

ID2 PLANNING PROPOSAL - NO 7 – 33 WATER STREET, STRATHFIELD (LOT 1, DP 603465; LOT 2, DP603465; LOT 3, DP 217450; LOT 22, DP 402062; LOT 23, DP 29213; AND LOT 24, DP 2921).

AUTHOR: Rita Vella, Principal Strategic Planner

APPROVER: Stephen Clements, Director Infrastructure Development and Environment

RECOMMENDATION

- 1. That Council endorse the recommendation of the Strathfield Local Planning Panel dated 5 April 2018 with respect to the Planning Proposal for No 7-23 and 25-33 (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921) Water Street, Strathfield South and the following be undertaken:
 - (a) Council advise the Department of Planning and Environment that it will continue the role of the planning proposal authority in accordance with Section 3.32 of the Environmental Planning & Assessment Act.
 - (b) That the Planning Proposal be submitted to the delegate of the Greater Sydney Commission for a Gateway Determination under Section 3.34 of the Environmental Planning and Assessment Act.
 - (c) That Council reiterate the recommendations of the Sydney Central Planning Panel and request that prior to community consultation, the Planning Proposal be updated to address the following:
 - Any rezoning to residential use be for the whole IN1 precinct of which the site only forms a part
 - That the existing expert reports attached to the Planning Proposal for sites A and B be augmented to include analysis of the larger precinct having regard to:
 - (i) Flooding
 - (ii) Contamination
 - *(iii)* Traffic and the Planning Proposal be amended accordingly
 - That prior to public exhibition, the adjoining landowners within the precinct be informed in relation to the prospective rezoning of the whole precinct
 - The augmented reports be available for exhibition.
 - (d) That Council request that the following condition be included as part of any Gateway Determination and the proponent be given a specified timeframe in which to comply with all of the conditions:

Prior to community consultation, the Planning Proposal is to be updated and amended to:

- *i.* Reference and address all relevant priorities and actions in A Metropolis of Three Cities – the Greater Sydney Region Plan and provide justification as to any inconsistencies;
- *ii.* Reference and address all relevant priorities and actions outlined in the Eastern City District Plan;
- *iii.* Include a comprehensive Urban Design Analysis of the whole IN2 Precinct which provides building massing envelopes that appropriately transition to the existing R2 – Low Density Residential zone. Consideration also needs to

be given to the stepping of heights adjacent to the Cooks River Cycleway/Open Space link so as to minimise the impacts of overshadowing.

The report shall also address the identified need outlined by State and Local Planning Strategies to situate residential housing close to facilities and services including transport, schools, open space, retail and support services.

- iv. Include a comprehensive flood study which addresses the flood affectation for the whole precinct and provides an effective design that addresses all of the critical issues that relate to flooding. The Flood Study should also demonstrate compliance with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005;
- v. Include a detailed Contamination Study in accordance with the draft Contaminated Land Planning Guidelines and the draft Section 117 Direction for the whole precinct that clearly demonstrates that the precinct can be remediated to be suitable for residential/open space purposes;
- vi. Include an updated electromagnetic radiation report, which addresses the impact of residential development for the whole Precinct, given the proximity to high voltage power lines and identifies appropriate mitigation measures;
- vii. Include a provision in the Planning Proposal for affordable housing to be incorporated in any development on the site equivalent not less than 10% in accordance with the Eastern City District Plan;
- viii. Address and justify the inconsistencies with the relevant Section 117 Directions.
- (e) That should a Gateway Determination be issued, the proponent continue to negotiate with Council to formalise a letter of offer to enter into a Voluntary Planning Agreement (VPA), in accordance with Council's current VPA Policy.
- (f) That should the proponent not comply with the recommended conditions of any Gateway Determination within the timeframe provided, that Council request that the Greater Sydney Commission, in accordance with Section 3.35(4) determine that the matter not proceed.
- (g) That the applicant be advised of Council's resolution

PURPOSE OF REPORT

The purpose of this report is to seek Council's endorsement of the Strathfield Local Planning Panel's (SLPP) recommendation on the the Planning Proposal for No 7 – 33 Water Street, Strathfield (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921).



The SLPP considered the report at its meeting on 5 April 2018. A copy of the report is included at Attachment 1.

The Planning Proposal seeks the following amendment to Strathfield Local Environmental Plan 2012 (SLEP 2012) for the subject site:

- Amend the Land Zoning from IN1 General Industrial to R4 High Density Residential; and
- Increase the Maximum Height of Buildings from 12m to 28m; and
- Increase the Maximum Floor Space Ratio (FSR) from 1:1 to 1.85:1

Following on from a recommendation from the Sydney Central Planning Panel in April 2017, Council has requested that the Planning Proposal be amended to address the issues raised.

To date the applicant has not provided Council with the requested information. As a result, council has sought advice from the Department of Planning & Environment.

They have suggested two (2) options that are available to Council:

- Council can continue in the role of RPA and submit the proposal in its current form for Gateway determination. A letter can be provided with this outlining Council's concerns and requested Gateway conditions in keeping with the Panel recommendation; or
- Council can advise that they do not choose to continue in the role of RPA. Should Council choose not to continue in the role of RPA, an alternate RPA will be appointed to progress the planning proposal to Gateway determination in keeping with the Panel determination.

It is recommended that Council endorse the recommendation of the SLPP which:

(i) Notifies the Department of Planning & Environment that Council will continue in the role of the consent authority; and

(ii) That the issues raised by the Sydney Central Planning Panel and Council be addressed and that the Planning Proposal be amended prior to exhibition.

REPORT

Background

Council, at its meeting on 19 July 2016, considered a report on a Planning Proposal submitted by Urbis Pty Ltd, on behalf of the landowners Westport Pty Ltd and RJ Green & Lloyd Pty Ltd, of No 7-23 and 25-33 Water Street, Strathfield South.

The Planning Proposal submitted to Council sought to amend Strathfield Local Environmental Plan 2012 (SLEP 2012) as follows:

- Amend the Land Zoning from IN1 General Industrial to R4 High Density Residential; and
- Increase the Maximum Height of Buildings from 12m to 28m; and
- Increase the Maximum Floor Space Ratio (FSR) from 1:1 to 1.85:1

The proposal will facilitate the redevelopment of the site for residential development comprising approximately 361-371 apartments across 5 buildings of 3-8 storeys and basement parking for up to 607 cars and landscaping.

The report concluded that the Planning Proposal failed to justify the proposed amendments and the flooding constraints and matters relating to the provision of a public benefit, in accordance with Council's Voluntary Planning Agreements Policy 2016 were not adequately addressed.

A copy of the report is included at Attachment 2.

As a result of this report, Council resolved the following (Minute No 221/16):

- 1. That the Planning Proposal to rezone 7-33 Water Street, Strathfield South from IN1 General Industrial to R4 High Density Residential should not proceed to Gateway Determination for the following reasons:
 - Lack of a comprehensive Flood Study to support the zoning change;
 - Lack of detail and consultation with external agencies regarding the proposed Voluntary Planning Agreement;
 - The proposed maximum height of 28m and maximum Floor Space Ratio of 1.85:1 are excessive considering context of the site; and
 - Potential land use conflict between the proposed R4 High Density Residential zoning and neighbouring IN1 General Industrial zoning.
- 2. That the proponent be advised to amend the Planning Proposal in accordance with maximum height of 11m and maximum FSR up to 1.2:1 consistent with the established Strathfield Local Environmental Plan spatial hierarchy, subject to the submission of additional information to satisfy the flooding issues within the site and value capture matters.

3. That the Department of Planning & Environment be notified accordingly.

On 15 August 2016, Urbis Pty Ltd submitted on behalf of the landowners a request to the Department of Planning & Environment (DPE) for a pre-Gateway review of the Planning Proposal. The reason for the review was that Council had notified the proponent of its resolution to not support the proposed amendment.

Following its assessment, DPE prepared a report for consideration by the Sydney Central Planning Panel. The report makes the following comments on site specific merit:

The Department notes a number of specific merit issues, including the height and scale relationship of the development with the low density residential scale and character of the area, and potential amenity impacts on new residents arising from adjoining industrial operations, flooding, contamination and electromagnetic radiation from nearby high voltage power lines

In conclusion, the report states:

The proposal has demonstrated strategic merit in its delivery of additional and diverse housing.....

It is recommended that, should the proposal proceed to Gateway, the planning proposal be expanded to include the whole of Water Street/Dunlop Street Precinct and include investigation of inconsistencies with the relevant Section 117 Directions (and subsequently released draft Central District Plan) in relation to:

- The loss of industrial land and the impact of rezoning the whole of the industrial precinct (versus the proposed partial precinct) on the future operations of the industrial/business precinct and nearby industrial areas, including the Enfield Intermodal Logistics Centre;
- Addressing flooding, contamination and electromagnetic radiation from nearby high voltage power lines, and opportunities for enhancing open space provision and connections with the adjacent Cooks River open space network; and
- Suitable zoning, scale and density in relation to visual and amenity impacts within the precinct site and on adjoining low density residential uses

A copy of the report is included at Attachment 3.

The pre-Gateway Review Advice Report was considered by the Sydney Central Planning Panel (SCPP) on 5 April 2017. The Panel considered that precautionary principle contained in the Draft Central District plan relating to a concern for the loss of industrial and urban services land uses.

However, in the case of the subject Planning Proposal and taking into account the strategic planning work that had been undertaken by Council in respect of the residential needs and employment lands strategy, it was considered that the subject sites and surrounding precinct has strategic merit for rezoning to a residential purpose. This consideration was made on the following grounds:

- The current IN1 land sits within and is accessed exclusively through low density residential housing and street network.
- The land the subject of the Planning Proposal accounts for only 0.7% of the employment land in the Municipality with the whole precinct accounting for 1.3% of local employment land

- The location of the land adjacent to the Cooks River which Council has been improving with landscaping, cycleway improvements etc.
- The rezoning would allow for increased housing supply to assist housing affordability

The majority of the SCPP agreed with the conclusion of DPE however considered that the subject sites should not be rezoned in isolation to the rest of the precinct since the collocation of a residential zone adjacent to the IN1 zone would be undesirable, contrary to fundamental planning land use principles and also inconsistent since the proximity of residential land to the industrial uses is one of the reasons for the support of the Panel to rezone. In considering the whole precinct, it is necessary for deliberation of the suitability of the whole precinct for residential use having regard to the following studies:

- 1. Flooding
- 2. Contamination
- 3. Traffic
- 4. Noise and emissions
- 5. Economic impact on existing neighbouring employment lands including the Enfield Inter Modal Centre
- 6. Masterplan/urban design analysis

Subsequently the SCPP on 5 April 2017 recommended that the Planning Proposal proceed to Gateway, subject to the following:

- Any rezoning to residential use be for the whole IN1 precinct of which the site only forms a part
- That the existing expert reports attached to the Planning Proposal for sites A and B be augmented to include analysis of the larger precinct having regard to items 1-6 above and the Planning Proposal be amended accordingly
- That prior to public exhibition, the adjoining landowners within the precinct be informed in relation to the prospective rezoning of the whole precinct
- The augmented reports (b) be available for exhibition

A copy of the SCPP Panel Advice Report dated 5 April 2017 is included at Attachment 4.

Following the decision of the SCPP, Council confirmed acceptance of the role of the RPA on 20 July 2017. DPE advised Council that the Planning Proposal should be submitted by 31 August 2017 for Gateway.

Ongoing discussions have been held with the applicant to ensure compliance with the SCPP's recommendations.

Due to the delay by the applicant in meeting the recommendation of the SCPP, the DPE on 3 October 2017 granted an additional four (4) week extension (to 31 October 2017) to submit the Planning Proposal for Gateway Determination.

On 14 December 2017, Council wrote to the applicant seeking an update on the progression of the Planning Proposal. A follow up email was sent on 23 February 2018 requesting a response. To date, Council has received no response from the applicant.

In order to progress the Planning Proposal, Council has sought advice from DPE. In this regard, they have advised that there are two (2) options available to Council:

- **Option 1:** Council can continue in the role of RPA and submit the proposal in its current form for Gateway determination. A letter can be provided with this outlining Council's concerns and requested Gateway conditions in keeping with the Panel recommendation; or
- **Option 2:** Council can advise that they do not choose to continue in the role of RPA. Should Council choose not to continue in the role of RPA, an alternate RPA will be appointed to progress the planning proposal to Gateway determination in keeping with the Panel determination.

A report was presented to the Strathfield Local Planning Panel (SLPP) on 5 April 2018, where the following was resolved:

The panel supports the recommendations with the amendments.

Description of the Site

The Planning Proposal seeks to rezone the land and amend the maximum building height and floor space ratio (FSR) controls applicable to No 7-23 and 25-33 Water Street, Strathfield South (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921).

The site consists of two blocks, split by ownership. Site A is 25-33 Water Street and is owned by RJ Green & Lloyd and Site B is 7-23 Water Street and is owned by Westport Pty Ltd (Figure 1)

The site comprises six lots and has a total area of 18,952m2 (1.9 ha). It is bounded by contiguous industrial land to the west, the Cooks River to the south, low density residential development to the north and residential flat buildings of up to 3 storey are also located to the north east of the site along Water street.

The site is not located within an identified urban renewal corridor, centre or major redevelopment precinct.

The site is currently used for a variety of industrial purposes, including household trades, distributions centres and vehicle repairs. The adjacent industrial areas are also used for a variety of industrial uses, including a concrete batching plant and warehouse and logistics centre. The nearby industrial area and the Enfield Intermodal Logistics Centre are separated from the subject site by the Cooks River (Figure 2).

The site is somewhat isolated from the majority of the industrial and employment lands. It is also constrained by limited access to major haulage transport routes.

The site is surrounded by the following:

- **North** Immediately to the north of the site are ten allotments that contain 1-2 storey residential dwellings that are zoned R-2 Low Density Residential.
- West Immediately to the west of the site are several industrial properties that are currently used for low intensity industrial purposes. All of these properties are zoned IN1 – General Industrial and are accessed via Dunlop Street. Further to the west is Dean Reserve which includes a playground and picnic facilities.

- South Sharing the southern boundary of the site is the Cooks River and the Cooks River Cycleway, which provides protected pedestrian and bicycle access from Rookwood Cemetery to Sydney Airport.
- **East** East of the site, across Water Street, is a series of 1-2 storey residential dwellings, Ford Park and a 3-storey residential flat building.

Table 1 and Figure 3 below provides a summary of the current and proposed planning controls relating to 7-33 Water Street:

	EXISTING	PROPOSED
Zoning	IN1 General Industrial	R4 High Density Residential
Height	12m	28m (135% increase)
FSR	1:1	1.85:1 (85% increase)

Table 1: Comparison of Current and Proposed Planning



Figure 1: Subject Site



PICTURE 1 - PHOTO OF 25-33 WATER STREET



PICTURE 2 - PHOTO OF AUSTLAND TILES, 17-23 WATER STREET



PICTURE 3 - PHOTO OF GHP AUSTRALIA AND HEMS GLOBAL, 7-15 WATER STREET



PICTURE 4 – PROPERTIES IMMEDIATELY NORTH OF THE SUBJECT SITE



PICTURE 5 - IMAGES OF PROPERTIES WEST OF THE SUBJECT SITE



PICTURE 6 - PANORAMA OF COOKS RIVER AND COOKS RIVER CYCLEWAY



PICTURE 7 – IMAGE OF PROPERTIES WEST OF THE SITE



Figure 2: Site and Enfield Intermodal Logistics Centre. Source Enfield ILC EIS and Strathfield LEP 2012.



Figure 3: Existing and Proposed Controls. Source: Planning Proposal

Eastern City District Plan

The draft Central District Plan was released on 21 November 2016 and DPE, in its report to the SCPP assessed the proposal against the priorities of the draft Plan.

In the report, the officer concludes that the proposal is inconsistent with Productivity Action 5, which aims to protect and support employment and urban services land. The draft Plan states that a precautionary approach should be taken to the conversion of employment and urban services lands, unless there is an alternative strategy endorsed by the relevant planning authority.

Further, the Greater Sydney Commission advised Council on 22 September 2017 that in relation to the merits of the proposal, the opinion of the GSC at officer level is that the Planning Proposal is not supported *particularly on the basis of the loss of employment land but most specifically because of the potential long term impact on the operation of the nearby intermodal terminal.*

The Eastern City District Plan was recently finalised and provides actions for Councils with respect to existing industrial and urban services land. Unlike the draft Plan, which advised that Councils take a "precautionary approach", the finalised Eastern City District Plan provides a clearer direction with respect to the consideration of the rezoning of industrial and employment lands. Planning Priority E12, Objective 23 of the Eastern City District Plan requires that *industrial and urban services land is planned, retained and managed*

A Metropolis of Three Cities includes Affordable Rental Housing Targets for very low to low-income households in Greater Sydney. Affordable Rental Housing Targets that are generally in the range of 5-10 per cent of new residential floor space are subject to viability.

The Eastern City District Plan identifies that an Affordable Rental Housing Target of between 5%-10% be provided for development of new urban renewal areas.

It is recommended that should a Gateway Determination be issued, that prior to the exhibition the Planning Proposal be updated to include a provision for affordable housing to be incorporated in any development on the site equivalent not less than 10% in accordance with the Eastern City District Plan.

Strategic Review of Industrial Lands

The Economic Land Use and Employment Strategy for the Strathfield LGA was prepared by SGS in June 2010 (Strathfield at the Crossroads of Sydney: An Economic Land Use and Employment Strategy: SGS 2010).

The Strategy focused on how new jobs could be encouraged through appropriate land use planning and identified tools to protect business and industrial areas. The study identified the need to modernise planning controls to reflect local circumstances and the changing nature of employment.

With respect to the subject site, this is part of the Water/Dunlop Street Precinct. This Precinct was identified as an area where alternate planning controls may be investigated. In this regard, the Strategy stated that more work is required to investigate alternate uses for the Water Street/Dunlop Street Precinct and that there is a need for a precinct wide approach to ensure an equitable outcome for landowners.

In addition to this Strategy, the GSC commissioned Hill PDA to undertake a Industrial Precinct Review (2015). This review identified the Water Street Precinct as being a mid-scale precinct of "good health". The Review states that, while Sydney's traditional manufacturing operations have moved either offshore or to lower value locations in Western Sydney, there is a growing and evolving demand for industrial areas within inner city and middle ring suburbs of Sydney to serve the needs of the growing local population (ie panel beaters, council depots, vehicle repairs) and strategic centres (ie data centres, concrete batching plants and distribution centres).

In view of the finalisation of the Eastern City District Plan and its Actions, it is recommended that prior to the consideration of any further Planning Proposals for industrial and urban services land, that Council prepare a comprehensive and updated Employment Lands Strategy for all industrial zoned lands within the Strathfield LGA to set a clear strategic direction for all industrial lands and to investigate alternative industrial opportunities including revitalisation of the areas.

Should the proponent wish to progress the planning proposal for the rezoning of IN1 land, it is considered appropriate to request that the proponent be requested to undertake a strategic review of all Industrial (IN1 and IN2 zoned land) within the Strathfield LGA in accordance with Action 51 of the Eastern City District Plan.

Outstanding Issues

The proposal is inconsistent with a number of existing and proposed Section 117 Directions, including *Direction 4.3 Flood Prone Land* and the proposed Section 117 Direction for considering contamination when rezoning land.

Contaminated Land

The planning proposal included a Contamination Report, which is reliant on information that is more than two (2) years old and relates to a different proposal.

It is recommended that should a Gateway Determination be issued, a condition be included that prior to the exhibition of the Planning Proposal, a detailed Contamination Study in accordance with the draft Contaminated Land Planning Guidelines and the draft Section 117 Direction for the whole precinct that clearly demonstrates that the precinct can be remediated to be suitable for residential/open space purposes be prepared and included with the exhibition material.

Flooding

The proposal also contained a Flood Impact Assessment, which states that the site is subject to both local overland flows from the north and mainstream flooding from the Cooks River.

Council's Consultant Development Engineer has reviewed the Flood Impact Assessment Report prepared by WMA Water dated November 2015 and its supporting Concept Plan which indicates the proposed residential building footprints. The assessment has considered the Cooks River Flood Study and NSW Floodplain Development Manual 2005.

Council's Consultant Development Engineer concludes that the subject site is unsafe and high risk and therefore the proposal for residential development cannot be supported

The officer of the DPE, in their report to the SCPP also made the following comments in respect to the impact of flooding:

The site is vulnerable to flash flooding (the modelled Probable Maximum Flood would peak1.5 hours after the commencement of rain, but begin to inundate the ground at the site after just 25 minutes). Evacuation of the site is not considered practical and evacuation to higher floor levels is considered to be a safer course of action.

Should the proposal proceed to gateway, it is recommended that a comprehensive flood study...and consultation with the State Emergency Service be required.

It is recommended that should a Gateway Determination be issued, a condition be included that prior to the exhibition of the Planning Proposal, a comprehensive flood study which addresses the flood affectation for the whole precinct and provides an effective design that addresses all of the critical issues that relate to flooding.

The Flood Study should also demonstrate compliance with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005

Electromagnetic Radiation

The planning proposal includes an electromagnetic radiation report, given the proximity to high voltage power lines. It concludes that:

- a. no habitable rooms should be located within 11 radial metres of the power lines;
- b. no unreasonable magnetic field will occur beyond 23 radial metres of the power lines; and
- c. mitigation measures need to be applied between 11 and 23 radial metres of the power lines to mitigate the otherwise unacceptable magnetic fields, which would affect general electronic and medical equipment.

The report does not provide discussion on appropriate mitigation measures. These should be included and should apply to the whole Precinct.

It is recommended that should a Gateway Determination be issued, a condition be included that requires an updated electromagnetic radiation report, which addresses the impact of residential development for the whole Precinct, given the proximity to high voltage power lines and identifies appropriate mitigation measures.

Context of R4 – High Density Residential with adjoining R2 – Low Density Residential

The Planning Proposal was accompanied by an Urban Design Report prepared by GMU Urban Design & Architecture. A copy of the Urban Design Report is included at Attachment 3.

Based on the analysis of the area GMU provided the following concept design for the subject site, shown in Figure 4 below:



Figure 4: Concept Design prepared by GMU

The concept plan indicates how the built form massing could be distributed on the site in order to meet the principles for the development of the precinct

Council considers that the proposed height as indicated in the concept plan does not appropriately address the adjoining R2 – Low Density Residential zone

The physical impact on the surrounding area (i.e. height, bulk, building location & orientation) is a critical concern, specifically in relation to:

- Five (5) storey buildings to the Water Street frontage would be incompatible with the existing built form and character of the streetscape;
- Five (5) storey buildings (with minimal setback above three storey component) to the northern boundary will likely create opportunities for significant overlooking toward the existing houses fronting William Street;
- High rise buildings ranging five (5) to eight (8) storeys on the western part of the site maximise the potential land use conflicts with the existing industrial premises at Dunlop Street; and

• The potential overshadowing impact on Cooks River Cycleway / Open Space link is excessive. This overshadowing impact would severely impact the visual amenity of the regional open space corridor area and potentially impact on the native vegetation.

In addition, the DPE officer's report notes that the proposed height limit of 28m, allowing up to 8 storey development is considered to be a significant increase compared to the existing development, with potentially significant visual impacts upon the adjacent residential developments.

A more comprehensive Urban Design Analysis of the whole IN2 precinct is to be prepared and should provide building massing envelopes that appropriately transition to the existing R2 – Low Density Residential zone.

Consideration also needs to be given to the stepping of heights adjacent to the Cooks River Cycleway/Open Space link so as to minimise the impacts of overshadowing.

Offer to Enter Into a Voluntary Planning Agreement

The Proponent has offered to enter into a Voluntary Planning Agreement (VPA) based on the following:

- a) Funding a portion of the implementation of Sydney Water's Cooks River Bank Naturalisation Project;
- b) Enhancement works to the Cooks River foreshore reserve and cycleway adjacent to the site;
- c) Relocation and replacement of the existing north bound and south bound Water Street bus stops; and
- d) Funding of a widened pedestrian / cycle path cantilevered off the existing Water Street bridge over the Cooks River.

The Voluntary Planning Agreement offer includes elements that extend beyond Council's jurisdiction, and would therefore require further consultation/negotiation with relevant State agencies such as Sydney Water and Transport for NSW.

With respect to the works to the Cooks River, Council has already been collecting funding through Section 94 contributions to improve the amenity along the Cooks River foreshore reserve and cycleway. This Section 94 work program will be undertaken according to the Section 94 Direct Contributions Plan regardless of whether this rezoning proposal will proceed or not.

It is recommended that should a Gateway Determination be issued, the proponent continue to negotiate with Council to formalise a letter of offer to enter into a Voluntary Planning Agreement (VPA), in accordance with Council's current VPA Policy.

Conclusion

The Planning Proposal for No 7-23 and 25-33 Water Street, Strathfield South was considered by the SCPP in April 2017, where it resolved that any rezoning from IN1 to a residential use must consider the whole precinct.

Prior to submitting the Planning Proposal to Greater Sydney Commission (GSC) for a Gateway Determination in accordance with section 3.34 of the Act, Council requested that the proponent address the recommendation of the SCPP, including expanding the Planning Proposal to address the whole IN1 precinct.

To date, no response has been received from the proponent and as a result Council sought advice from DPE with respect to how to proceed.

A report was presented to the SLPP for consideration of a way forward with respect to the Planning Proposal. The SLPP upon consideration of the report recommended that Council seek to advise the DPE that it will continue the role of the planning proposal authority (RPA).

It also recommend that Council submit to the Greater Sydney Commission, the Planning Proposal, as submitted, accompanied with a letter that includes the issues raised in this report and that the GSC consider that these be included as conditions, which will require that proponent to address prior to the public exhibition of the planning proposal.

FINANCIAL IMPLICATIONS

There are no financial implications.

ATTACHMENTS

- 1. <u>U</u> Copy of the Report presented to SLPP 5 April 2018
- 2. J. Report to Council 19 July 2016 Planning Proposal
- 3.<u>1</u> Pre-Gateway Review Advice Report (DPE)
- 4. <u>U</u> Panel Advice Report

ATTACHMENT 1

STRATHFI	
TO: REPORT:	Strathfield Local Planning Panel Meeting - 5 April 2018 SLPP – Report No. 1
SUBJECT:	PLANNING PROPOSAL - NO 7-23 AND 25-33, WATER STREET, STRATHFIELD SOUTH (LOT 1, DP 603465; LOT 2, DP603465; LOT 3, DP 217450; LOT 22, DP 402062; LOT 23, DP 29213; AND LOT 24, DP 2921)
DA NO. PURPOSE	N/A

 The purpose of this report is to provide Council with an update on the status of the Planning Proposal for No 7 – 33 Water Street, Strathfield (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921).



- 2. The Planning Proposal seeks the following amendment to Strathfield Local Environmental Plan 2012 (SLEP 2012) for the subject site:
 - Amend the Land Zoning from IN1 General Industrial to R4 High Density Residential; and
 - Increase the Maximum Height of Buildings from 12m to 28m; and
 - Increase the Maximum Floor Space Ratio (FSR) from 1:1 to 1.85:1
- 3. Following on from a recommendation from the Sydney Central Planning Panel in April 2017, Council has requested that the Planning Proposal be amended to address the issues raised.
- 4. To date the applicant has not provided Council with the requested information. As a result, council has sought advice from the Department of Planning & Environment.
- 5. They have suggested two (2) options that are available to Council:
 - Council can continue in the role of RPA and submit the proposal in its current form for Gateway determination. A letter can be provided with this outlining Council's concerns and requested Gateway conditions in keeping with the Panel recommendation; or

Item 1

5 APRIL 2018

Planning Proposal - No 7-23 and 25-33, Water Street, Strathfield South (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921) (Cont'd)

- Council can advise that they do not choose to continue in the role of RPA. Should Council
 choose not to continue in the role of RPA, an alternate RPA will be appointed to progress
 the planning proposal to Gateway determination in keeping with the Panel determination.
- 6. This report recommends that Council continue in the role of the RPA and that should the DPE issue a Gateway Determination, that the issues raised by the Sydney Central Planning Panel and Council be addressed and that the Planning Proposal be amended prior to exhibition.

BACKGROUND

- Council, at its meeting on 19 July 2016 considered a report on a Planning Proposal submitted by Urbis Pty Ltd, on behalf of the landowners Westport Pty Ltd and RJ Green & Lloyd Pty Ltd, of No 7-23 and 25-33 Water Street, Strathfield South.
- 8. The Planning Proposal submitted to Council sought to amend Strathfield Local Environmental Plan 2012 (SLEP 2012) as follows:
- Amend the Land Zoning from IN1 General Industrial to R4 high Density Residential; and
- Increase the Maximum Height of Buildings from 12m to 28m; and
- Increase the Maximum Floor Space Ratio (FSR) from 1:1 to 1.85:1
- The proposal will facilitate the redevelopment of the site for residential development comprising approximately 361-371 apartments across 5 buildings of 3-8 storeys and basement parking for up to 607 cars and landscaping.
- 10. The report concluded that the Planning Proposal failed to justify the proposed amendments and the flooding constraints and matters relating to the provision of a public benefit, in accordance with Council's Voluntary Planning Agreements Policy 2016 were not adequately addressed.
- 11. A copy of the report is included at Attachment 1.
- 12. As a result of this report, Council resolved the following (Minute No 221/16):
 - That the Planning Proposal to rezone 7-33 Water Street, Strathfield South from IN1 General Industrial to R4 High Density Residential should not proceed to Gateway Determination for the following reasons:
 - Lack of a comprehensive Flood Study to support the zoning change;
 - Lack of detail and consultation with external agencies regarding the proposed Voluntary Planning Agreement;
 - The proposed maximum height of 28m and maximum Floor Space Ratio of 1.85:1 are excessive considering context of the site; and
 - Potential land use conflict between the proposed R4 High Density Residential zoning and neighbouring IN1 General Industrial zoning.
 - That the proponent be advised to amend the Planning Proposal in accordance with maximum height of 11m and maximum FSR up to 1.2:1 consistent with the established Strathfield Local Environmental Plan spatial hierarchy, subject to the submission of additional information to satisfy the flooding issues within the site and value capture matters.
 - 3. That the Department of Planning & Environment be notified accordingly.

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- 13. On 15 August 2016, Urbis Pty Ltd submitted on behalf of the landowners a request to the Department of Planning & Environment (DPE) for a pre-Gateway review of the Planning Proposal. The reason for the review was that Council had notified the proponent of its resolution to not support the proposed amendment.
- 14. Following its assessment, DPE prepared a report for consideration by the Sydney Central Planning Panel. The report makes the following comments on site specific merit:

The Department notes a number of specific merit issues, including the height and scale relationship of the development with the low density residential scale and character of the area, and potential amenity impacts on new residents arising from adjoining industrial operations, flooding, contamination and electromagnetic radiation from nearby high voltage power lines

15. In conclusion, the report states:

The proposal has demonstrated strategic merit in its delivery of additional and diverse housing.....

It is recommended that, should the proposal proceed to Gateway, the planning proposal be expanded to include the whole of Water Street/Dunlop Street Precinct and include investigation of inconsistencies with the relevant Section 117 Directions (and subsequently released draft Central District Plan) in relation to:

- The loss of industrial land and the impact of rezoning the whole of the industrial precinct (versus the proposed partial precinct) on the future operations of the industrial/business precinct and nearby industrial areas, including the Enfield Intermodal Logistics Centre;
- Addressing flooding, contamination and electromagnetic radiation from nearby high voltage power lines, and opportunities for enhancing open space provision and connections with the adjacent Cooks River open space network; and
- Suitable zoning, scale and density in relation to visual and amenity impacts within the precinct site and on adjoining low density residential uses
- 16. A copy of the report is included at Attachment 2.
- 17. The pre-Gateway Review Advice Report was considered by the Sydney Central Planning Panel (SCPP) on 5 April 2017. The Panel considered that precautionary principle contained in the Draft Central District plan relating to a concern for the loss of industrial and urban services land uses.
- 18. However, in the case of the subject Planning Proposal and taking into account the strategic planning work that had been undertaken by Council in respect of the residential needs and employment lands strategy, it was considered that the subject sites and surrounding precinct has strategic merit for rezoning to a residential purpose. This consideration was made on the following grounds:
 - The current IN1 land sits within and is accessed exclusively through low density residential housing and street network.
 - The land the subject of the Planning Proposal accounts for only 0.7% of the employment land in the Municipality with the whole precinct accounting for 1.3% of local employment land
 - The location of the land adjacent to the Cooks River which Council has been improving with landscaping, cycleway improvements etc.
 - The rezoning would allow for increased housing supply to assist housing affordability

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- 19. The majority of the SCPP agreed with the conclusion of DPE however considered that the subject sites should not be rezoned in isolation to the rest of the precinct since the collocation of a residential zone adjacent to the IN1 zone would be undesirable, contrary to fundamental planning land use principles and also inconsistent since the proximity of residential land to the industrial uses is one of the reasons for the support of the Panel to rezone. In considering the whole precinct, it is necessary for deliberation of the suitability of the whole precinct for residential use having regard to the following studies:
 - 1. Flooding
 - 2. Contamination
 - 3. Traffic
 - 4. Noise and emissions
 - 5. Economic impact on existing neighbouring employment lands including the Enfield Inter Modal Centre
 - 6. Masterplan/urban design analysis
- 20. Subsequently the SCPP on 5 April 2017 recommended that the Planning Proposal proceed to Gateway, subject to the following:
 - Any rezoning to residential use be for the whole IN1 precinct of which the site only forms a part
 - That the existing expert reports attached to the Planning Proposal for sites A and B be augmented to include analysis of the larger precinct having regard to items 1-6 above and the Planning Proposal be amended accordingly
 - That prior to public exhibition, the adjoining landowners within the precinct be informed in relation to the prospective rezoning of the whole precinct
 - The augmented reports (b) be available for exhibition
- 21. A copy of the SCPP Panel Advice Report dated 5 April 2017 is included at Attachment 3.
- 22. Following the decision of the SCPP, Council confirmed acceptance of the role of the RPA on 20 July 2017. DPE advised Council that the Planning Proposal should be submitted by 31 August 2017 for Gateway.
- Ongoing discussions have been held with the applicant to ensure compliance with the SCPP's recommendations.
- 24. Due to the delay by the applicant in meeting the recommendation of the SCPP, the DPE on 3 October 2017 granted an additional four (4) week extension (to 31 October 2017) to submit the Planning Proposal for Gateway Determination.
- 25. On 14 December 2017, Council wrote to the applicant seeking an update on the progression of the Planning Proposal. A follow up email was sent on 23 February 2018 requesting a response.
- 26. To date, Council has received no response from the applicant.
- 27. In order to progress the Planning Proposal, Council has sought advice from DPE. In this regard, they have advised that there are two (2) options available to Council:
 - **Option 1:** Council can continue in the role of RPA and submit the proposal in its current form for Gateway determination. A letter can be provided with this outlining

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Council's concerns and requested Gateway conditions in keeping with the Panel recommendation; or

- **Option 2:** Council can advise that they do not choose to continue in the role of RPA. Should Council choose not to continue in the role of RPA, an alternate RPA will be appointed to progress the planning proposal to Gateway determination in keeping with the Panel determination.
- 28. It is recommended that Council continue in the role of the relevant planning authority (RPA) for the Planning Proposal, but includes with the submission of the Planning Proposal to the Greater Sydney Commission a letter outlining Council's concerns and requesting the information as included in the recommendation above.

DESCRIPTION OF THE SITE

- 29. The Planning Proposal seeks to rezone the land and amend the maximum building height and floor space ratio (FSR) controls applicable to No 7-23 and 25-33 Water Street, Strathfield South (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921).
- 30. The site consists of two blocks, split by ownership. Site A is 25-33 Water Street and is owned by RJ Green & Lloyd and Site B is 7-23 Water Street and is owned by Westport Pty Ltd (Figure 1)
- 31. The site comprises six lots and has a total area of 18,952m2 (1.9 ha). It is bounded by contiguous industrial land to the west, the Cooks River to the south, low density residential development to the north and residential flat buildings of up to 3 storey are also located to the north east of the site along Water street.
- The site is not located within an identified urban renewal corridor, centre or major redevelopment precinct.
- 33. The site is currently used for a variety of industrial purposes, including household trades, distributions centres and vehicle repairs. The adjacent industrial areas are also used for a variety of industrial uses, including a concrete batching plant and warehouse and logistics centre. The nearby industrial area and the Enfield Intermodal Logistics Centre are separated from the subject site by the Cooks River (Figure 2).
- 34. The site is somewhat isolated from the majority of the industrial and employment lands. It is also constrained by limited access to major haulage transport routes.

35. The site is surrounded by the following:

- North Immediately to the north of the site are ten allotments that contain 1-2 storey
 residential dwellings that are zoned R-2 Low Density Residential.
- West Immediately to the west of the site are several industrial properties that are currently used for low intensity industrial purposes. All of these properties are zoned IN1 – General Industrial and are accessed via Dunlop Street. Further to the west is Dean Reserve which includes a playground and picnic facilities.
- South Sharing the southern boundary of the site is the Cooks River and the Cooks River Cycleway, which provides protected pedestrian and bicycle access from Rookwood Cemetery to Sydney Airport.

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- East East of the site, across Water Street, is a series of 1-2 storey residential dwellings, Ford Park and a 3-storey residential flat building.
- 36. Table 1 and Figure 3 below provides a summary of the current and proposed planning controls relating to 7-33 Water Street:

Table 1: Comparison of Current and Proposed Planning			
	EXISTING	PROPOSED	
Zoning	IN1 General Industrial	R4 High Density Residential	
Height	12m	28m (135% increase)	
FSR	1:1	1.85:1 (85% increase)	



Figure 1: Subject Site

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PICTURE 1 -- PHOTO OF 25-33 WATER STREET



PICTURE 2 - PHOTO OF AUSTLAND TILES, 17-23 WATER STREET

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PICTURE 3 - PHOTO OF GHP AUSTRALIA AND HEMS GLOBAL, 7-15 WATER STREET



PICTURE 4 - PROPERTIES IMMEDIATELY NORTH OF THE SUBJECT SITE



PICTURE 5 - IMAGES OF PROPERTIES WEST OF THE SUBJECT SITE

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PICTURE 6 - PANORAMA OF COOKS RIVER AND COOKS RIVER CYCLEWAY



PICTURE 7 - IMAGE OF PROPERTIES WEST OF THE SITE



Figure 2: Site and Enfield Intermodal Logistics Centre. Source Enfield ILC EIS and Strathfield LEP 2012.

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Figure 3: Existing and Proposed Controls. Source: Planning Proposal

EASTERN CITY DISTRICT PLAN

- 37. The draft Central District Plan was released on 21 November 2016 and DPE, in its report to the SCPP assessed the proposal against the priorities of the draft Plan.
- 38. In the report, the officer concludes that the proposal is inconsistent with Productivity Action 5, which aims to protect and support employment and urban services land. The draft Plan states that a precautionary approach should be taken to the conversion of employment and urban

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services lands, unless there is an alternative strategy endorsed by the relevant planning authority.

- 39. Further, the Greater Sydney Commission advised Council on 22 September 2017 that in relation to the merits of the proposal, the opinion of the GSC at officer level is that the Planning Proposal is not supported particularly on the basis of the loss of employment land but most specifically because of the potential long term impact on the operation of the nearby intermodal terminal.
- 40. Industrial and urban services land in the Eastern City District provides cost competitive and well located land for industries and services that support businesses in the Harbour CBD, other centres and Greater Sydney's two existing international trade gateways of Port Botany and Sydney Airport.
- 41. Urban services include activities such as motor vehicle services, printing, waste management, courier services and concrete batching plants. These activities serve local communities and businesses and require adequate access to industrial land across the District. Demand for this land will increase commensurate with population growth. Good local access to these services reduces the need to travel to other areas, minimising congestion on the transport system.
- 42. The Eastern City District Plan was recently finalised and provides actions for Councils with respect to existing industrial and urban services land. Unlike the draft Plan, which advised that Councils take a "precautionary approach", the finalised Eastern City District Plan provides a clearer direction with respect to the consideration of the rezoning of industrial and employment lands. Planning Priority E12, Objective 23 of the Eastern City District Plan requires that *industrial and urban services land is planned, retained and managed*
- 43. In this regard, the Eastern City District Plan states:

All existing industrial and urban services land should be safeguarded from competing pressures, especially residential and mixed-use zones. This approach retains this land for economic activities required for Greater Sydney's operation, such as urban services. Specifically these industrial lands are required for economic and employment purposes. Therefore the number of jobs should not be the primary objective – rather a mix of economic outcomes that support the city and population. The management of these lands should accommodate evolving business practices and changes in needs for urban services from the surrounding community and businesses.

Where a retain and manage approach is being undertaken, councils are to conduct a strategic review of industrial land as part of updating local environmental plans. There will also be a need, from time to time, to review the list of appropriate activities within any precinct in consideration of evolving business practices and how they can be supported through permitted uses in local environmental plans. Any review should take into consideration findings of industrial, commercial and centre strategies for the local government area and/or the district.

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44. The key actions related to this Planning Priority include:

٥	Actions	Responsibility
8	Retain and manage inductional and urban someoid and, in one with the Privice place for managing induction and urban someoid land in the Exemption One District by autographing all inductional zone drawn from one entitien to residential development including conversion to mixed use draws In updating local information plants, councils are to conduct a strainged owned of industrial land.	Baye de Council, Burwadd Council Giry al Canada Bay, Douncil of the Giry of Syramy, Innar West Douncil Bandwick Dry Council: Straibhilid Douncil, Wasening Douncil, Woo when Mismissan Council, and other plenning lautherden
62.	Facilitate the contemporary adaptation of industrial and warenouse facilitings trimagh menaaled floor to ceiling heights.	Councils and other stamming sufficient

- 45. A Metropolis of Three Cities includes Affordable Rental Housing Targets for very low to lowincome households in Greater Sydney. Affordable Rental Housing Targets that are generally in the range of 5-10 per cent of new residential floor space are subject to viability.
- 46. The Eastern City District Plan identifies that an Affordable Rental Housing Target of between 5%-10% be provided for development of new urban renewal areas.
- 47. It is recommended that should a Gateway Determination be issued, that prior to the exhibition the Planning Proposal be updated to include a provision for affordable housing to be incorporated in any development on the site equivalent not less than 10% in accordance with the Eastern City District Plan.

STRATEGIC REVIEW OF INDUSTRIAL LANDS

- The Economic Land Use and Employment Strategy for the Strathfield LGA was prepared by SGS in June 2010 (Strathfield at the Crossroads of Sydney: An Economic Land Use and Employment Strategy: SGS 2010).
- 49. The Strategy focused on how new jobs could be encouraged through appropriate land use planning and identified tools to protect business and industrial areas. The study identified the need to modernise planning controls to reflect local circumstances and the changing nature of employment.
- 50. With respect to the subject site, this is part of the Water/Dunlop Street Precinct. This Precinct was identified as an area where alternate planning controls may be investigated. In this regard, the Strategy stated that more work is required to investigate alternate uses for the Water Street/Dunlop Street Precinct and that there is a need for a precinct wide approach to ensure an equitable outcome for landowners.
- 51. In addition to this Strategy, the GSC commissioned Hill PDA to undertake a Industrial Precinct Review (2015). This review identified the Water Street Precinct as being a mid-scale precinct of "good health". The Review states that, while Sydney's traditional manufacturing operations have moved either offshore or to lower value locations in Western Sydney, there is a growing and evolving demand for industrial areas within inner city and middle ring suburbs of Sydney to serve the needs of the growing local population (ie panel beaters, council depots, vehicle repairs) and strategic centres (ie data centres, concrete batching plants and distribution centres).

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- 52. In view of the finalisation of the Eastern City District Plan and its Actions, it is recommended that prior to the consideration of any further Planning Proposals for industrial and urban services land, that Council prepare a comprehensive and updated Employment Lands Strategy for all industrial zoned lands within the Strathfield LGA to set a clear strategic direction for all industrial lands and to investigate alternative industrial opportunities including revitalisation of the areas.
- 53. Should the proponent wish to progress the planning proposal for the rezoning of IN1 land, it is considered appropriate to request that the proponent be requested to undertake a strategic review of all Industrial (IN1 and IN2 zoned land) within the Strathfield LGA in accordance with Action 51 of the Eastern City District Plan.

OUTSTANDING ISSUES

54. The proposal is inconsistent with a number of existing and proposed Section 117 Directions, including *Direction 4.3 Flood Prone Land* and the proposed Section 117 Direction for considering contamination when rezoning land.

Contaminated Land

- 55. The planning proposal included a Contamination Report, which is reliant on information that is more than two (2) years old and relates to a different proposal.
- 56. The draft Contaminated Land Planning Guidelines and the draft Section 117 Direction outlines a process for applicants where it is proposed to rezone land that is contaminated. The draft Section117 Direction also requires that a planning proposal to rezone land must be accompanied by a preliminary site investigation or detailed site investigation when:
 - land is significantly contaminated land within the meaning of the CLM Act
 - an activity listed in the SEPP (as reproduced in Table 1 in Appendix 1 of the draft Guidelines) is being carried out on the land and is potentially causing contamination
 - records show that a potentially contaminating activity has been carried out on the land
 - there are incomplete records about the use of the land and during the periods not covered by those records, it would have been lawful to carry out a potentially contaminating activity and
 - the proposed rezoning, or proposed change to planning controls, would allow the land to be used for residential, educational, recreational or child care purposes, or for the purposes of a hospital.
- 57. It is recommended that should a Gateway Determination be issued, a condition be included that prior to the exhibition of the Planning Proposal, a detailed Contamination Study in accordance with the draft Contaminated Land Planning Guidelines and the draft Section 117 Direction for the whole precinct that clearly demonstrates that the precinct can be remediated to be suitable for residential/open space purposes be prepared and included with the exhibition material.

Flooding

- 58. The proposal also contained a Flood Impact Assessment, which states that the site is subject to both local overland flows from the north and mainstream flooding from the Cooks River.
- 59. Council's Consultant Development Engineer has reviewed the Flood Impact Assessment Report

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prepared by WMA Water dated November 2015 and its supporting Concept Plan which indicates the proposed residential building footprints. The assessment has considered the Cooks River Flood Study and NSW Floodplain Development Manual 2005.

60. Council's Consultant Development Engineer has provided the following conclusion with respect to Flood Impact Assessment:

....it can be concluded that the subject site is unsafe and high risk and therefore the proposal for residential development cannot be supported as the flood depth exceeds 2.8m along the western boundary of the site;

The proposal also fails to demonstrate how vehicles can enter and exit the subject site in a safe manner (i.e. the proposed locations of vehicular access are located within areas of high flood risk) and therefore cannot be supported. This also relates to issues of evacuation. There is insufficient time warning for people to evacuate to a place of refuge above the 100 year or PMF flood level. Again, this is contrary to the requirements set out in Section 117 Direction and NSW Floodplain Development Manual dated 2005.

61. The officer of the DPE, in their report to the SCPP also made the following comments in respect to the impact of flooding:

The site is vulnerable to flash flooding (the modelled Probable Maximum Flood would peak1.5 hours after the commencement of rain, but begin to inundate the ground at the site after just 25 minutes). Evacuation of the site is not considered practical and evacuation to higher floor levels is considered to be a safer course of action.

Should the proposal proceed to gateway, it is recommended that a comprehensive flood study...and consultation with the State Emergency Service be required.

- 62. It is recommended that should a Gateway Determination be issued, a condition be included that prior to the exhibition of the Planning Proposal, a comprehensive flood study which addresses the flood affectation for the whole precinct and provides an effective design that addresses all of the critical issues that relate to flooding.
- 63. The Flood Study should also demonstrate compliance with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005

Electromagnetic Radiation

- 64. The planning proposal includes an electromagnetic radiation report, given the proximity to high voltage power lines. It concludes that:
 - a. no habitable rooms should be located within 11 radial metres of the power lines;
 - b. no unreasonable magnetic field will occur beyond 23 radial metres of the power lines; and
 - c. mitigation measures need to be applied between 11 and 23 radial metres of the power lines to mitigate the otherwise unacceptable magnetic fields, which would affect general electronic and medical equipment.
- 65. The report does not provide discussion on appropriate mitigation measures. These should be included and should apply to the whole Precinct.
- 66. It is recommended that should a Gateway Determination be issued, a condition be included that requires an updated electromagnetic radiation report, which addresses the impact of residential development for the whole Precinct, given the proximity to high voltage power lines and identifies

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appropriate mitigation measures.

Context of R4 - High Density Residential with adjoining R2 - Low Density Residential

- 67. The Planning Proposal was accompanied by an Urban Design Report prepared by GMU Urban Design & Architecture. A copy of the Urban Design Report is included at Attachment 3.
- 68. Based on the analysis of the area GMU provided the following concept design for the subject site, shown in Figure 4 below:



Figure 20. Preliminary masterpion for the industrial presinct

Figure 4: Concept Design prepared by GMU

- 69. The concept plan indicates how the built form massing could be distributed on the site in order to meet the principles for the development of the precinct
- 70. Council considers that the proposed height as indicated in the concept plan does not appropriately address the adjoining R2 – Low Density Residential zone
- 71. The physical impact on the surrounding area (i.e. height, bulk, building location & orientation) is a critical concern, specifically in relation to:

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- Five (5) storey buildings to the Water Street frontage would be incompatible with the existing built form and character of the streetscape;
- Five (5) storey buildings (with minimal setback above three storey component) to the northern boundary will likely create opportunities for significant overlooking toward the existing houses fronting William Street;
- High rise buildings ranging five (5) to eight (8) storeys on the western part of the site maximise the potential land use conflicts with the existing industrial premises at Dunlop Street; and
- The potential overshadowing impact on Cooks River Cycleway / Open Space link is excessive. This overshadowing impact would severely impact the visual amenity of the regional open space corridor area and potentially impact on the native vegetation.
- 72. In addition, the DPE officer's report notes that the proposed height limit of 28m, allowing up to 8 storey development is considered to be a significant increase compared to the existing development, with potentially significant visual impacts upon the adjacent residential developments.
- 73. A more comprehensive Urban Design Analysis of the whole IN2 precinct is to be prepared and should provide building massing envelopes that appropriately transition to the existing R2 – Low Density Residential zone.
- 74. Consideration also needs to be given to the stepping of heights adjacent to the Cooks River Cycleway/Open Space link so as to minimise the impacts of overshadowing.

OFFER TO ENTER INTO A VOLUNTARY PLANNING AGREEMENT

- 75. The Proponent has offered to enter into a Voluntary Planning Agreement (VPA) based on the following:
 - a) Funding a portion of the implementation of Sydney Water's Cooks River Bank Naturalisation Project;
 - b) Enhancement works to the Cooks River foreshore reserve and cycleway adjacent to the site;
 - c) Relocation and replacement of the existing north bound and south bound Water Street bus stops; and
 - d) Funding of a widened pedestrian / cycle path cantilevered off the existing Water Street bridge over the Cooks River
- 76. The Voluntary Planning Agreement offer includes elements that extend beyond Council's jurisdiction, and would therefore require further consultation/negotiation with relevant State agencies such as Sydney Water and Transport for NSW.
- 77. With respect to the works to the Cooks River, Council has already been collecting funding through Section 94 contributions to improve the amenity along the Cooks River foreshore reserve and cycleway. This Section 94 work program will be undertaken according to the Section 94 Direct Contributions Plan regardless of whether this rezoning proposal will proceed or not.
- 78. It is recommended that should a Gateway Determination be issued, the proponent continue to

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negotiate with Council to formalise a letter of offer to enter into a Voluntary Planning Agreement (VPA), in accordance with Council's current VPA Policy.

CONCLUSION

- 79. The Planning Proposal for No 7-23 and 25-33 Water Street, Strathfield South was considered by the SCPP in April 2017, where it resolved that any rezoning from IN1 to a residential use must consider the whole precinct.
- 80. Prior to submitting the Planning Proposal to Greater Sydney Commission (GSC) for a Gateway Determination in accordance with section 3.34 of the Act, Council requested that the proponent address the recommendation of the SCPP, including expanding the Planning Proposal to address the whole IN1 precinct.
- 81. To date, no response has been received from the proponent and as a result Council sought advice from DPE with respect to how to proceed.
- 82. In this regard, it is recommended that Council seek to advise the DPE that it will continue the role of the planning proposal authority (RPA) and that Council submit to the GSC, the Planning Proposal, accompanied with a letter that includes the issues raised in this report and request that they be considered as conditions that the proponent will have to deal with prior to the public exhibition of the planning proposal, should a Gateway Determination be given.

RECOMMENDATION

- 1. That the Strathfield Local Planning Panel recommend to Council that the following be undertaken with respect to the Planning Proposal for No 7-23 and 25-33 Water Street, Strathfield South:
 - (a) Council advise the Department of Planning and Environment that it will continue the role of the planning proposal authority in accordance with Section 3.32 of the Environmental Planning & Assessment Act.
 - (b) That the Planning Proposal be submitted to the delegate of the Greater Sydney Commission for a Gateway Determination under Section 3.34 of the Environmental Planning and Assessment Act
 - (c) That Council reiterate the recommendations of the Sydney Central Planning Panel and request that prior to community consultation, the Planning Proposal be updated to address the following:
 - Any rezoning to residential use be for the whole IN1 precinct of which the site only forms a
 part
 - That the existing expert reports attached to the Planning Proposal for sites A and B be augmented to include analysis of the larger precinct having regard to:
 - (i) Flooding
 - (ii) Contamination
 - (iii) Traffic
 - (iv) Noise and emissions
 - (v) Economic impact on existing neighbouring employment lands including the Enfield

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STRATHFIELD LOCAL PLANNING PANEL MEETING

Planning Proposal - No 7-23 and 25-33, Water Street, Strathfield South (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921) (Cont'd)

Inter Modal Centre

(vi) Masterplan/urban design analysis

and the Planning Proposal be amended accordingly

- That prior to public exhibition, the adjoining landowners within the precinct be informed in relation to the prospective rezoning of the whole precinct
- The augmented reports (b) be available for exhibition
- (d) That Council request that the following condition be included as part of any Gateway Determination and the proponent be given a specified timeframe in which to comply with all of the conditions:

Prior to community consultation, the Planning Proposal is to be updated and amended to:

- Reference and address all relevant priorities and actions in A Metropolis of Three Cities the Greater Sydney Region Plan and provide justification as to any inconsistencies;
- Reference and address all relevant priorities and actions outlined in the Eastern City District Plan;
- In accordance with Action 51 of the Eastern City District Plan, undertake a strategic review of all Industrial (IN1 and IN2 zoned land) within the Strathfield LGA;
- Include a comprehensive Urban Design Analysis of the whole IN2 Precinct which provides building massing envelopes that appropriately transition to the existing R2 – Low Density Residential zone. Consideration also needs to be given to the stepping of heights adjacent to the Cooks River Cycleway/Open Space link so as to minimise the impacts of overshadowing.
- Include a comprehensive flood study which addresses the flood affectation for the whole
 precinct and provides an effective design that addresses all of the critical issues that relate to
 flooding. The Flood Study should also demonstrate compliance with the NSW Government's
 Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005;
- Include a detailed Contamination Study in accordance with the draft Contaminated Land Planning Guidelines and the draft Section 117 Direction for the whole precinct that clearly demonstrates that the precinct can be remediated to be suitable for residential/open space purposes;
- Include an updated electromagnetic radiation report, which addresses the impact of residential development for the whole Precinct, given the proximity to high voltage power lines and identifies appropriate mitigation measures;
- Include a provision in the Planning Proposal for affordable housing to be incorporated in any development on the site equivalent not less than 10% in accordance with the Eastern City District Plan.
- Address and justify the inconsistencies with the relevant Section 117 Directions
- (e) That should a Gateway Determination be issued, the proponent continue to negotiate with

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STRATHFIELD LOCAL PLANNING PANEL MEETING

5 APRIL 2018

Planning Proposal - No 7-23 and 25-33, Water Street, Strathfield South (Lot 1, DP 603465; Lot 2, DP603465; Lot 3, DP 217450; Lot 22, DP 402062; Lot 23, DP 29213; and Lot 24, DP 2921) (Cont'd)

Council to formalise a letter of offer to enter into a Voluntary Planning Agreement (VPA), in accordance with Council's current VPA Policy.

- (f) That should the proponent not comply with the recommended conditions of any Gateway Determination within the timeframe provided, that Council request that the Greater Sydney Commission, in accordance with Section 3.35(4) determine that the matter not proceed.
- 2. That a report to Council be prepared to advise of the IHAP recommendations.

ATTACHMENTS

- 1. Council Officer's Report to Council July 2016 Planning Proposal 7-33 Water Street, Strathfield South
- Pre-Gateway Review Advice Report Prepared by DPE (April 2017) Planning Proposal No 7-33 Water Street, Strathfield South
- Panel Advice Report 5 April 2017 Planning Proposal 7-35 Water Street, Strathfield South

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ATTACHMENT 2



ITEM 7. PLANNING PROPOSAL FOR 7-33 WATER STREET, STRATHFIELD SOUTH

Report by Frankie Liang, Strategic Planner

RECOMMENDATION

- 1. That the Planning Proposal to rezone 7-33 Water Street, Strathfield South from IN1 General Industrial to R4 High Density Residential should not proceed to Gateway Determination for the following reasons:
 - Lack of a comprehensive Flood Study to support the zoning change;
 - Lack of detail and consultation with external agencies regarding the proposed Voluntary Planning Agreement;
 - The proposed maximum height of 28m and maximum Floor Space Ratio of 1.85:1 are excessive considering context of the site; and
 - Potential land use conflict between the proposed R4 High Density Residential zoning and neighbouring IN1 General Industrial zoning.
- 2. That the proponent be advised to amend the Planning Proposal in accordance with maximum height of 11m and maximum FSR up to 1.2:1 consistent with the established Strathfield Local Environmental Plan spatial hierarchy, subject to the submission of additional information to satisfy the flooding issues within the site and value capture matters.
- 3. That the Department of Planning & Environment be notified accordingly.

PURPOSE OF REPORT

- 1. To inform Council of the Planning Proposal lodged by Urbis Pty Ltd to amend the Strathfield Local Environmental Plan 2012 (LEP) as detailed below:
 - a. Alter the Land Zoning of the subject site from IN1 General Industrial to R4 High Density Residential.
 - Increase the maximum applicable height of buildings Development Standard from 12 metres to 28 metres.
 - c. Increase the maximum applicable floor space ratio (FSR) Development Standard from 1:1 to 1.85:1.
- To inform Council of the outcomes of the initial assessment of the Planning Proposal and the recommendation not to support the Planning Proposal to be submitted to the Department of Planning and Environment for Gateway determination.

REPORT

Proposal Overview

The table below provides a summary of the current and proposed planning controls relating to 7-33 Water Street:



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	EXISTING	PROPOSED
Zoning	IN1 General Industrial	R4 High Density Residential
Height	12m	28m (135% increase)
FSR	1:1	1.85:1 (85% increase)
Permissibility	Residential Flat Buildings are prohibited	Residential Flat Buildings are permissible
No. of unit	N/A	361
Carparking	N/A	595

Table 1: Comparison of Current and Proposed Planning Controls

Background

There have been various attempts to rezone the Water Street properties by private proponents since the late 1990s.

In 1998 and 2003, two (2) rezoning applications seeking to rezone the site of 7-23 Water Street from Industrial to Residential were made, however, neither were successful due to the management of land contamination and impacts associated with increasing the maximum building height.

In December 2009, Council resolved to endorse the Planning Proposal (including supporting studies) to rezone 7-33 Water Street & 8-10 Dunlop Street from Industrial to Medium Density Residential and submitted to Department of Planning.

However, in February 2010, the Department determined not to support the Planning Proposal for the following reasons:

- "1. The proposal is premature given the imminent completion of Council's economic and employment land use study. This study will inform Council in relation to the future of employment land throughout the LGA and the importance of retaining Category 1 employment lands to meet Council's employment targets.
- 2. In the event that the study shows that the rezoning of the subject land is appropriate, Council should consider extending the Planning Proposal to cover all of the industrially zoned land in the South Strathfield Water Street precinct to avoid future land use conflicts."

Subsequently, Council reviewed the zonings across the local government area including the Water / Dunlop Street industrial precinct as part of the new draft Strathfield Local Environmental Plan 2012 process.

In July 2012, Council resolved to submit the final draft Strathfield LEP 2011 to the Department of Planning, including recommendation of an individual Planning Proposal for the Water Street / Dunlop Street precinct to be prepared by land owners.

Pre-lodgement Discussions

Prior to lodging the Planning Proposal, the Proponent met with Council Officers on 19 June 2015. On 3 July 2015, Council Officers wrote to the Proponent providing a record of the meeting and the following feedback:

 Consistent with the previous rezoning/planning proposals for the subject site, the proposal should demonstrate how the flooding and contamination issues will be addressed to ensure that the subject site is suitable for residential development. The flood planning issues are the main



- 4. Council is generally on track to achieve its 20-year housing target of 8,300 dwellings as per the draft Inner West Subregional Strategy. The Strathfield LEP 2012, a 10-year LEP, allows for 75% of this housing target primarily concentrated in centres and secondary nodes such as the Strathfield Town Centre, Parramatta Road Precinct, Enfield, and Belfield local centres. The subject site is not located in any of these precincts.
- 5. Further meetings to discuss the progress of the proposal are recommended once the flooding and contamination issues have been addressed.

During the meeting on 19 June 2015, the proponent proposed the subject site with an R3 zoning which is generally consistent with Economic Land Use and Employment Strategy. To the surprise of Council Officers, the proponent subsequently emailed Council in August 2015 seeking Council's support on an R4 zoning, maximum height of 8 storeys, 2:1 FSR.

To clarify this matter, further correspondence dated 10 September 2015 was provided to the proponent reiterating:

- 1. Flood planning issues are the main constraints that have never been adequately addressed.
- 2. Council is unlikely to support an R4 High Density Residential zoning in this precinct.

Despite Council's indication of not supporting the proposed R4 High Density Residential zoning, the proponent formally lodged the Planning Proposal on 22 April 2016.

The Site and Surrounding Land

The subject site is known as 7-23 & 25-33 Water Street, forming Site A (25 – 33 Water Street) and Site B (7-23 Water Street). The legal description of the site is:

- Site A: Lots 23 and 24 in DP29213, Lot 22 in DP 402062,
- Site B: Lot 1 and 2 in DP 603465 and Lot 3 in DP 217450.

The total area is 18,952.7m² and is primarily occupied by industrial buildings. An electrical transmission tower and power lines are located adjacent to the southern boundary.

The site is situated approximately 13 kilometres west of the Sydney CBD on the northern bank of the Cook's River, between Liverpool Road and Punchbowl Road. Lots immediately to the north are detached dwellings. Two (2) three-storey residential flat buildings and Ford Park are located on eastern side of Water Street. Existing industrial lots fronting Dunlop Street neighbour the subject site to the west.

An aerial photograph of the subject site is below:



Figure 1: Locality Plan

Strategic Planning Context

The relevant planning provisions applicable to the subject site are under the provisions of SLEP 2012. These include land use zoning, building height and floor space ratio.

Land Use Zoning

The site is currently zoned *IN1 General Industrial* under Strathfield LEP 2012. The zone objectives of which are:

- To provide a wide range of industrial and warehouse land uses.
- · To encourage employment opportunities.
- To minimise any adverse effect of industry on other land uses.
- To support and protect industrial land for industrial uses.
- To minimise fragmentation of valuable industrial land, and provide large sites for integrated and large floorplate activities.



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All forms of residential accommodation (including residential flat buildings as proposed) are prohibited under the existing IN1 General Industrial zone. Please refer to Figure 2 for details of existing and surrounding land use zoning under the SLEP 2012.



Figure 2: SLEP 2012 Zoning Map Extract

Building Height

The maximum building height for the site and surrounding as part of the Water Street / Dunlop Street industrial precinct is 12 metres. Refer to Figure 3.





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Floor Space Ratio

The maximum floor space ratio for the subject site and the entire Water / Dunlop Street industrial precinct pursuant to Clause 4.4 is 1:1. Refer to Figure 4.



Figure 4: SLEP 2012 FSR Map Extract

Major Issues to Be Resolved

Flood Planning

Flood planning is the major issue that has not been adequately addressed by the proponent. Council Officers repeatedly recommended that the flooding matters be further investigated before progressing on other aspects of the proposal. This is documented in Council Officer's two (2) previous correspondences in July and September 2015. Despite the advice of Council Officers, the proponent formally lodged the Planning Proposal without adequate consideration of the flooding constraints.

A letter prepared by WMA Water for the proponent provides recommendations on how the flood risk can be managed, however, no specific recommendations are provided as to whether the Planning Proposal should be supported on flooding grounds. Therefore, the proponent has not addressed the NSW Government's Section 117 Direction 4.3 Flood Prone Land in sufficient detail.

Council's Consultant Development Engineer has reviewed the Flood Impact Assessment Report prepared by WMA Water dated November 2015 and its supporting Concept Plan which indicates the proposed residential building footprints. The assessment has considered the Cooks River Flood Study and NSW Floodplain Development Manual 2005.

The following comments are provided with respect to Flood Impact Assessment:

High

Hazard

2.0

1



- The subject site is located adjacent to Cooks River and is severely affected by mainstream flooding during the Probable Maximum flood and flood depths exceed 2.8m on the western edge which is considered high risk;
- The proposal intensifies the development of land from industrial to residential and presents a possible danger to personal safety, risk to lives and potential for significant structural damage to buildings, is contrary to the requirements set out in the Section 117 Direction and NSW Floodplain Development Manual dated 2005, therefore cannot be supported on flooding grounds;
- The figure below provides direction of the Hydraulic Hazard Categories and the Velocity Depth.



Relationship:

- Based on the above tables, it can be concluded that the subject site is unsafe and high risk and therefore the proposal for residential development cannot be supported as the flood depth exceeds 2.8m along the western boundary of the site;
- The proposal also fails to demonstrate how vehicles can enter and exit the subject site in a safe manner (i.e. the proposed locations of vehicular access are located within areas of high flood



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risk) and therefore cannot be supported. This also relates to issues of evacuation. There is insufficient time warning for people to evacuate to a place of refuge above the 100 year or PMF flood level. Again, this is contrary to the requirements set out in Section 117 Direction and NSW Floodplain Development Manual dated 2005.

In light of the above critical strategic planning issues that relate to the safety of future residents, it is recommended that the proponent should prepare a comprehensive flood study before proceeding further with other aspects of this Planning Proposal.

Taking into consideration the supporting Flood Study, the proponent will then need to revisit their proposal and provide an effective design that addresses all of the critical issues that relate to flooding. The Planning Proposal should then demonstrate compliance with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005 prior to Gateway Determination.

Value of Voluntary Planning Agreement

The Proponent has offered to enter into a Voluntary Planning Agreement (VPA) based on the following:

- Funding a portion of the implementation of Sydney Water's Cooks River Bank Naturalisation Project;
- b) Enhancement works to the Cooks River foreshore reserve and cycleway adjacent to the site;
- c) Relocation and replacement of the existing north bound and south bound Water Street bus stops; and
- d) Funding of a widened pedestrian / cycle path cantilevered off the existing Water Street bridge over the Cooks River

The Voluntary Planning Agreement offer includes elements that extend beyond Council's jurisdiction, therefore would require further consultation with relevant State agencies such as Sydney Water and Transport for NSW.

Regarding works to the Cooks River, Council has already been collecting funding through Section 94 contributions to improve the amenity along the Cooks River foreshore reserve and cycleway. This Section 94 work program will be undertaken according to the Section 94 Direct Contributions Plan regardless of whether this rezoning proposal will proceed or not.

Whilst a widened pedestrian / cycle path off the existing Water Street bridge over Cooks River may be supported, it is not accepted by Council that the proposed works can support the proposed rezoning and population densities in infrastructure terms. Furthermore, any works over the Cooks River will need to be considered in consultation with Sydney Water.

Further negotiation details and justification should be provided to ascertain the possibility of such infrastructure provisions and to address value capture satisfactorily.

Assessment of Planning Proposal

The below table provides a summary of the justification provided in the Planning Proposal (PP) and Council Officers' comment in accordance with the NSW "A Guide to Preparing Planning Proposals":

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-	Proponent's Justification	Council Officers' comment
Strategic Merit	Assessment	
A Plan for Growing Sydney	Consistent – accelerate Urban Renewal and housing opportunities.	Inconsistent – the site is not located within the identified strategic urban renewal corridors for high density residential.
Local Strategy	Consistent – recommend high quality, medium density residential with improved open space link.	Inconsistent – the proposed R4 High Density Residential zone is not consistent with Council's spatial planning hierarchy.
SEPP 55 – Remediation of Land	Consistent – supported by the Site Audit Report by Ramboll Environ.	Should the PP proceed to Gateway, a detailed contamination study is recommended that clearly demonstrates the site can be remediated to be suitable for the residential / open space purpose prior to exhibition.
Direction 1.1 Business and Industrial Use	Consistent – the Strathfield South industrial precinct is diminishing as an industrial centre.	Inconsistent, however it is accepted that the inconsistency is minor as supported by the Economic Impact Assessment by Hill PDA.
Direction 3.1 Residential Zones	Consistent – it provides a variety of housing types and will improve residential amenity	Inconsistent – the proposed R4 High Density Residential Zoning is in a location distant from established centres and frequent transport services.
Direction 3.4 Integrating Land Use and Transport	Consistent – the subject site is in close proximity to both public transport and to the Cooks River Cycleway.	Inconsistent – the subject site is not well serviced by existing public transport infrastructure. There is only one bus line located within 10min walking radius which provides access to Burwood / Sydney Olympic Park at 15min peak or 30min non-peak frequency.
Direction 4.1 Acid Sulfate Soils	N/A	Inconsistent – the site is identified in the Strathfield LEP 2012 as containing "Class 4 Acid Sulfate Soils". Should the PP proceed to Gateway, the proposal must demonstrate consistency with this direction prior to exhibition.
Direction 4.3 Flood Prone Land	Consistent - A Flood Impact Assessment Report was prepared by WMA Water.	Inconsistent – please refer to previous discussion regarding Flood Planning.
Site Specific N	lerit Assessment	1
Urban Design and Built Form	An Urban Design Report in support of the PP was prepared by GMU Urban Design & Architecture.	The proposed height and FSR is contrary to the established height and FSR hierarchy set in the SLEP 2012;
		The physical impact on the surrounding



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	Proponent's Justification	Council Officers' comment
		area (i.e. height, bulk, building location & orientation) is a critical concern;
		Five (5) storey buildings to the Water Street frontage would be incompatible with the existing built form and character of the streetscape;
		Five (5) storey buildings (with minimal setback above three storey component) to the northern boundary will likely create opportunities for significant overlooking toward the existing houses fronting William Street;
		High rise buildings ranging five (5) to eight (8) storeys on the western part of the site maximise the potential land use conflicts with the existing industrial premises at Dunlop Street; and
		The potential overshadowing impact on Cooks River Cycleway / Open Space link is excessive. This overshadowing impact would severely impact the visual amenity of the regional open space corridor area and potentially impact on the native vegetation.
Traffic & Parking	A Traffic Assessment Report prepared by GTA Consultants.	It is considered that the proposed residential development would generate predominantly light vehicle movements and thus replace the relatively high proportion of heavy vehicle movements currently being generated by the industrial use of the site.
		As the surrounding properties are generally low and medium density residential uses, the removal of heavy vehicle movements to and from the site would enhance the residential amenity in the area.
		No objection was made to the PP on traffic grounds.
Acoustics	Acoustic Logic has undertaken a preliminary analysis of the potential impact of external sources of noise and vibration on the amenity of future residents. It is concluded that:	The preliminary acoustic report is general in nature and fails to consider the source of noise from adjoining industrial operations. No specific building design solutions were recommended in order to maintain natural ventilation to the apartments adjoining the
	 a) The main source of noise from high traffic noise levels from Liverpool Road; and 	industrial sites whilst addressing the noise impact.
	b) acoustic treatments will be	Should the Planning Proposal proceed to Gateway, a more specific acoustic report



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1	Proponent's Justification	Council Officers' comment
	façade to ensure that internal noise	would need to be prepared to consider other relevant noise sources and demonstrate its compliance with NSW Industrial Noise Policy prior to exhibition.

Recommended Alternative

It is accepted by Council Officers that the rezoning of the subject site from Industrial land use to Residential land use will increase the residential amenity of the precinct. The impact of potential loss of employment is justified by the supporting Economic Impact Assessment by Hill PDA as minor.

However, it is not supported by Council Officers that the proposed planning controls should be altered to such an excessive scale of height (28m) and density (1.85:1 FSR) in the context of a lowmedium density residential neighbourhood.

Subject to the resolution of the flood planning and Voluntary Planning Agreement value capture matters, it is recommended an amended Planning Proposal be submitted to Council, at a more appropriate scale as below:

- Zoning: R3 Medium Density Residential
- Maximum Height: 11m
- Maximum FSR: 0.9:1 (or up to 1.2:1 subject to a supporting Voluntary Planning Agreement)

These proposed alternative planning controls are consistent with the SLEP 2012 strategic planning framework and other R3 Medium Density Residential zoned precincts adjacent to the Strathfield South Town Centre and Belfield Local Centre.

The bonus provisions of 1.2:1 FSR is consistent with the existing density of the three (3) storey Residential Flat Buildings at 8-16 Water Street, Strathfield South. This could be applied subject to provision of additional infrastructure which supports the increased density.

Conclusion

Council Officers have considered the proposal and supporting documentation and conclude that there is insufficient merit in the current proposal proceeding to the Gateway Determination by the Department of Planning & Environment.

Council Officers do recognise the site (being part of an isolated industrial lot) may provide an opportunity for possible rezoning, and there are some merits in applying a R3 Medium Density Residential zoning as outlined in the recommended alternative, subject to satisfactorily addressing the flooding and VPA / value capture matters.

The Planning Proposal fails to convincingly justify the proposed R4 High Density Residential zone, height and density to such an excessive scale. Furthermore, the flooding constraints and Voluntary Planning Agreement matters have not been adequately addressed. The subject site neighbours the existing IN1 General Industrial zoned lots in the Dunlop Street industrial precinct which could create significant land use conflicts.



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Strategically the site is not located in the Parramatta Road / Bankstown to Sydenham Urban Renewal Corridor, or adjacent to Council's designated centres / nodes in the SLEP 2012 which are well serviced by existing infrastructure. Therefore, applying an R4 High Density Residential does not represent 'orderly planning' (Clause 5, EP&A Act 1979).

It is therefore recommended that the Planning Proposal should not proceed to Gateway Determination at its current format. Serious consideration should be given to preparing a Comprehensive Flood Study, negotiation on the Voluntary Planning Agreement and opportunities for value capture. On the basis of these documents, the proponent should then revisit the Planning Proposal in accordance with the recommended alternative planning controls provided in this report.

REFERRAL FROM OTHER DEPARTMENT

Various departments have been consulted with to provide comment on this Planning Proposal.

FINANCIAL IMPLICATIONS

There are no financial implications.

Report approved by:

Sophie Olsen	Silvio Falato
A/Manager Planning & Development	A/Director Infrastructure & Development

ATTACHMENT 3



Assessment Report 1 Ref. No: PGR_2016_STRATH_002_00

PRE-GATEWAY REVIEW - Information Assessment and Recommendation Report

LGA:	Strathfield	
Amended LEP:	Strathfield Local Environmental Plan 2012	
Address:	7-23 and 25-33 Water Street, South Strathfield (Lot 1 DP 603465; Lot 2 DP 603465; Lot 3 DP 217450; Lot 22 DP 402062; Lot 23 DP 29213; and Lot 24 DP 2921).	
Reason for review:	Council notified proponent it will not support proposed amendment	Council failed to indicate support for proposal within 90 days
Is a disclosure statement relating to reportable political donations under s147 of the Act required and provided?	☑ Provided □ N/A Comment: No donations or gifts to disclose	

1. SUMMARY

On 15 August 2016, Urbis Pty Ltd, on behalf of Westport Pty Ltd and RJ Green & Lloyd Pty Limited, submitted a request to the Department for a pre-Gateway review of the planning proposal relating to land at 7-23 and 25- 33 Water Street, South Strathfield (Tab E).

The planning proposal (<u>Tab F</u>) seeks to rezone the land and amend the maximum building height and floor space ratio (FSR) controls applicable to 7-23 and 25-33 Water Street, Strathfield South (Figure 1). The site consists of two blocks, split by ownership. Site A is 25-33 Water Street and is owned by RJ Green & Lloyd and Site B is 7-23 Water Street and owned by Westport Pty Ltd.



Figure 1: Site. Source: Planning Proposal



Figure 2: Site and Enfield Intermodal Logistics Centre. Source Enfield ILC EIS and Strathfield LEP 2012.

The site comprises six lots and has a total area of 18,952.7m² (1.9 ha). It is bounded by contiguous industrial land to the west, the Cooks River to the south, low density residential development of one to two storeys along Water Street to the east, low density residential development to the north and residential flat buildings of up to 3 storeys are also located to the north east of the site along Water Street. The site is not located within an identified urban renewal corridor, centre or major redevelopment project, but is located in close proximity to other industrial land and 2km from the Enfield Intermodal Logistics Centre to the south west.

The site is currently used for a variety of industrial purposes, including household trades, distribution centres and vehicle repairs. The adjacent industrial areas are also used for a variety of industrial uses, including a concrete batching plant and warehouse and logistics centre. The nearby industrial area and the Enfield Intermodal Logistics Centre are separated from the subject site by the Cooks River (Figure 2). The Intermodal will involve various light industrial and commercial uses and will provide a key connection to Port Botany.

The site is somewhat isolated from the bulk of Strathfield's industrial and employment lands and access to it is via residential streets. It is also constrained by limited access to major haulage transport routes (which are via the local road network), the low rise small lot fine grain character of the surrounding residential area, exposure to flash flooding, potential contamination from existing and former industrial uses, and presence of large electric tower and overhead power lines and large below ground high pressure oil pipeline adjacent to the site to the south.

The proposal seeks to amend the following controls under the *Strathfield Local Environmental Plan 2012* (Strathfield LEP 2012) for the site (Figure 3):

- rezone the site from zone IN1 General Industrial to R4 High Density Residential;
- amend the Height of Buildings Map from 12 metres to 28 metres; and
- amend the Floor Space Ratio Map from 1:1 to 1.85:1.



Figure 3: Existing and Proposed Controls. Source: Planning Proposal

The proposal will facilitate the redevelopment of the site for residential development comprising approximately 361- 371 apartments across 5 buildings of 3-8 storeys and basement parking for up to 607 cars and landscaping.

The Greater Sydney Commission were briefed on the proposal and raised concerns about the loss of industrial land and unsuitability for high density residential in this location.

In summary, it is considered that the proposal has strategic merit in its delivery of additional and diverse housing for Sydney, at a location that is relatively accessible for residential traffic but constrained for industrial traffic. This is consistent with the housing directions within A Plan for Growing Sydney, draft Central District Plan and Council's local strategy. The Department

considers that the proposal has sufficient strategic merit to warrant its consideration by the Sydney Central Planning Panel.

However, it is recommended that, should the proposal proceed to Gateway, the planning proposal be expanded to include the whole of the Water Street/Dunlop Street Precinct, consistent with Council's Economic Land Use and Employment Strategy (SGS 2010), which recommends that alternative uses for the whole of the precinct be investigated, including land 'pooling' to expand the open space corridor adjacent to the Cooks River, while allowing for comprehensive redevelopment of the current industrial land for R3 Medium Density Residential uses. The investigation should include further work to address inconsistencies with the relevant Section 117 Direction (and subsequently released draft District Plan) in relation to the loss of industrial land, the impact of rezoning the whole of the industrial precinct (versus the proposed partial precinct) on the future operations of the industrial/business precinct and nearby industrial areas including the Enfield Intermodal logistics centre, flooding, contamination, and electromagnetic radiation from nearby high voltage power lines, and visual and amenity issues associated with the increase in development controls in relation to the low density residential surrounds.

History of the Planning proposal

In 1998 and 2003, two rezoning applications seeking to rezone the site of 7-23 Water Street from Industrial to Residential were lodged with Council. The Planning proposal states that both were refused due to concerns with the management of land contamination and impacts associated with increasing the maximum building height.

In December 2009, Council resolved to endorse a planning proposal to rezone 7-33 Water Street & 8-10 Dunlop Street from Industrial to Medium Density Residential.

In February 2010, the Department determined not to support the proposal for the following reasons:

1. The proposal is premature given the imminent completion of Council's economic and employment land use study. This study will inform Council in relation to the future of employment land throughout the LGA and the importance of retaining Category 1 employment lands to meet Council's employment targets.

2. In the event that the study shows that the rezoning of the subject land is appropriate, Council should consider extending the Planning Proposal to cover all of the industrially zoned land in the South Strathfield Water Street precinct to avoid future land use conflicts.

Prior to lodging the current planning proposal, the proponent met with Council officers on 19 June 2015. During the meeting, an R3 Medium Density Residential zoning was discussed. However in August 2015 the applicant sought Council officer support on a proposal with a R4 High Density Residential zoning, maximum building height of 28 metres and a FSR of 2:1. Council officers indicated that it was unlikely to support the proposed R4 zoning. The proponent formally lodged the planning proposal with Council on 22 April 2016.

On 19 July 2016 Strathfield Council resolved not to support the proposal. On 8 August 2016, Urbis lodged the planning proposal with the Department for a Pre-Gateway review.

2. REQUIREMENTS UNDER SECTION 55 OF THE EP&A ACT

2.1 Objectives and intended outcomes

The objectives and intended outcomes of the planning proposal are to:

- deliver residential housing in response to the identified need outlined by State and Local planning strategies situated close to facilities and services;
- provide opportunities for improvement to the wider public domain including relocation and replacement of the existing Water Street bus stops adjacent to the site;
- provide a catalyst to further renewal of the Water Street/Dunlop Street Precinct;
- transform an underutilised industrial site into a vibrant residential development; and
- provide a range of dwelling types in close proximity to transport, schools, open space, retail and support services.

2.2 Explanation of provisions

The following amendments to the Strathfield LEP 2012 for the site have been requested

- amend the Land Zoning Map, rezoning the site to R4 High Density Residential;
- amend the Building Height Map to 28 metres in height; and
- amend the Floor Space Ratio Map to apply a maximum FSR of 1.85:1.

No other amendments or site specific controls have been requested.

2.3 Mapping

The planning proposal contains sufficient mapping. The mapping clearly demonstrates existing and proposed controls for the site as well as the site in its context.

2.4 Community consultation (including agencies to be consulted)

The planning proposal does not propose consultation with other agencies or stakeholders. The views of adjoining industrial operators is of particular relevance as the change in zoning could compromise their future operations through land use conflict and lead to employment losses in the locality.

A community consultation and public exhibition period of 14 or 28 days has been suggested. Should the proposal proceed to gateway, a timeframe for exhibition will be determined by the Gateway.

3. VIEWS OF COUNCIL AND AGENCIES

3.1 Comments from Strathfield Council

On 19 July 2016, Council resolved not to support the planning proposal for the following reasons (Tab G):

- lack of a comprehensive Flood Study to support the zoning change;
- lack of detail and consultation with external agencies regarding the proposed Voluntary Planning Agreement;
- the proposed maximum height of 28m and maximum Floor Space Ratio of 1.85:1 are excessive considering the context of the site; and
- potential land use conflict between the proposed R4 High Density Residential zoning and neighbouring IN1 General Industrial zoning.

In addition, the Council resolved that the proponent be advised to amend the planning proposal to a maximum height of 12m and maximum FSR of up to 1.2:1, consistent with the established Strathfield LEP 2012 spatial hierarchy and to submit additional information to satisfy the flooding issues and voluntary contributions.

On 31 August 2016, the Department wrote to Council seeking additional comments. Council reiterated that it did not support the planning proposal for the same reasons outlined in its resolution to refuse the proposal (as outlined above) (<u>Tab H</u>).

4. PROPOSAL ASSESSESSMENT

4.1 Strategic merit assessment

4.1.1 A Plan for Growing Sydney

In December 2014, the Department released A Plan for Growing Sydney (the Plan'), the long term strategic plan for metropolitan Sydney. Under the Plan, the site is located in the Central Subregion. No specific directions or goals apply to the site under the Central Subregion or the Plan. The site is not located in a strategic centre or urban renewal corridor, but is located in close proximity to other industrial land and the Enfield Intermodal Logistics Centre.

The proposal states it is consistent with the following three goals of the Plan:

- Goal 2 A city of housing choices with homes that meet our needs and lifestyles:
 - the proposal will deliver appropriately located housing to meet Sydney's growth;
 - the proposal will accelerate urban renewal by converting existing underutilised light industrial land to medium density residential within a 35 minute commute to Sydney CBD; and
 - the proposal will deliver a variety of housing options that complement the detached houses that currently characterise the locality, and will include options for both first home buyers and older locals seeking to downsize from larger houses in the area;
- Goal 3 A great place to live with communities that are strong, healthy and connected:
 - the proposal will contribute to the revitalisation of the Strathfield South residential area; and
 - the proposal will contribute to enhancing and expanding the existing open space network in the immediate area by making improvements to the Cooks River bank, the Cooks River Cycleway and by improving access to these spaces from within the site; and
- Goal 4 A sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources:
 - the proposed naturalisation of the Cooks River bank aligns with this priority. The asset will be enhanced to meet the goals of Sydney Water and Strathfield Council and will provide increased amenity for the local community.

The proposal is considered to be consistent with Goals 2 and 3 as the proposal will deliver additional housing stock and increase housing choice in an area that is in close proximity to established housing, services, jobs and local active and passive recreation areas, and which is somewhat isolated from the bulk of Strathfield's industrial and employment lands and access to it is via residential streets.

The proposal is inconsistent with *Goal 1- A competitive economy with world class services and transport*, as it will reduce the amount of employment land within the Strathfield local government area. It is considered that the impact the rezoning and loss of urban support services may have on the surrounding employment lands requires further assessment.

The proposal does not address the criteria contained in the 'Industrial Lands Strategic Assessment Checklist' (Action 1.9.2 of the Plan). This checklist is to guide any proposed rezoning of industrial lands in order to ensure evidence-based decisions and prevent encroachment on important industrial sites (further discussed at 4.1.3).

4.1.2 State Environmental Planning Policies

The planning proposal is generally consistent with, or can comply at the development application stage, the relevant SEPPs outlined in the proposal.

State Environmental Planning Policy No 55 - Remediation of Land

A contamination audit (<u>Tab I</u>) has been provided, which is based on the results of a 2007 site audit report (SAR) and site audit statement (SAS) to support a previous rezoning proposal for several sites in the Water/Dunlop Street precinct, including 7-33 Water Street. The previous proposal was for fourteen two to nine storey residential developments.

The subject site is located on top of a backfilled quarry. The audit notes the 2007 SAR found data was lacking in relation to several aspects however, these were for the most part considered acceptable to manage during remediation or as contingencies after remediation.

The concept design proposes two basement levels within the known footprint of the filled quarry. An analysis of the depth of various basements in respect to the groundwater table has yet to be performed. The audit recommends that:

- a more accurate delineation of the filled quarry boundary and assessment of landfill gas conditions in proximity to this boundary would be required if this depth of basement were to be retained in the area; and
- to be consistent with the previous remediation action plan, the basement depths should be maintained above the level of groundwater table within the footprint of the fill quarry.

It is considered that should the proposal address the above and the recommendations outlined in the audit, the proposal could be considered consistent with the requirements of SEPP 55.

4.1.3 Section 117 Directions

Direction 1.1 Business and Industrial Zones

The proposal is inconsistent with this Direction as it would reduce the on-going employment generating capacity of the site and reduce floor space currently zoned for industrial purposes.

The proponent has undertaken an Economic Impact Assessment (<u>Tab J</u>) of the planning proposal. This study discusses the implications of the loss of industrial land that would result from the proposal. The proposal states that it will result in an overall loss of only 0.7% of total employment lands supply in the Strathfield local government area and a loss of 71 jobs on the subject site (down from approximately 115 currently). The assessment has not considered whether there would be impacts from the change of use on the neighbouring and nearby industrial operations.

The Greater Sydney Commission's Industrial Precinct Review (Hill PDA, 2015), commissioned to inform District Planning, identified the Water Street precinct as being a mid-scale precinct of "good health". The Review states that, while Sydney's traditional manufacturing operations have moved either offshore or to lower value locations in Western Sydney, there is a growing and evolving demand for industrial areas within inner city and middle ring suburbs of Sydney to serve the needs of the growing local population (i.e. panel beaters, council depots, vehicle repairs and household trades) and strategic centres (i.e. data centres, archives, utilities, concrete batching plants and distribution centres). The study supported the diversification of industrial uses within the precinct.

Strathfield Council has prepared a residential study and economic study (discussed further in 4.1.5) which considered the Water/Dunlop Street industrial area, concluding that residential could be supported subject to further investigation of alternative uses for the precinct and that there is a need for a precinct wide approach to ensure an equitable outcome for landowners.

Direction 3.1 Residential Zones

The proposal is generally consistent with this Direction as it would deliver additional housing stock and increase housing choice in an area that is close to existing housing, services, jobs and local active and passive recreation areas.

Direction 3.4 Integrating Land Use and Transport

The proposal is generally consistent with this Direction as it would provide additional housing in close proximity to jobs and the site is well serviced by several bus routes.

Direction 4.3 Flood Prone Land

The proposal is considered to be inconsistent with this Direction as it has failed to address this direction in adequate detail. Whilst the applicant has included a Flood Impact Assessment (Tag K) and the assessment makes recommendations on how the flood risk can be generally managed, it does not address the proposal's ability to comply with the Floodplain Development Manual 2015, as outlined in the Direction. The issue of flooding is discussed further below (section 4.3.1).

Direction 7.1 Implementation of the Metropolitan Plan

The proposal is consistent with the goals and objectives relating to the delivery of additional and diverse housing for Sydney.

However, the proposal is considered to be inconsistent with the directions relating to employment land and the protection of business and industrial zoned land, including land that is currently providing urban support services. The proposal may also impact on the viability of other industrial uses in the immediate and surrounding areas.

It is relevant to note that a planning proposal may be inconsistent with this priority but still be acceptable if it achieves the overall intent of the Plan and does not undermine the achievement of its vision, land use strategy, policies, outcomes or actions.

The proposal does not include an assessment against the Industrial Lands Strategic Assessment Checklist, as required in A Plan for Growing Sydney. The Department of Planning and Environment's assessment against the checklist is below.

1. Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands?

The proposal is inconsistent with State strategies relating to employment and industrial lands, including land that provides urban support services, as it will result in the reduction of well-located employment land and industrial floor space. The proposal is inconsistent in terms of the staging of Council's Strathfield Residential Land Use Study (November 2011) and Strathfield Economic Land Use and Employment Strategy (June 2010), as both studies recommend further investigation is needed before any development occurs. However, these studies identify the precinct as having potential for future urban development.

It is noted that Council's strategies support the rezoning of the site, in conjunction with the wider Water/Dunlop Street Industrial precinct for low and medium residential purposes, subject to further investigation relating to alternate uses for the site and adequate management of flooding and contamination issues. The local strategies should be carefully considered as part of the proposal as these provide finer grain evidence than the broader plans contained at State or district level.

2. Is the site:

- near or within direct access to key economic infrastructure?
- contributing to a significant industry cluster?

The site is 1.2km to the Enfield Intermodal Logistics Centre (Figure 2). The site is 550m to Liverpool Road/ Hume Highway. The site does not have direct access to the Intermodal.

The site currently forms part of an IN1 General Industrial precinct. It is estimated that the subject site provides 115 jobs. The site is approximately 1.9ha and the precinct covers approximately 5.5ha.

3. How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?

The site represents 0.7% of the employment lands within the local government area. The rezoning would not significantly impact upon the industrial land stocks within the region and the ability to meet future demand for industrial land activity.

4. How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objective?

As stated above, the site represents a small proportion of employment land available within the local government area. The proposed rezoning would not significantly impact upon the achievement of regional or local government area employment capacity targets and industrial objectives. However, the proposal may have implications for the continued future of the remainder of the Water/Dunlop Street industrial precinct. On this basis the application should consider the entire precinct.

5. Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future?

The proposal's main argument for rezoning is centred on the outcomes of Council's Strathfield Economic Land Use and Employment Strategy and Residential Land Use Study. These studies recommend a rezoning of a site, but concluded that further investigation into alternative uses of the site be carried out as well as further investigation to support the conversion of this land for residential purposes. The proposal does not include a discussion of how the site may be used for other industrial or business related purposes.

6. Is the site critical to meeting the need for land for an alternative purpose?

The site is not critical to meet any future residential targets or retail/commercial space goals,

4.1.4 Draft Central District Plan

The Draft District Plans were released on 21 November 2016 and the proposal has been assessed against the priorities and actions of the draft Central District Plan.

The proposal is consistent with Liveability Action 3, which aims to increase housing supply and choices by requiring Strathfield Council to implement the following actions:

- monitor and support the delivery of Strathfield's five-year housing target of 3,650 dwellings;
- manage the competing demands for residential and enterprise lands; and
- investigate local opportunities to address demand and diversity in and around local centres and infill areas with a particular focus on transport corridors and other areas with high accessibility.

The proposal is inconsistent with Productivity Action 5, which aims to protect and support employment and urban services land. The draft plan states that a precautionary approach should be taken to the conversion of employment and urban service lands, unless there is a ⁹

clear direction in A Plan for Growing Sydney or an alternative strategy endorsed by the relevant planning authority. While the proposal is not consistent with the priorities for the Central Subregion in A Plan for Growing Sydney in relation to loss of employment land (as discussed above), Council's Economic Land Use and Employment Strategy (as further discussed in section 4.1.5) noted support for residential conversion subject to a review of alternative land uses and to a comprehensive approach to redevelopment across the precinct.

The draft plan further notes that employment and urban services zoned land supports activities that are central to Sydney's productivity, sustainability and liveability, and existing industrial, manufacturing, warehousing and distribution industries serve a vital role in supporting the employment network in the Central district.

4.1.5 Local Strategy

Strathfield Council prepared a residential study (November 2011) and an economic study (June 2010) to support the comprehensive Strathfield LEP 2012. Both studies considered the Water/Dunlop Street industrial area should be further investigated for alternative land uses and suggested support for conversion for residential purposes subject to a comprehensive redevelopment approach for the entire precinct and the acceptable management of flooding and contamination issues. Should the planning proposal progress to the Gateway, this would provide an opportunity to undertake these further investigations.

Strathfield Residential Land Use Study (JBA November 2011)

Council's Residential Land Use Study identified the Water/Dunlop Street industrial precinct as forming part of the South Strathfield precinct, characterised by a high level of residential amenity and with a low scale residential nature that should be protected. The Water / Dunlop Street industrial area is somewhat isolated from the bulk of Strathfield's industrial and employment lands and access to it is via residential streets. Whilst the precinct is not within walking distance of a rail station, it is serviced by bus access to the station. The Water / Dunlop Streets industrial area was identified as having contamination and flooding issues. The study concluded that further investigation is needed to support the conversion of this land for residential purposes and that this support would be subject to acceptable management of flooding and contamination issues.

<u>Strathfield Economic Land Use and Employment Strategy (SGS June 2010)</u> Council's Economic Land Use and Employment Strategy sought to improve the knowledge of Strathfield's economic base and investigate the issues facing the Strathfield LGA. The Strategy focused on how new jobs could be encouraged through appropriate land use planning and identified tools to protect business and industrial areas. The study identified the need to modernise planning controls to reflect local circumstances and the changing nature of employment. The Water/Dunlop Street precinct was identified as one such site for investigation (Action 6.1 - Consider alternative planning controls for Water Street/Dunlop Street).

The strategy states that "more work is required to investigate alternative uses for the Water Street/Dunlop Street Precinct" and that "there is a need for a precinct wide approach to ensure an equitable outcome for landowners". Alternatives should include land pooling and designation of flood affected land as parkland so as to expand the open space corridor along the Cooks River whilst allowing a comprehensive redevelopment of the precinct. It identified the surrounding residential areas as being negatively affected by the adjacent industrial activities and offered poor residential amenity. The strategy states that "a coordinated redevelopment of the precinct will result in high quality, medium density residential development and improved open space links along the Cooks River." The strategy suggested that it be investigated whether the State Government can contribute towards funding the open space link along the Cooks River.

Department of Planning and Environment's views on strategic merit

The proposal has demonstrated sufficient strategic merit in line with a Plan for Growing Sydney (Goals 2 and 3) and the draft Central District Plan (Liveability Action 3) to warrant its consideration by the Sydney Central Planning Panel, as it would provide additional housing at a location that is relatively accessible for residential traffic but constrained for industrial traffic. It will also result in an overall loss of only 0.7% of total employment lands supply in the Strathfield local government area.

However, the proposal raises concerns in relation to the draft Central District Plan's productivity priority requiring a precautionary approach to the conversion of employment and urban services land. Council's strategic residential study (2011) and economic study (2010) supports residential redevelopment subject to reviewing alternative uses and to a comprehensive precinct-wide approach. The proposal has not sufficiently addressed the cumulative impact that the loss of this precinct would have on the adjacent and nearby industrial areas, including the Enfield Intermodal Logistic Centre. The proposal is currently considered to be inconsistent with Section 117 Direction 1.1 Business and Industrial Zones as it would result in the reduction of the ongoing employment generating capacity of the site and a loss of 71 jobs (down from approximately 115 on the subject site currently). The proposal is currently considered to be inconsistent with Section 117 Direction 4.3 Flood Prone Land as the proposal does not adequately address the flooding issues that are present on site. However, given Council's specific investigations on the suitability of future redevelopment on a precinct wide basis, it is considered that should the proposal be recommended to proceed to the Gateway, these matters could be further investigated in an amended planning proposal that could address the broader Water/Dunlop Street industrial precinct, prior to community consultation.

4.2 Site-Specific merit assessment

4.2.1 Existing use of land

The subject site is located at 7-23 and 25-33 Water Street (the site) and forms part of the Water/Dunlop street industrial precinct. At present the site has several industrial buildings which are currently used for low intensity industrial purposes. To the north of the site there are 1-2 storey residential dwellings that are zoned R2 Low Density Residential, to the west there are several industrial properties that are currently used for low intensity industrial purposes, to the east there are a series of 1-2 storey residential dwellings, Ford Park and a 3-storey residential flat building, and to the south there is an electrical transmission tower and power lines and the Cooks River, which includes a walk and cycle way.

The following development controls apply to the site:

Control	Explanation
Zoning	IN1 General Industrial
Building height	12 metres
Floor space ratio	1:1

4.2.2 Proposed use of land

The planning proposal seeks to rezone the site and amend the maximum building height and floor space ratio. The proposal intends that the site is redeveloped for 5 residential flat buildings ranging in height from 4 to 8 storeys. This would provide approximately 361-371 apartments, and 579-607 basement car parking spaces. The final number of apartments and parking spaces would be determined by a future development application, should the proposal proceed.

The planning proposal seeks to amend the development controls for the site to the following:

Control	Explanation
Zoning	R4 High Density Residential
Building height	28 metres
Floor space ratio	1.85:1

As part of Council's resolution to refuse the proposal, the following controls for the site were identified:

Council Alternate Controls	Explanation
Zoning	R3 Medium Density Residential
Building height	11 metres
Floor space ratio	0.9:1 (1.2:1 subject to a supporting Voluntary Planning Agreement)

Council considered that the revised controls were consistent with the SLEP 2012 strategic planning framework and other R3 Medium Density Residential zoned precincts adjacent to the Strathfield South Town Centre and Belfield Local Centre.

4.3 Natural Environment

There are no known critical habitats, threatened species or ecological communities within the site which will be affected by the proposal. However, potential site contamination, arising from the previous and existing use of the site for industrial uses are issues that have not adequately been addressed or considered.

4.3.1 Contamination and flooding

The proposal includes a Contamination Report, which is reliant on information that is more than two years old and is for a different proposal (Tab I). The proposal also contains a Flood Impact Assessment, which states that the site is subject to both local overland flows from the north and mainstream flooding from the Cooks River (Tab K). The site is vulnerable to flash flooding (the modelled Probable Maximum Flood would peak 1.5 hours after the commencement of rain, but begin to inundate the ground at the site after just 25 minutes). Evacuation of the site is not considered practical and evacuation to higher floor levels is considered to be a safer course of action.

Should the proposal proceed to gateway, it is recommend that a comprehensive flood study, an updated contamination report and consultation with the State Emergency Service be required.

4.4 Services and infrastructure

4.4.1 Public Transport

The site has access to several bus routes that provide services to Strathfield Station, which link the site to Parramatta and Sydney CBD. The site is located in close proximity to the Cooks River cycleway.

4.4.2 Traffic and car parking

The planning proposal was submitted with a transport impact assessment, which was undertaken by GTA Consultants. The report has been based off a development consisting of 361 residential apartments, with 579 car spaces. Should the proposal proceed to gateway, it is recommended that the transport impact assessment be updated to reflect the final proposal apartment and car parking spaces configuration.

4.4.3 Infrastructure and Services

As the site has already been developed, the land is already serviced. Given the age of the existing development and the significant uplift proposed, consultation with utility providers would be required to ascertain capacity of existing infrastructure.

4.5 Other relevant matters

4.5.1 Visual Impact / Overshadowing

Shadow diagrams indicate the proposed controls would not have a significant impact on solar access to neighbouring properties. Any shadows generated by the redevelopment fall within the existing shadow footprints created by the current developments. The Council officer's report notes that they consider the potential overshadowing impact on Cooks River Cycleway/Open Space link is excessive.

The Department notes that the site is surrounding by low density residential and industrial uses. The proposed height limit of 28m, allowing up to 8 storey development, is considered to be a significant increase compared to the existing development, with potentially significant visual impacts upon the adjacent residential developments.

4.5.2 Electromagnetic Radiation and Acoustic

The proposal includes an electromagnetic radiation report (<u>Tab L</u>), given the proximity to high voltage power lines. It concludes that a) no habitable rooms should be located within 11 radial metres of the power lines; b) no unreasonable magnetic field will occur beyond 23 radial metres of the power lines; and c) mitigation measures will need to be applied between 11 and 23 radial metres of the power lines to mitigate the otherwise unacceptable magnetic fields, which would affect general electronic and medical equipment.

The proposal also an acoustic assessment (<u>Tab M</u>), which found that, based on the location of the site and the surrounding roadways and land use activities, the project will be able to comply with the relevant noise level criteria using standard single glazing.

Department of Planning and Environment's views on site specific merit

The Department notes a number of specific merit issues, including the height and scale relationship of the development with the low density residential scale and character of the area, and potential amenity impacts on new residents arising from adjoining industrial operations, flooding, contamination, and electromagnetic radiation from nearby high voltage power lines.

5. BACKGROUND SUPPORTING INFORMATION

5.1 Adequacy of existing information

The planning proposal is supported by the following documentation:

- Pre-Gateway Review Application Form, Urbis, August 2016.
- Cover Letter, Urbis, August 2015
- Planning Proposal, 7-33 Water Street, South Strathfield, Urbis, April 2016 (as refused by Council).
- Council's Planning Committee Meeting Agenda and Minutes, July 2016
- Council Notice, July 2016
- Urbis Correspondence with Mayor of Strathfield, July 2016
- Council's pre-lodgement correspondence, July 2015 and September 2015
- Architectural Drawings, Robertson + Marks Architects, January 2016
- Design Report, Robertson+ Marks Architects
- ADG Compliance Table, Urbis
- Urban Design Study, GMU Design, March 2016
- Transport Assessment, GTA Consultants, March 2016
- Flood Impact Assessment, WMA Water, November 2015

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- Contamination Assessment, Ramboll Environ, March 2016
- Preliminary Arboriculture Assessment, Tree Consulting by Jo, December 2015
- Economic Assessment, Hill PDA
- Acoustic Assessment, Acoustic Logic, March 2016
- Electromagnetic Radiation Report, EMC Services, March 2016

Is the supporting information provided more than 2 years old? Yes No I If 'yes', explain/detail currency of information

 The Contamination Audit Report is based on a report undertaken in March 2007. An assessment of its validity is provided in section 4.1.2 of this report.

Is there evidence of agency involvement in the preparation of any supporting $Yes \square No \boxtimes$ information or background studies?

5.2 Requirement for further information

No further information is required.

CONCLUSION

The proposal has demonstrated strategic merit in its delivery of additional and diverse housing for Sydney at a location that is relatively accessible for residential traffic but constrained for industrial traffic. This is consistent with the housing directions within A Plan for Growing Sydney, draft Central District Plan and Council's local strategy. There is sufficient strategic merit for referral to the Sydney Central Planning Panel for independent review.

It is recommended that, should the proposal proceed to Gateway, the planning proposal be expanded to include the whole of the Water Street/Dunlop Street Precinct and include investigation of inconsistencies with the relevant Section 117 Directions (and subsequently released draft Central District Plan) in relation to:

- the loss of industrial land and the impact of rezoning the whole of the industrial precinct (versus the proposed partial precinct) on the future operations of the industrial/business precinct and nearby industrial areas including the Enfield Intermodal logistics centre;
- addressing flooding, contamination, and electromagnetic radiation from nearby high voltage power lines, and opportunities for enhancing open space provision and connections with the adjacent Cook River open space network; and
- suitable zoning, scale and density in relation to visual and amenity impacts within the precinct site and on adjoining low density residential uses.

Endorsed by:

Haven Acritectory

Karen Armstrong 15/2/17 Director, Sydney Region East

Marcus Ray Deputy Secretary Planning Services

16 February COT Stephen Murray **Executive Director, Regions**

ATTACHMENT 4

use principles and also inconsistent since the proximity of residential to the industrial uses is one of the reasons for the support of the Panel to rezone. In considering the whole precinct, it is necessary for deliberation of the suitability of the whole precinct for residential use having regard to the following studies:

- 1. Flooding
- 2. Contamination
- 3. Traffic
- 4. Noise and emissions
- 5. Economic impact on existing neighbouring employment lands including the Enfield Inter Modal Centre
- 6. Masterplan/urban design analysis

Accordingly, the Panel agrees to forward the Planning Proposal to Gateway and recommends that:

- a) Any rezoning to residential use be for the whole IN-1 precinct of which the site only forms a partb) That the existing expert reports attached to the Planning Proposal for sites A and B be augmented
- to include analysis of the larger precinct having regard to items 1-6 above and the Planning Proposal be amended accordingly
- c) That prior to public exhibition, the adjoining landowners within the precinct be informed in relation to the prospective rezoning of the whole precinct
- d) The augmented reports (b) be available for exhibition.

John Roseth agreed with the majority recommendation that the proposal should proceed to Gateway determination. However, he dissented from the majority in respect of extending the planning proposal to the whole precinct on the ground that it was unreasonable to expect the proponent to prepare studies in relation to land it did not own or have options for and for which no-one was seeking a rezoning. If rezoning the of the whole precinct is desired, it should be a planning proposal by Council.

In John Roseth's view the planning proposal should proceed for the land in respect of which it was made. The information already provided with the proposal is adequate and should be included in the material exhibited.

PANEL MEMBERS		
Maria Atkinson (Chair)	Jel Louth John Roseth	
fue from. Sue Francis	Mike Ryan	
Vivienne Albin		

	SCHEDULE 1		
1	PANEL REF – LGA – DEPARTMENT REF - ADDRESS	2017SCL018 – Strathfield - PGR_2016_STRAT_002_00 at 7-33 Water Street South Strathfield	
2	LEP TO BE AMENDED	Strathfield Local Environmental Plan 2012	
3	PROPOSED INSTRUMENT	The proposal seeks to rezone the site to R4 Residential, amend the maximum height of buildings to 28m and amend the floor space ratio to 1.85:1.	
4	MATERIAL CONSIDERED BY THE PANEL	 Pre-Gateway review request documentation Department Justification Assessment Report 	
5	MEETINGS AND SITE INSPECTIONS BY THE PANEL	 Site inspection & Briefing meeting with Department of Planning and Environment (DPE): Wednesday 5 April 2017 Panel Members in attendance: Maria Atkinson (Chair), John Roseth, Sue Francis, Mike Ryan, Vivienne Albin Department of Planning and Environment (DPE) in attendance: Ella Wilkinson, Martin Cooper, Douglas Cunningham Briefing meeting with Council & Proponent: Wednesday 5 April 2017, 12.30 pm 	
		 Panel Members in attendance: Maria Atkinson (Chair), John Roseth, Sue Francis, Mike Ryan, Vivienne Albin Department of Planning and Environment (DPE) in attendance: Ella Wilkinson, Martin Cooper, Douglas Cunningham Council representatives in attendance: Silvio Falato, Joanne Chan Representatives on behalf on the proponent: Ryan Macindoe, Ian Cady, Pierre Abrahamse, Michael Romano, Bob Cantley 	