

Planning Services

Gateway Determination Report

LGA	Randwick
RPA	Randwick City Council
NAME	Planning proposal to increase building height and floor space ratio controls and introduce new local provisions for the Kensington and Kingsford Town Centres under Randwick LEP 2012 (1,481 dwellings and 960 jobs)
NUMBER	PP_2017_RANDW_001_00
LEP TO BE AMENDED	Randwick Local Environmental Plan 2012
ADDRESS	Land zoned B2 Local Centre in the Kensington and Kingsford Town Centres
DESCRIPTION	Kensington and Kingsford Town Centres
RECEIVED	3 February 2017
FILE NO.	17/02222
QA NUMBER	qA404098
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	<p>The Department has been contacted by a Registered Lobbyist regarding the timing of the finalisation of the proposal and related pre-Gateway reviews.</p> <p>The Department of Planning and Environment's Code of Practice in relation to communication and meetings with lobbyists has been complied with.</p>

INTRODUCTION

Description of Planning Proposal

The planning proposal seeks to increase the height and density controls as identified in Randwick Council's draft Planning Strategy for the Kensington and Kingsford Town Centres. The proposal will amend built form controls, including maximum building height and floor space ratio, and introduce new local provisions applying to land zoned B2 Local Centre within the Kensington and Kingsford Town Centres, under the Randwick Local Environmental Plan (LEP) 2012. Three additional sites (currently zoned residential) are proposed to be rezoned B2 Local Centre which will form a minor boundary extension to the Kingsford Town Centre ([MAP](#)).

Site Description

The Town Centres are located along the Anzac Parade Corridor from Carlton Street to the north and Doncaster Avenue to the south in Kensington, and from just north of Barker Street to Sturt Street to the south in Kingsford.

The Kensington and Kingsford Town Centres are approximately 9km from the Sydney CBD and the centres are adjacent to the Randwick Health and Education Precinct. Randwick Racecourse is to the west of the Kensington Town Centre with Centennial Parklands to the north. Nearby centres include Bondi Junction and Maroubra Junction.

The Kensington Town Centre occupies a land area of approximately 60,200 square metres and has a retail and residential character. The Kingsford Town Centre occupies an area of 96,962 square metres and is a traditional strip based centre with a retail and dining character.

The Town Centres are well connected to the Randwick Education and Health Strategic Centre and the Sydney CBD with excellent access to public transport, retail and commercial facilities. The Corridor is in the process of transition with the current construction of the City to South East Light Rail line along Anzac Parade, and when completed will provide a highly accessible location for residential and commercial development.

Background

In late 2015, Council commenced a review of its current planning controls applying to land zoned B2 Local Centre comprising the Kensington and Kingsford Town Centres. In March 2016, Council endorsed the Kingsford and Kensington Town Centre Review Issues Paper. From June to October 2016, Council undertook an International Design Competition Process for the two centres. These reviews have informed Council's draft Planning Strategy for the Kensington and Kingsford Town Centres. The draft Strategy underpins the planning proposal and the proposed amendments to the built form controls in Randwick Local Environmental Plan (LEP) 2012.

Council's draft Strategy highlights that the key challenge for accommodating projected housing growth in the Kensington and Kingsford town centres is to ensure it occurs in a sustainable way, in appropriate locations with sufficient infrastructure capacity, while maintaining residential amenity and quality of life.

The LEP provisions have been prepared in accordance with recent studies including the Urban Design Report by Conybeare Morrison which reviews the existing planning controls, built form, opportunities and constraints. The study provides for taller buildings at the four corners of Todman Ave, within close proximity of the Todman Ave light rail stop, creating a heart for the Kensington Town Centre ([Tab K](#)). The vision for Kingsford is as a dynamic town centre fostering hubs of activity and taller building forms around the Kingsford Terminus at Kingsford Junction and Strachan Street light rail stop at Kingsford Mid-Town. Kensington and Kingsford Town Centres adjoin lower scaled residential neighbourhoods (land zoned R3 Medium Density Residential and R2 Low Density Residential) which Council acknowledges will require a built form transition to adjacent residential properties.

Summary of Recommendation

The draft Strategy for Kensington and Kingsford Town Centres which underpins the planning proposal, provides for an additional 1,481 new dwellings (based on 70 sqm average dwelling size), or 10% of the share of the projected dwelling demand of 15,150 dwellings by 2031. This is approximately 28% above current yield capacity with a proposed total of 5,288 new dwellings within the Centres.

Amendments to the planning controls along the light rail corridor provides the opportunity to ensure the most appropriate level of uplift in density occurs consistent with the transport capacity available. Given the Government's investment in light rail infrastructure, the timing and transition of the centres with the construction of the light rail, the proximity of the town

centres to the Sydney Central Business District and the Randwick Education and Health Strategic Centre and the opportunities for urban renewal within the corridor, it is important the planning proposal provides for an appropriate uplift in controls.

The Department's assessment has included a peer review (undertaken by Allen Jack & Cottier) of Council's proposal which recommended further opportunities to increase residential dwellings within the Town Centres, based on urban design and density considerations. Advice from Transport for NSW has also shown that the light rail capacity could sustain greater increases in dwelling numbers than envisaged under the planning proposal, and noted a minimum of 600 dwellings. The feasibility of proposed expanded and new opportunity sites identified by the peer review were tested by the Department's Urban Feasibility Model as viable, except on some sites where acquisition costs impacted on viability and it also noted that construction costs impact the viability at a certain point.

It is therefore recommended that the planning proposal has merit to proceed to public exhibition, subject to a number of conditions including:

Increased capacity for dwelling numbers

A condition is recommended to require Council to investigate additional dwelling capacity within the boundary of the current planning proposal (B2 zone) to accommodate increased density. Prior to exhibition, it is recommended the planning proposal be updated to increase the dwelling capacity by a minimum of 600 dwellings within the B2 Local Centre zone of the Kensington and Kingsford Town Centres. Based on the feedback from the AJ&C peer review, advice from Transport for NSW and feasibility testing, it is considered this additional capacity can be accommodated as part of this planning proposal.

Deletion of Community Infrastructure Contribution (CIC) levy

It is recommended the planning proposal be amended to remove the proposed Community Infrastructure Contribution levy (Clause 6.14 Community Infrastructure and Height of Buildings Kensington and Kingsford Town Centres). The proposed clause is inconsistent with the *Environmental Planning and Assessment Act 1979* (the Act) and supporting policies for levying development contributions. It is considered that Council should instead investigate a Section 94 Contribution Plan and could consider site specific local infrastructure clauses.

Update the planning proposal to provide intent of provision rather than clause

As a result of removal of the Community Infrastructure Contribution clause, the planning proposal needs to be amended to provide a statement of intent consistent with increasing the height of buildings contained in the planning proposal and corresponding maps, prior to exhibition. The height of buildings maps should also reflect a maximum building height in metres for achieving the 2 storey increase under design excellence provisions.

Corresponding Floor Space Ratio to Height increase through design excellence

The peer review highlighted concerns with the increased heights that are permitted when achieving design excellence, however there was no provision for a corresponding Floor Space Ratio increase. It is recommended that an FSR increase corresponds with the height increase of 2 storeys.

Affordable Housing Clause

The Affordable Housing Clause should be written as a statement of intent rather than a specific clause and should include an appropriate figure (\$/m²) for the town centres, equivalent to the value of the properties; and more detail including an example of how the

contribution is calculated and further explanation of the “accountable total floor space” should be provided to assist in clarity and certainty of the clause.

PROPOSAL

Objectives or Intended Outcomes

The objective of the planning proposal is to amend the Randwick LEP 2012 to enable sustainable growth in housing and employment and deliver public benefits for the Kensington and Kingsford town centres. The objective of the proposal is considered clear.

Explanation of Provisions

The proposal seeks to make various amendments to Randwick LEP 2012 as outlined below:

Zoning	<ul style="list-style-type: none"> The proposal will retain the existing B2 Local Centre Zone for the Kensington and Kingsford Town Centres. Three sites currently zoned residential (R2 Low Density Residential and R3 Medium Density Residential) are proposed to be included in the Town Centre boundary and rezoned to B2 Local Centre: <ul style="list-style-type: none"> 16-20 Barker Street, Kingsford 582-584 and 586-592 Anzac Parade, Kingsford 63 Harbourne Road and 12-18 Rainbow Street, Kingsford
Height of Buildings	<ul style="list-style-type: none"> It is proposed that an increase to maximum building heights will only be applicable if a community infrastructure contribution is made. The proposal will allow for maximum building heights in three key precincts as follows: <ul style="list-style-type: none"> Todman Square 54m (or 60m with design excellence) (max 18 storeys) Kingsford Mid Town 54m (or 60m with design excellence) (max 18 storeys) Kingsford Junction 51m (or 57m with design excellence) (max 17 storeys) An overall increase in heights to 31m (9 storeys) is proposed across the rest of the B2 Local Centre zone within the Kensington and Kingsford Town Centres.
Community Infrastructure Contribution	<ul style="list-style-type: none"> The planning proposal includes a draft clause to require that development within the Kensington and Kingsford Town Centres must provide the Community Infrastructure Contribution to allow the consent authority to approve development that results in additional building height. The effect of the clause as proposed, is that if no contribution is made then the existing building heights under RLEP 2012 will apply to all B2 zoned land. The items and works which form part of the Community Infrastructure are identified in a schedule in Attachment B of the planning proposal and comprise \$85 million worth of local infrastructure and community facilities. The proposed charge is \$425 per square metre on the additional Gross Floor Area.
Floor Space Ratio	<ul style="list-style-type: none"> The proposal seeks to amend floor space ratio controls for Kensington and Kingsford town centres as follows: <ul style="list-style-type: none"> Kensington Town Centre (Area 1) 4:1 Kingsford Town Centre (Area 2) 4:1 Todman Square Precinct (Area 3) 5:1 Kingsford Mid-Town Precinct (Area 4) 5:1 Kingsford Junction Precinct (Area 5) 5:1
Minimum Non-Residential Floor Space Ratio	<ul style="list-style-type: none"> A minimum non-residential floor space ratio of 1:1 will be introduced in the Randwick LEP 2012, applying to the 3 key precincts of Todman Square (Area 3), Kingsford Mid-Town (Area 4) and Kingsford Junction (Area 5).
Active Street	<ul style="list-style-type: none"> An LEP provision is sought to require sites to provide commercial or retail floor space along active street frontages (as mapped) throughout the Kensington and

Frontages	Kingsford town centres.
Affordable Housing Contribution	<ul style="list-style-type: none"> • The planning proposal includes a draft clause that will allow the consent authority to impose a condition on a development application to require a contribution towards affordable housing by way of a levy. A 3% levy is proposed to be introduced and will increase to 5%. • The insertion of this clause in the LEP relies on a prior or concurrent amendment to SEPP 70. • The planning proposal seeks to include a new map to identify the area, to which the contribution clause would apply. The Special Provisions Area Map highlights the Kensington Town Centre (Area 1) and Kingsford Town Centre (Area 2) and applies the same boundaries as the planning proposal.
Design Excellence Provisions	<ul style="list-style-type: none"> • The proposal seeks to strengthen the existing design excellence provisions under Clause 6.11 of the Randwick LEP 2012 which will apply to most sites within the town centres. • Provisions will require development applications within the key nodes of the 3 identified Precincts (Todman Square, Kingsford Midtown and Kingsford Junction), to be informed by an 'architectural design alternatives competition' undertaken by the proponent prior to the lodgement of a development application. • For development applications that successfully demonstrate design excellence, design based trade-offs may allow additional building height of up to two storeys and the exclusion of identified social infrastructure/innovation floor space requirements from the total gross floor area calculation for the key Precincts.

The explanation of provisions is considered adequate. The explanation of provisions will require amending prior to community consultation to reflect the conditions of the Gateway Determination as discussed in the Recommendation.

Section 94A Development Contributions Variation

The draft Strategy identifies new infrastructure needed to support the growth of the Town Centres as outlined in the draft schedule of Local Infrastructure and Community Facilities works (Attachment B of the planning proposal). Community Infrastructure is proposed to be funded through the Community Infrastructure clause as outlined above. The proposed Local Infrastructure (identified in Attachment B of the planning proposal) is intended to be funded through an increase in Section 94A Development Contributions Levy.

Council's S94A Development Contributions Plan currently applies a maximum of 1% levy on the proposed cost of carrying out development where the cost of development exceeds \$100,000. Council's submission seeks the Department's assistance in seeking a variation to increase the existing levy to 3% of the cost of carrying out development within the town centres, however this change cannot be achieved through the planning proposal process and would require a separate request to the Minister for consideration.

Mapping

Council has submitted a Special Provisions Area Map SPA_001 and SPA_002. Other maps have been provided including:

- Height of Building Map;
- Floor Space Ratio Map;
- Non-Residential FSR Map;
- Active Street Frontages Map; and

- Town Centre Boundary Map.

All maps will be required to be consistent with the Department's Standard Technical Requirements.

NEED FOR THE PLANNING PROPOSAL

Council initiated a review of planning controls for the Kensington and Kingsford Town Centres as a result of redevelopment pressure and pre-Gateway reviews (and Rezoning Reviews) along the Anzac Parade Corridor. This has stemmed from the construction of the City to South East Light Rail Infrastructure which has been a catalyst for urban renewal and growth.

The planning proposal enables the establishment of new height and FSR controls for the Town Centres, the provision of affordable housing, proposes the delivery of community infrastructure and includes design excellence to achieve the vision for the Town Centres as outlined in the draft Planning Strategy. A planning proposal is necessary to give effect to the proposed changes.

The assessment of pre-Gateway and Rezoning reviews along the corridor has raised the need for development capacity across the town centres to be considered rather than responding to individual/site specific planning proposals.

The Sydney Planning Panel (formerly Sydney East JRPP) had commented in its consideration of pre-Gateway and Rezoning reviews, that while the Anzac Parade corridor may be suitable for increased density due to increased public transport capacity in the future, this should be done in the context of a review of the whole catchment of the transport corridor rather than be restricted to the context of one site. The intention of this is allow for a more equitable consideration of the distribution of heights and FSRs across the town centres.

It is considered the proposal is justified and the best way to achieve the intended outcomes, subject to the amendments outlined in the recommendations of this report.

STRATEGIC ASSESSMENT

State

Draft Greater Sydney Region Plan

The draft Greater Sydney Region Plan outlines how Greater Sydney will manage growth and change and guide infrastructure delivery. It sets the vision and strategy for Greater Sydney, to be implemented at a local level through District Plans. The plan forecasts the provision of 725,000 more homes and an additional 817,000 jobs by 2036 in the Greater Sydney Region.

Randwick is located in the Eastern City District. The Draft Greater Sydney Region Plan identifies the Randwick Health and Education Precinct as a Priority Collaboration Area and identifies the Strategic Centres of Eastgardens Maroubra Junction in the East.

The planning proposal generally demonstrates consistency with the Draft Greater Sydney Region Plan as the proposed urban renewal aligns with investment in regional infrastructure, with the proposal identifying key nodes identified along the CBD and South East Light Rail.

A Plan for Growing Sydney

The Department considers the proposal generally demonstrates consistency with the relevant directions of A Plan for Growing Sydney.

A Plan for Growing Sydney identifies the Kensington and Kingsford town centres, located in the Central Subregion, as areas with opportunities for urban renewal. Both centres are located in the Global Economic Corridor, which seeks to promote local renewal opportunities.

The Anzac Parade Corridor has excellent access to employment, recreational opportunities, education and health facilities and social infrastructure. The town centres are located along the Anzac Parade Corridor and the along the route of the proposed South East Light Rail. The area is in close proximity to the Randwick Education and Health Strategic Centre, identified under Direction 1.7 of the Plan.

The planning proposal is generally consistent with the objectives and actions of A Plan for Growing Sydney, particularly relating to accelerating urban renewal - providing jobs closer to home (Direction 2.2) and improving housing choice (Direction 2.3) and revitalising existing suburbs (Direction 3.1).

Regional / District

Revised draft Eastern City District Plan

The planning proposal is consistent with the priorities of the revised draft Eastern City District Plan released by the Greater Sydney Commission for public comment and on exhibition until 15 December 2017.

The proposal will create opportunities for the growth of commercial floor space, support the growth of innovation and creative industries and the Randwick Collaboration Area, manage growth and change in strategic and local centres, contribute to the delivery of the Eastern City District's five-year housing supply targets and deliver housing diversity and affordable housing. The stated five year (2016-2021) housing target for Randwick LGA is 2,250 dwellings and there is a 20 year Eastern City District target of 157,500 to 2036.

The indicative development yield under the revised built form controls indicates a net residential dwelling yield of between 1,150 to 1,480 additional new dwellings could be achieved. The revised controls will unlock the existing development capacity to support the delivery of approximately between 4,100 and 5,280 dwellings across both town centres.

Council has been investigating opportunities to accommodate housing growth across the entire LGA to ensure an even and equitable distribution of housing delivery to meet future needs. The locational split of accommodating future housing growth estimates 40% will be accommodated in the town centres of the LGA.

Local

Draft Planning Strategy Kensington and Kingsford Town Centres

This planning proposal has been produced as a result of Council's draft Planning Strategy: Kensington and Kingsford Town Centres. Subsequently, the proposal aligns and demonstrates consistency. The draft Strategy has not been endorsed by the Department as a local strategy. Council intends to place the draft strategy on exhibition with the planning proposal.

Section 117(2) Ministerial Directions

The planning proposal is consistent with all applicable S117 Directions except the following:

3.5 Development Near Licensed Aerodromes

This Direction applies when a planning proposal will alter, create, or remove a zone or provision related to land near a licensed aerodrome.

Council has advised that the proposed maximum permissible heights on some sites within the B2 Local Centre zone in Kingsford and Kensington would be affected by the Obstacle Limitation Surface (OLS) and Procedures for Air Navigation Services - Aircraft Operations Surfaces (PAN-OPS).

Land affected by the OLS requires the preparation of appropriate development standards. Permission from Department of Infrastructure and Regional Development must be obtained prior to undertaking community consultation in satisfaction of section 57 of the Act, where the planning proposal proposes to allow development that encroaches to the OLS.

The proposal is not considered to be of minor significance and inconsistencies have not been justified by an approved strategy.

It is therefore recommended that consultation with the Department of Infrastructure and Regional Development, the Sydney Airport Corporation Ltd (SACL) and the Civil Aviation Safety Authority (CASA) be undertaken during community consultation, which is in accordance with requirements of the Direction.

State Environmental Planning Policies

The planning proposal identifies several State Environmental Planning Policies (SEPPs) applicable to the site. The Department's assessment considers the proposed rezoning is consistent with the identified SEPPs and does not contain any provisions contravening the operation of relevant SEPPs.

State Environmental Planning Policy No. 70 - Affordable Housing (Revised Schemes)

The planning proposal seeks to include a new clause in Randwick LEP 2012 to include a 3% levy (increasing to 5%) for affordable housing on redevelopment sites within the Kensington and Kingsford Town Centres. A clause can be inserted into the LEP to require the levy only if the Local Government Area (LGA) has first been identified under Clause 9 of SEPP 70.

Council's proposal relies on the prior or concurrent amendment of SEPP 70 for insertion of Randwick LGA into Clause 9 of SEPP 70 as an identified area in need of affordable housing, in order for the proposed clause to have effect.

The former Minister endorsed the commencement of planning processes to include Randwick LGA within SEPP 70 in a letter to Council dated 10 January 2017.

An affordable housing plan has been provided as an addendum to the planning proposal. The Department's Housing Policy team has considered the proposal and recommended the following Gateway conditions:

- determine an appropriate figure (\$/sqm) for the town centres, equivalent to the value of properties; and

- provide more detail including an example of how the contribution is calculated and further explanation of the "accountable floor space" to assist in clarity and certainty of the clause.

SITE SPECIFIC ASSESSMENT

Social

The draft Strategy which underpins the Planning Proposal addresses a range of potential social effects including:

- the need for affordable housing;
- protection of heritage items and contributory buildings; and
- public transport provision; traffic and parking impacts.

The planning proposal will result in positive social effects for the local area, as it will improve local facilities, employment opportunities and increase housing and affordable housing stock close to public transport and amenities. It is considered the proposal has addressed the social impacts.

Environmental

The sites are located in established urban areas with no significant vegetation of ecological value located on site. It is agreed that there are no known critical habitats or threatened species, populations or ecological communities or their habitats that will be affected by the proposal.

Economic

The draft Strategy which underpins the Planning Proposal addresses a range of potential economic effects including:

- projected employment and commercial floor space growth;
- future retail and commercial uses, including opportunities for creative and innovation uses;
- funding infrastructure; and
- airport restrictions on building height.

Residential densities and yields for the Town Centres

Council's proposal is supported by Conybeare Morrison's Built Form study which investigated increased FSR and building heights to achieve an improved urban design outcome for the town centres. The built form analysis provides that a new residential dwelling yield of approximately between 1,100 - 1,500 additional dwellings (subject to dwelling size) could be achieved within the two town centres with the proposed height and density under the planning proposal.

Council considers the proposed amendments to the planning controls achieve an appropriate balance between population growth forecasts, achieving good building height transition and design excellence, protecting residential amenity of adjoining residential areas and solar access to public spaces.

Council's draft planning strategy outlines the dwelling yield achievable under the proposed height and FSR controls with a range as follows:

Total number of dwellings	Dwelling uplift
5,288 (70sqm av dwelling size)	1,481

4,627 (80 sqm av dwelling size) 1,296
4,112 (90 sqm dwelling size) 1,152

Peer Review of Planning proposal

A peer review of the K2K planning proposal and draft strategy was undertaken by Allen Jack and Cottier (AJ&C) on behalf of the Department, with a focus on reviewing the urban design and density controls to ensure the proposal adequately responds to the capacity and demand for growth within the corridor.

AJ&C undertook site investigations and considered the site constraints including existing strata developments, heritage properties and recently approved developments and current planning proposals, to determine sites that may be excluded and included as additional opportunity sites to maximise the living opportunities near the transport nodes.

The peer review has identified further development potential within the corridor to maximise the living opportunities near the transport nodes:

- by increasing heights and FSRs on K2K identified opportunity sites; and
- expanding the proposed opportunity sites/precincts by increasing the area of the opportunity sites to align with a 100m street block distance from the Todman Ave light rail stop in Kensington; and
- identifying 3 new opportunity sites, one in Kingsford Mid-Town and two in Kingsford Junction.

The peer review generally agreed with the K2K approach of activating the intersection of Todman Ave and Anzac Pde, Kensington by clustering appropriately scaled heights and densities at the four corners of the intersection. AJ&C also recommended the four corners, as the key opportunity sites, could be extended to the full length of the existing urban block; which is about 100m long. This would maximise the living and working opportunities in proximity to the proposed transport stop, help deliver further growth in employment and housing opportunities and help define the scale and dimensions of an activity space/town centre space.

The peer review agreed with K2K's proposed opportunity sites at the three corners of the Strachan Street and Anzac Parade intersection in Kingsford Mid-town, which extends for only part of the block. The review recommends the south east corner of the intersection also be included as an opportunity site. The site is known as O'Dea's corner, and is constrained as it is a heritage item, however it is recommended on the basis of its proximity to the light rail stop and considered to be able to accommodate high density with careful design solutions that retain the heritage item.

The peer review further recommends the northwest corner of the Kingsford Roundabout intersection should be identified as two new opportunity sites, being in close proximity to the light rail terminus and to create a gateway to Kingsford town centre.

If the recommendations of the peer review are adopted in full, it is estimated that there will be an increase of approximately 596 dwellings (based on average dwelling size of 80 sq m) which is a 16% increase in dwelling figures.

The Department's Urban Feasibility Model (UFM) has been applied to test the feasibility of the opportunity sites, the recommended expanded areas and new sites recommended by the peer review. The development of sites tested were considered to be viable, except on a few sites where acquisition costs impacted on viability and it also noted that construction costs impact the viability at a certain point.

The outcomes of the peer review and feasibility testing highlighted that there is opportunity to accommodate further growth and densities within the corridor. It is recommended that Council consider the peer review and investigate opportunities as to where the additional capacity can be provided within the boundaries of the current planning proposal.

Infrastructure

Council's planning proposal notes that increasing densities in the town centres will have implications for new and improved infrastructure. Council has identified a schedule of infrastructure items and public domain works.

The planning proposal seeks to implement an infrastructure funding mechanism, to provide for local infrastructure and community facilities. This is provided by a proposed draft Community Infrastructure Contribution (CIC) clause. The draft Planning Strategy also proposes to seek approval for an increase in Section 94A Contributions Levy from 1% to 3%.

The Act provides a clear legislative framework for infrastructure funding in association with development. Sections 94 and 94A of the Act provide methods for a development to contribute towards the cost of local infrastructure necessitated by the development in accordance with a contributions plan. The Department has concerns with the proposal's Community Infrastructure Contributions component and in particular, it does not support the proposal of a section 94A levy combined with the proposed community infrastructure bonus system.

The proposed Community Infrastructure levy (CIL) of \$475/m² is effectively a value sharing mechanism for land value uplift that would be likely to be achieved through Voluntary Planning Agreements. The Department considers that a Section 94 contribution plan is more appropriate in this instance. Alternatively, site specific incentives to provision if facilities are proposed on site. The proposed infrastructure contributions associated with the planning proposal needs to be further developed by Council, prior to the public exhibition of the planning proposal. It is considered that Council should investigate a Section 94 contribution plan covering the Kensington and Kingsford Town Centres, as opposed to the proposed levying under a Section 94A plan.

A Section 94 Plan or a S94A levy increase request is outside the scope of a planning proposal and it cannot be achieved with an amendment to the LEP.

It is considered that the proposal for infrastructure contributions associated with the planning proposal needs to be further developed, prior to exhibition of the planning proposal. It is recommended that the Gateway determination be conditioned to require the removal of the proposed Community Infrastructure Contributions clause as it is not supported by the Department and is outside the legislative framework that exists for infrastructure funding under the Act.

Traffic and Transport Assessment

The capacity of the light rail has been raised as a key issue in planning for growth along the Anzac Parade Corridor.

A study by EMM consulting was submitted with the planning proposal, which analysed predicted population growth, the capacity of the CBD and South East Light Rail system and light rail stop capacity to identify appropriate levels of future public transport commuter services to the Anzac Parade Corridor.

The EMM study concluded that for the year 2020, the CBD and South East Light Rail system alone will not be sufficient to provide for the public transport needs of the Anzac Parade Corridor. The report concluded that if adequate bus services are not provided in conjunction with the future light rail services, the project population growth cannot be provided for within the Kensington and Kingsford town centres.

ARUP undertook a Stage 1 traffic and transport assessment to inform the planning proposal, with the intention that a Stage 2 report will be prepared in 2017 to incorporate traffic modelling to further test the proposed dwelling growth and road closures.

Transport for NSW (TfNSW) has provided advice with regard to the supporting studies submitted with the planning proposal. TfNSW identified that the EMM report supporting the planning proposal underestimates the future capacity of the light rail (plus bus) system. TfNSW and Roads and Maritime Services (RMS) recommend that there is additional capacity in this location for dwellings above the analysis conducted by Council up to 5,600 dwellings, with 2,100 dwellings suggested as the additional minimum new capacity.

TfNSW has requested that detailed modelling be completed prior to exhibition and that Council consult with TfNSW and RMS on the scope for potential future road corridor widening be required to support the development. These matters have been conditioned in the Gateway determination.

Affordable Housing Levy

Council's planning proposal states that the proposed affordable housing levy corresponds to 230 dwellings with contributions of \$194,062,500.

The introduction of an affordable housing levy in the Randwick LEP 2012 is contingent on the prior (or concurrent) amendment of State Environmental Planning Policy No.70 - Affordable Housing (Revised Schemes) (SEPP 70).

It is noted that the former Minister for Planning, endorsed the commencement of planning processes to include Randwick City Council within SEPP 70. However, a clause to require levying of affordable housing cannot operate until Randwick LGA is included in clause 9 of the SEPP.

Comments have been received from the Department's Housing Policy branch which considers that Council should determine an appropriate figure (\$/m²) for the town centres, equivalent to the value of the properties. The scheme could be improved by providing more detail including an example of how the contribution is calculated and further explanation of the "accountable total floor space" should be provided to assist in clarity and certainty of the clause. These matters are included as a condition to the Gateway determination.

Assessment Conclusions

The Department considers the current nature of transition occurring within the area, as part of the construction of the Light Rail Infrastructure, provides the opportunity to ensure an uplift in density is determined consistent with the transport capacity available.

Given the recommendations of the urban design peer review, the feasibility testing and the consultation and advice from Transport for NSW, it is considered that there is further scope for increasing the proposed controls to accommodate densities in line with estimates for growth provided by Transport for NSW.

It is recommended that the supporting documentation be provided to Council to inform its consideration of how and where further density can be accommodated within the town centres.

The Gateway determination includes a condition to require additional capacity to be provided in the planning controls to cater for at least 600 additional dwellings. Council will need to review and investigate the best locations for the additional dwellings within the current proposal.

CONSULTATION

Community

Council has undertaken consultation with Government agencies and other organisations when preparing its draft Strategy. Council has advised consultation with these agencies and organisations will continue, along with community engagement in relation to this planning proposal.

Council intends to place the planning proposal on exhibition for a minimum period of 6 weeks. The Department recommends an exhibition period of 28 days for a proposal of this nature.

Agencies

Consultation is recommended with the following public authorities:

- Commonwealth Department of Infrastructure and Regional Development
- Sydney Airport Corporation;
- Air Services Australia
- Office of Environment and Heritage;
- Heritage Office;
- Transport for NSW;
- Roads and Maritime Services;
- Energy Australia;
- Sydney Water;
- Family and Community Services - Housing NSW;
- Department of Education;
- NSW Ministry of Health;
- Adjoining LGAs; and
- Ausgrid

TIMEFRAME

Given the nature of the planning proposal, a project timeline of 12 months is considered appropriate. The timeline in the proposal will need to be updated prior to community consultation to reflect the timeframe given in the Gateway conditions.

DELEGATION

Randwick City Council has not sought delegation to carry out the functions of the Greater Sydney Commission under section 59 of the Environmental Planning and Assessment Act 1979. Given the policy implications of the proposal, it is recommended that the delegation of plan making functions not be granted in this instance

CONCLUSION

The amendment to the planning controls applying to land in the B2 Local Centre Zone in the Kensington and Kingsford town centres will provide an updated planning framework to for increased housing and employment growth within the Anzac Parade corridor.

Given the the Government's investment in light rail infrastructure, the proximity of the town centres to the Sydney CBD and Specialist Centre of the Randwick Education and Health Strategic Centre) and the urban renewal opportunities provided within the corridor the planning proposal should proceed to exhibition, subject to the recommended amendments prior to exhibition.

RECOMMENDATION

It is recommended that the delegate of the Secretary:

1. Note that the consistency with Section 117 Directions 3.5 Development Near Licensed Aerodromes is unresolved and will require justification.

It is recommended that the delegate of the Greater Sydney Commission, determine that the planning proposal should proceed subject to the following conditions:

1. The planning proposal is to be amended to:

(a) identify additional sites in order to increase the dwelling capacity by a minimum of 600 dwellings within the Town Centres;

(b) Council is to specify appropriate heights and FSRs for the additional sites in its amended submission. FSR increases are to be provided where height increases are envisaged on opportunity sites;

(c) remove the proposed draft Community Infrastructure Contributions clause;

(d) provide a statement of intent regarding the Height of buildings consistent with the heights proposed in the planning proposal;

(e) specify a maximum building height in metres on the Height Map, to reflect the additional 2 storey heights if design excellence is achieved;

(f) amend the proposed draft Affordable Housing provisions to:

- i) provide a statement of intent rather than a proposed clause;
- ii) determine an appropriate figure (\$/m²) for the town centres, equivalent to the value of the properties; and
- iii) provide more detail including an example of how the contribution is calculated and further explanation of the "accountable total floor space" should be provided to assist in clarity and certainty of the clause.

2. Initial consultation on the revised Planning Proposal is to be undertaken with the following public agencies:

- Sydney Airport Corporation Limited (SACL), Civil Aviation Safety Authority (CASA) and Air Services Australia (AsA) in relation to maximum building heights; and

- Transport for NSW and Roads and Maritime Services in relation to the scope of detailed traffic modelling and potential future road corridor widening to support growth in the corridor.

3. Prior to community consultation, the revised planning proposal is to be submitted to the Department of Planning and Environment for review.

4. Community consultation for a minimum of 28 days; and


5. Consultation is required with the following public authorities:

- Commonwealth Department of Infrastructure and Regional Development
- Sydney Airport Corporation;
- Air Services Australia
- Office of Environment and Heritage;
- Heritage Office;
- Transport for NSW;
- Roads and Maritime Services;
- Energy Australia;
- Sydney Water
- Family and Community Services - Housing NSW
- Department of Education;
- NSW Ministry of Health;
- Adjoining LGAs; and
- Ausgrid.

7. A public hearing is not required to be held into the matter.

8. Completion within 12 months.

Martin Cooper
Team Leader, Sydney Region East

 31/10/2017



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31/10/17

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