

ATTACHMENT - 2

Council's Planning Proposal for 101-103 Lilyfield Road, Lilyfield.

INTRODUCTION

This Planning Proposal has been prepared by the Inner West Council (Council) to explain the intent of, and justification for an amendment to *Leichhardt Local Environmental Plan 2013* (LEP 2013) as it applies to 101-103 Lilyfield Road, Lilyfield.

This Planning Proposal has been prepared following a request by the proponent to amend the floor space ratio and permit food and drink premises on the site to facilitate a mixed use development. The proponent's Planning Proposal is provided at Appendix A.

Specifically, the Planning Proposal seeks to increase the maximum permitted floor space ratio (FSR) for the site and facilitate retention of a café within a new built form. The proposed amendments will enable redevelopment of the site to provide a diversity of housing types and sizes, continuation of an existing retail use and an improved and more efficient urban form.

This Planning Proposal has been prepared in accordance with Section 55 of the *Environmental Planning and Assessment Act 1979* (the Act) and guidelines published by the Department of Planning and Environment including 'A guide to preparing planning proposals' and 'A guide to preparing local environmental plans'.

BACKGROUND

Site Description

The Planning Proposal relates to 101-103 Lilyfield Road, Lilyfield, Lot 1 DP 432612 (refer Figure 1 below). The site is an irregular 'L' shaped block located on the northern side of Lilyfield Road with a frontage of 18.29m and rear boundary of 29.57m. It has an approximate area of 650.5m².

The site is currently occupied by a two storey residential flat building containing two dwellings, a single storey toilet building and a single storey brick building adjacent to the front boundary which accommodates a café/take away food premises.

The site is north of the Inner West Light Rail Line that runs between Central Station and Dulwich Hill. Catherine Street and the Lilyfield light rail stop are located to the south east of the site, with the entrance to the light rail stop, near the intersection of Catherine Street and City West Link, approximately 150m from the site.

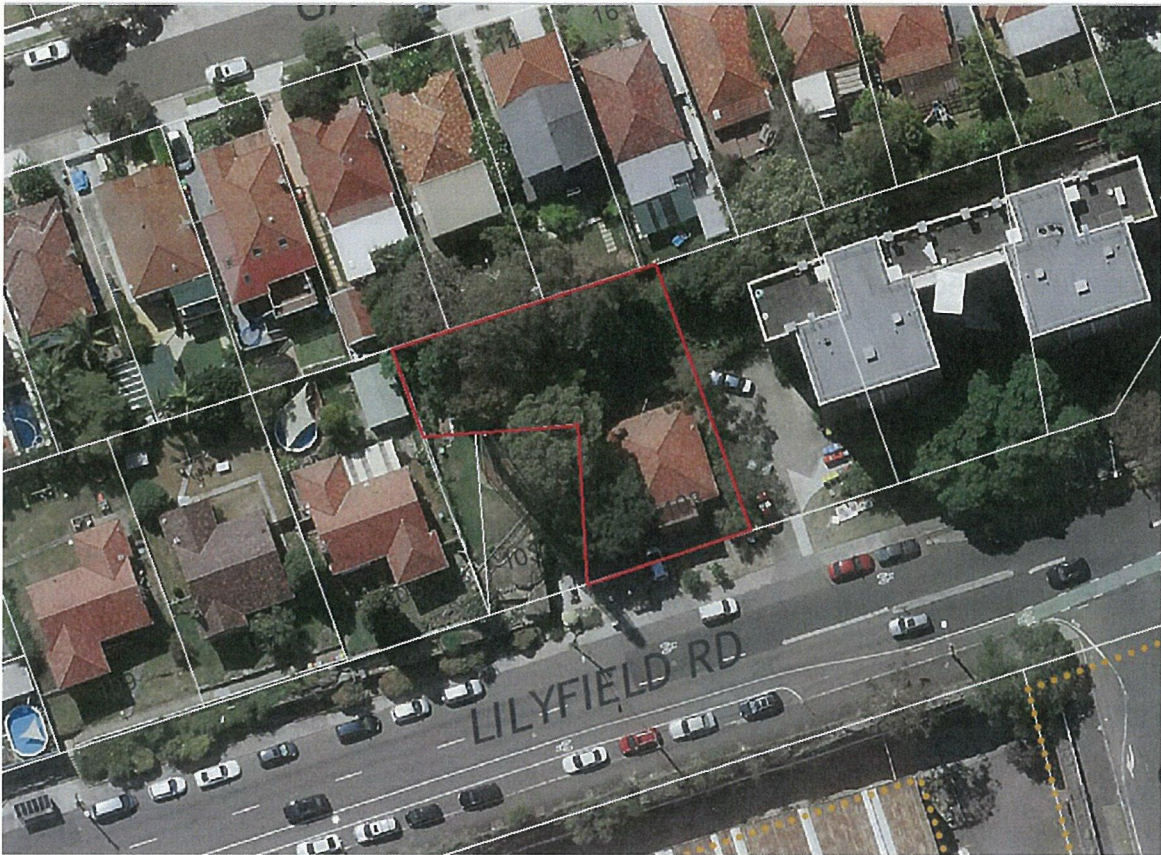


Figure 1: Aerial photograph showing land affected by the Planning Proposal

Surrounding development predominantly comprises one and two storey dwelling houses. Notwithstanding, to the east of the site is a six storey residential flat building across three lots owned by the Department of Housing and multi dwelling housing comprising five (5) attached two (2) storey dwellings was approved in early 2016 at 107 and 109 Lilyfield Road, currently occupied by two dwelling houses.

The site wraps around the adjoining two Sydney Water owned lots immediately to the west which are occupied by a sewer vent identified on the authority's Heritage and Conservation Register under s170 of the *Heritage Act 1977*. Directly opposite the site is the Rozelle Rail Yards which is zoned Port and Employment under *Sydney Regional Environmental Plan No 26—City West* (SREP 26) and currently used for light industrial uses including steel metal fabrication. This land falls within The Bays Precinct and is identified in *The Transformation Plan: The Bays Precinct Sydney*, prepared by UrbanGrowth NSW, as a long-term priority with works commencing in 2022 and beyond.

A rock wall extends across the subject site and the neighbouring sites to the west. The rock face has a maximum height of approximately seven (7) metres and it wraps around the rear and side of the existing buildings on the site. The northern portions of the site, located atop the rock face, slope up gradually toward the rear boundary. Beyond the site, the land continues to slope up approximately 2.5m to a high point, mid-block adjacent to Garnet Avenue. The rock face extends west of the site along Lilyfield Road to the intersection with Trevor Street. The topography means that a

large portion of the subject site is substantially lower than the adjoining properties to the north and west.

Current Planning Controls

The site is zoned R1 General Residential under LEP 2013. The objectives of the zone are:

- To provide for the housing needs of the community.
- To provide for a variety of housing types and densities.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To improve opportunities to work from home.
- To provide housing that is compatible with the character, style, orientation and pattern of surrounding buildings, streetscapes, works and landscaped areas.
- To provide landscaped areas for the use and enjoyment of existing and future residents.
- To ensure that subdivision creates lots of regular shapes that are complementary to, and compatible with, the character, style, orientation and pattern of the surrounding area.
- To protect and enhance the amenity of existing and future residents and the neighbourhood.

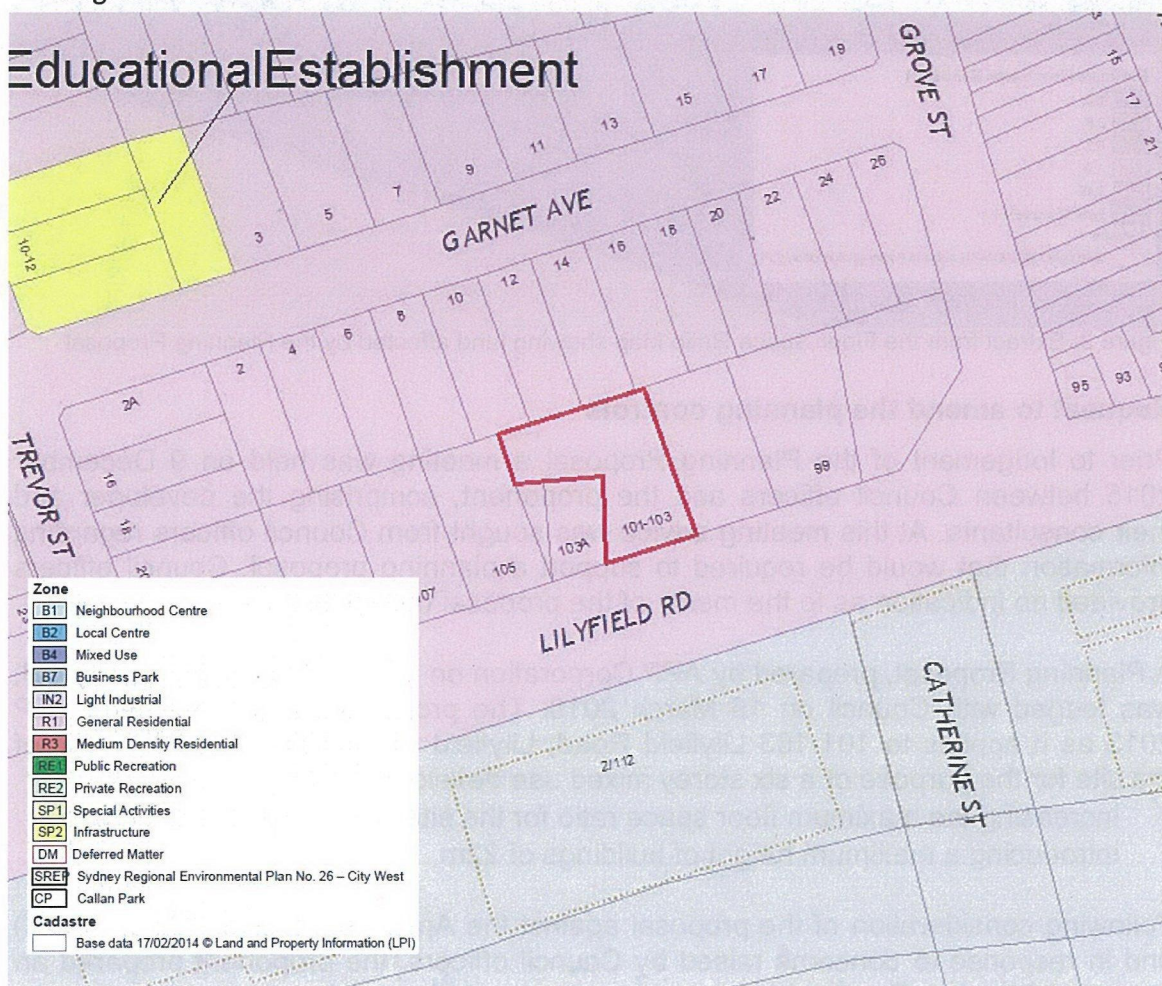


Figure 2: Extract from the Land Zoning Map showing land affected by the Planning Proposal

The site has a maximum permitted floor space ratio (FSR) of 0.5:1. While there is no maximum height of building control for the site in the LEP, the Leichhardt Development Control Plan 2013 (DCP 2013) effectively controls height with the provisions for the Nanny Goat Distinctive Neighbourhood imposing a maximum building wall height of 3.6m.



Figure 3: Extract from the Floor Space Ratio Map showing land affected by the Planning Proposal

Request to amend the planning controls

Prior to lodgement of the Planning Proposal a meeting was held on 9 December 2015 between Council officers and the proponent, comprising the developer and their consultants. At this meeting advice was sought from Council officers regarding information that would be required to support a planning proposal. Council officers provided no indication as to the merits of the proposal during this meeting.

A Planning Proposal, prepared by APP Corporation on behalf of Ozzy States Pty Ltd, was lodged with Council on 15 March 2016. The proposal sought to amend LEP 2013 as it applies to 101-103 Lilyfield Road, Lilyfield to facilitate redevelopment of the site for the purpose of a six storey mixed use development by:

- increasing the maximum floor space ratio for the site from 0.5:1 to 1.53:1; and
- introducing a maximum height of buildings of 22m.

Following consideration of the proposal against the Apartment Design Guide (ADG) and in response to concerns raised by Council officers, the proponent prepared an amended Planning Proposal to:

- increase the maximum floor space ratio for the site to 1:1; and
- introduce 'food and drink premises' as an additional permitted use for the site under Schedule 1.

The amended proposal no longer sought to introduce a maximum height of building control for the site. The proponent's Planning Proposal is included as Attachment A.

PLANNING PROPOSAL

The below Planning Proposal has been prepared by Council officers following consideration and assessment of the proponent's requested amendments to LEP 2013.

The proponent's request for 'food and drink premises' to be introduced as an additional permitted use on the site is not reflected in the Planning Proposal. The land use includes a number of sub-terms and as such would permit uses that would be inappropriate on the site and incongruous with surrounding uses. The definition of food and drink premises is included below.

food and drink premises means premises that are used for the preparation and retail sale of food or drink (or both) for immediate consumption on or off the premises, and includes any of the following:

- (a) a restaurant or cafe,
- (b) take away food and drink premises,
- (c) a pub,
- (d) a small bar.

The existing use on the site operates as a café or take away food and drink premises. These uses are defined below.

restaurant or cafe means a building or place the principal purpose of which is the preparation and serving, on a retail basis, of food and drink to people for consumption on the premises, whether or not liquor, take away meals and drinks or entertainment are also provided.

take away food and drink premises means premises that are predominantly used for the preparation and retail sale of food or drink (or both) for immediate consumption away from the premises.

While development for the purpose of the above uses would be compatible with the neighbouring residential uses and enable continuation of the existing use as part of a new mixed use development, small bars and pubs would introduce a range of amenity impacts that would be inappropriate in a residential area and inconsistent with the zone objectives.

Part 3 of the Planning Proposal demonstrates that it has strategic merit, however more detailed consideration is required to ascertain if the scale of development that would be facilitated under the proposed amendment to the FSR is appropriate for the site. Accordingly, further detail on the anticipated built form massing should be

required prior to exhibition as well as compliance with *State Environmental Planning Policy No 65—Design Quality of Residential Apartment Development* (SEPP 65) and the ADG.

The proponent's initial Planning Proposal was accompanied by supporting documentation, including concept plans, traffic impact assessment, ADG compliance table, view analysis and an arboricultural impact assessment. It is requested that a Gateway determination require this material to be updated prior to exhibition to reflect the development concept envisaged under the current Planning Proposal.

PART 1 – Objectives and Intended Outcomes

The objective of this Planning Proposal is to amend *Leichhardt Local Environmental Plan 2013* (LEP 2013) as it applies to 101-103 Lilyfield Road, Lilyfield to facilitate the redevelopment of the site for the purpose of a mixed use development.

PART 2 – Explanation of Provisions

To achieve the intended outcome, the Planning Proposal seeks to amend LEP 2013 as follows:

- Amend the Floor Space Ratio Map as shown in Part 4 of this Planning Proposal to increase the FSR from 0.5:1 to 1:1;
- Amend Schedule 1 Additional Permitted Uses by inserting 'restaurant or cafe' and 'take away food and drink premises' as additional permitted uses for the land at 101-103 Lilyfield Road, Lilyfield and restricting the floor space of such uses to 50sqm as well as amend the Additional Permitted Uses Map to identify the additional permitted use at 101-103 Lilyfield Road, Lilyfield.

PART 3 – Justification

Section A – Need for the planning proposal

Q1. *Is the planning proposal a result of any strategic study or report?*

The Planning Proposal is not the result of a strategic study or report undertaken by Council. A request to amend the planning controls for 101-103 Lilyfield Road, Lilyfield was received by Council. Development of this site offers a good opportunity to deliver additional dwellings with access to employment, services and public transport.

Q2. *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

Under LEP 2013 the site has a maximum permitted FSR of 0.5:1, enabling development of a substantially lesser scale than presented in the proponent's Planning Proposal. While clause 4.6 of LEP 2013 allows variation of a development standard, such a substantial departure (to permit double the floorspace) would be inappropriate.

The R1 General Residential zoning does not permit 'restaurant or cafes' or 'take away food and drink premises' unless a development proposes adaptive reuse of an existing building constructed for a purpose other than residential accommodation. While there is an existing café on the subject site, this is a non-conforming use and presumably has existing use rights. To enable this use to continue on the site as part of a new development, the land would need to be rezoned or an additional permitted use included in Schedule 1. The former is not preferred as it would create opportunity for a greater range of uses in this out-of-centre location, including those incompatible with surrounding development, and go beyond achieving the desired objective of facilitating continuation of an existing land use.

Despite the existing café not being permissible under the R1 General Residential zoning, the use is consistent with the objectives of the zone in that it will enable an additional land use that provides a service to meet the day to day needs of residents. Located just over 150m from the entrance to the Lilyfield light rail station, the café is well positioned to serve commuters on route to the station.

It is proposed that the size of these uses on the site be limited to 50m² to ensure the scale of future development is consistent with the prevailing residential character and does not adversely impact existing uses and amenity.

Accordingly, the Planning Proposal is the best means of achieving the intended outcome.

Section B – Relationship to strategic planning framework

Q3. *Is the planning proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (including any exhibited draft plans or strategies)?*

A Plan for Growing Sydney

In December 2014, the NSW Government published A Plan for Growing Sydney which is the overarching strategic plan for the Sydney metropolitan area to 2031. The Plan identifies key challenges facing Sydney including a population increase of 1.6 million by 2034 needing 689,000 new jobs and 664,000 new homes by 2031. A Plan for Growing Sydney sets out four goals:

- A competitive economy with world-class services and transport;
- A city of housing choice with homes that meet our needs and lifestyles;
- A great place to live with communities that are strong, healthy and well connected; and
- A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

To achieve these goals, the Plan includes directions and supporting actions as well as priorities for each subregion. Relevant directions with which this Planning Proposal is consistent include:

Direction 2.1: Accelerate housing supply across Sydney. Increasing housing supply and choice is identified as a high priority for meeting Sydney's future housing need and reducing pressure on house prices. The Government is working to a target of 664,000 new dwelling in Sydney by 2031. Action 2.1.1 – Accelerate housing supply and local housing choices – states that the areas most suitable for significant urban renewal are those connected to employment, well-served by public transport and in and around strategic centres.

While the Planning Proposal will not facilitate 'significant urban renewal', the proximity of the subject site to public transport, namely bus services and light rail, as well as Sydney CBD and other strategic centres, make it suitable for the provision of additional housing.

The proponent's Planning Proposal does not provide detail on the proposed housing mix, however a future development application will be subject to clause 6.13 – Diverse housing. This requires at least 25% of dwellings in a residential flat building or mixed use development including four or more dwellings to be studio or one bedroom and no more than 30% to be three bedroom dwellings.

Direction 2.2: Accelerate urban renewal across Sydney – providing homes closer to jobs. Action 2.2.1 – Use the Greater Sydney Commission to support council-led urban infill projects – acknowledges that a significant proportion of Sydney's additional housing supply needs to come from urban infill, including small-scale infill development. A Plan for Growing Sydney supports council-led urban infill and local efforts to lift housing production around local centres, transport corridors and public transport.

Direction 2.3: Improve housing choice to suit different needs and lifestyles. The Plan aims to introduce planning controls that increase the number of homes in established urban areas to take advantage of public transport, jobs and services and encourage well-designed, smaller homes to suit lifestyles and budgets.

Consistent with Direction 2.1, the planning proposal will enable additional housing in close proximity to jobs, services and public transport and future development will be required to include a proportion of studio or one bedroom dwellings to accommodate single person households, the fastest growing sector of households in Sydney.

Direction 3.1: Revitalise existing suburbs. The Government will prioritise the delivery of housing in established urban areas to help more people live close to jobs, services and transport and make more efficient use of existing infrastructure.

The Proposal will increase housing supply in an established area, thereby making more efficient use of existing infrastructure and utilities and capitalising on proximity to employment, services and recreation opportunities.

Central Sydney Priorities

The Plan includes priorities for the Central Subregion, in which the Inner West LGA is located. Of particular relevance to the current Planning Proposal is the priority to *accelerate housing supply, choice and affordability and build great places to live*. Within this priority, the Plan identifies the following action:

- Work with Councils to identify suitable locations for housing intensification and urban renewal, including employment agglomerations, particularly around Priority Precincts, established and new centres, and along key public transport corridors including the Airport; Inner West and South Line; the Eastern Suburbs and Illawarra Line; the Bankstown Line; Inner West Light Rail; CBD and South East Light Rail; and Sydney Rapid Transit.

As discussed above, the Planning Proposal will enable housing intensification in an area well-served by public transport and connected to strategic centres and services.

Draft Inner West Subregional Strategy

The Planning Proposal is consistent with the current Draft Inner West Subregional Strategy (2008) as it facilitates the provision of additional homes and jobs within the Sydney Metropolitan area. The relevant objectives and actions are addressed in the table below.

Objective	Action	Comment
C. Housing		
C2 Plan for a housing mix near jobs, transport and services	C2.1 Focus residential development around centres, town centres, villages and neighbourhood centres IW C2.1.1 Inner West councils to ensure the location of new dwellings maintains the subregion's performance against the target for the State Plan Priority E5 (Jobs Closer to Home)	The proposal will facilitate additional housing within 30 minutes of a Strategic Centre by public transport.
	C2.3 Provide a mix of housing	The proposal will provide additional dwellings in an accessible location. The housing mix will be informed by clause 6.13 (Diverse housing) of LEP 2013 which requires a minimum proportion of small (studio or one bedroom) dwellings.
C4 Improve housing affordability	C4.1 Improve the affordability of housing	The proposal will increase the provision of housing, including small dwellings, which will contribute to addressing housing affordability.

Table 1: Assessment of the Planning Proposal against the relevant actions of the Draft Inner West Subregional Strategy

The Greater Sydney Commission is currently developing District Plans for the six districts in the Greater Sydney area in consultation with stakeholders. The District Plans, to be publicly exhibited from the end of 2016, will deliver the intentions of A Plan for Growing Sydney. The district planning process will feed into a new Strategic Plan for Greater Sydney that will be released by the Greater Sydney Commission in late 2017. The Strategic Plan will be a combined review of A Plan for Growing Sydney, Long Term Transport Master Plan and Rebuilding NSW – State Infrastructure Strategy.