

review the objectives and land uses, assess potential land use mixes and development incentives to encourage commercial businesses in No 3(d) City Centre Commercial Core Zone in Hurstville LEP 1994 (now B3 Commercial Core in the Hurstville LEP 2012).

Key Planning Policy Recommendations in the Options Paper included expansion of the area of the B3 Commercial Core zone; minimum requirements for non-residential floor space in the B3 Commercial Core zone and B4 Mixed Use zone; preparation of urban design study and review of active street frontage areas. The Options Paper was presented to Council in March 2016. Council resolved to abandon the Study be abandoned and no changes be made to the current LEP.

Draft Employment Lands Study

A draft Employment Lands Study has been prepared for Council by Jones Lang LaSalle and SJB Planning and considers land zoned industrial (IN2 Light Industrial) and business (B1 Neighbourhood Centre and B2 Local Centre) in the Hurstville LEP 2012. The Study also addressed employment floor space in the B4 Mixed Use zone. The draft Employment Lands Study includes:

- A detailed land use survey and analysis of the strengths, weaknesses and opportunities of the employment lands;
- A market assessment;
- A review of the NSW State Government's employment targets; and
- A review of the effectiveness of the existing planning controls.

The draft Study provides a draft Industrial Lands Strategy (Stage 1) and draft Commercial Lands Strategy (Stage 2) which recommends planning controls for the employment lands. Stage 1: Industrial Lands preliminary planning control recommendations were presented to the Council Meeting of 9 December 2015.

The draft Study recommends a minimum non-residential floorspace of 0.5:1 for employment related use.

Applicant's amended Planning Proposal

The Applicant submitted an amended Planning Proposal request on 3 August 2016 based on the recommended height of 50m and FSR of 5.5:1 in the JRPP recommendation of 1 June 2016. The amended Planning Proposal has removed reference to "community use" and "place of public worship" on the site and has included reference to "non-residential" uses on the ground floor level.

The amended Planning Proposal was accompanied by amended Height of Buildings and Floor Space Ratio maps and a revised Urban Design Study (**Appendix 6**).

A summary of the current controls, Applicant Proposal (original lodged in November 2014 and revised lodged in August 2016), JRPP Recommended and Final Recommended is provided in the Table below:

	Current Controls	Applicant Proposal (lodged &	Recommended JRPP (June 2016)	Recommended
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		revised Aug 2016)		
Site Area	1,112.6m ²	--		--
Zone	B4 Mixed Use	B4 Mixed Use		B4 Mixed Use
FSR	4:5 (5,007m ²)	Original: 7:1 (7,788m ²) (approx. 70 apartments) Revised: 5.75:1 (6,398m ²)* (approx. 60 apartments)	5.5:1 (6,119m ²)	5.5:1 Including a minimum non-residential floorspace of 0.5:1
Height	40m (12 storeys)	Original: 55m (17 storeys) Revised: 50m (15 storeys)	50m (15 storeys)	50m (15 storeys)

*The total GFA of 6,398m² includes a non-residential floorspace of approx. 1,000m² (0.9:1) and a residential floorspace of 5398m² (4.8:1) as detailed in the Urban Design Study which results in an overall FSR of 5.75:1. The revised Planning Proposal request identifies an FSR of 5.5:1.

As noted, the Planning Proposal includes a non-residential floor space of approx. 1,000m². It is recommended that a minimum 0.5:1 non-residential FSR be maintained on the site for employment purposes.

No other supporting studies as identified by the Department in its February 2016 Report have been submitted by the Applicant. These issues remain unresolved as detailed in Section 2 and include:

- a comprehensive Traffic Study to demonstrate consistency with the TMAP, traffic impacts of the proposed place of worship and community facilities and consultation with TfNSW and RMS,
- a Heritage Impact Assessment to address any potential impacts of the revised Planning Proposal on the two heritage items, and
- an analysis of demand for recreation and community facilities.

The Planning Proposal, based on the JRPP recommendations on heights and FSR is provided in Section 2 below.

2. The Planning Proposal

The Planning Proposal has been prepared in accordance with Section 55 of the *Environmental Planning and Assessment Act, 1979* and *Regulation, 2000* and the following advisory documents prepared by the Department of Planning and Environment:

- “A guide to preparing planning proposals” (October 2012)
- “A guide to preparing local environmental plans” (April 2013)

Section 55 of the *Environmental Planning and Assessment Act 1979* outlines that a Planning Proposal must explain the intended effect and justification for making the proposed instrument and must include the following components:

- A statement of the objectives and intended outcomes of the proposed instrument (Part 1);
- An explanation of the provisions that are to be included in the proposed instrument (Part 2);
- The justification for those objectives, outcomes and the process for their implementation (including whether the proposed instrument will comply with relevant directions under section 117) (Part 3);
- Maps, where relevant, to identify the intent of the Planning Proposal and the area to which it applies (Part 4); and
- Details of community consultation that is to be undertaken before consideration is given to the making of the proposed instrument (Part 5).

Parts 1 – 5 below address the information requirements identified in Section 55 of the Act for the assessment of the Planning Proposal.

Part 1 – Objectives and Intended Outcomes

The objectives of the Planning Proposal are to:

- provide an increase in the amount of housing accommodated on the B4 Mixed Use site through increasing the maximum building height and maximum FSR development standards
- encourage the future redevelopment of the site within the Hurstville City Centre for employment through requiring a minimum non-residential FSR for the site.

The intended outcomes of the Planning Proposal reflect the recommendations of the JRPP to amend the Hurstville LEP 2012 to the following:

- Increase the maximum building height on the Site from 40 metres to 50 metres (allowing approximately 15 storeys)
- Increase the maximum Floor Space Ratio (FSR) on the site from 4.5:1 to 5.5:1 (including a minimum non-residential FSR of 0.5:1).

Part 2 – Explanation of the Provisions

The proposed intended outcome (refer above) will be achieved by amending the Hurstville LEP 2012 as follows:

Proposed amendments to Hurstville LEP 2012

Land Use Zone

The existing B4 Mixed Use zoning of the Subject Site is to be retained.

Height of Buildings (Clause 4.3)

The Height of Buildings Map (Sheet HOB_008A) is to be amended to increase the maximum building height applicable to the Subject Site from 40m to 50m, in accordance with the proposed height of buildings maps in Attachment 2 and the extract in Figure 17 below.



Figure 17: Proposed Maximum Height

Floor Space Ratio (Clause 4.4 and Clause 4.4A)

The Floor Space Ratio Map (Sheet FSR_008A) is to be amended to increase the maximum floor space ratio applicable to the Site from 4.5:1 to 5.5:1 in accordance with the proposed Floor Space Ratio Map in Attachment 2 and the extract in Figure 18 below;

Clause 4.4A is also to be amended to require a minimum non-residential floor space ratio of 0.5:1 on the Subject Site to ensure that employment and/or community purposes floorspace is provided.



Figure 18: Proposed Maximum Floor Space Ratio

Part 3 – Justification

Section A – Need for the planning proposal

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

No. The Planning Proposal (PP2014/0003) has been initiated by a request from KPoint Investments Pty Ltd. Council considered the Planning Proposal at its meeting on 1 April 2015 and resolved not to support the proposed increases in building height and FSR development standards due to a number of reasons including:

- the exceedance of the adopted development standards by a significant amount
- inconsistency with the Hurstville City Centre Transport Management and Accessibility Plan, 2013 (the “TMAP”) recommendations
- inconsistency with S117 Direction 3.4: *Integrating Land Use and Transport*
- the setting of a precedent.

The Applicant lodged a Pre-Gateway Review application (PGR_2015_HURST_001 00) on 22 May 2015 after Council refused the Planning Proposal on 1 April 2015. The Pre-Gateway Review application was considered by the Sydney East Joint Regional Planning Panel (the “JRPP”) on two (2) occasions, 19 April 2016 and 1 June 2016.

The Department in their Information Assessment and Recommendation Report, dated February 2016 (Appendix 2), which informed the JRPP decision, recommended that PGR_2015_HURST_001 00 had some strategic and site-specific merit, is generally consistent with the metropolitan, regional and local planning framework, as identified in *A Plan for Growing Sydney*.

The Department did not support the bonus FSR mechanism for the retention of community and church uses and recommended the JRPP to consider the following matters in preparing their advice on whether the proposal should proceed to Gateway for determination:

- reducing the maximum building height to approximately 50 metres to better align with the existing surrounding development and reducing the proposed floor space ratio to reflect the amended height. It is noted that additional urban design analysis and demonstrated compliance with the Apartment Design Guide may be required;
- requiring a comprehensive traffic study to determine the cumulative impact of development on this and nearby sites that exceed the existing development controls and justify any inconsistency with the Hurstville City Centre TMAP, including consultation with TfNSW and RMS prior to exhibition; and
- requiring a heritage study to address any potential impacts of the revised Planning Proposal on the two heritage items, the Fire Station (I159) at 27 MacMahon Street Hurstville and the Friendly Societies Dispensary Building (I158) at 17 MacMahon Street Hurstville including the visual, amenity and overshadowing impacts
- Development feasibility analysis
- Analysis of additional demand for recreation and community facilities

On 19 April, the JRPP considered the Department's Information Assessment and Recommendation Report and the views of Council and the Applicant and requested further information from the Applicant in form of urban design analysis including the requirements of the Apartment Design Guideline.

The JRPP considered the Applicant's Urban Design Study on 1 June 2016 and determined that the Proposal should proceed to the Gateway stage and should be revised by reducing the requested height from 55m (approx. 17 storeys) to 50m (approx. 15 storeys) and FSR from 7:1 (including bonus FSR) to 5.5:1. Copies of the JRPP advice are included in **Appendix 3**.

The Applicant amended the Planning Proposal based on the JRPP's advice of 1 June 2016 and submitted a revised Urban Design Study (refer Appendix 6)

In summary, this Planning Proposal reflects the JRPP advice to amend the Hurstville Local Environmental Plan (LEP) 2012 as follows:

- Increase the maximum Building Height on the Site from 40 metres to 50 metres (allowing approx. 15 storeys)
- Increase the maximum Floor Space Ratio (FSR) on the site from 4.5:1 to 5.5:1
- Consult with the appropriate authorities about the height in relation to obstacle limitation surface.

A minimum non-residential FSR of 0.5:1 is also being proposed to ensure that employment floorspace is provided on the site and consistent with the Applicant's revised Planning Proposal.

As noted previously, the following issues identified by the Council and the Department remain unresolved and have not been addressed in any strategic study or report:

- Comprehensive Traffic Study to demonstrate consistency with the
- TMAP, traffic impacts of the proposed place of worship and community facilities and consultation with TfNSW and RMS
- Heritage Impact Assessment to address any potential impacts of the revised Planning Proposal on the two heritage items, the Fire Station (I159) at 27 MacMahon Street Hurstville and the Friendly Societies Dispensary Building (I158) at 17 MacMahon Street Hurstville including the visual, amenity and overshadowing impacts
- Analysis of additional demand for recreation and community facilities.

Council considers that if a Gateway Determination is supported, that it is conditioned to require the above matters, and a detailed Urban Design Analysis which demonstrates compliance with SEPP 65, to be addressed by the Applicant and at no cost to Council.

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

The increase in the maximum building height and maximum floor space ratio development standards for the Subject Site have been revised and supported by the JRPP at its meeting of 1 June 2016. The increase in the maximum building height and maximum floor space ratio for the Subject Site will allow additional development on the site, including both residential and non-residential purposes.

As detailed in the JRPP Report (Appendix 3), the JRPP recommended an increase in the building height to 50m and floor space ratio to 5.5:1. The Report noted:

"The reason for the Panel restricting the maximum height to 50m is that the heights of the existing buildings in the immediate vicinity of the site are in the 45-50m range. These buildings are unlikely to be redeveloped in the near or medium future. A 50m high building on the subject site will be reasonably compatible with existing development, whereas a building of 55m is likely to be dominant. The JRPP's decision to opt for a maximum FSR of 5.5:1 is that the applicant's urban design analysis suggests that this is the appropriate FSR for a height of 48m (approximately 50m)."

The JRPP is satisfied on the basis of the Applicant's urban design analysis, that the above density and height controls will produce a development that will be compatible in its environment, with acceptable impacts on surrounding development."

It is again noted that the issues raised by both Council and the Department (as detailed above) have not been addressed by the Applicant and this analysis would determine whether there will be "acceptable impacts on the surrounding development" as a consequence of the proposed increase in the development standards. This is especially the case considering the cumulative impacts of the breaches in height and FSR standards on neighbouring sites (approved by the JRPP) which have not been modelled through Council's TMAP.

Section B – Relationship to Strategic Framework

Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including A Plan for Growing Sydney and exhibited draft South Subregional Strategy)?

A Plan for Growing Sydney (Metropolitan Strategy)

The Planning Proposal request is consistent with the aims of *A Plan for Growing Sydney* (Metropolitan Strategy) and aims to achieve the following relevant Goals and Directions:

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

- Direction 1.7: Grow strategic centres – providing more jobs closer to home

The existing B4 Mixed Use zoned land in the Hurstville City Centre contributes towards achieving this Direction through providing employment and residential floorspace within the Hurstville Strategic Centre, on a site which benefits from its proximity to the commercial, retail and services within the Hurstville City Centre.

The Planning Proposal further contributes to achieving this Direction by providing an increase in the amount of community, employment and residential floorspace. The design concept provided by the Applicant includes approximately 1000m² (0.9:1) of non-residential floorspace / commercial floor space. It is recommended that a minimum non-residential floorspace of 0.5:1 be required on the site to ensure employment is provided on the site in accordance with A Plan for Growing Sydney, the objectives of the B4 Mixed Use zone and recommendations of the draft Employment Lands Study.

It is noted that the site is located approximately 70m walking distance from the Hurstville Bus Interchange and 180m walking distance from the Hurstville Railway Station, well within the walkable catchments.

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

- Direction 2.1: Accelerate housing supply across Sydney
- Direction 2.2: Accelerate urban renewal across Sydney – providing homes closer to jobs
- Direction 2.3: Improve housing choice to suit different needs and lifestyles

The existing controls provide for approximately 54 apartments above two floors of commercial /non-residential use (with an FSR of 4.5:1 and height of 40m /12 storeys). The increase proposed in the Planning Proposal will provide an additional three (3) storeys (10m) which will equate to approx. nine (9) apartments (calculated based on the concept in the Urban Design Study of August 2016).

The site's suitability for this increase in dwellings clear, it is located within the Hurstville Strategic Centre, close to jobs and service by public transport (Hurstville railway and bus interchange). The issue of the analysis of the potential impact from this increased development has been considered above.

Goal 3: Sydney's great places to live

- Direction 3.3: Create healthy built environments

The site is currently zoned B4 Mixed Use and is located within the Hurstville City Centre and thus provides the potential for a mixed-use development that benefits from its proximity to the retail and services within the City Centre.

Sydney South Subregion

In relation to the priorities of the South Subregion, the site currently provides housing supply and choice in a suitable location for housing intensification and urban renewal within the established Hurstville City Centre serviced by a key public transport corridor (Illawarra Line). The Planning Proposal addresses the Hurstville Strategic Centres priorities of providing capacity for additional mixed use development in Hurstville.

The Planning Proposal is also consistent with the "Planning Principles" for growth identified in the Metropolitan Strategy, including:

- Principle 1: Increasing housing choice around all centres through urban renewal in established areas

Currently, housing opportunities within Hurstville City Centre are being satisfactorily met based on its being the established Strategic Centre serviced by a key public transport corridor. The Proposal (increase in maximum building height and FSR) will increase housing opportunities within Hurstville City Centre (with an additional FSR of approximately 1:1) is within walking distance from the Hurstville Station and bus interchange, is accessible to shops or services. Increasing the variety of housing available will provide housing choice to suit different lifestyles, household sizes and affordability.

- Principle 2: Stronger economic development in strategic centres and transport gateways

The revised Planning Proposal (August 2016) includes a "commercial/non-residential" floor space of approximately 1000m² floor space which equates to approximately 0.9:1 FSR. This Planning Proposal notes that it "would provide significant additional

employment to Hurstville City Centre during the 18 months – 2 year construction period.” There is no reference to the provision of any community space or place of public worship as was the case in the original Planning Proposal lodged in November 2014 and the Pre-Gateway Review application lodged with the Department in May 2015. On that basis, the Department in its February 2016 Report (Appendix 2) have identified that the Applicant prepare a Development Feasibility Analysis and an Analysis of additional demand for recreation and community facilities.

It is proposed that a minimum non-residential floorspace of 0.5:1 is to be provided on the site for employment related use, in accordance with the recommendations of the draft Employment Lands Study (Refer Part 1 - Strategic Planning Studies above).

Draft South Subregional Strategy

The draft South Subregional Strategy (2007) includes key directions and strategies for economy and employment, centres and corridors, housing and transport which are relevant to this Planning Proposal.

In relation to economy and employment, the key directions include:

- Retain strategic employment lands including those required for utilities and local services.
- Strengthen the commercial centre of Hurstville.

In relation to housing, the key relevant directions include:

- Focus residential development around centres, town centres, villages and neighbourhood centres.

The Planning Proposal will enable the provision of additional dwellings and employment generation which will contribute towards meeting targets set in the Strategy.

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

Hurstville City Centre Concept Masterplan (2004)

The Hurstville City Centre Concept Masterplan prepared in 2004 includes the following key objectives relevant to the Planning Proposal:

- Consolidating Hurstville's regional role
- Improving pedestrian movement
- Providing a framework by which improvements to infrastructure may be facilitated
- Introducing a balanced approach to height and density.

The subject site is located in the City Centre North precinct that also includes the Civic Spine. The City Centre North precinct includes most civic and community activities, high-rise residential and commercial developments in the City Centre. The Civic Spine includes three churches, Council's Civic Centre and Hurstville City Museum and Gallery.

A Planning Proposal request for the Hurstville Civic Precinct site, which is a 'deferred matter' site under HLEP 2012, has been received and is currently being assessed.

Hurstville Transport Management and Accessibility Plan, 2013 (TMAP)

During the development of planning controls for the Hurstville City Centre, the Department of Planning advised in its letter of 20 October 2010, that Council should undertake a Transport Management and Accessibility Plan (TMAP) exercise in response to the amount of floor space (1,141,000m²) contained in the draft City Centre LEP, the potential accessibility and infrastructure implications and inconsistency with s.117 Direction 3.4 Integrating Land Use and Transport. The purpose of the TMAP was to recommend the amount of additional GFA which can be developed in the Hurstville City Centre while giving consideration to potential accessibility and infrastructure implications.

The TMAP adopted by Council in June 2013 recommended a potential to develop 363,000m² additional GFA resulting in a total of approximately 861,354m² in the City Centre by 2036. A level of inconsistency with s.117 Direction 3.4 currently exists because the total GFA allowed for by the planning controls adopted in the City Centre is 1,091,000m² which is 229,646m² more than recommended in the TMAP. The TMAP was adopted by Council in June 2013 and informed the finalisation of planning controls for the Hurstville City Centre which were incorporated into Hurstville LEP 2012 on 10 July 2015.

The Site is within the boundaries of the Hurstville City Centre, and was included in the area considered by the TMAP, and located within the City Centre North Precinct the attributes of which are listed in the section on DCP 2 - Hurstville City Centre.

Since the finalisation of the TMAP, a number of Planning Proposal requests and development approvals have exceeded the development standards (height and FSR) in the Hurstville LEP 2012. The cumulative impact of these exceedances in the development standards must be considered when all Planning Proposal requests are being assessed.

The TMAP provides a number of key recommendations for road and traffic infrastructure in the City Centre. In particular it recommends policies with "road infrastructure improvements which are targeted at increasing road capacity on rail crossing and network reliability on both regional roads and city centre access routes" (RN1).

Hurstville City Centre Action Plan (Table 52) in the TMAP report provides a list of road network and intersection improvements along with other transport and land use works and actions required in the short, medium and long term to support the future planning of the City Centre and to provide an efficient road network. The impact of all future development (including Planning Proposals) must be analysed as part of further modelling to ensure that impacts and necessary road network and intersection issues are identified.

The TMAP states that the road and traffic works will need to be funded by a mix of sources including State Government funding, Section 94 and VPAs. It states that "private sector funding for land use development will play a critical role in delivering the bulk of the Action Plan in partnership with" local Councils. "Developers will contribute to

the cost of transport infrastructure provision through value or cost-sharing mechanisms...”

Hurstville DCP No.2 – Hurstville City Centre

The provisions of Hurstville DCP No.2 – Hurstville City Centre (Amendment No. 6) apply to the site. The subject site is located within the City Centre North Precinct which has the following attributes:

Characteristics

- This precinct includes the Civic area bounded by Dora Street, MacMahon Street, Park Road and Queens Road.
- MacMahon Street contains a number of important buildings which were built from 1920 to 1930.

Desired future character

- Built form is to adopt a strong civic presence created by well-defined streets and civic spaces.
- Active uses are to be promoted at the ground and lower levels of development to promote vibrancy and passive and active surveillance of the public domain.
- New development to be suitably transitioned to maintain the amenity of adjoining residential land uses.

Hurstville Section 94 Development Contributions Plan 2012

The Hurstville Section 94 Development Contributions Plan 2012 (Section 94 Plan) applies to all land in the Hurstville LGA and includes specific provisions which levy development in the Hurstville City Centre for non-residential floor space (public domain improvements in the City Centre) and deficient car parking spaces. These provisions will apply to development on the Site which is located within the boundaries of the Hurstville City Centre. The Section 94 Plan also includes levies for residential development.

Planning Agreements

Planning Agreements are the key mechanism available to Council to ensure developments assist in contributing towards road and traffic infrastructure upgrades in the Hurstville City Centre. Council has a policy on Planning Agreements which assists in managing discussion and negotiation required with regard to proposed contributions. It is noted that this Planning Proposal request has not submitted any Offer to enter into a Planning Agreement with Council.

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

A checklist of all State Environmental Planning Policies (“SEPPs”) relevant for this Planning Proposal is provided in **Attachment 3**. The provisions of SEPP 65 are considered below:

SEPP 65 – Design Quality of Residential Apartment Development

The aim of the *State Environmental Planning Policy No.65* (SEPP 65) is to improve the design quality of residential apartment development. The original Planning Proposal request (November 2014) provided limited details of the proposal's compliance with SEPP 65.

The St George Design Review Panel (DRP) was established in accordance with SEPP No.65 to provide design advice on major development in the Hurstville, Kogarah and Rockdale Council Areas. However, the Planning Proposal was not considered by the DRP as the recommendation not to support the Planning Proposal encompassed more reasons than only the urban design concerns. In accordance with Clause 27, some of the key functions of the SEPP 65 are:

- to give independent advice to councils on the design content of draft local environmental plans, development control plans, master plans, similar plans and draft planning policy documents having regard to the design quality principles.
- to give independent advice to councils on other mechanisms and initiatives to improve achievement of the design quality principles

If Council receives a Gateway determination for the PP2014/0003, it is recommended that PP2014/0003 be considered by the St George DRP, in accordance with the provisions of SEPP 65 – Design Quality of Residential Apartment Development to provide advice on design content, design outcomes of the proposed height and FSR increase and assessment against the design quality principles.

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

A checklist of the Planning Proposal's consistency with the full set of Section 117 Ministerial Directions is included in **Attachment 4** and key ones are discussed below:

S.117 Direction 1.1 – Business and Industrial Zones

The objectives of Direction 1.1 – Business and Industrial Zones are:

- Encourage employment growth in suitable locations
- Protect employment land in business and industrial zones
- Support the viability of identified strategic centres.

The Planning Proposal did not include an Economic Assessment. The Applicant was requested on 23 September 2014 to prepare the Planning Proposal request in accordance with the Department of Planning and Environment's "A guide to preparing planning proposals" published in October 2012. This included; under *Section C - Environmental, social and economic impact*, question 9 - Has the planning proposal adequately addressed any social and economic effects?

The proposal does not change the existing B4 Mixed Use zoning of the site which allows for the redevelopment for a mix of compatible uses including business, office, residential, retail and recreational uses. The revised proposal (August 2016) includes a mixed use development including commercial/non-residential use on lower levels and residential development above. The proposed non-residential floorspace is approximately 1000m² which is around 15% (0.9:1) of the total proposed GFA.

It is proposed that a minimum non-residential floorspace of 0.5:1 is to be provided on the site for employment related use.

S.117 Direction 3.1 – Residential Zones

The objectives of Direction 3.1 – Residential Zones are:

- To encourage a variety and choice of housing types to provide for existing and future housing needs,
- To make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and
- To minimise the impact of residential development on the environment and resource lands.

While not proposing the rezoning of the Site to a residential zone, the retention of the B4 Mixed Use Zone and the proposed increase in the maximum height and FSR controls will allow a greater provision of housing in an existing urban area (approx. nine (9) additional dwellings), improve housing choice, and make efficient use of existing infrastructure, services and amenities.

The relationship between the Planning Proposal and demand for existing infrastructure as a consequence of increased development on the Subject Site, in particular traffic infrastructure, is discussed further below in relation to Direction 3.4.

S.117 Direction 3.4 – Integrating Land Use and Transport

The objectives of Direction 3.4 – Integrating Land Use and Transport is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:

- Improving access to housing, jobs and services by walking, cycling and public transport, and
- Increasing the choice of available transport and reducing dependence on cars, and
- Reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and
- Supporting the efficient and viable operation of public transport services, and
- Providing for the efficient movement of freight.

The Planning Proposal is partly consistent with Direction 3.4 as it would allow for additional housing (approx. nine (9) dwellings) in a location with good access to the facilities within the Hurstville City Centre, in particular public transport. Additional housing in this location may ease traffic demand on the Sydney road network generally when compared with additional housing in a less accessible location.

The TMAP prepared by GHD Pty Ltd in 2013, considered broad land use assumptions based upon the objectives of the respective land use zones in HLEP 2012 as detailed in Section B above. The Subject Site is located in the City Centre North precinct and the TMAP assumed a retail floorspace of 20%, a commercial floorspace of 40% (thus a total of 60% non-residential floorspace) and a residential floorspace of 40% in this precinct. The Planning Proposal request proposes a residential floorspace of 5,400m² (85%) and a non-residential floorspace of 1,000m² (15%); which demonstrates a significant inconsistency with the TMAP modelling assumptions.

The Traffic Report (Colston Budd Hunt and Kafes Pty Ltd, June 2014) provided by the Applicant supporting the Planning Proposal request and based on a maximum FSR of 7:1, maximum height of 55m, a place of public worship and a community facility; indicated that “the 30 additional dwellings would result in some 10 vehicles per hour two-way during the peak periods”. The Traffic Report examined the impact of the 30 additional dwellings provided over and above the adopted height and FSR along with a 1,200sqm floor space for a Church and community facility.

The Traffic Report (June 2014) did not examine traffic movements from the total proposed development that included 70 dwellings (as per original Planning Proposal, November 2014) or the cumulative impacts of the existing land uses, and approved and proposed developments in the vicinity. The amended Planning Proposal (August 2016) includes approximately 62 total dwellings.

In accordance with the Council’s previous advice and refusal (1 April 2015 Council Report) and Department’s Information Assessment and Recommendation Report (Appendix 2), the Applicant needs to provide a comprehensive Traffic Study to demonstrate consistency with the TMAP, traffic impacts of the proposal and consultation outcomes with TfNSW and RMS.

This traffic analysis should be included as a condition of the Gateway Determination if it is granted. The cost of the modelling and analysis is to be borne solely by the Applicant and is to be at no cost to Council.

Direction 7.1 – Implementation of A Plan for Growing Sydney

Currently, the Hurstville City Centre, specifically the B4 Mixed Use zoning of the site allows for a mix of uses on a site, complemented by the good access to services and transport. The proposal is generally consistent with Direction 7.1 as it will support the role of the Hurstville Strategic Centre as detailed in Section B above.

Section C – Environmental, Social and Economic Impact

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

No. There is no likelihood that critical habitat or threatened species, population or ecological communities, or their habitat will be adversely affected. The site is located within the existing developed area of the Hurstville City Centre.

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

The Planning Proposal does not have major identifiable environmental impacts. In relation to compliance with SEPP 55 – Remediation of Land, the Planning Proposal notes that the site history indicates it is likely to be suitable for community, commercial and residential uses.

Heritage

The Department’s Report of February 2016 identified that the Applicant needs to prepare a heritage study to address any potential impacts (visual, amenity and

overshadowing) of the Planning Proposal on the heritage items in the vicinity, specifically the old Fire Station building at 27 MacMahon Street, Hurstville. The report needs to identify the best way to preserve the heritage significance of the Fire Station as well as maintain the character of MacMahon Street with buildings setback from the street.

Traffic and Transport

Consideration of the traffic and transport impact of the proposal has been provided in Section B above in relation to S.117 Direction 3.4 *Integrating Land Use and Transport*.

Urban Design

An urban design analysis did not accompany the original Planning Proposal request dated November 2014. The Department's Assessment Report identified the need for a detailed urban design analysis and demonstrated compliance with the Department's Apartment Design Guide.

In its first consideration of the PGR on 1 June 2016, the JRPP advised the Applicant to provide sufficient analysis and corresponding heights required by a residential building on the site, to the FSR of 4.5:1, 5:1, 5.5:1 and 6:1, that satisfied the requirements of the ADG. The Applicant was required to assume that the building on its west (33 MacMahon Street) was a mixed use building.

The Applicant prepared an Urban Design Study in May 2016, which was considered by the JRPP on 1 June 2016. The JRPP recommended the proposal to proceed to the Gateway stage. The Urban Design Study provided by the Applicant will need to be revised to address the heritage item at 27 MacMahon Street Hurstville and the Friendly Societies' Dispensary Building at 17 MacMahon Street, Hurstville.

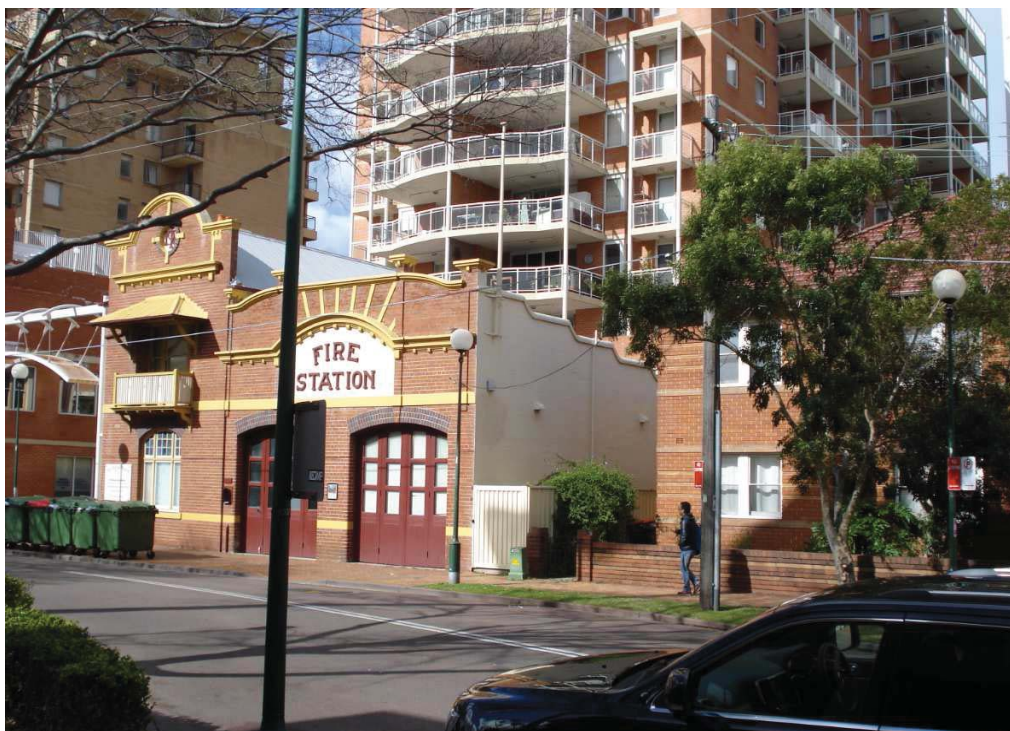


Figure 19: The Old Fire Station building, 27 MacMahon Street, Hurstville (Item - I159)



Figure 20: The Friendly Societies' Dispensary Building at 17 MacMahon Street, Hurstville (Item - I 158)

In addition, as note above in Section 1, the Planning Proposal is to be considered by the St George DRP (in accordance with the provisions of SEPP 65), this also should be conditioned as part of any Gateway Determination.

Has the planning proposal adequately addressed any social and economic effects?

Social

The Planning Proposal request does not include a Social Impact Assessment.

There is no reference to the provision of any community space or place of public worship as was the case in the original Planning Proposal lodged in November 2014 and the Pre-Gateway Review application lodged with the Department in May 2015. On that basis, the Department in their February 2016 Report (Appendix 2) have identified that the Applicant prepare an analysis of additional demand for recreation and community facilities.

Economic

No Economic Impact Assessment was provided with the Planning Proposal request.

As noted above, Council is in the process of finalising the draft Hurstville Employment Lands Study to consider all land zoned industrial (IN2 Light Industrial) and business (B1 Neighbourhood Centre and B2 Local Centre) in the Hurstville LEP 2012.

The draft Study provides a draft Industrial Lands Strategy (Stage 1) and draft Commercial Lands Strategy (Stage 2) which recommends planning controls for the

employment lands. Stage 1: Industrial Lands preliminary planning control recommendations were presented to the Council Meeting of 9 December 2015.

The draft Study recommends a minimum FSR of 0.5:1 of non-residential floor space in the B4 Mixed Use zone. Whilst the Planning Proposal does not include an Economic Impact Assessment; it proposes approx. 1,000m² of non-residential FSR which equates to approximately 0.9:1 FSR. The requirement for the HLEP 2012 to specify a minimum non-residential FSR of 0.5:1 be required on the site for employment related use is therefore recommended.

Section D – State and Commonwealth Interests

Is there adequate public infrastructure for the planning proposal?

As noted above, in accordance with the recommendation of the Department's February 2016 Report, public authorities will be consulted as part of any future public exhibition. This includes Airport authorities, RMS and Transport for NSW.

What are the views of State and Commonwealth public authorities consulted in accordance with the Gateway determination?

State and Commonwealth public authorities will be consulted following the outcomes, and in line with any recommendations of the Gateway Determination.

Part 4 – Mapping

The following maps have been prepared, consistent with the "Standard Technical Requirements for LEP Maps" and identify the Subject Site and the proposed development standards as resolved by the JRPP at its 1 June 2016 meeting (Appendix 3), including:

- Land subject to the Planning Proposal;
- Proposed maximum Height of Buildings; and
- Proposed maximum Floor Space Ratio.

The full set of Maps showing the proposed changes is included in Attachment 2.

The current land use zone and principal development standards (minimum lot size, maximum building height and maximum floor space ratio) maps are provided above in Section 1 above.

Part 5 – Community Consultation

It is anticipated that the Planning Proposal will be exhibited for a period of twenty eight (28) days in accordance with the provisions of the Environmental Planning and Assessment Act, 1979 and Regulation, 2000 and any requirements of the Gateway Determination.

Exhibition material, including explanatory information, land to which the Planning Proposal applies, description of the objectives and intended outcomes, copy of the Planning Proposal and relevant maps will be available for viewing during the exhibition period on Council's website and hard copies available at Council offices and libraries.

Notification of the public exhibition will be through:

- Newspaper advertisement in The St George and Sutherland Shire Leader;
- Exhibition notice on Council's website;
- Notices in Council offices and libraries;
- Letters to State and Commonwealth Government agencies identified in the Gateway Determination;
- Letters to all landowners in the subject site; and
- Letters to adjoining landowners (in accordance with Council's Notification Procedures).

Part 6 – Project Timeline

The anticipated project timeline for completion of the Planning Proposal is shown below:

Task	Anticipated Timeframe
Applicant's submission of revised Planning Proposal based on JRPP's advice dated 1 June 2016	3 August 2016
Forwarding to Department for Gateway determination	August 2016
Anticipated commencement date (date of Gateway determination)	October 2016
Anticipated timeframe for the completion of required technical information	November/December 2016
Timeframe for government agency consultation (pre and post exhibition as required by Gateway determination)	November/ December 2016
Commencement and completion dates for public exhibition period (twenty eight (28) days)	January/February 2017
Dates for public hearing (if required)	N/A
Timeframe for consideration of submissions	March 2017
Timeframe for the consideration by Council of a proposal post exhibition	April 2017
Date of submission to the Department to finalise the LEP	April / May 2017

It is noted that the anticipated project timeline may be amended by the Gateway Determination.

3. Conclusion

Council considered the Planning Proposal request (PP2014/0003) on 1 April 2015 and resolved not to support the request because:

- the request exceeded the adopted development standards (maximum height and FSR) by a significant amount,
- inconsistency with the Hurstville City Centre Transport Management and Accessibility Plan, 2013 (the "TMAP") recommendations,
- inconsistency with S117 Direction 3.4: Integrating Land Use and Transport and
- the setting of a precedent.

The Applicant lodged a Pre-Gateway Review application (PGR_2015_HURST_001 00) on 22 May 2015 which was considered by the Sydney East Joint Regional Planning Panel (the "JRPP") on two occasions, 19 April 2016 and 1 June 2016. The JRPP advised that the Proposal should proceed to the Gateway stage and a letter from the Department advised that the Planning Proposal is to be updated to reflect the JRPP recommendations by:

- reducing the proposed maximum height to 50m (15 storeys approximately)
- reducing the proposed FSR to 5.5:1
- removing the site specific 1:1 FSR bonus for development involving a community facility

A minimum non-residential floorspace of 0.5:1 is required on the site to ensure employment is provided on the site in accordance with A Plan for Growing Sydney, the objectives of the B4 Mixed Use zone and recommendations of the draft Employment Lands Study. Consultation with the appropriate authorities in relation to the proposed maximum building height and the obstacle limitation surface is also required.

The Applicant submitted an amended Planning Proposal on 3 August 2016. An Urban Design Study was provided, however this Study did not clearly demonstrate compliance with the SEPP 65 Design Quality Principles and the Apartment Design Guide. In addition, the Planning Proposal has not been considered by the St George DRP as is required under the provisions of SEPP 65.

If the Planning Proposal is supported in the Gateway Determination, it is strongly recommended that the following studies, identified by both Council and the Department in its Information Assessment and Recommendation Report (February 2016) be prepared by the Applicant (and at no cost to Council):

- Detailed urban design analysis and demonstrated compliance with SEPP 65 Design Quality Principles and the Apartment Design Guideline (ADG)
- Comprehensive Traffic Study to demonstrate consistency with the Transport Management and Accessibility Plan (TMAP) 2013, including an assessment of the proposal in light of the cumulative impacts of both existing and future development and in consultation with TfNSW and RMS
- Heritage Impact Assessment to address any potential impacts of the revised Planning Proposal on the two heritage items, the Fire Station (I159) at 27 MacMahon Street Hurstville and the Friendly Societies Dispensary Building (I158) at 17 MacMahon Street Hurstville including the visual, amenity and overshadowing impacts
- Analysis of additional demand for recreation and community facilities.