line	Removal of Foreshore Building Line	Removal of Foreshore Building Line	Removal of Foreshore Building Line

Table 2 Recommended Planning Controls for Proposal

Next Steps

It is recommended that an amended planning proposal be forwarded to the Department of Planning, Industry and Environment seeking an alteration to the Gateway Determination. Should an altered Gateway Determination be issued, post-Gateway public consultation will be undertaken prior to a further report to Council on the planning proposal.

COMMUNITY ENGAGEMENT

The proposal was publicly exhibited for a period of 28 days from 13 November 2018 to 11 December 2018, in accordance with Cumberland Council's Planning Proposal Notification Policy.

In response to the exhibition, Council received no written submissions during or after the exhibition period.

POLICY IMPLICATIONS

Policy implications for Council are outlined in the main body of the report.

RISK IMPLICATIONS

There are minimal risk implications for Council associated with the report.

FINANCIAL IMPLICATIONS

There are no financial implications for Council associated with this report.

CONCLUSION

It is recommended that the amended planning proposal, with revised building height controls of 18m and 29.9m, and revised floor space ratio control of 3:1, be forwarded to the Department of Planning, Industry and Environment seeking an alteration to the Gateway Determination. This recommendation is being made as:

- The proposal will support the renewal of employment lands in Lidcombe, consistent with the strategic directions of the Cumberland Local Employment Lands Strategy
- The amended proposal clarifies the land use and built form for the site in a manner that is generally consistent with the character of the surrounding area
- The amended proposal continues to be consistent with strategic and technical considerations identified in the original proposal that has received a Gateway Determination

ATTACHMENTS

1. Gateway Determination
2. Updated Urban Design Report
3. Updated Economic Study
4. Minutes from CLPP Meeting 13 March 2019
5. Minutes from Council Meeting 15 May 2019
6. Minutes from CLPP Meeting 27 May 2020
7. Additional Information Following CLPP Advice