

APPENDIX A – Council Report and Resolution 12 November 2013

Ordinary Meeting of Council - 12 November 2013

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Item GB.7

S08428
6 September 2013

FUTURE PLANNING FOR THE RAY STREET PRECINCT TURRAMURRA

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

The purpose of this report is to have Council consider the future of its landholdings within the Ray Street Precinct, Turramurra in light of a proposed supermarket redevelopment by Coles Group Property Developments Ltd.

BACKGROUND:

Council first considered this matter at the OMC of 16 July 2013. At that meeting Council resolved to defer the matter until a briefing was held for councillors. A briefing for Councillors was subsequently held on 6 August 2013.

COMMENTS:

The need for this report has arisen as a result of the Coles Group Property Developments Ltd. submitting a Development Application, in April 2013, for a new supermarket at no. 1 Ray Street, Turramurra.

If the Coles DA is approved and developed it could effectively sterilise development of adjoining sites and prevent Council's vision from being realised for at least the life of the supermarket, which could be in the order of 30 years.

This report outlines actions Council could take to pro-actively facilitate a high quality development within this precinct which would incorporate a new park, community facilities, retail shops and residential apartments which will provide a community hub for the residents of Turramurra.

RECOMMENDATION:

That Council commence reclassification of No. 5 Ray Street and No. 12 William Street, Turramurra and that Council prepare a master plan for the precinct which will envisage a Turramurra Community Hub.

PURPOSE OF REPORT

The purpose of this report is to have Council consider the future of its landholdings within the Ray Street Precinct, Turrumurra in light of a proposed supermarket redevelopment by Coles Group Property Developments Ltd.

BACKGROUND

Council first considered this matter at the OMC of 16 July 2013. At that meeting Council resolved the following:

- A. *That the matter be deferred until a briefing has been held with Councillors to discuss possible options in the master planning process.*
- B. *That the briefing should include details of the Development Application DA0133/13 lodged by Coles and consideration of broader master planning options for Turrumurra precinct as a whole.*
- C. *That following the briefing, a report should be brought back to Council.*

A briefing for Councillors was subsequently held on 6 August 2013, which included an overview of the Development Application – this discussion was limited given the potential conflict of interest for Council. This report addresses resolution C; the original report has been amended according to councillor comments made during the briefing session.

On 30 October 2013 Council received a letter from Coles Group Property Development Limited requesting a meeting with Council with regard to the issues raised in the OMC report of 16 July. The letter is a confidential attachment to this report (**Attachment A1**).

COMMENTS

The need for this report has arisen as a result of the Coles Group Property Developments Ltd. submitting a Development Application, in April 2013, for a new supermarket at no. 1 Ray Street, Turrumurra. The proposed Coles development is within Precinct T1 of the Turrumurra Local Centre. Council's vision for this precinct is set out in Volume B Part 1 of the KDCP.

The proposed development (whilst permissible) is not consistent with the strategic objectives and planned future character for the Ray Street Precinct, as set out in the *Kuring-gai Local Centres DCP 2013*. If the Coles DA is approved and developed it could effectively sterilise development of adjoining sites and prevent Council's vision from being realised for at least the life of the supermarket, which could be in the order of 30 or more years.

The relevant objectives for Precinct T1 – Pacific Highway and Ray Street Retail Area are set out in Volume B Part 1 page 1-25 of the KDCP, they are as follows:

- 1. *To create a distinct retail precinct that will provide a range of services, facilities and experiences.*
- 2. *To create a 'civic heart' for Turrumurra.*

3. *To provide an enhanced shopping precinct anchored by a modern supermarket.*
4. *To encourage residential apartments in mixed use buildings to support viability of the retail uses.*
5. *To provide opportunities for new speciality retail, cafes and restaurants to be located away from the highway.*

The Planned Future Character for Precinct T1 is stated as follows in Volume B page 1-25 of the DCP:

- a. *In the future this precinct will become a community focal point, centred on a large new town square. A new Turramurra branch library will also be provided fronting the proposed public space.*
- b. *This area will also become a major shopping destination with a new larger supermarket and associated specialty shops.*
- c. *Forbes Lane will be widened (through development setbacks) to create a new two-way street with on-street parking and "kiss-and-ride" area for the train station.*
- d. *Shop-top housing will be provided on the retail podium providing further support for the retail and community uses. Council's parking will be relocated to new basement parking upon redevelopment.*
- e. *Shops along the Pacific Highway will be encouraged to have an active street frontage to Forbes Lane to create a quieter shopping precinct away from the Pacific Highway which will also activate the laneway.*

This report will discuss what actions Council could take to pro-actively facilitate a high quality development within this precinct which would incorporate community facilities, retail shops and residential apartments that will provide a community hub for the residents of Turramurra.

What is the Coles proposal?

The Coles Group Property Developments Ltd. submitted a development application (DA), in April 2013, for a new supermarket at no. 1 Ray Street, Turramurra.

The DA seeks approval for demolition of the existing supermarket building and construction of a new 3,275m² Coles supermarket with car parking for 109 vehicles. The existing Turramurra store covers about half of the site (refer Figure 1) with a floor area of 1,650m² and parking provision for 55 cars. The new supermarket would basically replace the existing building and extend the footprint of the supermarket to the north and east to cover the whole site (refer Figure 2).

Vehicle access to the basement parking area is proposed to be from William Street on the eastern side of the building. The loading dock and service area is located on the southern side of the building along Forbes Lane.

What is the planning context?

The proposed Coles development would be located in Precinct T1 – Pacific Highway and Ray Street Retail Area. The planning objectives and planned future character are set out in the background section of this report. The area is a triangular parcel of land bounded by the Pacific Highway, the railway and Ray Street (refer Figures 3 and 4). The area currently

comprises a small freestanding supermarket, a Council library and a strip of shops fronting the Pacific Highway. The remainder of the area is occupied by public car parking and is traversed by Forbes Lane (one way), Higgs Lane and William Street road reserves (currently used for car parking).

Council owns a number of large parcels of land which directly adjoin the Coles property which are classified community. These lands are used for public short stay car parking, commuter car parking and a public library.

The site adjoins the Turrumurra rail station and a new pedestrian bridge provides direct access over the railway to Rohini Street.



Figure 1 – Existing supermarket footprint



Figure 2 – Proposed supermarket footprint



Figure 3 and 4: Precinct T1 - Pacific Highway and Ray Street Retail Area

The KLEP (Local Centres) 2012 was gazetted on 25 January 2015 by the Minister for Planning and Infrastructure. Under the KLEP 2012 the land within the precinct is zoned with a combination of B2-Local Centre and RE1-Public Recreation (Figure 5).

Building height is shown in Figure 6. The maximum building height for the precinct is 5 storeys (17.5 metres – shown in brown). The portion zoned RE1 has no building height as development other than for the purposes of a park is prohibited. This is a constraint to comprehensive planning of the site. To the west of the precinct is land zoned for high density residential development.



Figure 5 – KLEP 2012 Land use zones height



Figure 6 – KLEP 2012 Maximum building height

Figure 7 shows the land ownership pattern for the site. Ku-ring-gai Council owns three parcels of land within the site. These are no. 5 Ray Street, nos. 4 and 12 William Street; Council also has care, control and management of the road reserve areas; Coles owns no. 5 Ray Street; nos. 6, 8 and 10 William Street and the Pacific Highway properties are in fragmented private ownership.

What are the implications of the proposal in relation to Council plans and policies?

The DA has been assessed below using the objectives and planned future character statements as set out in the Ku-ring-gai Local Centres DCP 2013.

Objective 1 - To create distinct retail precincts that provide a range of services, facilities and experiences:

- The DA is not consistent with this objective;
- The DA is for a new supermarket which would replace the existing shop albeit in a larger more contemporary building;
- Additional retail shops or other services and facilities such as a gym or offices are not proposed; and
- The DA will not create a distinctive precinct.



Figure 7 – Land ownership

Objective 2 - To create a 'civic heart' for Turramurra:

- The DA is not consistent with this objective;
- The proposal is for a new larger supermarket to replace the existing store; and
- The DA if approved and constructed will not assist or facilitate the realisation of a civic heart for Turramurra.

Objective 3 - To provide enhanced shopping precincts anchored by modern supermarkets:

- The DA is not consistent with this objective;
- The proposal would create a more contemporary supermarket building however it would not provide an enhanced shopping precinct; and
- The DA does not represent best practice shopping centre design, examples of best practice can be found in Lane Cove, Balgowlah and Cammeray among other locations. In these cases the supermarket is integrated with other speciality retail, a new public space, community facilities and residential apartments.

Objective 4 - To encourage residential apartments in mixed use buildings to support viability of the retail uses:

- The DA does not meet this objective;
- The DA itself does not propose residential units as part of the development nor does it allow capacity for units to be retro-fitted at a later date; and
- The DA would also discourage redevelopment of the properties facing the Pacific Highway from redevelopment as mixed use buildings because the location of the proposed Coles loading dock, and the fact that it is open, would be a major noise and odour source and poor visual amenity for future adjoining residential apartments.

Objective 5 - To provide opportunities for new speciality retail, cafes and restaurants to be located away from the highway:

- The DA does not meet this objective;
- The proposed south elevation of the supermarket which would face Forbes Lane is predominantly a service area comprising blank walls, an electrical substation, a roller shutter door to the garbage area, and an open loading dock and fire escapes; and
- The DA would discourage the properties facing the Pacific Highway from redeveloping to the rear with retail as the location would be exposed to a major noise and odour sources and poor visual amenity.

What community infrastructure has Council planned for the precinct?

The preparation of the Local Centres LEP 2012 involved an integrated planning approach that considered land use zoning at the same time as other matters including traffic and transport, community facilities, pedestrian access and open space and development contributions among others.

Funding for new community infrastructure is set out in the *Ku-ring-gai Contributions Plan 2010* (CP) work programs; these provide a comprehensive list of what Council has resolved to deliver over the next twenty years within the local centres. The discussion below will outline the community infrastructure planned for the site and surrounds and the potential funding that may be available for the works. Figure 8 references the location of each element.

1. New Town Square

The *Ku-ring-gai Contributions Plan, 2010 -Works Programmes: Local parks, Local sporting facilities – North (page 206)* allocates funding for partial acquisition and embellishment of a new town square. The total funding available is \$4,680,572 (in 2010 dollars). Approximately 100% of the acquisition of land and construction of the park would be funded by development contributions with a small general fund component in the Long Term Financial Plan.

It is noted that although funding is available for this park it would require partial closure of William Street to enable delivery. Road closures are governed by the Roads Act and require agreement of all affected land owners. Under current and proposed arrangements existing land owners including Coles would be unlikely to consent to partial closure of William Street as they will require ongoing use of the road for access to their properties.

Even if Council could achieve a road closure, the proposed development would impact heavily on the amenity and quality of the new town square as the entire southern edge of the town square would adjoin the blank wall of the proposed supermarket.

Further the location of the RE1 zone places considerable constraints on the co-ordinated development of the precinct and significantly reduces the value of the asset. The preferred approach would be to rezone the RE1 land to B2 Local Centre; this approach is the same as that of the proposed Lindfield Village Green on Tryon Road in Lindfield where Council is the land owner council has control of the final outcome. An RE1 zone is best used where Council is required to acquire private land.

2. Upgrading of Turramurra Village Park

The Ku-ring-gai Contributions Plan, 2010 -Works Programmes: Local parks, Local sporting facilities – North (page 206) allocates funding for embellishment of the existing park. The total funding available is \$321,907.00 (in 2010 dollars). Approximately 100% of the acquisition of land and construction of the park would be funded by development contributions with a small general fund component in the Long Term Financial Plan.

This project could proceed irrespective of development outcomes within the precinct.

3. New Turramurra Branch Library

Ku-ring-gai Contributions Plan, 2010 - Works Programmes: Local recreational and cultural facilities and Local social facilities (page 210) identifies the site as the preferred location for a new Turramurra Branch Library with floor space of 1,500m². The works would include site clearance and preparation, construction, full internal fit out, security, lighting, landscaping and additional associated car parking (including provision of car parking required for Community Facilities). The construction budget for the project is \$6,978,600 (in 2010 dollars). Due to apportionment, about 33% of the cost of the multi-purpose building would be funded by development contributions, the remainder would be required to be funded by Council from general revenue. Council's commitment to the provision of a facility on this site would need to be matched with a funding strategy to cover the shortfall which is in the order of \$4.6 million.

It is noted that the proposed Coles development will significantly limit Council's potential to deliver this new facility as the shortfall in funding would be most likely funded through a Public Private Partnership arrangement. Such a development will not be possible for the reasons given elsewhere in this report.

4. Improvements to Forbes Lane

The Ku-ring-gai Contributions Plan, 2010 Works Programmes: Local roads; Local bus facilities and Local drainage facilities - Turramurra (pp.222-223) allocates funding for road improvements and transport in the vicinity of the site. This would involve Forbes Lane being widened to a minimum of 13 metres to create a new two-way street with on-street parking one side; 2 metre wide footpaths both sides; and a kiss-and-ride zone immediately adjacent for the train station. The objective is to create a pedestrian friendly street with good amenity and encourage new shops to face the lane and provide a quiet street sheltered from the highway. Approximately 100% of this work could be funded by development contributions with a small general fund component in the Long Term Financial Plan. However there is currently a limited amount of funds available for road works so Council would have to borrow from other programs within the CP to fund the works if these works were to be brought forward.

It is noted that this work can only be achieved through development agreements with land owners at the DA stage through the provision of development setbacks. The Coles DA does not allow for the necessary setbacks and would therefore prevent delivery of this piece of infrastructure for the life of the supermarket.

5. Streetscape improvements

The Ku-ring-gai Contributions Plan, 2010 Works Programmes: Local roads; Local bus facilities and Local drainage facilities - Turramurra (pp.222-223) allocates funding for streetscape improvements in the vicinity of the site that could be integrated with this project.

This would include improvements to the streetscapes of Ray Street, William Street, Forbes Lane and the Pacific Highway including high quality paving, new LED street lights, new street furniture, underground power lines and street trees. Approximately 100% of this work could be funded by development contributions with a small general fund component in the Long Term Financial Plan. However there is currently a limited amount of funds available for streetscape works.

This work would not commence until the precinct is fully developed. The proposed Coles development will delay these works beyond 20 years.



Figure 8: Proposed Community infrastructure (from KDCP 2012)

How could Council pro-actively facilitate a high quality development within this precinct?

This section will outline the necessary steps for Council to take if it were of a mind to pro-actively facilitate a high quality development within this precinct that will provide a range of new services and facilities for residents of Turramurra for the next 50 years.

Figure 9 describes the steps involved in achieving the preferred development scenario and Council's potential involvement to facilitate such an outcome. The steps are:

- Council would reclassify its land holdings from community to operational. This would give other land owners in the precinct some confidence that Council was intent on utilising their assets as part of an integrated development.
- Council would prepare a planning proposal to remove RE1 – public recreation zone within the precinct and rezone the whole precinct B2 – local centre. The reason for this is to give Council maximum flexibility within the precinct. This does not remove Council's responsibility to deliver a town square within the precinct as the proposal is embedded in the contributions plan, public domain plan and development control plan. This step would not change the height and density provisions for the precinct.

- An agreement could be reached between owners within the precinct which would allow amalgamation of land parcels. Part of William Street and Higgs Lane road reserves could be closed and incorporated into the development site. Closure of public roads is made possible by site amalgamation as all existing access rights would no longer be relevant.

Closure of roads and reclassification of land and underground car parking would provide a large development site (area approximately 13,000m²) with enough flexibility to allow the provision of land for a new town square and funding for a new library. Site amalgamation allows flexibility for the location of the supermarket further north within the site (or underground). This would allow a 5 metre setback to Forbes Lane for the street widening.

This process may ultimately lead to Council developing a Public Private Partnership (PPP). In the case of the subject precinct in Turramurra a PPP might involve a major retail developer, and/or residential developer who would be responsible for delivering the whole project including the community infrastructure, on behalf of Council.



Figure 9 – steps involved in achieving the preferred development scenario

GOVERNANCE MATTERS

Council has the opportunity to pro-actively work with the development sector to create a unique precinct for Turramurra local centre. To do this Council needs to review how it can best utilise its assets within this precinct, and potentially consider the divestment of some assets to fund the acquisition of other assets which are more relevant to the changing

requirements of the community. In the case of the subject precinct, this may involve selling land currently utilised as car parking to gain new facilities such as a new library and town square.

Council's charter under the *Local Government Act 1993* is clear. A number of elements of the charter which could be taken as applying to the management of the subject land are highlighted below:

8 The council's charter

(1) A council has the following charter:

- *to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively*
- *to exercise community leadership*
- *to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism*
- *to promote and to provide and plan for the needs of children*
- *to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development*
- *to have regard to the long term and cumulative effects of its decisions*
- *to bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible*
- *to engage in long-term strategic planning on behalf of the local community*
- *to exercise its functions in a manner that is consistent with and promotes social justice principles of equity, access, participation and rights*
- *to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government*
- *to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants*
- *to keep the local community and the State government (and through it, the wider community) informed about its activities*
- *to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected*
- *to be a responsible employer.*

A review of under-utilised assets, reclassification and the sale of some assets to fund the acquisition of other assets which are more relevant to the changing requirements of the community, is entirely consistent with Council's charter.

Further, in January 2010, the Division of Local Government, Department of Premier and Cabinet released its final review report on the *Promoting Better Practice Program* in relation to Council. The report addresses a number of issues of Council's services, structure and facilities, and made the following observations in relation to reclassification and asset rationalisation:

Public Land Reclassification

The making of the new LEP will bring with it the need for Council to consider whether its current land holdings are appropriately classified. At the time of the review, the Council was engaged in community consultation to address this issue. Since 2005 this has been identified by staff and the Department of Planning as a priority.

RISK MANAGEMENT

An important risk that would need to be identified is the integrity and due protection of the value of the public assets held and administered by the Council, or the public interest generally. Such a risk may be reputational as well as financial.

A second risk would be the possible inability of the Council to discharge its Charter obligations to provide adequate, equitable and appropriate services and facilities for the community. Such a risk may be reputational as well as financial.

FINANCIAL CONSIDERATIONS

As a result of this report there are no direct financial implications for Council. However, the opportunity costs to Council, of not making a decision, are potentially wide ranging. Council has two options:

1. No action – accept that if the Coles DA is approved and built that this will represent an appropriate outcome for the precinct for 30 plus years.
2. Pro-active - Council actively engages with the development sector through the steps described in this report to deliver a community hub for Turramurra.

The costs and benefits of each option are outlined below.

OPTION 1 - No action

Financial Costs:

- loss of potential development contribution funds;
- potential loss in value of the Council's assets;
- a potential loss in actual or prospective revenue (through future sale or leasing of land);
- ongoing maintenance of existing assets including library repairs and refurbishments; and
- unresolved funding shortfall for Turramurra community facilities in Council's Long Term Financial Plan.

Financial benefits:

- None identified.

OPTION 2 – Pro-active

Financial Costs:

- Increased operational costs relating to maintenance of new car park and town square facilities.

Financial benefits:

- potential development contribution funds;
- potential increase in value of the Council's assets;
- potential gain in actual or prospective revenue (through future sale or leasing of land);
- reduced maintenance of new building assets;
- no funding shortfall for Turrumurra community facilities in Council's Long Term Financial Plan;
- activation and reinvigoration of a declining commercial centre; and
- generation of local employment and investment.

In summary the report finds that there is substantial potential financial benefit for OPTION 2 – pro-active approach.

It is further noted that Council has received a letter from Coles Group Property Development with regard the issues raised in the OMC report of 16 July. The letter is a confidential attachment to this report (**Attachment A1**).

SOCIAL CONSIDERATIONS

The site has the potential to provide new community buildings that will provide a high level of social benefit to the community. The opportunity cost of Council not proceeding with a Public Private Partnership is that these facilities may not be delivered for many years, if at all.

If Council were to actively participate in redevelopment within this precinct it would present opportunities for Council to provide public infrastructure or facilities, and/or delivery of services, in the short term that otherwise may not be feasible or practicable for Council to deliver for many years.

Council's *Community Strategic Plan 2030*, recognises the community's vision for Ku-ring-gai as a place with infrastructure and facilities that accommodate the needs of the community. The plan further emphasises the desire for an adopted program for the implementation of new facilities, identified funding sources and a program to maintain Council's assets at a sustainable standard.

Council's Delivery Program 2013-2017 and Operational Plan 2013-2014 identifies key themes and issues. In terms of the subject precinct the relevant theme and issues are highlighted below:

PLACES, SPACES AND INFRASTRUCTURE

P1 Preserving the unique visual character of Ku-ring-gai

P2 Managing urban change

P3 Quality urban design and development

P4 Revitalisation of our centres

P5 Heritage that is protected and responsibly managed

P6 Enhancing recreation, sporting and leisure facilities

P7 Enhancing community buildings and facilities

P8 Improving the standard of our infrastructure

Currently the precinct is utilised for car parking by shoppers, commuters and local business owners, beyond this function the site provides very little social benefit to the community and is very much an under-utilised asset for Council.

Elton Consulting undertook a Community Facilities Strategy on behalf of Council in 2009. This study undertook an audit of the existing community facilities in Turrumurra. The study findings in relation to the Turrumurra library building are:

- poor air-conditioning and lift arrangements;
- minor maintenance issues identified in building condition audit;
- too small and crowded;
- space shortfall of 842sqm;
- ageing facilities, needs updating/modification;
- needs more office space and space for new technologies;
- no space for young people and very limited reference and study areas; and
- car parking is isolated and creates safety concerns at night.

The studies recommended that the Turrumurra branch library should be extended and remodelled, and have community facilities collocated with it. The study noted that the present site is satisfactory and large enough for a substantial extension.

ENVIRONMENTAL CONSIDERATIONS

Precinct T1 is a predominantly hard paved car park with some significant trees located on the edges of the site. There are no heritage items or areas of biodiversity significance. Redevelopment will not have any significant adverse environmental impacts.

Overall, if the development were to be undertaken in a co-ordinated manner with site amalgamation as discussed there is potential for a range of environmental improvements on the site:

- the provision of a new town square and streetscape improvements would allow more tree planting;
- Council's stormwater management requirements would ensure significant improvements to stormwater management in the precinct; and
- new shops, cafes and restaurants will make the area safer at night.

Potentially the most significant environmental impact of the proposal is the impact on local traffic. A full review of the traffic plan would be required to determine potential impacts and how they could be managed.

COMMUNITY CONSULTATION

The concept of the Ray Street precinct being developed as the civic heart of Turrumurra has been part of Council's strategic planning for Turrumurra since 2005. The proposal has gone through a range of different scenarios and has been discussed numerous times during the exhibition of the Town Centres LEP in 2006, 2010 and 2012; during the preparation of the Town Centres DCP in 2006, 2010 and 2012; and during the exhibition of the Public Domain Plan and Contributions Plan in 2010.

Over this time the community has primarily objected to the proposed building heights in the precinct which under previous plans have been proposed to be between 6 and 9 storeys. Council now have a gazetted LEP with building heights that are considered acceptable to the community and can form the basis of a way forward.

If Council proceeds with the reclassification process there are several steps where the community can have input including the exhibition of the Planning proposal, representations to the public hearing and representations at Council meetings.

INTERNAL CONSULTATION

Internal consultation has occurred within the Strategy Department and GMD, where relevant.

SUMMARY

The Coles Group Ltd. have submitted a Development Application for a new supermarket at no. 1 Ray Street, Turramurra. The proposed Coles development is within Precinct T1 of Turramurra Ku-ring-gai Local Centre DCP, 2013. The DA seeks approval for demolition of the existing supermarket building and construction of a new 3,275m² Coles supermarket with car parking for 109 vehicles.

Ku-ring-gai Council is a significant landowner in the precinct, owning three parcels of land namely no. 5 Ray Street and nos. 4 and 12 William Street; Council also has care control and management of the road reserve areas of Higgs Lane, Forbes Lane and William Street.

On 30 October 2013 Council received a letter from Coles Group Property Development Limited with regard the issues raised in the OMC report of 16 July. The letter is a confidential attachment to this report (**Attachment A1**).

The report notes a number of implications for Council in relation to the proposed Coles development:

- a town square is unlikely to be delivered within the precinct due to issues related to road closures;
- the RE1 zone places considerable constraints on the co-ordinated development of the precinct and significantly reduces the value of the asset;
- a new Turramurra branch library is unlikely to be delivered within this precinct due to a shortfall in funding; and
- reclassification and the sale of council's land assets in this precinct to fund the acquisition of other assets (library, community facilities and town square), which are more relevant to the changing requirements of the community, is entirely consistent with Council's charter.

In conclusion the report recommends that Council actively engages with the development sector to ensure maximum benefits for the community. There are a number of steps council needs to take to commence the process:

- reclassification of council lands from community to operational;
- removal of the RE1 – public recreation zone, and replacement with a B2 – Local Centre zone. The delivery of a new town square will however remain a priority;
- delay of the sale of the property no.4 William Street currently owned by Council; and

- commence a master planning process for the precinct.

The master planning will require seed funding to cover staff time and the costs of consultants. The estimated funds required are in the order of \$150,000 for the year 2013-2014 from the section 94 reserve.

RECOMMENDATION:

- A. That a Planning Proposal be prepared, in accordance with section 55 of the *Environmental Planning and Assessment Act, 1979*, to reclassify No.5 Ray Street (lot 2 DP 221290) and no.12 William Street (Lot 1 DP 519532) from Community land to Operational land via an amendment to Ku-ring-gai Local Centres LEP (2012). In addition the planning proposal remove RE1 zone from the precinct and replace it with a B2 Local centre zone.
- B. That Council undertake a public hearing under the provisions of the *Local Government Act, 1993* for the proposed reclassification to reclassify No.5 Ray Street (Lot 2 DP 221290) and no.12 William Street (Lot 1 DP 519532) Community land to Operational land.
- C. That Council formally seek to discharge all interests for to reclassify No.5 Ray Street (Lot 2 DP 221290) and no.12 William Street (Lot 1 DP 519532)
- D. That the Planning Proposal be submitted to the Department of Planning and Infrastructure for a Gateway Determination in accordance with Section 56 of the *Environmental Planning and Assessment Act, 1979*.
- E. That upon receipt of a Gateway Determination, the exhibition and consultation process is carried out in accordance with the requirements of the *Environmental Planning and Assessment Act, 1979* and with the Gateway Determination requirements.
- F. That a report be brought back to Council at the end of the exhibition and public hearing processes.
- G. That Council prepares a master plan for a potential Turramurra Community Hub based on the current controls in the Local Centres LEP 2012 (and taking into account Council's resolution with regard recommendation B above) which are a B2 – Local Centres zone, maximum building height of 5 storeys (17.5 metres) and floor space ratio of 1.8:1.
- H. Council allocate funds of \$150,000 to the project for the year 2013-2014 from the section 94 reserve.
- I. That Council maintains an equivalent area in its master planning for a civic square/urban park within the Ray Street/William Street precinct.
- J. A report is brought back to Council reporting on the results of the background studies and options assessment and recommending a preferred master plan option, timing and next steps.

Andrew Watson
Director Strategy & Environment

Future Planning for the Ray Street Precinct Turramurra

File: S08428
Vide: GB.7

The purpose of this report is to have Council consider the future of its landholdings within the Ray Street Precinct, Turramurra in light of a proposed supermarket redevelopment by Coles Group Property Developments Ltd.

Resolved:

(Moved: Councillors Ossip/Pettett)

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- D. That the Planning Proposal be submitted to the Department of Planning and Infrastructure for a Gateway Determination in accordance with Section 56 of the *Environmental Planning and*

Assessment Act, 1979.

- E. That upon receipt of a Gateway Determination, the exhibition and consultation process is carried out in accordance with the requirements of the *Environmental Planning and Assessment Act, 1979* and with the Gateway Determination requirements.
- F. That a report be brought back to Council at the end of the exhibition and public hearing processes.
- G. That Council prepares a master plan for a potential Turramurra Community Hub based on the current controls in the Local Centres LEP 2012 (and taking into account Council's resolution with regard recommendation B above) which are a B2 – Local Centres zone, maximum building height of 5 storeys (17.5 metres) and floor space ratio of 1.8:1.
- H. Council allocate funds of \$150,000 to the project for the year 2013-2014 from the section 94 reserve.
- I. That Council maintains an equivalent area in its master planning for a civic square/urban park within the Ray Street/William Street precinct. The new space is to have minimum dimensions of 40 x 50 metres; an open north aspect and not to be overshadowed by new buildings; active frontages to at least two sides; and a location that is visible and easily accessible from the rail station.
- J. A report is brought back to Council reporting on the results of the background studies and options assessment and recommending a preferred master plan option, timing and next steps.
- K. That a meeting be held between all Councillors and representatives of Coles at the earliest opportunity.

CARRIED UNANIMOUSLY