

Ms Monica Barone
Chief Executive Officer
City of Sydney Council
GPO Box 1591
SYDNEY NSW 2001

Dear Ms Barone

**Planning proposal to amend Sydney Local Environmental Plan 2012
(PP_2020_SYDNE_004_00)**

Thank you for your request for a Gateway determination regarding the land at 600-660 Elizabeth Street. As delegate of the Minister for Planning and Public Spaces, I have determined that the planning proposal should proceed subject to conditions in the enclosed Gateway determination.

This is a significant housing proposal that reflects extensive negotiation between the Council and the Land and Housing Corporation (LAHC). It represents an opportunity to create new social housing in the City, resolve the future of an important community asset (the PCYC) and create much needed housing diversity with a potential new build to rent scheme.

The Gateway determination includes conditions to update the planning proposal, such as the provision for affordable housing and social housing, additional floor space incentive for PCYC and BASIX controls in the draft design guide. The Department recommends:

- **at least 30% of total floor area be used as social and affordable housing** as a condition of Gateway. This is consistent with the 30% LAHC target and significantly above both the District plan (5-10% affordable, subject to feasibility) and Council targets (25% affordable rental housing).
- **a specified minimum percentage of social, and affordable housing, not being less than 30% of the total floor area**, to ensure there is a genuine mix of both social housing and affordable housing as part of the future development.
- **removal of the provision for two options for additional FSR relating to the delivery of community facilities** either on site or off site. A clause can only be drafted if the additional floor space ratio is linked to the provision of community facilities as part of the development. I understand from discussions with Council and LAHC there is a preference and commitment for PCYC to remain on site.
- **the draft Design Guide be updated to remove the mandatory nature of the BASIX energy target requirement** and the specific requirement to install solar panels. The mandatory provisions in the draft Design guide are inconsistent with clauses 7 and 9 of the BASIX SEPP, as is the requirement to install solar panels

on all new development. BASIX does not mandate specific design elements but allows the developer to choose the design elements to meet the BASIX target.

These matters are complex and will require further collaboration between the Department, LAHC and Council to resolve. Should further amendments be made to the planning proposal, they can be considered through the post exhibition process or at finalisation.

I have also agreed, as delegate of the Secretary, the planning proposal's inconsistencies with section 9.1 Directions 4.1 Acid Sulfate Soils, 4.3 Flood Prone Land and 6.3 Site Specific Provisions are justified in accordance with the terms of the Direction. No further approval is required in relation to these Directions.

I have determined against Council's request to be the local plan-making authority and due to the nature and complexity of the proposal. Given the draft Design Guide is recommended to be endorsed or made by the Planning Secretary, it's appropriate that the Planning Secretary or delegate also make arrangements for the drafting of any required local environmental plan to give effect to the final proposal.

The amending local environmental plan (LEP) is to be finalised within 12 months of the date of the Gateway determination. Council should aim to commence the exhibition of the planning proposal as soon as possible. Council's request for the Department of Planning, Industry and Environment to draft and finalise the LEP should be made eight weeks prior to the projected publication date.

The State government is committed to reducing the time taken to complete LEPs by tailoring the steps in the process appropriately to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage. In order to meet these commitments, the Minister may take action under section 3.32(2)(d) of the Act if the time frames outlined in this determination are not met.

With the significance of this planning proposal to both the city and to State Government, the Department appreciates Council's approach in actively engage the Department. We look forward to ongoing dialogue on this proposal as it is progressed through consultation.

Should you have any enquiries about this matter, I have arranged for Ms Mary Su to assist you. Ms Su can be contacted on 9373 2807.

Yours sincerely



Brett Whitworth
Deputy Secretary
Greater Sydney, Place and Infrastructure

16 February 2021

Encl: Gateway determination