

ATTACHMENT A

**PLANNING PROPOSAL: 102–106 DUNNING
AVENUE, ROSEBERY**

Planning Proposal

102–106 Dunning Avenue, Rosebery

February 2017

Sydney 2030 Green/Global/Connected

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PLANNING PROPOSAL

102–106 Dunning Avenue, Rosebery

Introduction

This Planning Proposal explains the extent of, and justification for, proposed amendments to *Sydney Local Environmental Plan 2012* (Sydney LEP 2012) as it applies to 102–106 Dunning Avenue, Rosebery (the site). It follows a request from the landowner, Kubis Rosebery Pty Ltd, to Council to prepare a Planning Proposal. The proposal is to facilitate the redevelopment of the site from its current warehouse use to a mixed use development comprising residential and non-residential development. The land affected by this Planning Proposal is shown hatched in red in Figure 1.

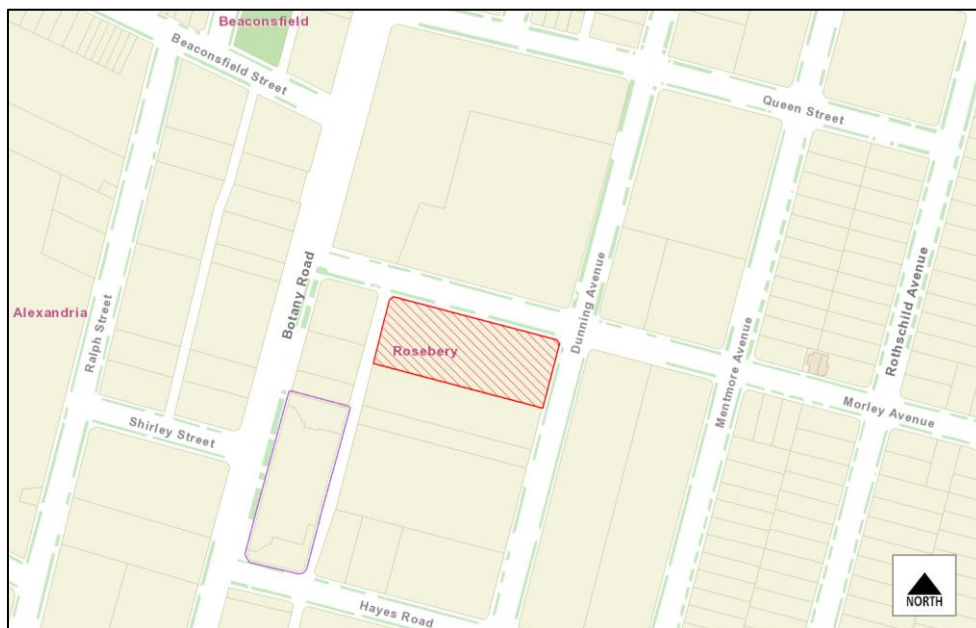


Figure 1 Land affected by this Planning Proposal

Specifically, this Planning Proposal seeks to rezone the site to allow a residential mixed use and amend the building height and floor space ratio controls for the site. More detailed planning controls will be contained within an amendment to *Sydney Development Control Plan 2012* (Sydney DCP 2012) which has been prepared alongside this Planning Proposal.

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

The *City of Sydney Employment Lands Strategy* (Strategy) was adopted by Council in March 2015. The Strategy provides a strategic framework for the renewal of the City's employment lands. Broadly, the key objectives of the Strategy are to:

- ensure the retention and primacy of employment uses in the City of Sydney employment lands

- facilitate new business and industry opportunities
- provide employment across a range of sectors
- provide land for strategic industrial activity and essential urban services
- ensure the timely provision of infrastructure, including affordable housing, to support growth in the area.

The Strategy identifies two ‘investigation areas’ within the employment lands, one in Rosebery in the south and one in Alexandria close to the Green Square town centre. Investigation areas are those locations where potential for residential development has been identified where it can be demonstrated the broader objectives of the Strategy can be maintained.

In October 2015, Council adopted the *Guideline to Preparing Site Specific Planning Proposal Requests in the City of Sydney Employment Lands Investigation Areas* (Guideline). The Guideline provides a transparent, equitable and consistent framework for the consideration of planning proposal requests.

The site by site consideration of planning proposal requests in the investigation areas is critical to manage the complex land-use conflicts and infrastructure demands that will arise from the introduction of residential uses into the City’s employment lands. The Guideline provides the key planning matters the City will consider in making its assessment of requests. These matters are addressed in Part 3, Section B of this Planning Proposal.

This Planning Proposal is the first being considered in the Rosebery investigation area.

The site and existing development

102–106 Dunning Avenue, Rosebery is a single landholding located in an ‘investigation area’ in the southern employment lands in the City of Sydney local area. The land comprises Lot 50 DP 1171307. Survey plans are provided at Appendix C.

The site area is 4,949 square metres, is regular in shape and is generally level. The site has frontages to Dunning Avenue on the east, Jones Lane on the west and Morley Avenue on the north.

Existing development consists of four light industrial/warehousing units and ancillary offices with associated car parking at the site’s Morley Avenue frontage (Figure 2 to Figure 4). It has a total floor area of 3,336 square metres, comprising 2,066 square metres of warehouse and 1,270 square metres of ancillary office space.



Figure 2 Existing development on 102-106 Dunning Avenue, Rosebery



Figure 3 The site as viewed looking west from Morley Avenue. 755-759 Botany Road in background.



Figure 4 The site as viewed looking south west from Morley Avenue. 36 Morley Avenue in foreground.

The predominant land use on the site is transport and warehousing (about 60 per cent of floor area), however, a range of other industries are represented, as shown in Table 1.

Table 1 Existing tenants and industry division

Business (tenant)	Industry division
Wilhelmsen	Transport, Postal and Warehousing
CCM	Manufacturing
Columbit	Wholesale trade
Riedel	Manufacturing
Viking	Transport, Postal and Warehousing
Wavetrain	Manufacturing
Wiltrading	Administrative and Support Services
Wilhelmsen Ships Service	Administrative and Support Services

The economic impact assessment, provided as Appendix D, identifies 38–51 workers on the site.

Location

Context

The site is in the southern employment lands in the City of Sydney local government area. Approximately 1.4 kilometres to the north of the site, or 15–20 minute walk, is the Green Square town centre and train station. About 4.8 kilometres beyond that is Central Sydney, which can be reached by bus from Botany Road.

To the east is the Rosebery residential estate. South Dowling Street is about 400 metres away. To the south is Gardeners Road and to the south-west is Mascot town centre precinct and train station. To the west is Botany Road.



Figure 5 Site context

Surrounding development

The surrounding development is typically characterised by industrial uses, however there are a number of commercial, retail and residential uses within close proximity.

NORTH

To the immediate north of the site is Morley Avenue, a two-lane road with on-street parking and established street tree planting. On the other side of Morley Avenue is 33 Morley Avenue, a two-storey light industrial warehouse (Figure 6). To the north-west is an eight-storey mixed use development with ground level retail fronting Botany Road.



Figure 6 Existing two-storey light industrial warehouse at 33-35 Morley Avenue

EAST

To the immediate east of the site is Dunning Avenue, a two-lane road with on-street parking. On the other side of Dunning Avenue, is the former Rosella Preserving and Manufactory Co. factory which comprises a series of two-storey warehouse buildings, with many converted into creative and restaurant/café uses (Figure 7). This site is the heart of the emerging foodie scene in Rosebery. Further to the east comprises low density residential area of Rosebery that typically consists of detached dwellings.



Figure 7 Former Rosella Preserving and Manufactory Co. factory buildings across Dunning Avenue

SOUTH

Adjoining the site directly to the south at 108 Dunning Avenue is a newly completed part two-, part three-storey light industrial building. It comprises 24 high technology industrial units and two food and drink premises with associated offices and retail showroom spaces (Figure 8).

To the south of the site development consists of largely warehouse and light industrial uses, consistent with the B7 zoning of the area.



Figure 8 Recent development on 108 Dunning Avenue, Rosebery

WEST

To the immediate west of the site is Jones Lane, a two-way service lane with one lane of parking. The laneway services other developments, but not the subject site. On the other side of the laneway is 755–759 Botany Road, a mixed use development that includes the heritage listed 'Former "Tucker & Co" including interior' – a single storey Inter-War Art Deco building (Figure 9).

To the west of the site is Botany Road, a sub-arterial road that links the area to Green Square rail station to the north and Port Botany to the south.



Figure 9 Jones Lane between the site and 755-759 Botany Road, Rosebery

Current planning controls

Sydney LEP 2012 contains the zoning and principal development standards for the site.

The site is zoned B7 Business Park, shown at Figure 10. The objectives of the B7 zone are to provide a range of office and light industrial uses, to encourage employment opportunities and to enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. The zone permits a broad range of industrial, business and commercial uses, but no residential uses other than affordable housing.

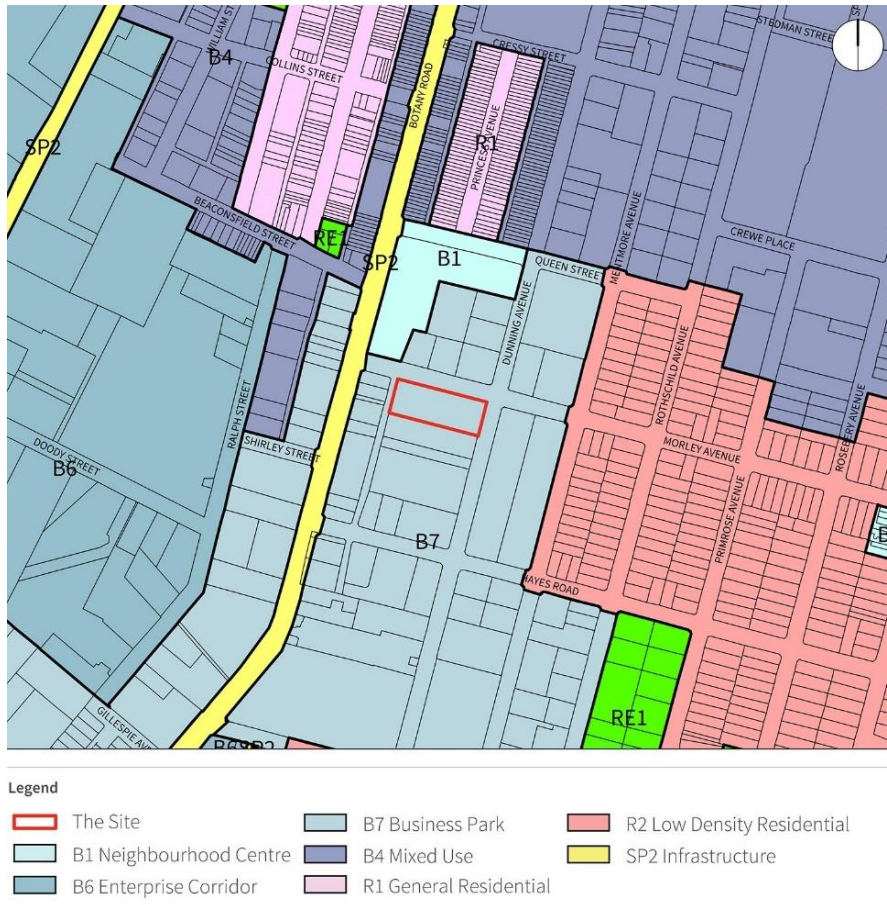


Figure 10 Zoning map, Sydney LEP 2012

The site has a floor space ratio (FSR) of 1.5:1 and a maximum height of 18 metres, shown at Figure 11 and Figure 12 respectively.

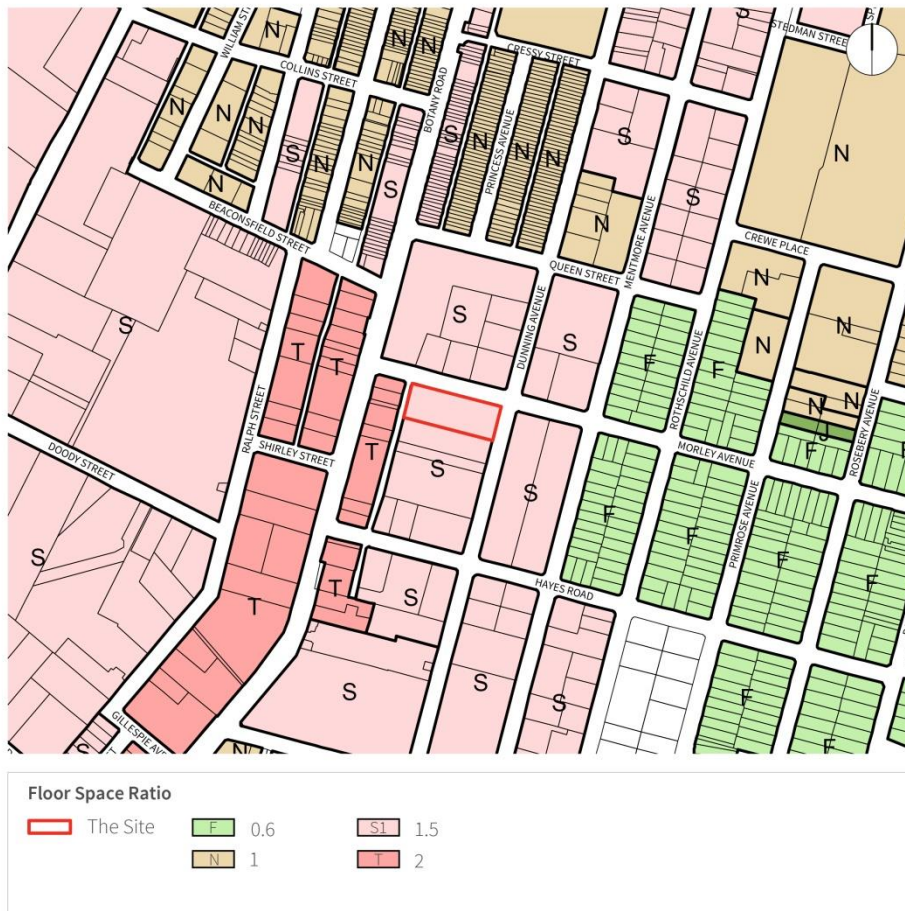


Figure 11 Floor Space Ratio map, Sydney LEP 2012



Figure 12 Height of Building map, Sydney LEP 2012

No part of the site is heritage listed, nor is it located in a heritage conservation area. However, it is located adjacent to:

- Heritage Item I1371, the 'Former "Tucker & Co" including interior'
- Heritage Item I2256 – 'Former Rosella Preserving Manufacturing Co north office and factory buildings and south building, including internal structure and Morley Avenue building setback', shown at Figure 13.

- require that 10 per cent of any floor area built on the site be for a non-residential use
- identify an 'active street frontage' along Dunning Avenue.

It is noted that Clause 6.21 of Sydney LEP 2012 specifies that an additional 10 per cent height or FSR (not both) is permissible on a site where design excellence is demonstrated through a competitive design process.

An amendment to Sydney DCP 2012, to be exhibited concurrently with this Planning Proposal, contains more detailed site-specific planning provisions.

The amendments are to facilitate mixed use development. The proposed scheme, developed by Turner Studios, is provided in an urban design study at Appendix B. An assessment of the proposed scheme is provided at Part 3, Section C of this Planning Proposal.

Public benefit offer

In conjunction with this Planning Proposal request, the landowner has made an offer to enter into a planning agreement for the provision of public benefits.

The key terms of the offer are:

- finished affordable housing dwellings are to be provided on site in accordance with the Guideline under either:
 - Option 1 (minimum option) – where the amount of affordable housing floor space is calculated based on the amount of gross floor area built on the site and the agreed market value of the affordable housing floor space. The affordable housing floor space is to be built by the landowner and dedicated or sold to a Tier 1 or Tier 2 community housing provider for no more than \$1, or
 - Option 2 (alternate option) - where affordable housing floor space is provided in addition to that required under Option 1. The landowner can sell the affordable housing floor space to a community housing provider for a capped amount. The capped sale amount is based on recouping the forgone value of the additional floor space on offer for affordable housing, plus an incentive amount, to be agreed between the City and the landowner.

Note: Tier 1 community housing providers have the highest level of performance requirements and regulatory engagement, reflecting they are involved in activities that necessitate management of a higher level of risk. Tier 2 providers have an intermediate level of performance requirements and regulatory engagement, and are involved in activities that necessitate management of a level of risk lower than Tier 1 but greater than Tier 3.

- dedication to Council of a 1.25 metre deep frontage to Jones Lane (approximately 50 square metres of land) for a footpath, with the value of the land and any associated works in kind offset against the amount calculated under the Guideline
- carparking for affordable housing dwellings, number of spaces to be agreed between the City and the landowner.

A fundamental consideration in assessing the merits of this Planning Proposal has been how it may mitigate the additional infrastructure demand it generates by facilitating residential development in an area otherwise zoned for employment uses. The infrastructure requirement demand in the southern employment lands is detailed in the *Southern Employment Land Infrastructure Plan 2015*.

The landowner's offer is made in accordance with the 'benefit sharing' approach described in the City's Guideline which contains standardised rates to calculate the 'planning gain' arising from a change to the planning controls. The planning gain is then shared equally between the landowner and the public in the form of infrastructure delivery.

The Guideline ensures that each landowner in the investigation areas, which will substantially benefit from a change to planning controls to facilitate residential uses, shares that benefit with the public and landowners in the wider employment lands by providing the necessary infrastructure.

Under this Planning Proposal, assuming a maximum of 2.2:1 is achieved, including any potential design excellence floor space, the public's share of planning gain under the Guideline is \$9.07 million. This figure is based on rates current at 1 January 2017.

The value of the land for footpath, as well as any associated works in kind is to be deducted from this amount with the residual funds then directed towards the provision of affordable housing floor space. This is to be established by joint valuation of the market value of residential floor space in the area.

The landowner has offered to provide the affordable housing under one of two options described above. An example of affordable housing that may be provided under Option 1 (minimum option) is below. It uses estimated market values that may change following valuation:

*The total planning gain resulting from the changes to the
planning controls is \$18.13 million
therefore
the public's share of the planning gain is \$9.07 million, being
half of the planning gain
less
the value of the footpath land and works in kind is \$30,000
therefore
the amount for affordable housing is \$9.04 million
if
the agreed average market value of floor space in the locality is
\$14,000 per square metre
then
the amount of affordable housing floor space will be 646 square
metres, being the amount for affordable housing divided by the
agreed average market value
therefore
if an average dwelling size of 80 square metres is assumed, 8
dwellings would be provided for the purpose of affordable
housing on the site.*

An example of affordable housing that may be provided under Option 2 is below. It too uses assumed values for demonstration purposes only:

*The minimum amount of affordable housing floor space to be
provided is 646 square metres (from Option 1)*

if
the landowner opts to provide, 300 square metres more of
affordable housing floor space

then
the owner may sell the affordable housing floor space for a
capped sales amount, that is based on recouping the value of
that floor space, being \$4,200,000 (300 x\$14,000), plus an
incentive amount based on the following table:

Affordable housing floor space achieved over Option 1	Incentive rate (as a proportion of the public share of the planning gain)
<50sq m	0%
50 - 150sq m	2.5%
151 - 250sq m	5%
251 - 350sq m	7.5%
351 - 450sq m	10%
451sq m +	12.5%

therefore
the landowner may sell the affordable housing floor space to a
community housing provider for a maximum of \$4.88 million,
being 300 square metres x \$14,000 plus 7.5% x \$9.07 million

therefore
if an average dwelling size of 80 square metres is assumed, 12
dwelling would be provided for the purpose of affordable
housing on the site

therefore
a community housing provider is purchasing the 12 affordable
housing dwellings for approximately \$400,000 each, rather than
the estimated market value of \$1 – \$1.2 million per dwelling.

The benefit of Option 2 is the increased amount of affordable housing resulting on the site. While there is some cost to community housing providers under Option 2, relative to Option 1 where affordable housing is provided at no cost, the affordable housing will be sold well below market value. It however relies on a willing community housing provider to purchase the dwellings, hence the need to provide for Option 1.

A draft planning agreement is being prepared in accordance with the key terms described above. The draft planning agreement is to be publicly exhibited with the Planning Proposal.

Part 1 Objectives and intended outcomes

This Planning Proposal is to:

- facilitate the redevelopment of the site from its current warehouse use to a mixed use development comprising residential, retail and commercial uses
- ensure that new development responds appropriately to the surrounding built form, land uses and future vision for the area
- ensure substantial employment generating uses are provided on the site as part of a mixed use development
- ensure that as residential uses are introduced into the City's employment lands, the infrastructure required to support it is provided
- facilitate affordable housing on the site to ensure a diverse community and housing for very low to moderate income workers in the area.

Part 2 Explanation of Provisions

2.1 Sydney LEP 2012

To achieve the intended outcomes, this Planning Proposal seeks to amend planning controls in *Sydney Local Environmental Plan 2012* (Sydney LEP 2012) as follows:

- rezone the land to B4 Mixed Use by amending Land Zoning Map Sheets 11, 12, 18 and 19 in accordance with the proposed Land Zoning Map shown at Part 4 of this Planning Proposal
- increase the maximum building height to 29 metres on the eastern portion of the site and 20 metres on the western portion by amending Height of Buildings Map Sheets 11, 12, 18 and 19 in accordance with the proposed Height of Buildings Map shown at Part 4 of this Planning Proposal
- increase the maximum floor space ratio to 2:1 by amending Floor Space Ratio Map Sheets 11, 12, 18 and 19 in accordance with the proposed Floor Space Ratio Map shown at Part 4 of this Planning Proposal
- require an active street frontage to Dunning Avenue by:
 - inserting a new map (Sheets 11, 12, 18 and 19) titled 'Active Street Frontages Map' in accordance with the proposed Active Street Frontages Map shown at Part 4 of this Planning Proposal, and
 - inserting a new clause in Part 7 – Local Provisions – General, Division 4 - Miscellaneous. The recommended wording for the clause is as follows:

7.26 Active street frontages

(1) The objective of this clause is to promote uses that attract pedestrian traffic along certain ground floor street frontages.

(2) This clause applies to land identified as “Active street frontage” on the Active Street Frontages Map.

(3) Development consent must not be granted to the erection of a building, or a change of use of a building, on land to which this clause applies unless the consent authority is satisfied that the building will have an active street frontage after its erection or change of use.

(4) Despite subclause (3), an active street frontage is not required for any part of a building that is used for any of the following:

(a) entrances and lobbies (including as part of mixed use development),

(b) access for fire services,

(c) vehicular access.

(5) In this clause, a building has an active street frontage if all premises on the ground floor of the building facing the street are used for the purposes of business premises or retail premises.

The intent of identifying an active frontage is to ensure that as residential development occurs in the employment lands, main streets remain the focus of commercial activity.

- require 10 per cent of any floor area achieved on the site to be provided as non-residential floor area by inserting a new clause in Part 6 – Local Provisions – Height and Floor space, Division 5 - Site Specific. The recommended wording for the clause is as follows:

6.36 102–106 Dunning Avenue, Rosebery

(1) This clause applies to the site at 102–106 Dunning Avenue, Rosebery being Lot 50 DP 1171307 (Site).

(2) Development consent must not be granted to development on land to which this clause applies unless the consent authority is satisfied that the development will result in no less than 10 per cent of GFA being used for purposes other than residential accommodation or tourist and visitor accommodation.

The intent of this clause is to ensure that as residential development occurs in the employment lands an appropriate proportion of floor space is retained for employment generating uses.

ALTERNATE ZONING APPROACH

With regard to the proposed rezoning, it is noted the same objectives and outcomes detailed in Part 1 may be achieved by listing the site on Schedule 1 of Sydney LEP 2012 with an additional permissible use for 'residential accommodation'. This would keep the identified employment lands intact as a recognisable employment precinct, maintaining the objectives of the B7 Business Park zone to:

- provide a range of office and light industrial uses
- encourage employment opportunities
- enable other land uses that provide facilities or services to meet the day to day needs of workers in the area
- ensure uses support the viability of nearby centres.

This may be the preferred approach of the Greater Sydney Commission, given the increased weight put on the retention of employment lands in the recently released draft *Central District Plan*.

If in assessing this Planning Proposal this is the preferred approach of the Greater Sydney Commission, the Gateway Determination issued for this Planning Proposal may direct the City to retain the B7 Business Park zoning and identify the site on Schedule 1.

2.2 Sydney DCP 2012

The City has prepared draft Sydney DCP 2012 amendment containing detailed site-specific planning controls has been prepared. It includes provisions relating to the public domain, design excellence requirements, land use, building envelopes and location, bulk and massing, street frontage heights in storeys, setbacks and vehicular entrances. The draft Sydney DCP 2012 amendment will be publicly exhibited with the Planning Proposal.

Part 3 Justification

Section A – Need for the Planning Proposal

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

The site is located in the City of Sydney southern employment lands. In June 2014 Council adopted the *City of Sydney Employment Lands Strategy* (Strategy) to guide growth and change in the employment lands. While retaining the B7 Business Park zoning of the site, the Strategy identifies it in an 'investigation area', where additional permissible use for 'residential accommodation' will be considered on a case by case basis.

To provide a framework for the preparation of site-specific planning proposals within the investigations areas, Council adopted the *Guideline for preparing site-specific planning proposals in City of Sydney employment lands* (Guideline) in October 2015. The Guideline outlines the matters that will be considered in assessing planning proposal requests to change the planning controls of a site in the investigation areas.

In April 2015 the landowner initiated discussions with the City to change the planning controls for the site and in December 2016 submitted a planning proposal request to the City. In support of the Planning Proposal request, the landowner has provided technical studies that are appended to this Planning Proposal at:

- Appendix B: Urban Design Study – Turner Studios
- Appendix D: Economic Analysis Report – JBA
- Appendix E: Environmental Assessment Report – EI Australia
- Appendix F: Traffic Report – Colston Budd Rogers & Kafes Pty Ltd
- Appendix G: Flood Level Summary – Cardno Pty Ltd
- Appendix H: Heritage Impact Statement – Paul Davies Pty Ltd

The consistency of this Planning Proposal with the Strategy and the Guideline is discussed at Section B. The key findings of the technical studies are discussed in Section C.

This Planning Proposal is a result of discussions and meetings between the City, the landowner and their consultants. It details the proposed amendments to *Sydney Local Environmental Plan 2012* (Sydney LEP 2012) that will facilitate redevelopment with acceptable environmental impacts, appropriate built form and commensurate public benefit.

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

The proposed scheme is for a mixed use development of up to 29 metres with an FSR of up to 2:1. Current planning controls prohibit a residential use on the site and limit the height and FSR to 18 metres and 1.5:1 respectively.

As such, a planning proposal to change the zoning, height and FSR controls is required to facilitate the proposed scheme and the intended outcomes of this Planning Proposal.

Section B – Relationship to strategic planning framework

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

A PLAN FOR GROWING SYDNEY

A Plan for Growing Sydney (Plan) is the NSW Government's overarching strategic plan for growth and change in Sydney over the next 20 years. It identifies key challenges facing Sydney including a population increase of 1.6 million by 2034, 689,000 new jobs by 2031 and a requirement for 664,000 new homes.

In responding to these and other challenges, the Plan sets out four goals:

1. a competitive economy with world-class services and transport
2. a city of housing choice and homes that meet our needs and lifestyles
3. a great place to live with communities that are strong, healthy and well connected
4. 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 proposes 22 directions and associated actions. Actions of particular relevance to this Planning Proposal include:

- Action 1.7 Grow strategic centres
- Action 2.1 Accelerate housing supply across Sydney
- Action 2.2 Accelerate urban renewal across Sydney
- Action 2.3 Improve housing choice to suit different needs and lifestyles.

This Planning Proposal is consistent with the relevant goals, directions and actions of the Plan. Specifically, it will:

- facilitate redevelopment of the site to include commercial and retail premises, resulting in the creation of new jobs
- expand Sydney's economic centres to enable the City to compete and strengthen economic growth by creating new opportunities for businesses to invest
- promote the urban renewal of a site which is accessible by public transport
- ensure jobs are provided close to where people live
- encourage the supply of new and diverse residential accommodation
- provide more affordable housing.

DRAFT CENTRAL DISTRICT PLAN

In November 2016 the Greater Sydney Commission (GSC) released for public exhibition the draft District Plans for the Greater Sydney Metropolitan Region. The District Plans set out how *A Plan for Growing Sydney* applies to local areas.

The City of Sydney is in the Central District. The draft *Central District Plan* includes 20 year targets for housing and jobs, specifically:

- a short-term (five years) housing target of 46,550 new dwellings in the Central District, with 18,300 dwellings to be delivered in City of Sydney local area
- a 2036 target for 157,500 dwellings in the Central District

- a 2036 baseline target for 497,000 jobs in Central Sydney, 75,000 in Green Square – Mascot strategic centres and a 'higher target' 732,000 and 80,000 respectively.

The draft *Central District Plan* sets priorities and actions for 'Productivity, 'Liveability' and 'Sustainability' which will directly inform the planning, growth and development of Sydney over the next twenty years. Actions, sub-actions and priorities of particular relevance to this Planning Proposal include:

- Action 3.5 Growing economic activity in centres, specifically sub-action 3.5.1 Planning for retail floor space provision and demand in the Central District and sub-action 3.5.2 Protect and manage employment and urban services land
- Action 4.3 Improve housing choice, specifically sub-action 4.3.5 Create housing capacity in the Central District
- Action 4.4 Improve housing diversity and affordability, specifically sub-action 4.4.4 Deliver Affordable Rental Housing
- Action 4.6 Create great places, specifically sub-action 4.6.2 Plan for safe and healthy places
- Action S10 Support the development of environmental performance targets and benchmarks.

This Planning Proposal is consistent with the relevant actions, sub-actions and priorities goals of the draft *Central District Plan*. Specifically, it will:

- facilitate redevelopment of the site to include commercial and retail premises, resulting in the creation of new jobs
- expand Sydney's economic centres to enable the city to compete and strengthen economic growth by creating new opportunities for businesses to invest
- encourage the supply of new and diverse residential accommodation
- provide more affordable housing
- promote the urban renewal of a site which is accessible by public transport
- ensure jobs are provided close to where people live
- increase deep soil zones and more landscaped areas
- ensure building design contributes to the amenity of the public domain.

Q4. Is the planning proposal consistent with Council's local strategy or other local strategic plan?

SUSTAINABLE SYDNEY 2030

The City's *Sustainable Sydney 2030 Strategic Plan* is the vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This Planning Proposal is consistent with key directions of *Sustainable Sydney 2030* as demonstrated in Table 2.

Table 2 Consistency with *Sustainable Sydney 2030*

Direction	Comment
Direction 2 – A leading environmental performer	This Planning Proposal will facilitate the redevelopment of the site to deliver new building stock with better environmental performance than the current warehouse building on the site. The proposed controls include a requirement that development meets a BASIX score of five points above the State-mandated minimum score for energy and water if a competitive design process is undertaken for the entire site. This will reduce the energy consumption of future development and directly contribute towards the City's target of reducing greenhouse gas emissions by 70 per cent by 2030. This Planning Proposal will encourage more vegetation and deep soil zones on the site. Increased vegetation can lead to better ecological health of urban environments. Any future design competition for the site will be judged in part against the environmental sustainability credentials of the building.
Direction 3 – Integrated transport for a connected city	The site is situated in proximity to the high capacity bus routes along Botany Road, connecting the area to central Sydney, Mascot and Green Square train stations, Sydney Airport and neighbouring areas. Easy and frequent bus connections are available to the surrounding suburbs.
Direction 4 – A city for walking and cycling	This Planning Proposal will encourage active transport by facilitating the delivery of new residential, retail and commercial floor space in reasonable walking and/or cycling proximity to a range of existing and planned services and facilities. The new uses and design of the ground floor will lead to greater activation of the public domain and a greater sense of security, encouraging further pedestrian activity.
Direction 6 – Vibrant local communities and economies	This Planning Proposal will facilitate the redevelopment of a large area of land for retail and residential uses. The commercial floor space at the podium levels will allow retail tenancies which will activate the site and generate economic activity.
Direction 8 – Housing for a diverse population	This Planning Proposal will facilitate the provision of approximately 120 new dwellings by the private market. A planning agreement to be entered into between the City and the landowner provides options for the delivery of affordable housing on the site. Under the baseline Option 1, and assuming the maximum gross floor area is achieved, an estimated minimum of 646 square metres of affordable housing floor space is to be provided on the site (depending on the amount of design excellence floor space that may be achieved). Assuming an average dwelling size of 80 square meters this equates to 8 affordable housing dwellings.

	In addition, development on the site will also be subject to the southern employment lands Affordable Housing Scheme required under Sydney LEP 2012.
Direction 9 – Sustainable development, renewal and design	This Planning Proposal will amend the planning controls to ensure that built form responds to the surrounding context and delivers a high level of amenity for future residents. The design excellence provisions of Sydney LEP 2012 will continue to apply ensuring a high quality and sustainable development.

CITY OF SYDNEY EMPLOYMENT LANDS STRATEGY 2014-2019 AND GUIDELINE TO PREPARING SITE SPECIFIC PLANNING PROPOSALS IN CITY OF SYDNEY EMPLOYMENT LANDS INVESTIGATION AREAS

The *City of Sydney Employment Lands Strategy 2014–2019* (Strategy) sets the future direction for all employment lands within the City. The long-term vision for the southern employment lands is to facilitate new business and industry opportunities, provide employment across a range of sectors, and land for strategic industrial activity and essential urban services.

As part of the Strategy, Council prepared the *Guideline to Preparing Site Specific Planning Proposals in City of Sydney Employment Lands Investigation Areas* (the Guideline). The Guideline provides a framework for the preparation of planning proposal requests. It details the matters that will be considered in assessing the strategic merit of planning proposal requests within investigation areas in the southern employment lands.

This planning proposal is consistent with the vision for the investigation areas. A summary of this Planning Proposal's consistency with the directions of the Strategy and matters for consideration provided in the Guideline is provided at Table 3.

Table 3 Consistency with the Strategy's directions and Guideline's matters for consideration

Direction / Matter for Consideration	Comment
Guideline Is now the right time for the Request?	The purpose of this matter for consideration is to ensure that over time the demand for residential development in the area does not displace functional employment uses. The site is currently well utilised, generating employment and making a positive contribution to the economy. This Planning Proposal ensures that in the redevelopment of the site, business and commercial floor space will be retained.

Strategy Implement planning solutions that work towards the objectives and targets provided by <i>Sustainable Sydney 2030</i> Guideline Is the Request consistent with state and local planning policies?	This Planning Proposal is consistent with state and local planning policies and objectives. See Part 3, Section B for a full discussion.
Strategy Advocate a subregional approach to the protection of employment lands	This Planning Proposal is consistent with the strategic direction for the investigation areas, which are located at the peripheries of the southern employment lands. Given the southern employment lands position within the Global Economic Corridor, its role within the metropolitan context is to enable new business and industries that facilitate employment within a range of industry sectors. This Planning Proposal ensures over the long term the protection of the core employment lands and facilitates residential uses in appropriate places while ensuring a positive economic and employment outcomes on the site.
Guideline Does the Request provide employment opportunities?	This Planning Proposal provides employment opportunities and broader economic benefits. See Part 3, Section C, Question 9 for a full discussion.
Guideline Does the Request unreasonably impact on existing employment uses?	This Planning Proposal does not unreasonably impact on existing uses in the area. Existing employment uses include retail, warehouse and light industrial uses, commercial offices, food and drink premises and other. The proposed commercial component on the corner of Dunning and Morley Avenues will also provide a compatible land use interface with the existing retail and restaurant activities. The site immediately to the south of the site comprises recently completed 24 high technology industrial units and two food and drink premises. The proposed scheme on the subject site provides adequate separation, with the podium and taller components sited toward the north to address Morley Avenue, with a landscaped area along the southern edge of the site. Residential development that will result from this Planning Proposal is unlikely to have an unreasonable impact on the operational viability of the employment uses on the adjacent site. The built form of the proposed scheme will provide appropriate amenity for future residents and is unlikely to result in significant land use conflict with surrounding uses.
Guideline	This Planning Proposal maintains future opportunities for the redevelopment of adjacent sites and surrounding areas.

Does the Request respect the development potential of all land in the investigation areas?	The proposed scheme will appropriately contribute to the staged delivery of infrastructure by providing land for footpath and making development contributions through the development application process. It will also contribute to the provision of affordable housing in the area.
Guideline Is the benefit of the Request shared with the public?	This Planning Proposal shares the benefits of the proposal with the wider area. The Guideline provides a formula and standardised rates that allow for the calculation of the 'planning gain' that would result from requested new planning controls. The planning gain is equally shared between the proponent and the public, represented by the City, for the delivery of infrastructure. This ensures that each landowner in the investigation areas, which will substantially benefit from a change to planning controls to facilitate residential uses, shares that benefit with the public and landowners in the wider employment lands. In conjunction with the planning proposal request, the landowner has made an offer to enter into a planning agreement to provide infrastructure, consistent with the Guideline. The public benefit offer is for: • dedication of 50 square metres of land for footpath widening along Jones Lane and associated works in kind • finished affordable housing floor space provided under: • Option 1 – where the amount of affordable housing floor space is calculated in accordance with the <i>Guideline to Preparing Site Specific Planning Proposal Requests in the City of Sydney Employment Lands</i> and sold to a community housing provider for no more than \$1, or • Option 2 - where affordable housing floor space is provided in addition to that required under Option 1, the landowner can sell the affordable housing floor space to a community housing provider for a capped amount. The capped amount is to be based on the market value of the additional floor space plus an agreed incentive amount. A planning agreement entered into between the City and the landowner will provide options for the delivery of affordable housing on the site. Under the baseline Option 1, and assuming the maximum gross floor area is achieved, an estimated minimum of 646 square metres of affordable housing floor space is to be provided on the site (depending on the amount of design excellence floor space that may be achieved). Assuming an average dwelling size of 80 square meters this equates to 8 affordable housing dwellings. The planning agreement is to be publicly exhibited in conjunction with this Planning Proposal.
Strategy	This Planning Proposal will improve the public domain.

Improve the public domain in the southern employment lands Guideline Does the Request provide appropriate public domain?	In conjunction with this Planning Proposal the landowner has made an offer to enter into a planning agreement to provide infrastructure, including the dedication of land for footpath widening. The proposed dedication will improve pedestrian amenity and enhance accessibility in the investigation area. The incorporation of ground floor retail and commercial space for small business operations on the corner of Dunning and Morley Avenues will also increase the level of activation on the corner of Morley Avenue and Dunning Avenue, enhancing the vibrancy of the public domain. Residential ground floor uses addressing Morley Avenue will comprise of double storey ground floor apartments that will maximise the number of entrances that address the public domain and enhance the level of activity at the interface between the public and private domain. The proposed scheme includes a landscape setbacks at ground level on Morley Avenue and Jones Lane.
Guideline Is the Request for an appropriate built form?	This Planning Proposal will facilitate an appropriate built form. See Part 3, Section C for a detailed assessment of the likely impacts of the proposed built form.
Guideline Will the Request activate the street and public spaces?	This Planning Proposal will facilitate an appropriate activation of the street. The proposed scheme incorporates 1,000 square metres of commercial space over two levels at the corner of Dunning and Morley Avenues. It will facilitate fine grain retail and commercial floor space for small business operations at the ground level, activating Dunning Avenue and enhancing the vibrancy of the public domain. Residential ground floor uses addressing Morley Avenue will comprise of double storey ground floor apartments that will maximise the number of entrances that address the public domain and enhance the level of activity at the interface between the street and ground level apartments.
Strategy Encourage a sustainable, high quality and functional built form that respects the history of the southern employment lands Guideline Does the Request respect the heritage of the area?	This Planning Proposal will facilitate an appropriate built form of high quality design. See Part 3, Section C for a detailed assessment of the likely impacts of the proposed built form, including heritage impacts.
Strategy Recognise and address flooding issues in the southern employment lands	This Planning Proposal appropriately responds to the environmental constraints of the land.

Guideline Do the environmental constraints of the land make it suitable for the use proposed in the Request?	See Part 3, Section C for a detailed assessment of the likely impacts of the proposed built form, including flooding impacts.
Guideline Does the Request implement best practice ESD principles?	This Planning Proposal and supporting draft Sydney DCP 2012 amendment will implement Ecologically Sustainable Development (ESD) principles. The detailed design of the development will be further defined through a competitive design process. The incorporation of ESD principles will be part of the assessment criteria in the design selection process. The draft Sydney DCP 2012 amendment requires the development to achieve a BASIX score of at least five points above the minimum State-mandated targets for energy and water if a competitive design process is undertaken for the entire site. Sustainable design measures will be further detailed during the detailed design phase as part of the development application.
Guideline Does the Request promote improved accessibility in the investigation areas?	This Planning Proposal will improve the public domain. In conjunction with this Planning Proposal the landowner has made an offer to enter into a planning agreement to provide infrastructure, including the dedication of land for footpath widening along Jones Lane. The proposed dedication will improve pedestrian amenity and enhance accessibility in the investigation area.
Strategy Recognise and address traffic and transport issues in the southern employment lands	This Planning Proposal will promote the use of sustainable transport. See Part 3, Section C for a detailed discussion of traffic and transport issues associated with the proposed scheme.
Guideline Does the Request promote the use of sustainable transport?	
Strategy Ensure that key workers can access affordable housing	This Planning Proposal provides for the provision of affordable housing and promotes housing diversity. Future residential development will be required to comply with the dwelling size mix requirements of the Sydney DCP 2012. Indicatively, the proposed scheme is for: • studio and 1-bedroom – 48 apartments (40%) • 2-bedroom – 60 apartments (50%) • 3-bedroom – 12 apartments (10%)
Guideline Does the Request promote housing diversity?	In conjunction with the planning proposal request the landowner has made an offer to enter into a planning agreement to provide infrastructure, including affordable housing. At the development application stage, an additional

	affordable housing contribution will be made in accordance with the requirements of the Sydney LEP 2012 and the <i>Employment Lands Affordable Housing Program</i> .
Strategy Ensure the southern employment lands are adequately serviced by public infrastructure	The development that may result from this Planning Proposal will be adequately serviced by infrastructure. See Section D, Question 10 for a detailed discussion.

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

The consistency of this Planning Proposal with current State Environmental Planning Policies (SEPPs) and former Regional Environmental Plans (REPs) for the Sydney and Greater Metropolitan Regions, which are deemed to have the weight of SEPPs, is outlined in Table 4.

Repealed SEPPs or REPs, or those that were not finalised are not included in Table 4.

Table 4 Consistency with State Environmental Planning Policies (SEPPs) and applicable deemed SEPPs

SEPP	Comment
SEPP 1 - Development Standards	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP 14 – Coastal Wetlands	Not applicable
SEPP 19 - Bushland in Urban Areas	Not applicable
SEPP 21 - Caravan Parks	Not applicable
SEPP 26 - Littoral Rainforests	Not applicable
SEPP 30 - Intensive Agriculture	Not applicable
SEPP 33 - Hazardous and Offensive Development	Not applicable
SEPP 36 - Manufactured Home Estates	Not applicable
SEPP 44 - Koala Habitat Protection	Not applicable
SEPP 47 - Moore Park Showground	Not applicable
SEPP 50 - Canal Estate Development	Not applicable
SEPP 52 - Farm Dams and other works in Land and Water Management Plan Areas	Not applicable
SEPP 55 - Remediation of Land	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.

	The proponent has provided evidence confirming that the site can be made suitable for residential uses. See Part 3, Section C, Question 8 for more detailed discussion.
SEPP 62 - Sustainable Aquaculture	Not applicable
SEPP 64 - Advertising and Signage	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP 65 - Design Quality of Residential Flat Development	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP. See Part 3, Section C, Question 8 for more detailed discussion.
SEPP 70 - Affordable Housing (Revised Schemes)	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP. The Employment Lands Affordable Housing Scheme applies to this site under Sydney LEP 2012.
SEPP 71 - Coastal Protection	Not applicable
SEPP (Affordable Rental Housing) 2009	Not applicable
SEPP (Building Sustainability Index: BASIX) 2004	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP Exempt and Complying Development	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP (Housing for Seniors or People with a Disability) 2004	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP (Infrastructure) 2007	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP (Integration and Repeals) 2016	Not applicable
SEPP (Kosciuszko National Park-Alpine Resorts) 2007	Not applicable
SEPP (Kurnell Peninsula) 1989	Not applicable
SEPP (Mining, Petroleum Production and Extractive Industries) 2007	Not applicable

SEPP (Miscellaneous consent provisions) 2007	Not applicable
SEPP (Penrith Lakes Scheme) 1989	Not applicable
SEPP (Rural Lands) 2008	Not applicable
SEPP (State and Regional Development) 2011	Not applicable
SEPP (State Significant Precincts) 2005	Consistent – this Planning Proposal does not contain provisions that contradict or would hinder application of this SEPP.
SEPP (Sydney Drinking Water Catchment) 2011	Not applicable
SEPP (Sydney Region Growth Centres) 2006	Not applicable
SEPP (Three Ports) 2013	Not applicable
SEPP (Urban Renewal) 2010	Not applicable
SEPP (Western Sydney Employment Area) 2009	Not applicable
SEPP (Western Sydney Parklands) 2009	Not applicable
Sydney REP No 5 - (Chatswood Town Centre)	Not applicable
Sydney REP No 8 (Central Coast Plateau Areas)	Not applicable
Sydney REP No 9 - Extractive Industry (No 2—1995)	Not applicable
Sydney REP No 11 - Penrith Lakes Scheme	Not applicable
Sydney REP No 13 - Mulgoa Valley	Not applicable
Sydney REP No 16 - Walsh Bay	Not applicable
Sydney REP No 17 - Kurnell Peninsula (1989)	Not applicable
Sydney REP No 20 - Hawkesbury- Nepean River (No 2 - 1997)	Not applicable
Sydney REP No 24 - Homebush Bay Area	Not applicable
Sydney REP No 25 - Orchard Hills	Not applicable
Sydney REP No 26 - City West	Not applicable
Sydney REP No 28 – Parramatta	Not applicable

Sydney REP No 29 - Rhodes Peninsula	Not applicable
Sydney REP No 30 - St Marys	Not applicable
Sydney REP No 33 - Cooks Cove	Not applicable
Sydney REP (Sydney Harbour Catchment) 2005	Not applicable
Drinking Water Catchments REP No 1	Not applicable
Greater Metropolitan REP No 2 - Georges River Catchment	Not applicable

Q6. Is the planning proposal consistent with applicable Ministerial Directions (Section 117 Directions)?

This Planning Proposal has been assessed against each Section 117 Direction. Consistency with these Directions is shown in Table 5.

Table 5 Consistency with relevant Section 117 Directions

Direction		Comment
Employment and Resources		
1.1	Business and Industrial Zones	Justifiably inconsistent See justification provided following this Table.
1.2	Rural Zones	Not applicable
1.3	Mining, Petroleum Production and Extractive Industries	Not applicable
1.4	Oyster Aquaculture	Not applicable
1.5	Rural Lands	Not applicable
Environment and Heritage		
2.1	Environment Protection Zones	Not applicable
2.2	Coastal Protection	Not applicable
2.3	Heritage Conservation	Not applicable
2.4	Recreation Vehicle Areas	Not applicable
2.5	Application of E2 and E3 Zones and Environmental Overlays in Far North Coast LEPs	Not applicable
Housing, Infrastructure and Urban Development		

3.1	Residential Zones	Consistent – this Planning Proposal will facilitate the delivery of approximately 120 new dwellings on the site, increasing the amount and variety of housing in the City of Sydney local area.
3.2	Caravan Parks and Manufactured Home Estates	Not applicable
3.3	Home Occupations	Not applicable
3.4	Integrating Land Use and Transport	Consistent – this Planning Proposal is consistent with the aims, objectives and principles of Improving Transport Choice – Guidelines for planning and development (DUAP 2001), and The Right Place for Business and Services – Planning Policy (DUAP 2001).
3.5	Development Near Licensed Aerodromes	Not applicable – this site is not in an Australian Noise Exposure Forecast (ANEF) contour zone.
3.6	Shooting Ranges	Not applicable
Hazard and Risk		
4.1	Acid Sulfate Soils	Consistent – this Planning Proposal does not contradict or hinder application of acid sulfate soils provisions in Sydney LEP 2012. The site is on Class 5 Acid Sulfate Soil.
4.2	Mine Subsidence and Unstable Land	Not applicable
4.3	Flood Prone Land	Consistent – this Planning Proposal does not contradict or hinder application of flood prone land provisions in Sydney LEP 2012.
4.4	Planning for Bushfire Protection	Not applicable
Regional Planning		
5.1	Implementation of Regional Strategies	Not applicable
5.2	Sydney Drinking Water Catchments	Not applicable
5.3	Farmland of State and Regional Significance on the NSW Far North Coast	Not applicable
5.4	Commercial and Retail Development along the Pacific Highway, North Coast	Not applicable
5.8	Second Sydney Airport: Badgerys Creek	Not applicable
5.9	North West Rail Link Corridor Strategy	Not applicable
5.10	Implementation of Regional Plans	Consistent – this Planning Proposal is consistent with the draft <i>Central District Plan</i> .

Local Plan Making		
6.1	Approval and Referral Requirements	Consistent – this Planning Proposal does not include any concurrence, consultation or referral provisions nor does it identify any development as designated development.
6.2	Reserving Land for Public Purposes	Consistent – this Planning Proposal will not affect any land reserved for public purposes.
6.3	Site Specific Provisions	Consistent – this Planning Proposal does not contradict or hinder the application of this direction.
Metropolitan Planning		
7.1	Implementation of <i>A Plan for Growing Sydney</i>	Consistent – this Planning Proposal is consistent with <i>A Plan for Growing Sydney</i> . Refer to Section B, Q3.
7.2	Implementation of Greater Macarthur Land Release Investigation	Not applicable

DIRECTION 1.1 BUSINESS AND INDUSTRIAL ZONES

This Direction applies to planning proposals that will affect land within an existing or proposed business or industrial zone (including the alteration of any existing business or industrial zone boundary).

The objectives of Section 117 Ministerial Directions for Business and Industrial zones are to:

- encourage employment growth in suitable locations
- protect employment land in business and industrial zones
- support the viability of identified strategic centres.

Where this Direction applies, the planning proposal must:

- give effect to the objectives of this direction
- retain the areas and locations of existing business and industrial zones
- not reduce the total potential floor space area for employment uses and related public services in business zones
- not reduce the total potential floor space area for industrial uses in industrial zones
- ensure that proposed new employment areas are in accordance with a strategy that is approved by the Director-General of the Department of Planning.

A planning proposal may be inconsistent with this Direction where the Director-General or their delegate is satisfied that the proposal is:

- justified by a strategy which:
 - gives consideration to the objective of this Direction
 - identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites)
 - is approved by the Director-General of the Department of Planning, or

- justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this Direction, or
- in accordance with the relevant Regional Strategy, Regional Plan or Sub-Regional Strategy prepared by the Department of Planning which gives consideration to the objective of this direction, or
- of minor significance.

The *Employment Lands Study 2012* underpinned the *City of Sydney Employment Lands Strategy*, which provides the long-term vision and action plan for the renewal of the southern employment lands. The Study identified the areas now referred to as 'investigation areas' as those that could accommodate a mix of uses, including residential development, without having any significant impact on the region's projected need for industrial and business zoned land.

In support of this Planning Proposal, JBA has prepared an economic analysis of the proposed scheme to determine the net economic impacts, including impact on employment. The report is provided at Appendix D and discussed in detail at Part 3, Section C, Question 9 of this Planning Proposal.

Together, these studies provide the justification and rationale for permitting residential uses on the site, including:

- encourage employment growth in suitable locations
- protect employment land in business and industrial zones
- support the viability of identified strategic centres.

Section C – Environmental, social and economic impact

Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The subject site is located in an urban area and does not contain any known critical habitat or threatened species, populations or ecological communities or habitats. The site does not contain any trees. Notwithstanding this, in considering any future development application, the consent authority will have regard to the suitability of the land for development and any environmental impact which may be generated by the development. This will include an assessment of any street trees adjacent to the site and retention of these where possible.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

In preparing this Planning Proposal, a number of environmental considerations arising from the proposed changes to the planning controls were assessed.

The proposed scheme has been prepared by Turner Studios and is informed by meetings and discussions with City officers. The urban design study, provided at Appendix B, illustrates the proposed built form under a 2.2:1 FSR scenario in order to demonstrate how any additional design excellence floor space resulting from a competitive design process can be achieved.

This Planning Proposal does not seek approval for the proposed scheme, rather it facilitates the building envelope within which the proposed scheme may be provided.

Figure 14 and Figure 15 show visualisations of the proposed scheme.

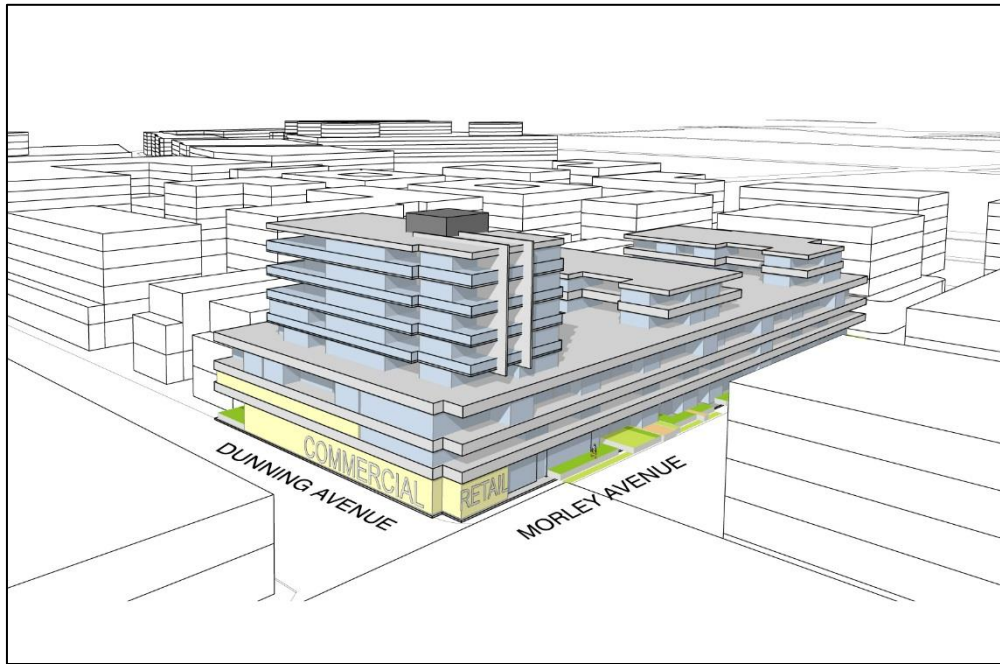


Figure 14 3D perspective of proposed scheme looking south west (source: Turner Studios)

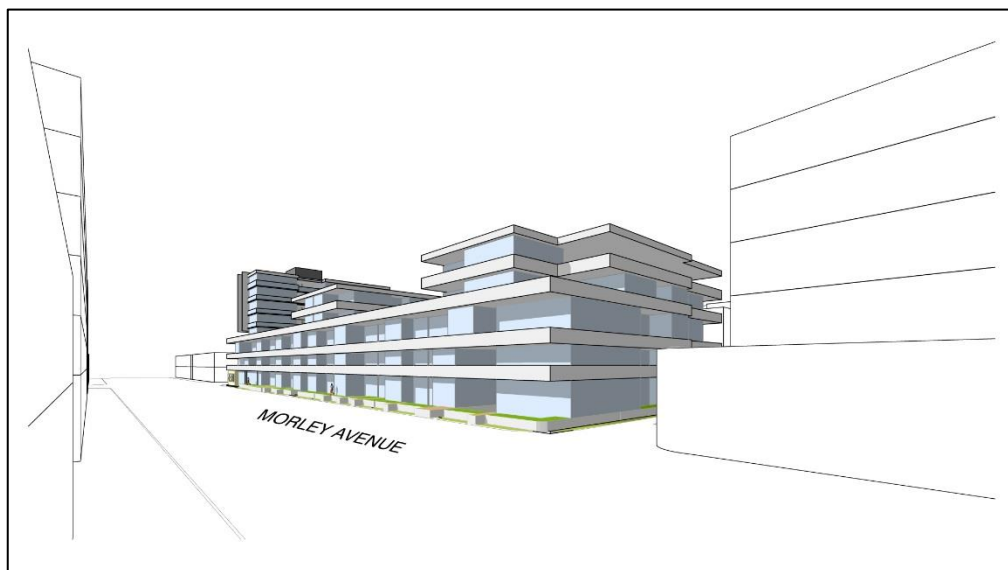


Figure 15 3D perspective of proposed scheme from Morley Avenue looking east (source: Turner Studios)

The proposed scheme follows thorough testing of alternative built form outcomes. Options were tested having regards to the impacts of alternative building massing on the surrounding area.

The recommended proposed scheme responds to the conditions of the site, its orientation and the surrounding context. Key elements include:

- a three-storey street wall height along Dunning and Morley Avenues, with a four-storey street wall height along Jones Lane to respect the interface with the existing heritage item across Jones Lane and Dunning Avenue; the setback upper levels along Dunning Avenue will also minimise overshadowing to street

- three taller elements ranging from 4–7 storeys (or 5–8 storeys under a 2.2:1 FSR scenario) orientated north-south to maximise solar access and minimise overshadowing to the rear where communal open space is to be provided
- provision of a large communal open space for residents along the rear of the site, providing adequate separation from residential apartments and adjoining high-technology industrial uses to the rear
- ground level apartments fronting Morley Avenue and Jones Lane with direct access and entry through a terraced courtyard
- 1,000 square metres of commercial area over two levels fronting Dunning Avenue, to promote an active urban edge along Dunning Avenue – the ground level interfaces provide a considered approach to activation, surveillance and apartment amenity
- vehicle movement will be limited to a single access from Dunning Avenue into the basement carpark allowing all vehicle circulation, parking and on-site servicing to occur cohesively.

Overall the building configuration will ensure the development integrates into the area. It provides an appropriate transition between the existing development along Botany Road to the lower scale development to the east and south of the site.

While indicative only, the proposed scheme demonstrates the land uses, height and densities proposed by this Planning Proposal can result in a development able to satisfy key objectives and provisions in Sydney LEP 2012, Sydney DCP 2012 and the Apartment Design Guide under SEPP 65.

The likely environmental effects of the proposed scheme are discussed below.

BUILT FORM

The proposed controls in the Planning Proposal translate the design principles that have informed the concept for the built form by setting height and FSR controls.

Base building massing

The proposed scheme incorporates perimeter block typology, setting a three-storey street wall height (12 metres) along Dunning and Morley Avenues and four-storey street wall height (15 metres) along Jones Lane.

North-south orientation

The proposed scheme incorporates three taller components above the perimeter block component, and are between five and seven storeys (20 metres to 26 metres) under the mapped 2:1 FSR scenario. The orientation of these taller components will be north-south in order to minimise potential amenity impacts on the communal open space area, while maximising the solar access for residential units of the proposed scheme.

Defined street corner

The building on the corner of Dunning and Morley Avenues will have additional height up to eight storeys (29 metres) to create a defined street corner.

Setback upper levels

The proposed scheme provides four metre upper level setbacks of the taller components from the street alignment of the three story podium. This will provide good amenity to the public domain, surrounding heritage items and communal open space by minimising the scale of the development.

PUBLIC DOMAIN

Streets

The proposed scheme aims to address the public domain through the incorporation of active commercial uses on the ground floor on the corner of Morley and Dunning Avenues and extending along Dunning Avenue.

Ground floor residential uses will address Morley Avenue with a three metre landscape setback. Ground floor residential units will each have individual entrances along Morley Avenue, enhancing the interface between the public domain and the proposed scheme.

Widening of Jones Lane

The proposed scheme includes dedication of approximately 50 square metres of land for the purposes of widening the pathway along Jones Lane. This will provide improved pedestrian amenity along Jones Lane and increase separation between the proposed scheme and the existing heritage façade across Jones Lane.

APARTMENT DESIGN GUIDE (SEPP 65)

State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development (SEPP 65) aims to improve the design quality of residential flat development. Development applications must consider Design Quality Principles and the ADG.

The ADG provides design criteria and general guidance about how development proposals can achieve the principles in SEPP 65.

The requirements of the ADG have informed the proposed scheme, and the site specific draft Sydney DCP 2012 amendment will guide future development applications to ensure ADG compliance.

The following is a high level assessment of the proposed scheme's consistency with the key design objectives and criteria of the ADG.

Communal open space

Objective 3D states that “an adequate area of communal open space is provided to enhance residential amenity and to provide opportunities for landscaping”.

Design criteria under this objective requires a minimum area of communal open space of 25 per cent of the site. The proposed scheme provides 1,420 square metres at ground level which is equal to 28 per cent of the site. There is also an opportunity to provide an additional 2,800 square metres of communal landscaped space on the podium and roof.

Deep soil

Objective 3E-1 states that “deep soil zones provide areas on the site that allow for and support healthy plant and tree growth”. The design criteria requires seven per cent of the site area to be deep soil zones.

The proposed scheme provides for a six metre setback from the site to the south. This area provide for deep soil greater than the required seven per cent.

Solar and daylight access

Solar and daylight access are important for apartment buildings, reducing the reliance on artificial lighting and heating, improving energy efficiency and residential amenity through pleasant conditions to live and work.

Multiple design criteria aim to ensure a high percentage of apartments receive direct sunlight. The proposed scheme incorporates three taller components above the

perimeter block component. The orientation of these taller components will be north-south to minimise potential amenity impacts on the communal open space, while maximising the solar access for residential units of the proposed scheme.

The ADG requires at least 70 per cent of apartments in a building receive a minimum of two hours direct sunlight between 9 am and 3 pm at mid-winter in living rooms and private open spaces. It also requires that a maximum of 15 per cent of apartments in a building receive no direct sunlight between 9 am and 3 pm at mid-winter. The proposed scheme complies with the minimum requirements.

Natural ventilation

Under the ADG, every habitable room must be naturally ventilated. At least 60 per cent of apartments are to be naturally cross-ventilated in the first nine storeys of the building.

Natural cross ventilation is achieved by apartments having more than one aspect with direct exposure to the prevailing winds, or windows located in significantly different pressure regions.

The proposed scheme's building depth will facilitate effective airflow and allow compliance.

TRAFFIC AND TRANSPORT

Colston Budd Rogers & Kafes Pty Ltd has reviewed the transport, traffic and parking impacts of the proposed scheme to determine the likely impacts on the area. The report is provided at Appendix F.

The report estimates the proposed scheme would result in the provision of some 115 parking spaces. The site currently provides some 30 dedicated, onsite parking spaces, and additional loading docks.

The report finds the proposed scheme would result traffic generation of some 10–15 vehicles per hour two-way at peak times, similar to the traffic generated by the existing use. The intersection of Dunning Avenue with Morley Avenue would continue to operate at its existing good level of service, with similar average delays per vehicle. It concludes the proposed scheme would have no noticeable effects on the operation of the surrounding road network.

In terms of public transport, the site has good access to services. It is 15–20 minutes walking distance from Green Square train station, being on the Airport and East Hills Lines (Macarthur – City via Airport and Sydenham). The services through Green Square operate on typical headways of 5–10 minutes in each direction during peak periods and 10–15 minutes in each direction outside peaks. Passengers can transfer to and from other parts of the rail system at various locations, notably at Central station.

Sydney Buses operates bus services along Botany Road, just west of the site. Services include:

- route X03: Sans Souci to City express via Dolls Point, Ramsgate, Kyeemagh and Surry Hills
- route M20: Botany, Mascot, Victoria Park, City, North Sydney, St Leonards, Gore Hill
- route 348: Wolli Creek to Bondi Junction via Tempe, Sydenham, St Peters, Alexandria, Rosebery, SupaCenta, UNSW, Randwick and Waverley.

Dunning Avenue provides a bicycle connection to areas north and south of the site. Dunning Avenue also provides a 40 kilometre per hour speed limit, providing an environment conducive to walking and cycling.

Overall, the proposed scheme will result in residential development close to existing active transport services and infrastructure and is consistent with government objectives to reduce private car travel and encourage active transport use.

HERITAGE

Paul Davies Pty Ltd reviewed the statutory heritage controls and assessed the impact of the proposed scheme. The report is at Appendix H.

The site is not identified as a heritage item, nor is within a heritage conservation area.

Heritage Item I1371 – ‘*Former “Tucker & Co” including interior*’ is situated to the west of the site on the opposite side of Jones Lane at 755-759 Botany Road.

Heritage Item I2256 – ‘*Former Rosella Preserving Manufacturing Co north office and factory buildings and south building, including internal structure and Morley Avenue building setback*’ is situated to the east of the site on the opposite side of Dunning Avenue at 85-113 Dunning Avenue.

The heritage report concludes the proposed scheme provides a sound response to the surrounding heritage buildings.

The existing context and built form of heritage items near to the site has informed the proposed scheme. The scheme incorporates a 3-4 storey street wall height along Jones Lane, Morley Avenue and Dunning Avenue to complement the existing built form setting. Setbacks have been increased from the proponent’s proposed scheme by one metre along Morley Avenue, from two to three metres at the ground level and from three to four metres at the upper level of the taller components. The increased setbacks will provide better public amenity to the surrounding heritage items.

CONTAMINATION

In 2011, EI Australia undertook a Stage 2 site investigation. The environmental assessment is at Appendix E.

When carrying out planning functions under the *Environmental Planning and Assessment Act 1979*, including undertaking local environmental plan amendments, SEPP 55 requires a planning authority to consider any potential impacts of contamination of a site from a previous land use.

Previous land uses on the site include the manufacture of gaming machines and manufacturing operations including, metal plating, with onsite laboratory, chemicals storage areas, off-set printing facility and a network of concrete, subterranean drains.

A search of the Contaminated Land Record of the Environmental Protection Authority notices in 2011 confirmed the site was not subject to regulation. No evidence was found to indicate there have been any subsequent industrial spills or incidents at the site that could have caused impacts to soils and/or groundwater.

The environmental assessment found no evidence of groundwater contamination on the site. It found low level groundwater metal exceedance that were indicative of regional levels and detections of chlorinated solvent chemical trichloroethylene (TCE), at concentrations that were below the adopted groundwater assessment criteria.

The assessment concluded there is no widespread soil contamination on the site. However, concentrations exceeding human health based Soil Investigation Levels

were identified with respect to TCE (southeast corner of the site) and Asbestos (southwest corner of the site).

Notwithstanding the above, and in accordance with the *National Environment Protection (Assessment of Site Contamination) Measure 1999 (April 2013)*, the report concludes the site can be made suitable for residential development.

Detailed information relating to contamination will be required at future development application stage to address future land uses, including residential uses. Remediation of land may be required through a future development approval if deemed necessary.

FLOODING

Cardno has previously undertaken a flood assessment report for the redevelopment of the site to inform an earlier development proposal. To inform this Planning Proposal, a summary letter regarding the proposed scheme is provided at Appendix G. It concludes that the City's requirements to mitigate flooding can be met.

The site is mildly flood affected. Peak Maximum Flood levels affecting the site range from 0.739 metres Australian height datum (AHD) on the Dunning Avenue frontage up to 1.735 metres AHD on the corner of Morley Avenue and Jones Lane. Australian Height Datum is the datum that sets mean sea level as zero elevation.

The City's Interim Floodplain Management Policy, adopted by Council in May 2014, provides flood planning levels for different types of development. The proposed height controls under this Planning Proposal provide sufficient flexibility to accommodate flood planning levels to comply with the policy.

Q9. Has the planning proposal adequately addressed any social and economic effects?

This Planning Proposal has assessed the potential social and economic impacts of introducing housing into the area. The proposal will have positive social and economic impacts as described below.

SOCIAL EFFECTS

Access to services, facilities and employment

The site is located in close proximity to Botany Road, which has varied non-residential uses, including cycle shops, cafes, gyms, smash repair premises, several medical-related facilities, including physiotherapist, chiropractor, clinical pilates, medical centre and dental centre. A local supermarket is less than 250 metres from the site.

The site is well serviced by public transport infrastructure being within walking distance of Green Square train station and close to bus services that operate along Botany Road. These services connect the site with surrounding areas and offer alternatives to travel by modes other than car.

Community infrastructure and open space

New community infrastructure is being provided within walking and cycling distance of the site. These include the new Green Square Library and Plaza, community facilities including Waranara Early Education Centre at the former South Sydney Hospital site and Gunyama Park Aquatic and Recreation Centre in the Epsom Park Precinct to the northeast.

Housing diversity and affordable housing

Sydney remains Australia's least affordable city. It is widely acknowledged that development has not kept pace with demand, contributing to a tight rental market and rising house prices. The high cost of housing is an important economic and social issue in Sydney, particularly within the City where housing prices are amongst the highest in Australia.

Consistent with State government objectives, this Planning Proposal will enable housing supply in an appropriate location while ensuring the wider vision for, and operational viability of, the southern employment lands is not compromised. The proposal also facilitates the provision of affordable housing on the site, by way of a planning agreement with the proponent.

The planning agreement provides options for the delivery of affordable housing. Under the baseline Option 1, and assuming the maximum gross floor area is achieved on the site, an estimated minimum of 646 square metres of affordable housing floor space is to be provided on the site (depending on the amount of design excellence floor space resulting from a competitive design process that may be achieved). Assuming an average dwelling size of 80 square metres this equates to eight affordable housing dwellings.

The supply of affordable housing will assist the City in achieving its aspirational *Sustainable Sydney 2030* target that 7.5 per cent of all housing in the City in 2030 be affordable housing for very low, low and moderate income households.

ECONOMIC EFFECTS

The landowner's consultant, JBA, has undertaken an economic analysis of the proposed scheme to determine the net economic impacts. The report is provided at Appendix D.

The role of the southern employment lands in Sydney's economic landscape is complex. It is critical to support the ongoing growth of Central Sydney, providing 'back of office' functions to support the range of high value businesses, services and jobs that locate there. It provides affordable office/warehouse/factory space for new business that cannot or do not want to locate in Central Sydney. It provides space for innovation, for economic growth opportunities and for the services a growing population needs to function efficiently.

While investigation areas are identified as areas where some residential development may be supported, the 'vision' is for genuine mixed-use precincts comprising a relatively even mix of residential and non-residential development. All sites will not result in a 50/50 split of residential and non-residential uses, but it is assumed across the precincts some sites will be retained entirely for employment generating uses, and others will have a higher proportion of residential development.

The City does not support all the conclusions reached by the economic study, in particular those that give much weight to the short term benefits of redevelopment and do not ascribe sufficient weight to the long term strategic objectives for the City's employment lands. Notwithstanding this, the proposed scheme is unlikely to compromise the long term vision for the employment lands.

The JBA study provides an assessment of the employment capacity of the site. Currently the site comprises 2,066 square metres of warehouse gross floor area and 1,270 square metres of ancillary office space. When using the average ratios provided in the *City of Sydney Development Contributions Plan 2015* and *Floor Space and Employment Survey 2011*, the existing development is calculated as having approximately 38–51 workers. These are primarily in transport, postal and warehousing, manufacturing and wholesale trade industries.

The proposed scheme will result in about 1,000 square metres of commercial floor space. Using the same metrics as above, this Planning Proposal will result in the site having an ongoing employment capacity of 25–30 jobs.

In addition, it is estimated the development of the site would directly support 114 jobs during the construction phase of the proposed scheme with flow on benefits that support approximately 353 jobs within the Australian economy.

In balance, the proposed scheme is unlikely to compromise the employment generating potential of the investigation area and although it is likely to reduce the employment numbers compared with the existing development, it will retain a comparable employment function.

The proposed scheme also brings other economic benefits to the area. The retail and commercial uses that are likely to locate within the non-residential floor space along Dunning Avenue are consistent with the changing nature of business in the area, particularly the trend towards creative industries, small professional businesses and foodie destinations. These uses will likely benefit from some residential development being provided in the area.

In addition, the proposed scheme provides affordable housing for key workers, which brings its own socio-economic benefits to the area.

Section D – State and Commonwealth interests

Q10. Is there adequate public infrastructure for the planning proposal?

The site is well serviced by public transport infrastructure, being within walking distance of Green Square train station and close to bus services that operate along Botany Road. These services connect the site with surrounding areas and offer alternatives to travel by modes other than car.

New community infrastructure is being provided within walking and cycling distance of the site including the new Green Square Library and Plaza, community facilities including a child care centre at the former South Sydney Hospital site and Gunyama Park and Aquatic Centre in the Epsom Park Precinct to the northeast.

The full range of utility services including electricity, telecommunications, water, sewer and stormwater are all currently available on the site. It is expected that these services would be upgraded by the developer, where required, to support the proposed scheme. Consultation with relevant authorities during public exhibition of the Planning Proposal will confirm the capacity of current utilities to service the site.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

The Gateway determination will advise the full list of public authorities to be consulted as part of the Planning Proposal process and any views will be included in this Planning Proposal following consultation. It is requested that public authority consultation be undertaken concurrently with community consultation.

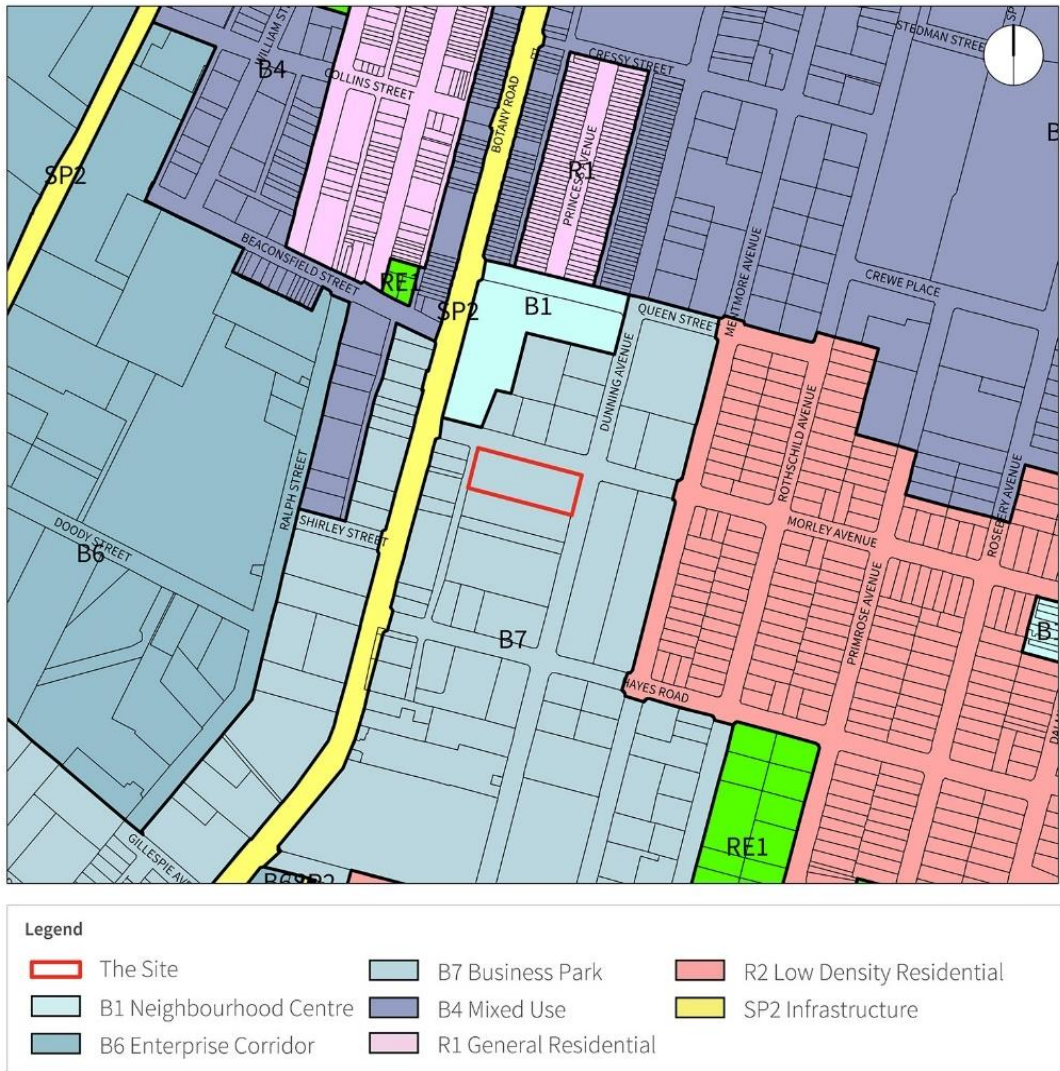
Part 4 Mapping

This Planning Proposal seeks to amend the land zoning, height of buildings and floor space ratio maps contained in *Sydney Local Environmental Plan 2012* as they apply to the subject site in accordance with map extracts on the following pages.

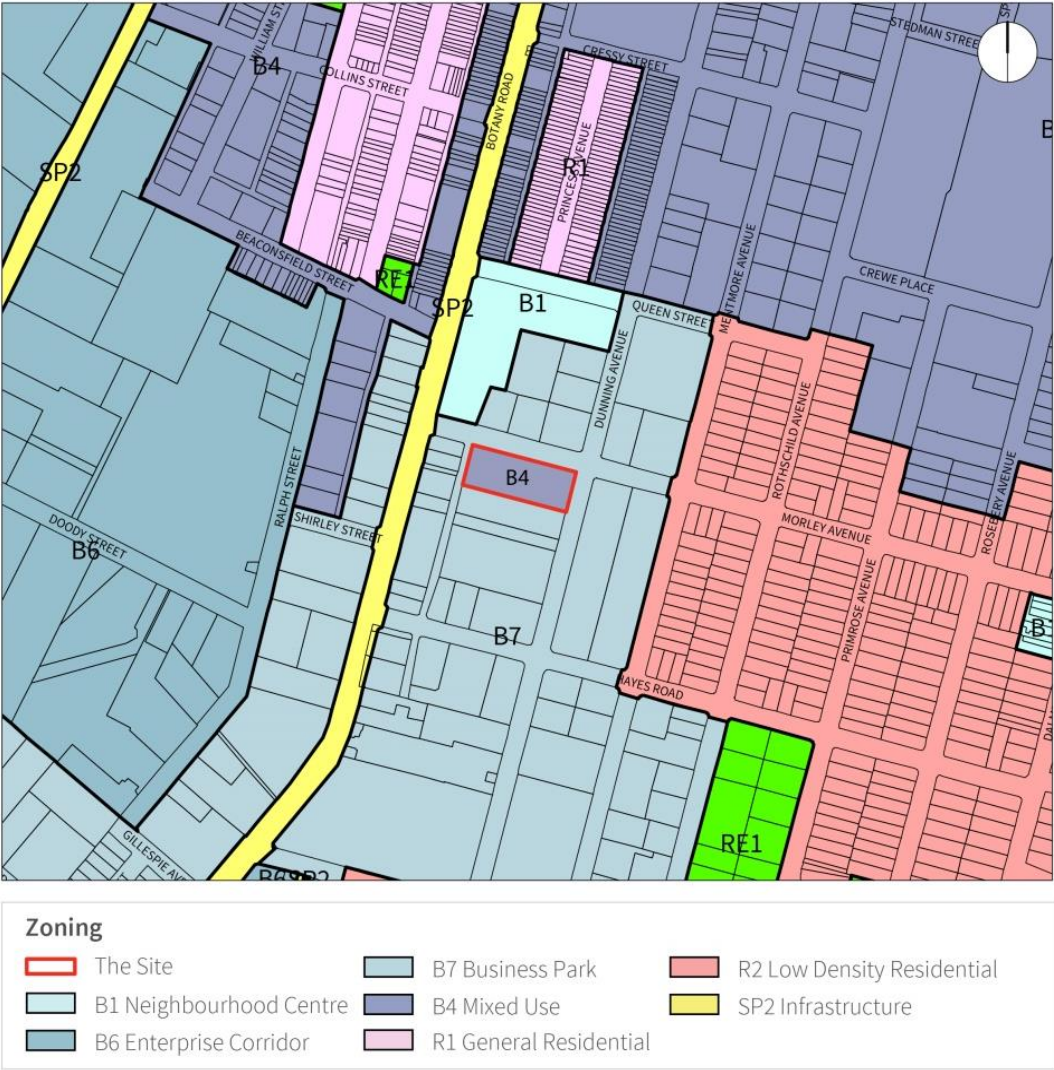
The site is split between map sheets 11, 12, 18 and 19. For clarity, the maps have been produced to show the site as a whole and do not reflect the exact boundaries of sheets 11, 12, 18 and 19.

Land zoning map: Sheets LZN_011, LZN_012, LZN_018 and LZN_019 (combined)

Current map:

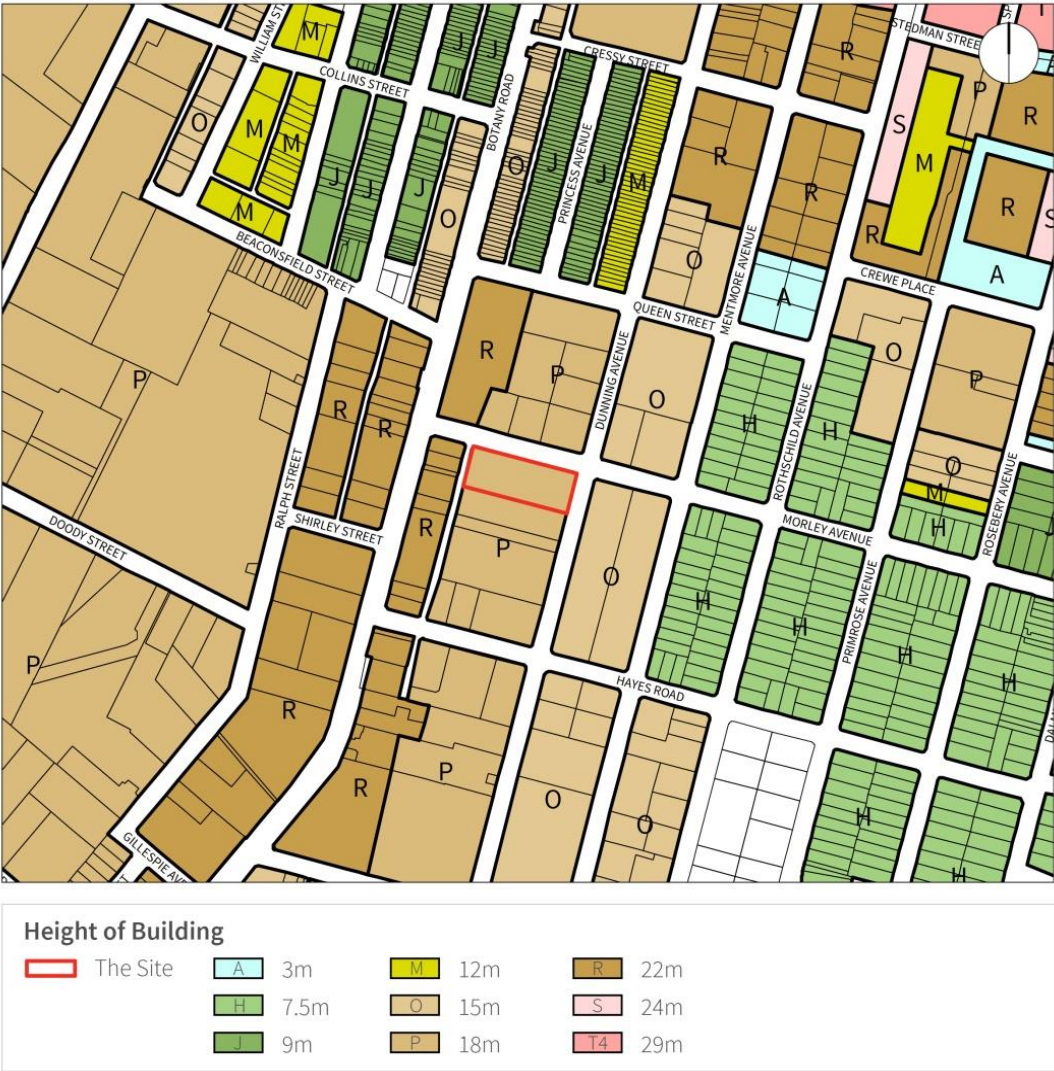


Proposed map:



Height of Buildings map: Sheets HOB_011, HOB_012, HOB_018 and HOB_019 (combined)

Current map:



Proposed map:

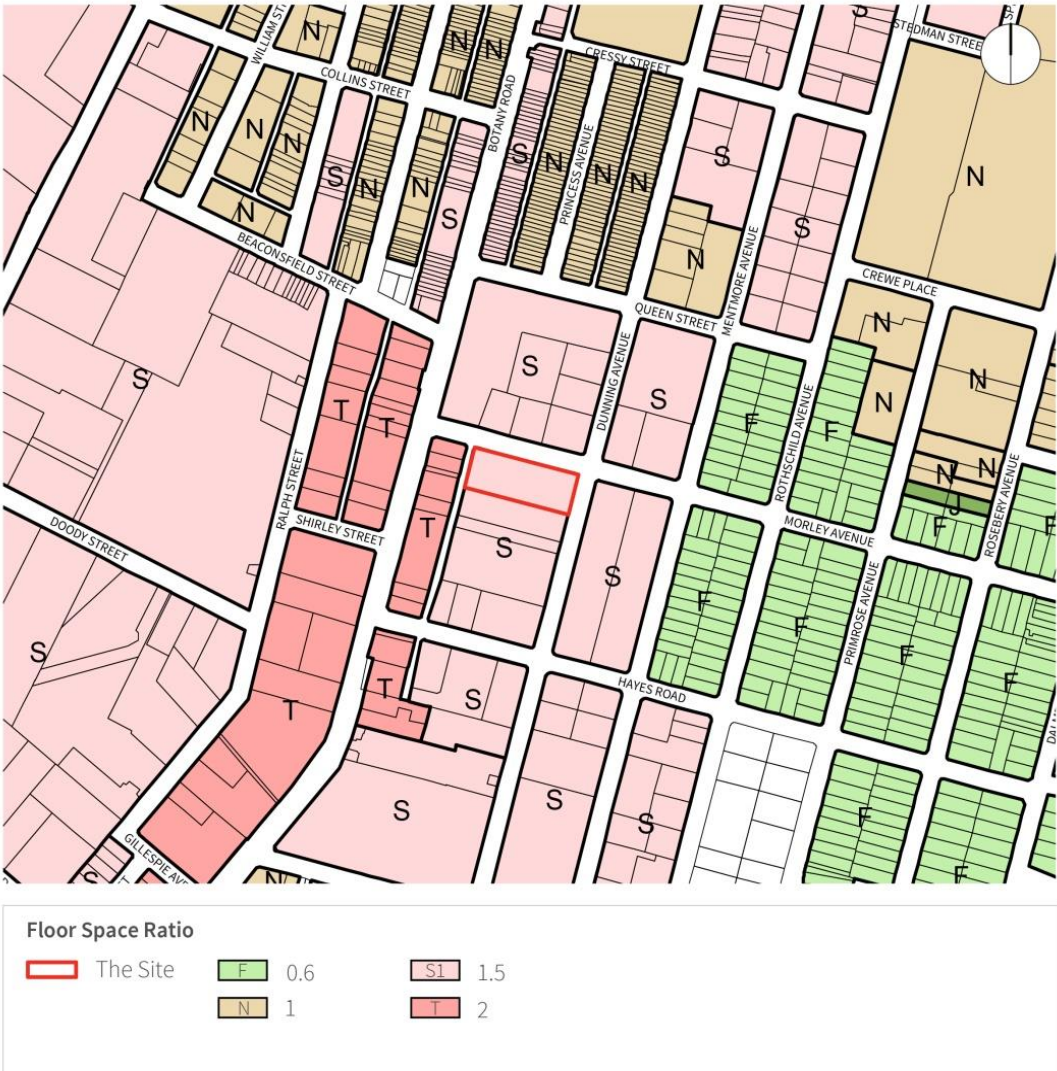


Height of Buildings

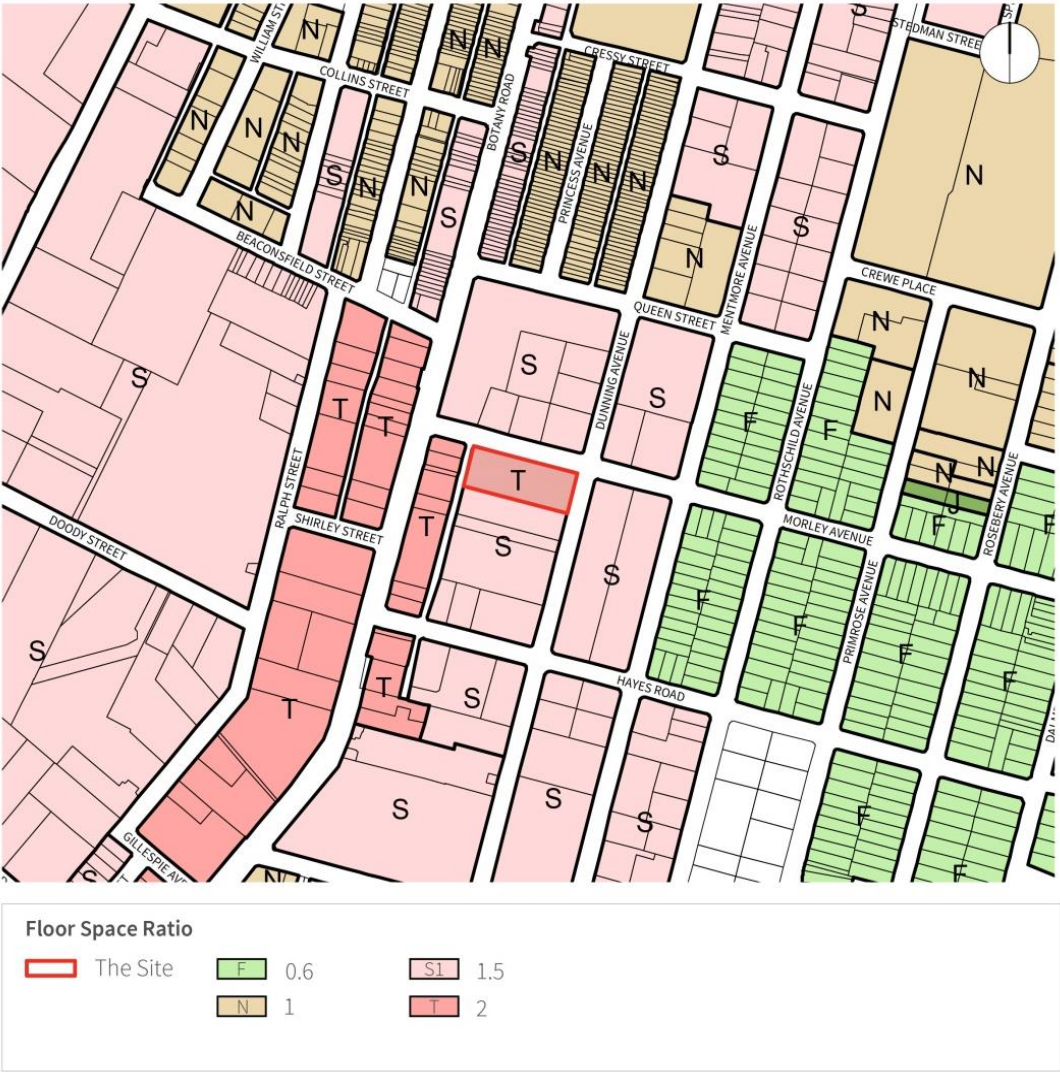
The Site	A 3m	M 12m	Q 20m	T4 29m
	H 7.5m	O 15m	R 22m	
	J 9m	P 18m	S 24m	

Floor Space Ratio map: Sheets FSR_011, FSR_012, FSR_018 and FSR_019 (combined)

Current map:

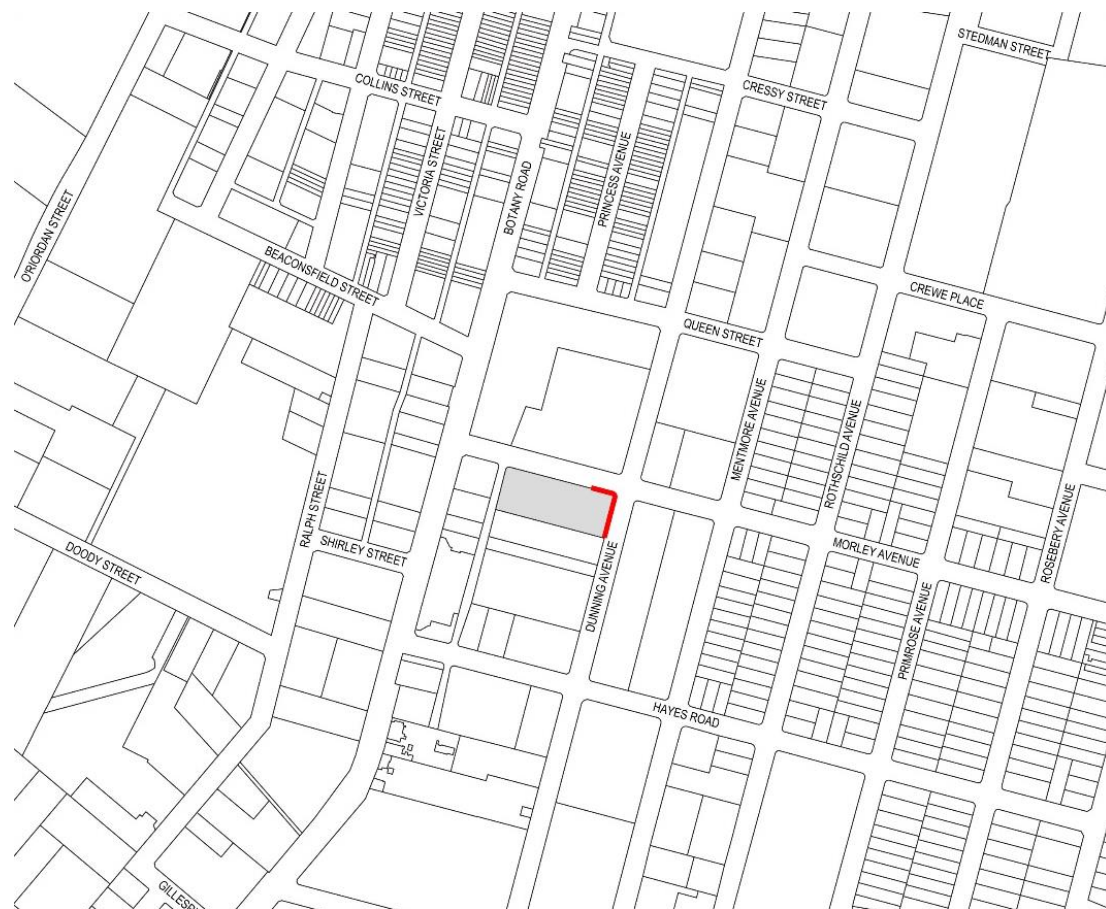


Proposed map:



Active Street Frontages map (new): Sheets ASF_011, ASF_012, ASF_018 and ASF_019 (combined)

Proposed map:



Active Street Frontages

 The Site  Active street frontage

Part 5 Community Consultation

Public consultation will take place in accordance with the Gateway Determination issued by the Greater Sydney Commission, in accordance with Sections 56 and 57 of the *Environmental Planning and Assessment Act 1979*.

It is proposed that, at a minimum, this will involve the notification of the public exhibition of the Planning Proposal:

- on the City of Sydney website
- at the following Council locations:
 - Town Hall House, 456 Kent Street, Sydney
 - Green Square, 100 Joynton Avenue, Zetland
- in newspapers that circulate widely in the City of Sydney local area
- in writing to the owners, the adjoining and nearby landowners, relevant community groups, and the surrounding community in the immediate vicinity of the site.

It is requested that the Planning Proposal be publicly exhibited for a period of not less than 28 days in accordance with section 5.5.2 of 'A guide to preparing local environmental plans'. The exhibition will coincide with the exhibition of an accompanying draft Sydney DCP 2012 amendment and draft Planning Agreement.

Consultation with relevant NSW agencies and authorities and other relevant organisations will be undertaken in accordance with the Gateway Determination.

Part 6 Project timeline

The following project timeline will assist with tracking the progress of the planning proposal through its various stages of consultation and approval. It is estimated that this amendment to *Sydney Local Environmental Plan 2012* will be completed by October 2017.

Table 6 Anticipated timeframes

Stage	Anticipated timeframe
Submit Planning Proposal to Greater Sydney Commission seeking a Gateway Determination	March 2017
Receive Gateway Determination	May 2017
Public exhibition and public authority consultation of Planning Proposal, draft DCP amendment and draft Planning Agreement	May to June 2017
Review of submissions received during public exhibition and public authority consultation	June to July 2017
Council and Central Sydney Planning Committee approval of Planning Proposal and DCP Amendment	September 2017
Drafting of instrument and finalisation of mapping	October 2017
Amendment to <i>Sydney Local Environmental Plan 2012</i> legally drafted and made	November 2017