

DIRECTOR GENERAL'S CORRESPONDENCE

PRIORITY:

☐	URGENT	Date due: / /
☒	Early (2 weeks)	
☐	Routine (3 weeks)	

ACTION REQUIRED:

DRAFT LETTER FOR SIGNATURE BY:		
Director General	<i>+ Full Brief.</i>	☒
Deputy Director General		☐
Executive Director		☐
Director		☐
Regional Director		☐
BRIEFING NOTES FOR DIRECTOR GENERAL		☐
DISCUSSION WITH DIRECTOR GENERAL		☐
CONTENTIOUS ISSUES / SPEECH NOTES		☐
NOTES FOR INCLUSION IN COORDINATED REPLY		☐
DEPARTMENTAL ACTION		☐
INFORMATION ONLY		☐
OTHER:		☐

ACTION OFFICER(S) AND COMMENTS:

<i>Deputy Director General</i> <i>Plan Making + Urban Renewal</i>

R. A.

14 MAY 2010

Contact: Gill Dawson
Phone: 9367 9232
File Ref: F04/00216

RECEIVED
14 MAY 2010
Director-General



11 May 2010

Dr Haddad
Director-General
NSW Department of Planning
GPO Box 39
Sydney NSW 2001

ABN: 92 379 942 845
7-15 Wetherill Street, Leichhardt NSW 2040
PO Box 45, Leichhardt NSW 2040
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www.leichhardt.nsw.gov.au

Attention: Faye Roberts, Director – Sydney Region East

Dear Dr Haddad

Submission of a Planning Proposal for 22 George Street and 30-40 George Street, Leichhardt.

At its Meeting on the 27th April 2010 Leichhardt Council resolved to endorse a proposed amendment to the Leichhardt Local Environmental Plan 2000, and forward the Planning Proposal to the Department of Planning for assessment. A copy of the Council report and the Planning Proposal are attached.

The Planning Proposal has been prepared in accordance with:

- Section 55 of the *Environmental Planning and Assessment Act 1979*;
- Department of Planning guidelines: *A guide to preparing Local Environmental Plans* and *A guide to preparing Planning Proposals*.

In considering the matter Council noted that the Planning proposal involves a significant departure from the existing conditions and that the site is located in close proximity to a number of existing residential buildings. As such Council has recommended to the applicant that they consult potential stakeholders regarding the nature and scale of the proposed development before proceeding to the statutory notification required by any Department of Planning Gateway Determination.

Leichhardt Council requests that the Minister for Planning makes a Gateway Determination in relation to the Planning Proposal in accordance with Section 56 of the *Environmental Planning and Assessment Act 1979*. Those matters Council considers necessary to address during the preparation of studies are listed in the attachment to this letter.

Please contact Gill Dawson, Manager Environment and Urban Planning on 9367 9232 if you would like to discuss any aspect of this Planning Proposal.

Yours sincerely

Peter Conroy

DIRECTOR ENVIRONMENT AND COMMUNITY MANAGEMENT

encl

IMPORTANT

This letter contains important information. If you do not understand it please ask a relative or friend to translate it or come to Council and discuss the letter with Council's staff using the Telephone Interpreter Service.

English

IMPORTANTE

Questa lettera contiene delle informazioni importanti. Se non capisce il contenuto è pregata di chiedere aiuto ad un parente o un amico, oppure La Invitiamo di venire in prersona al Municipio a parlarne con un nostro implegato, utilizzando il Servizio Interprete Telefonico.

Italian

IMPORTANTE

Esta carta contiene información importante. Si usted no la entiende, pídale a un familiar o a un amigo que se la traduzca, o venga a la Oficina de la Municipalidad y hable acerca de la misma con el personal de la oficina a través del Servicio Telefónico de Intérpretes.

Spanish

TIN QUAN TRỌNG

Tin tức trong thư này rất quan trọng. Nếu bạn không hiểu, hãy nhờ thân nhân hoặc bạn bè dịch cho bạn nghe hoặc tới văn phòng Hội Đồng Thành Phố để thảo luận với nhân viên qua dịch vụ thông ngôn điện thoại.

Vietnamese

ΠΡΟΣΟΧΗ

Το γράμμα αυτό περιέχει σπουδαίες πληροφορίες. Αν δεν το καταλαβαίνετε, παρακαλέστε ένα συγγενή ή φίλο να σας το μεταφράσει, ή ελάτε στο Δημαρχείο και συζητήστε το γράμμα με το προσωπικό του Δημαρχείου χρησιμοποιώντας την Τηλεφωνική Υπηρεσία Διερμηνέων.

Greek

重要信息

此信包含重要內容。若有不明白之處，可請親戚或朋友幫助翻譯。或請到市政會來，通過電話傳譯服務與市政會人員討論信的內容。

Chinese

RECEIVED

14 MAY 2010

ATTACHMENT - MATTERS TO ADDRESS DURING PREPARATION OF STUDIES

Director-General

- Social impact
- Employment and economic impacts
- Traffic
- Flooding
- Contamination
- Acid sulphate soils
- Urban design
- Australian Noise Exposure Forecast (ANEF)
- Obstacle Limitation Surface any other airspace operation considerations
- LEP and DCP controls
- Voluntary planning agreement
- Statutory engagement

LEICHHARDT MUNICIPAL COUNCIL

REPORT

RECEIVED

14 MAY 2010

Director-General

DIVISION: ENVIRONMENTAL AND COMMUNITY MANAGEMENT

SUBJECT: PROPOSAL TO REZONE THE 'KOLOTEX' AND "LABELCRAFT" SITES
LOCATED AT 22 and 30-40 GEORGE STREET LEICHHARDT, WITH
FRONTAGES TO UPWARD STREET AND MCALEER STREET

AUTHORS: PETER CONROY – DIRECTOR ENVIRONMENT AND COMMUNITY
MANAGEMENT
CLARE HARLEY – EXECUTIVE STRATEGIC PLANNER
VASILIKI ANDREWS – STUDENT STRATEGIC PLANNER

FILE REF: F97/00831

DATE: 15 APRIL 2010

WORD PROCESSING REF: F:\Planning - Envt & Urban\Urban
Planning\LEP\KOLOTEX_LABELCRAFT
SITES_MAR_2010\Planning Proposal submission May 4
2010\Kolotex and Labelcraft George Street Planning
Proposal Report to council April 20101.doc

DIRECTOR'S SUMMARY - ORGANISATIONAL IMPLICATIONS

Financial Implications: Processing application will result in an increase in
expenditure by Council

Policy Implications: Proposed Amendment to LEP 2000

Strategic Plan Objective: Community Well Being
Place Where We Live & Work
A Sustainable Environment
Sustainable Services & Assets

Staffing Implications: Processing application will result in an increased
workload for Council staff

Notifications: Department of Planning

Other Implications: N/A

EXECUTIVE SUMMARY

The land is located at 22 George Street and 30-40 George Street, Leichhardt and has frontages to Upward Street and McAleer Street. The land is currently zoned Industrial pursuant to Leichhardt LEP 2000.

Council has previously considered a number of reports in relation to this matter, the most recent being on 21 November, 2006 wherein it resolved unanimously to:

- 1 prepare a Draft Local Environmental Plan and prepare a submission to the Department of Planning Local Environmental Plan Review Panel pursuant to Section 54 of the *Environmental Planning and Assessment Act 1979* to rezone the subject site to *Business* pursuant to Leichhardt Local Environmental Plan 2000 and to enable ground floor residential uses within the Business Zone and enable a floor space ratio of 2:1 over the subject lands.
- 2 prepare a Draft Local Environmental Plan and Draft Development Control Plan for the consideration of Council.
- 3 seek an independent auditor review of the site contamination assessment at the proponent's expense (**Refer Resolution C419/06**).

Subsequent to this resolution the Department of Planning advised by way of letter dated April 2007 that it would not support the proposed rezoning.

In July 2008 the Department of Planning released its Draft Inner West Sub Regional Strategy. The Draft Strategy identified the site as Category 1 "Strategic Employment Land" – Land to be retained for Industrial Purposes.

By way of letter dated 30 July 2009 the Department of Planning advised Council of its support for a proposal to reclassify the site to Category 2 Land with "potential to allow for a wider range of Employment Uses".

During the course of a Councillor briefing held on 20 April 2010, the proponents outlined to Council how they intended to respond to the Department of Planning's latest correspondence.

The proponents have made a formal submission to Council wherein they have requested that Council initiate the rezoning process under s.54 of the *Environmental Planning and Assessment Act 1979* to amend the Leichhardt LEP 2000 to facilitate a mixed use development of the subject land.

1. Purpose of Report

This report outlines a proposed amendment to the Leichhardt Local Environmental Plan 2000 (LEP 2000). The intent of the amendment is to *“enable the development of the former Kolotex and Labelcraft site for a mixed use development that comprises a range of medium density housing as well as employment uses that primarily provide local services and employment opportunities”*

2. Recommendations

- (1) That Council resolve to endorse the *Planning Proposal* (refer to **Attachment A**) for an LEP Amendment in relation to the properties at 22 George Street, Leichhardt and 30-40 George Street, Leichhardt
- (2) That Council resolve to forward the *Planning Proposal* to the Department of Planning for a Gateway Determination.

3. Background

3.1 The Gateway Process

In July 2009, the Department of Planning introduced a new process for amending Local Environmental Plans (LEPs). This process is known as the Gateway plan-making process.

The gateway process has the following steps:

- *Planning proposal* – the relevant planning authority (Council) is responsible for the preparation of a Planning Proposal, which explains the effect of and justification for the plan. If initiated by the Minister (rather than the local council which is mostly the case) the Minister can appoint the Director-General or a joint regional planning panel to be the relevant planning authority.
 - *Gateway* – The Minister (or delegate) determines whether the Planning Proposal is to proceed. This Gateway acts as a checkpoint to ensure that the proposal is justified before further studies are done and resources are allocated to the preparation of a plan. A community consultation process is also determined at this time. Consultations occur with relevant public authorities and, if necessary, the proposal can be varied.
-

- *Community consultation* – the proposal is publicly exhibited (generally low impact proposals for 14 days, others for 28 days). A person making a submission may also request a public hearing be held.
- *Assessment* – The relevant planning authority considers public submissions and the proposal is varied as necessary. Parliamentary Counsel then prepares a draft local environmental plan — the legal instrument.
- *Decision* – With the Minister's (or delegate's) approval the plan becomes law and is published on the NSW legislation website

The preparation of a Planning Proposal is the first step in preparing an amendment to an LEP. The Planning Proposal for each proposed amendment is attached to this report.

A Planning Proposal is a document that explains the intended effect of the proposed LEP amendment and the justification for making it. It will be used and read by the general community as well as those who are responsible for deciding whether or not the proposal should proceed. As such it has been written with the intention of being concise, accessible, and technically competent.

4. Report

The proposed Amendment to the Leichhardt Local Environmental Plan 2000 is outlined in detail in the *Planning Proposal*.

4.1 Background to the Proposal

This Planning Proposal is the culmination of previous analysis and consultation undertaken in relation to the subject sites. The background to this Planning Proposal is considered relevant as it establishes that the Proposal arises from prior reports to Council, community consultation and liaison with the Department of Planning.

Development Consent was given for an industrial building on the Kolotex site in the 1970s. That approval was for a building height of RL 33.90m (approx) and an FSR of 2.4:1. Council has acknowledged legal advice to the effect that the Consent has been commenced and is therefore still relevant. The implication is that the height of the existing building can be extended by 11.4m. (three storeys)

In 2004 the Kolotex business was sold and new owners moved the Kolotex operation to contemporary factory premises which are not in the Leichhardt Local Government Area. Subsequent to the closure of the Kolotex factory, the owner has been unable to sell the site for industrial purposes and has experienced difficulty in securing a long term tenant, a situation which has been attributed to:

- the declining industrial market in this location;
- the 'purpose-built' nature of the factory;
- the outdated nature of the buildings and their derelict condition;
- the unviable proposition of upgrading the building to meet current building and safety standards;
- the changing demographics within the area and the resultant difficulty in securing an 'industrial' tenant.

The Proponent initiated discussions with Council in 2005 regarding the rezoning of the Kolotex site to allow for a mixed use scheme (commercial/retail and residential) in accordance with a Masterplan. Council provided their 'in principle' support to that rezoning. In November 2006 Council resolved, under Section 54 of the Environmental Planning and Assessment Act 1979 to initiate the rezoning process and commence a Draft Amending LEP in relation to the Kolotex site. In April 2007 the Department of Planning advised Council that it was unlikely to support the LEP amendment as proposed unless three key issues were addressed:

- Justification for the loss of industrial land in the context of the amount and quality of adjoining and LGA-wide land available for industrial purposes.
- Consideration of the provisions of the 2005 Metropolitan Strategy.
- Evidence that the future use of the Kolotex site for mixed uses would not further compromise the LGA's ability to provide local services and employment through its impact on the adjoining industrial land (i.e. the Labelcraft site).

The Proponent subsequently lodged submissions directly with the Department of Planning which addressed each of the identified issues. The information submitted to the Department of Planning included the *George Street Employment Study* (Urbis June 2008) which identified the following:

- Approximately 60% of the all businesses, in and around the George Street precinct, are not using their premises in an industrial capacity;
 - Approximately 90% of all businesses do not provide services that specifically target the needs of local residents and businesses;
 - Of the six businesses located along Parramatta Road, only three businesses had a retail capacity that benefited from a high profile location, with the others have an office focus;
 - The buildings within the George Street precinct are generally approaching physical and economic obsolescence;
 - The area immediately surrounding the George Street precinct predominately consists of low density residential dwellings with a state primary school towards the northern end of Upward and Tebbutt Streets;
 - Some 37% of zoned industrial land in the precinct has vacant businesses. A further 25% of businesses are 'retailers' and 5% of the zoned land is being used for residential purposes only.
-

In July 2009 the Department of Planning advised the Proponent and Council that the Department of Planning supported the re-classification of the site to 'Category 2 Employment Land' which will allow for a broader range of land uses than currently permissible on the site

4.2 Proposed Amendment

The *Planning Proposal (Attachment A)* outlines a proposed Amendment to the *Leichhardt Local Environmental Plan 2000*. The Amendment would rezone the former 'Kolotex' site and the 'Labelcraft' site to facilitate the development of a mixed use scheme incorporating employment and residential uses.

4.3 Site Description

The subject site is the former 'Kolotex' site located at 22 George Street, Leichhardt and the 'Labelcraft' site located at 30-40 George Street, Leichhardt. Both sites are currently zoned 'Industrial' under the *Leichhardt Local Environmental Plan 2000*.

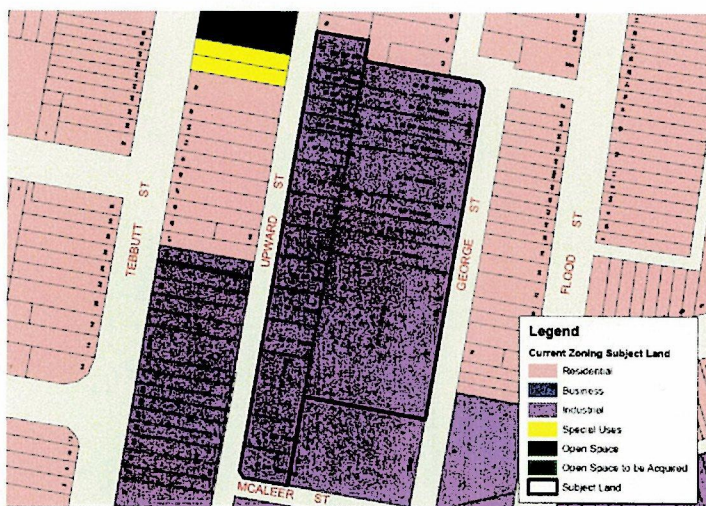


Figure 1: Existing site zoning under Leichhardt LEP 2000

4.4 Justification for Amendment

- The Department of Planning has advised Council that it supports a reclassification of the subject land to 'Category 2' Industrial land and that a broader range of land uses is considered appropriate.
- The following potential benefits of the proposed Amendment have been identified:
 - improve the range of employment generating activities on the site;
 - replacement of existing Industrial buildings on the site that are mostly derelict and redundant in terms of accommodating current industrial practices;

- facilitate the establishment of an improved range of service activities that serve the local community;
- improve the interface between the site and existing residential areas
- improve diversity of housing to meet community needs;
- the provision of 75-100 ongoing/operational jobs, 600 construction jobs plus multiplier effects;
- promotion of 'affordable housing' principles through the provision of 'market entry' dwellings;
- implementation of a range of ESD measures;
- facilitating the creation of a walkable mixed use neighbourhood;
- enhancing utilisation of existing public infrastructure by locating residents and workers in an accessible location that is connected to other goods and services.

Attachment A: Planning Proposal

**Attachment B: Department of Planning letter of support for Category 2
Classification to LMC**

**Attachment C: Department of Planning letter of support for Category 2
Classification to Proponent**

PLANNING PROPOSAL
FORMER KOLOTEX SITE AND LABELCRAFT SITES

Introduction

This Planning Proposal outlines the objectives and intended outcomes of a site specific rezoning under *Leichhardt Local Environmental Plan 2000* to facilitate a future mixed use development on the former 'Kolotex' and 'Labelcraft' sites at 22 George Street and 30-40 George Street, Leichhardt. (refer to Figure 1: Site location map) A rezoning of the subject land is required to facilitate the re-development of the site for a mixed use scheme involving a combination of employment uses (retail and commercial space), as well as a mix of residential apartments. The subject land is currently zoned 'Industrial' under the *Leichhardt Local Environmental Plan 2000*. (refer to Figure 4: Current Zoning under LLEP 2000)

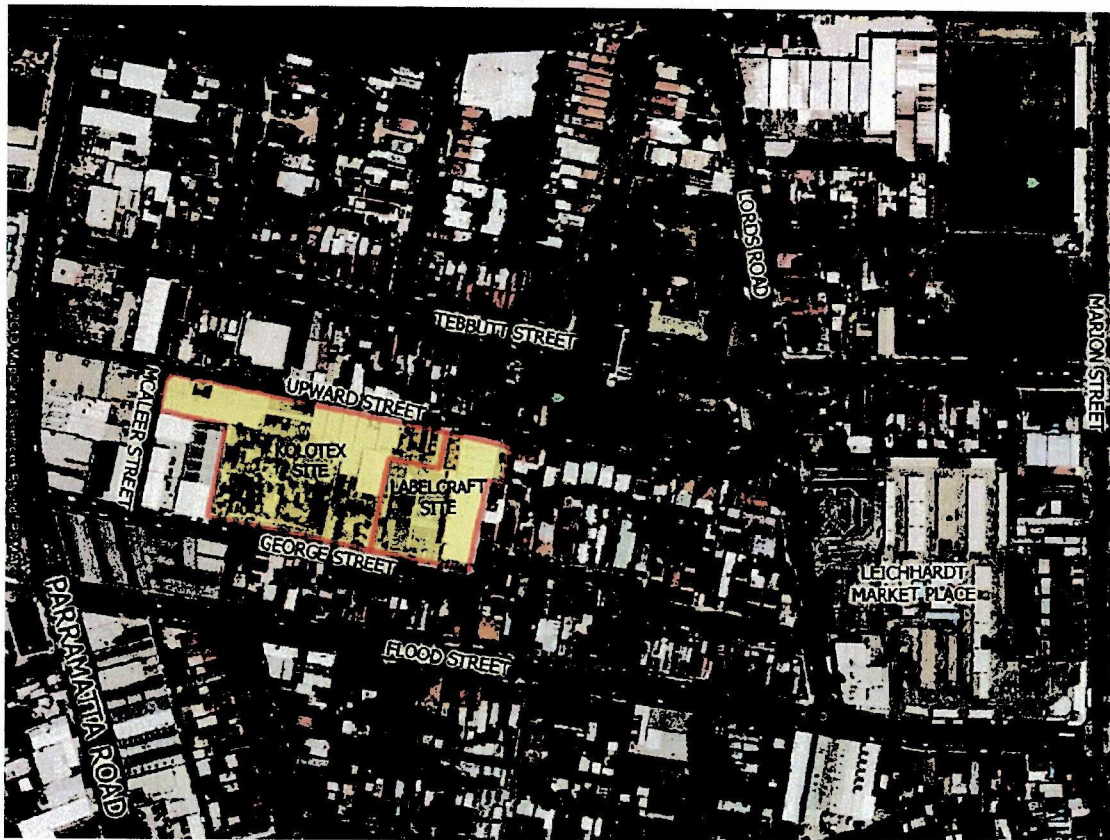


Figure 1: Site Location Map – Kolotex and Label Craft Sites

This Planning Proposal has been prepared in accordance with s.55 of the *Environmental Planning and Assessment Act 1979* and the relevant Department of Planning Guidelines including *A Guide to Preparing Local Environmental Plans* and *A Guide to Preparing Planning Proposals*.

This Planning Proposal addresses matters that will be subject to the provisions of the *Leichhardt Local Environmental Plan 2000*. Site specific planning and design will be addressed by the *Development Control Plan* which will be prepared in accordance with Part 3 of the *Environmental Planning and Assessment Act 1979*.

Subject land

The subject land comprises 15 allotments is located in the suburb of Leichhardt within the Leichhardt Local Government Area. The subject land is bounded by George Street to the east, McAleer Street to the south and Upward Street to the west. (refer to Figures 2 and 3)
The subject land comprises the following properties:

Former Kolotex Site	
Address:	22 George Street, Leichhardt, NSW 2040 (Historically known as 14-28 George Street, Leichhardt, NSW 2040)
Legal description:	Lots 6-9 DP 79950 Lot B DP 327352 Lots 1-2 DP 102461 Lots 10-13 DP 83665 Lot 1 DP 104359 Lot 1 DP 1108695 Lot 5 DP 1080665 Lot 15 DP 1081840
Former Labelcraft Site	
Address:	30-40 George Street, Leichhardt, NSW 2040
Legal description:	Lot 7 DP 448755 Lot 16 DP 69760 Lot 5 DP 745976 Lot 6 DP 745976 Lot 1 DP 745978 Lot 1 DP 920105 Lot 1 DP 972151 Lot 1 DP 745979 Lot 9 DP 666322



Figure 2: Subject Land – Kolotex and Label Craft Sites

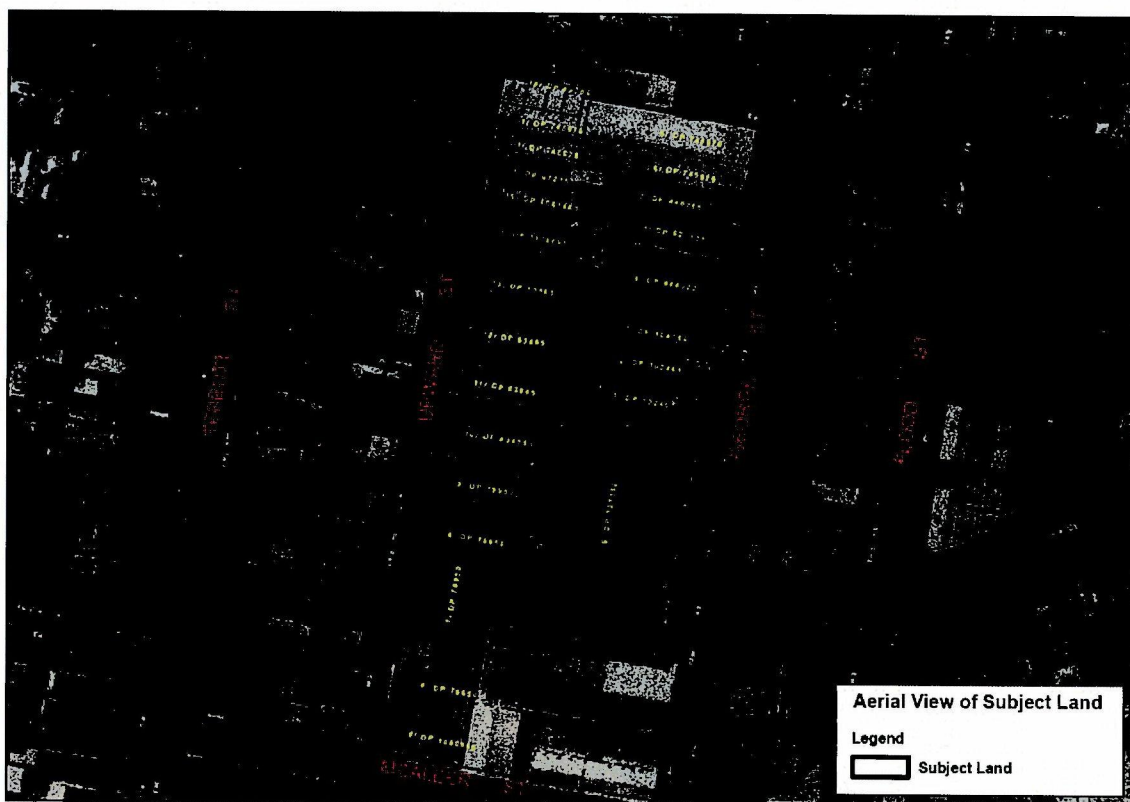


Figure 3: Aerial view of Subject Land – Kolotex and Label Craft Sites

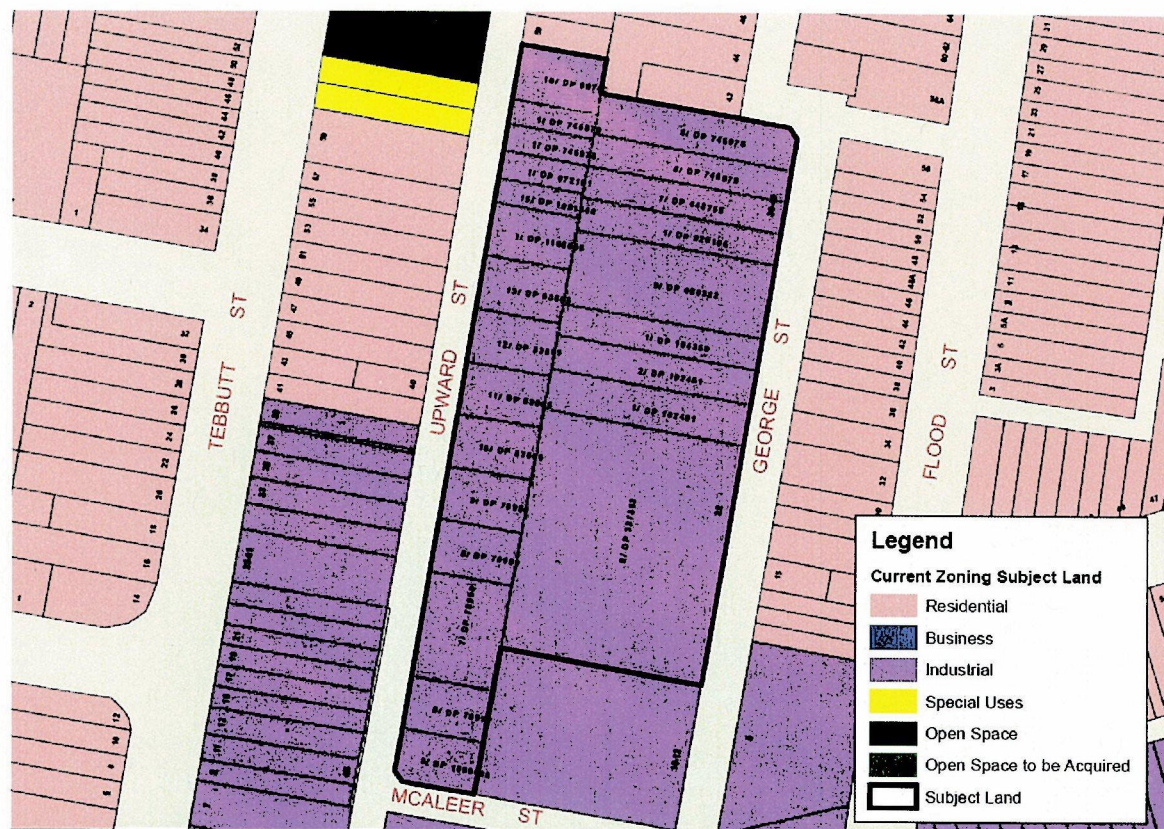


Figure 4: Current Zoning of Subject Land – Kolotex and Label Craft Sites

Part 1 – Objectives or Intended Outcomes

This section identifies the objectives and intended outcomes of the Planning Proposal. It is intended that the objectives will be refined upon completion of further studies. The overarching objective of the Planning Proposal is:

- To enable the development of the former Kolotex and Labelcraft site for a mixed use development that comprises a range of medium density housing as well as employment uses that primarily provide local services and employment opportunities

More detailed objectives in support of the above are summarised as follows:

- Facilitate a range of employment uses that will primarily provide local services and employment opportunities including retail, commercial and community uses
- Facilitate a range of residential apartments that respond to market needs and is designed in a manner that achieves the design quality called for in SEPP 65
- Provide the opportunity to implement ESD principles
- Provide the opportunity for a whole of precinct traffic solution
- Provide greater compatibility for the benefit of the directly adjoining residential community than previously considered for the site
- Allow greater solar access to the principal private open spaces of adjoining residentially zoned properties than is required by Council
- Remove the potential for adverse impacts caused by the sites existing operations on the adjoining residential community, including the use of industrial (heavy) vehicles on adjoining residential streets
- Provide access to open space
- Maintain a scale relationship with the existing residential to the north
- Provide a non-residential development at the southern end of the site
- Allow for the orderly future development of No.10-14 George St (not included in this Planning Proposal)

Part 2 – Explanation of the Provisions

This section sets out the means by which the stated objectives and intended outcomes described in Part 1 of this Planning Proposal will be achieved.

A site specific amendment to the *Leichhardt Local Environmental Plan 2000* will include:

- A legal description of the subject land
- Identification of a range of permissible retail and commercial uses potentially including:

POSSIBLE FUTURE USES FOR THE KOLOTEX-LABELCRAFT SITE		
Design	• Architect • Engineer • Fashion & Jewellery	• Interior design • Landscape • Town Planner
Marketing Uses	• Advertising • Audio visual • Graphic Design • Photography	• Printing – business printing, binding, brochures etc. e.g. Snap Printing, Quick Copy • Promotional merchandise • Publishing
IT	• Computer servicing • Internet & Web Page	• IT Management • Software Design

	Design	
Retail	• Café • Convenience store	• Florist • Laundromat, drycleaner
Local Community Businesses	• Accountant • Beautician • Childcare • Financial Advisor • Gymnasium	• Hairdresser • Personal Trainer • Real Estate agent • Solicitor • Travel agent
Medical Services	• Chemist • Chiropractor • GP • Massage • Yoga	• Physiotherapist • Pilates • Podiatrist • Psychologists
General Business	• ATM(s) • Builders • Contractors - Plumber, electrical, • Specialist builders supply; lighting, iron monger, flooring, tiles	• Event Management • Film producers • Import/export • Telecoms

Table 1 – Possible Future Uses for the Kolotex-Labelcraft Site

- reference to a maximum Floor Space Ratio of 2:1
- reference to the ability to provide an FSR of greater than 2:1 where it can be proved that improved social outcomes can be achieved as a result of the increased FSR
- reference to the need for a Development Control Plan to be prepared for the site prior to a development application being approved

A *Development Control Plan* is to be prepared and will apply to the subject land. It will specifically include objectives and provisions that (at least) address the following matters:

- provision of retail and commercial uses providing local employment and services
- ground level land use, activation and surveillance
- building height at the George Street and Upward Street frontages
- total building height (including areas internal to the site)
- building setbacks and street frontage design/articulation
- through site links
- external traffic movement and management, including infrastructure works
- location of vehicle access points
- car parking and loading requirements
- public domain treatment including road works and open space
- solar access to adjoining residentially zoned properties
- communal and private open space
- site landscaping deep soil planting
- residential design quality (although this would be encapsulated through SEPP 65)
- heritage considerations
- bicycle routes and storage facilities
- signage

Part 3 – Justification

Section A – Need for planning proposal

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

This Planning Proposal is the culmination of previous analysis and consultation undertaken in relation to the subject sites. The background to this Planning Proposal is considered relevant as it establishes that the Proposal arises from prior reports to Council, community consultation and liaison with the Department of Planning.

- Development Consent was given for an industrial building on the Kolotex site in the 1970s. That approval was for a building height of RL 33.90m (approx) and an FSR of 2.4:1. Council has acknowledged legal advice to the effect that the Consent has been commenced and is therefore still relevant. The implication is that the height of the existing building can be extended by 11.4m. (three storeys)
- In 2004 the Kolotex business was sold and new owners moved the Kolotex operation to contemporary factory premises which are not in the Leichhardt Local Government Area. Subsequent to the closure of the Kolotex factory, the owner has been unable to sell the site for industrial purposes and has experienced difficulty in securing a long term tenant, a situation which has been attributed to:
 - the declining industrial market in this location;
 - the 'purpose-built' nature of the factory;
 - the outdated nature of the buildings and their derelict condition;
 - the unviable proposition of upgrading the building to meet current building and safety standards;
 - the changing demographics within the area and the resultant difficulty in securing an 'industrial' tenant.
- The Proponent initiated discussions with Council regarding the rezoning of the Kolotex site to allow for a mixed use scheme (commercial/retail and residential) in accordance with a Masterplan. Council provided their 'in principle' support to that rezoning. Community consultation was subsequently undertaken in 2005/06 based on the Masterplan. Amendments to the Masterplan were made subsequent to community consultation. The revised Masterplan proposed development to a height of approx RL 29.4m (to the parapet level) with an FSR of 2.0:1. (less than the valid 1970's approval). Planning and design controls incorporated in the Draft LEP and Draft DCP were based upon 'planning principles' that were developed in consultation with the local community.
- The original LEP amendment did not involve the adjoining 'Labelcraft' site. However the potential to consider rezoning the Labelcraft site was addressed in reports to Council. It was acknowledged that rezoning of both the Kolotex and Labelcraft site provided an opportunity to establish an appropriate transition between development along Parramatta Road and the lower density residential development north of the 'Labelcraft' site.
- In November 2006 Council resolved, under Section 54 of the *Environmental Planning and Assessment Act 1979* to initiate the rezoning process and commence a Draft Amending LEP in relation to the Kolotex site.
- The rezoning request was forwarded to the Department of Planning in December 2006 and included a Masterplan showing a maximum parapet building height to RL

29.4m with an additional 3m to RL 32.4 which corresponded with the central atrium roof height.

- In April 2007 the Department of Planning advised Council that it was unlikely to support the LEP amendment as proposed unless three key issues were addressed:
 - Justification for the loss of industrial land in the context of the amount and quality of adjoining and LGA-wide land available for industrial purposes.
 - Consideration of the provisions of the 2005 Metropolitan Strategy.
 - Evidence that the future use of the Kolotex site for mixed uses would not further compromise the LGA's ability to provide local services and employment through its impact on the adjoining industrial land (i.e. the Labelcraft site).
- During 2007-2009 the Proponent provided various submissions directly to the Department of Planning which addressed each of the issues. The information submitted to the Department of Planning included the *George Street Employment Study* (Urbis June 2008) which identified the following:
 - Approximately 60% of the all businesses, in and around the George Street precinct, are not using their premises in an industrial capacity;
 - Approximately 90% of all businesses do not provide services that specifically target the needs of local residents and businesses;
 - Of the six businesses located along Parramatta Road, only three businesses had a retail capacity that benefited from a high profile location, with the others have an office focus;
 - The buildings within the George Street precinct are generally approaching physical and economic obsolescence;
 - The area immediately surrounding the George Street precinct predominately consists of low density residential dwellings with a state primary school towards the northern end of Upward and Tebbutt Streets;
 - Some 37% of zoned industrial land in the precinct has vacant businesses. A further 25% of businesses are 'retailers' and 5% of the zoned land is being used for residential purposes only.
- During 2007-2009 the additional information contained within the *George Street Employment Study* was considered by the Department of Planning.
- As previously outlined the Department of Planning advised the Proponent and Council in July 2009 that the Department of Planning supported the re-classification of the site to a 'Category 2 Employment Land' classification. (refer Attachments A and B)

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

It is considered that the Planning Proposal is the best means of achieving the objectives for the site. The objectives and intended outcomes identified in this Planning Proposal are not achievable under current site zoning and approvals. Implementation of existing approvals under the current zoning would involve the construction of additional storeys on the existing building to accommodate self storage unit and would result in increased traffic and low employment generating potential.

This Planning Proposal is for the amendment of the current provisions of LLEP 2000 relating to the subject land utilising Part 3 of the *Environmental Planning and Assessment Act 1979*.

This process is considered preferable to pursuing a Concept Plan Approval under Part 3A of the *Environmental Planning and Assessment Act 1979*.

3. *Is there a net community benefit?*

The Planning Proposal identifies potential net community benefits. The form and extent of those community benefits will be identified in detail subsequent to further technical studies. In summary the net community benefits include:

- improve the range of employment generating activities on site
- the replacement of existing industrial buildings on the site that are unsightly, mostly derelict, un-economic and redundant in terms of current industrial practices.
- facilitate the establishment of an improved range of service activities
- improvements to the public domain including streetscape, footpaths and space for active and passive recreation and pedestrian linkages through the site
- improve the interface between the site and existing residential areas
- improve diversity of housing to meet community needs (housing diversity to be refined in conjunction with Council)
- the provision of 75 – 100 ongoing/operational jobs plus an additional 600 construction jobs plus multiplier effects
- promotion of 'affordable housing' principles through the provision of 'market entry' dwellings
- effective and viable implementation of a range of ESD measures
- facilitating the creation of walkable, mixed use neighbourhoods
- enhancing utilisation of existing public infrastructure by locating residents and workers in an accessible location that is connected to other goods and services
- avoid the implementation of current planning approvals for the site which could result in the construction of a six storey industrial building

Section B – Relationship to strategic planning framework.

4. *Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?*

Action	Applicable	Response
A. Economy and Employment		
A1 Provide suitable commercial and employment lands in strategic areas		
Action 1.2.3 Council to ensure retention of sufficient small Employment Land parcels to support local service industries	Yes	The George Street Employment Land Study (Urbis, June 2008) demonstrated that there is not a demand for industrial uses within this Precinct and that various other factors mean that land is unsuitable for traditional industrial land uses The George Street Employment Land Study has been recognised by the Department of Planning in its decision to reclassify the land contingent upon the retention of some employment uses which will be accommodated through the provision of retail and commercial space.

		Initial research indicates that the retail and commercial uses listed in Table 1 are likely to attract local workers
Action A1.4.1 The Department of Planning to complete a metropolitan and subregional review of Employment Lands to non-employment uses within the Inner West Subregion	Yes	The Department of Planning has advised Council and the Proponent that reclassification of the subject land to Category 2 is supported. The reclassification is contingent upon the retention of employment generating land uses on the site.
Action A1.9.1 Local government to explore opportunities to revitalise Strategic Employment Lands	Yes	The Planning Proposal provides an opportunity to progress the revitalisation of this land use through the provision of new land uses that will respond to local market and socio-demographic conditions
Action A1.9.2 The Department of Planning to work with Councils in identifying and implementing measures to manage interface issues between industrial and residential land uses.	Yes	The Department of Planning's decision to reclassify the subject land to Category 2 provides the opportunity to address interface issues between existing residential and industrial zoning by incorporating appropriate planning and design controls to guide redevelopment Council resolved in 2006 to initiate a DCP which will provide the detailed planning and design controls to reduce land use conflicts
A3 Improve opportunities and access to jobs for disadvantaged communities		
Action A3.3.1 Local government to investigate strategies to ensure sufficient zoned land to enable the provision of comparatively low cost premises for start-up business	Yes	An amendment to LEP 2000 in accordance with this Planning Proposal will make provision for retail and commercial businesses, including opportunities for 'start-up' business to locate within the strategically important Parramatta Road corridor.
B. Centres and Corridors		
B4 Concentrate activities near public transport		
Action B4.2.1 NSW Government and Inner West councils to undertake integrated land use and transport planning to ensure that opportunities to benefit from transport infrastructure investment are realised	Yes	The site represents an opportunity to capitalise on its proximity to established transport infrastructure including the proposed light rail to Dulwich Hill, the Parramatta Road Strategic Bus Corridor and heavy rail infrastructure all of which are within walking distance of the site
C. Housing		
C1 Ensure adequate supply of land and sites for residential development		
Action C1.3.1 Inner West councils to plan for sufficient zoned land to accommodate their local government area housing targets through their Principal LEPs	Yes	The potential residential yield of the site represents an opportunity to meet the residential yield targets set by the Department of Planning.

Table 1: Response to Draft Subregional Strategy Actions

5. ***Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?***

The Planning Proposal is consistent with the following objectives of Council's Community Strategic Plan 'Leichhardt 2020+':

- 2.4** *"Plan local community facilities, businesses and services to fit the places we live and the way we want to live."*
- 3.1** *"Our town plan and place plans optimise the potential of our area through integrating the built and natural environment with a vision of how we want to live as a community and how areas should develop to meet future needs"*
- 5.1** *"Develop integrated planning to promote thriving and diverse businesses that build on the demands and characteristics of local communities."*
- 5.2** *"Develop accessible and environmentally sustainable businesses that help to build local communities and reduce our dependence on private cars"*
- 5.4** *"Plan for business and employment growth that allows greater opportunities for our residents to work"*

6. Is the planning proposal consistent with applicable state environmental planning policies?

SEPP Title	Applicable	Response
1. Development Standards	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
4. Development without Consent and Miscellaneous Complying Development	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
6. Number of Storeys in a Building	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
14. Coastal Wetlands	No	N/A
15. Rural Landsharing Communities	No	N/A
19. Bushland in Urban Areas	No	N/A
21. Caravan Parks	No	N/A
22. Shops and Commercial Premises	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
26. Littoral Rainforests	No	N/A
29. Western Sydney Recreation Area	No	N/A
30. Intensive Agriculture	No	N/A
32. Urban Consolidation (Redevelopment of Urban Land)	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
33. Hazardous and Offensive Development	No	N/A
36. Manufactured Home Estates	No	N/A
39. Spit Island Bird Habitat	No	N/A
41. Casino Entertainment	No	N/A

Complex		
44. Koala Habitat Protection	No	N/A
47. Moore Park Showground	No	N/A
50. Canal Estate Development	No	N/A
52. Farm Dams and Other Works Land and Water Management Plan Areas	No	N/A
53. Metropolitan Residential Development	No	N/A
55. Remediation of Land	Yes	Necessary additional technical reports should be provided following DoP's 'gateway determination' ensuring that the provisions of SEPP 55 are met.
59. Central Western Sydney Regional Open Space and Residential	No	N/A
60. Exempt and Complying Development	No	N/A
62. Sustainable Aquaculture	No	N/A
64. Advertising and Signage	No	N/A
65. Design Quality of Residential Flat Development	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
70. Affordable Housing (Revised Schemes)	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
71. Coastal Protection	No	N/A
SEPP Affordable Rental Housing 2009	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
SEPP Building Sustainability Index: BASIX 2004	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
Exempt and Complying Development Codes) 2008	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
Housing for Seniors or People with a Disability 2004	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
SEPP Infrastructure 2007	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
SEPP Kosciuszko National Park – Alpine Resorts 2007	No	N/A
SEPP Major Development 2005	No	N/A
SEPP Mining, Petroleum Production and Extractive Industries 2007	No	N/A
SEPP Rural Lands 2008	No	N/A
SEPP Sydney Region Growth Centres 2006	No	N/A
SEPP Temporary Structures and Places of Public Entertainment 2007	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".

SEPP Western Sydney Employment Area 2009	No	N/A
SEPP Western Sydney Parklands 2009	No	N/A

Table 2: Consideration of State Environmental Planning Policies (SEPPs)

REP Title	Applicable	Response
5. Chatswood Town Centre	No	N/A
8. Central Coast Plateau Areas	No	N/A
9. Extractive Industry (No 2—1995)	No	N/A
11. Penrith Lakes Scheme	No	N/A
13. Mulgoa Valley	No	N/A
16. Walsh Bay	No	N/A
17. Kurnell Peninsula (1989)	No	N/A
18. Public Transport Corridors	No	N/A
19. Rouse Hill Development Area	No	N/A
20. Hawkesbury-Nepean River (No 2—1997)	No	N/A
24. Homebush Bay Area	No	N/A
25. Orchard Hills	No	N/A
26. City West	No	N/A
28. Parramatta	No	N/A
29. Rhodes Peninsula	No	N/A
30. St Marys	No	N/A
33. Cooks Cove	No	N/A
SREP Sydney Harbour Catchment 2005	No	N/A

Table 3: Consideration of deemed State Environmental Planning Policies (SEPPs) (former Regional Environmental Plans (REPs))

7. Is the planning proposal consistent with applicable Ministerial Directions (s.117 Directions)?

s.117 Direction Title	Applicable	Response
1.1 Business and Industrial Zones	Yes	The proposal reduces zoned industrial land, however this matter has previously been addressed with the DoP resulting in their re-classification of the land. The proposal encourages greater employment potential than would otherwise occur under the current industrial zone. The site is in an accessible location near a wide range of public transport, retail, community and open space facilities. The proposal is located in a position and of a floorspace quantum that supports the viability of all identified strategic centres within the sub-region.

		Further information should be provided following DoP's initial "gateway determination".
1.2 Rural Zones	No	NA
1.3 Mining, Petroleum Production and Extractive Industries	No	NA
1.4 Oyster Aquaculture	No	NA
1.5 Rural lands	No	NA
2.1 Environment Protection Zones	No	
2.2 Coastal protection	No	N/A
2.3 Heritage Conservation	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
2.4 Recreation Vehicle Areas	No	N/A
3.1 Residential Zones	Yes	The objective and intended outcomes of this proposal seeks to provide a variety of housing types to meet market needs. The site is located in a location that makes efficient use of existing infrastructure. The site does not affect resource lands. Further information should be provided following DoP's initial "gateway determination".
3.2 Caravan parks	No	N/A
3.3 Home Occupations	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
3.4 Integrating Land Use & Transport	Yes	The proposal improves access to housing and jobs by walking, cycling and public transport. The proposal increases the choice of available public transport options and thereby reduces dependency on the car. The proposed is located in a location that is likely to reduce trip generation and distance travelled by car. The proposal is located in a location that supports the efficient and viable use of public transport services. Further information should be provided following DoP's initial "gateway determination".
3.5 Development near licensed aerodromes	No	N/A
4.1 Acid Sulphate Soils	No	N/A
4.2 Mine Subsidence and Unstable land	No	N/A

4.3 Flood Prone Land	Yes	The site is subject to localised flooding in a specific area, however the 'flood prone' nature of the property is yet to be quantified. This will be done as part of Council's current Flood Study. It is anticipated that the site is not affected to the extent that would warrant not proceeding with this proposal. Further, that suitable design of any future development could achieve the relevant state flood policies and manuals. Further information should be provided following DoP's initial "gateway determination".
4.4 Planning for Bush Fire Protection	No	N/A
5.1 Implementation of Regional Strategies	No	N/A
5.2 Sydney Drinking Water Catchments	No	N/A
5.3 Farmland of State and Regional Significant on the NSW Far North Coast	No	N/A
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	No	N/A
5.5 Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA)	No	N/A
5.6 Sydney to Canberra Corridor (Revoked 10 July 2008. See amended Direction 5.1)	No	N/A
5.7 Central Coast (Revoked 10 July 2008. See amended Direction 5.1)	No	N/A
5.8 Second Sydney Airport: Badgerys Creek	No	N/A
6.1 Approval and Referral Requirements	Yes	Insufficient information provided. Further information should be provided following DoP's initial "gateway determination".
6.2 Reserving Land for Public Purposes	No	N/A
6.3 Site Specific Provisions	Yes	The proposal allows certain additional land uses within a zone, but includes an FSR development standard. This may be considered inconsistent with this Section 117 direction, however, it simply repeats the approach that was taken with the DoP in 2006 (to which the DoP did not raise specific objection to). If the DoP is not satisfied with this approach, then the FSR could be included in the site specific DCP. Further information should be provided

		following DoP's initial "gateway determination".
Implementation of the Metropolitan Strategy	Yes	The proposal reduces zoned industrial land, however this matter has previously been addressed with the DoP who support for the re-classification of the land. Further information should be provided following DoP's initial "gateway determination".

Table 4: Consideration of Ministerial Directions

Section C – Environmental, social and economic impact

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

The site accommodates paved areas and industrial buildings with little vegetation and accordingly does not contain any critical habitat or threatened species, populations or ecological communities, or their habitats. However, should it be discovered through community consultation, or by another means, that species, populations, communities or habitats may be adversely affected, this will be taken into consideration and the planning proposal will be modified if necessary.

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

The key issues and impacts envisaged as part of this Planning Proposal can best be summarised as follows:

- Traffic matters
- Building form
- Site contamination
- Localised flooding
- Social effects
- Economic effects

It is envisaged that more detailed technical studies, and community and public authority consultation will refine identification of likely impacts of the proposal and explore options for mitigation of those impacts.

10. ***Are there any social impacts as a result of the planning proposal and how are they to be managed?***

Social impacts of the development may include increased housing affordability and diversity, and a diversification of employment opportunities. The potential social impacts will be considered during the community consultation process and ways to alleviate negative impacts will subsequently be identified.

Are there any economic impacts as a result of the planning proposal and how are they proposed to be managed?

The potential economic impacts arising from the Planning Proposal have been addressed in the *George Street Employment Study*. However, in summary the Planning Proposal for a mixed use development incorporating residential and commercial land uses is anticipated to result in a number of economic benefits:

- Employment generating land uses will result in a workforce which spends income in the local area. Retained expenditure helps to support local businesses and provides added support for new facilities and businesses;
- Efficiency gains from shorter travel times and costs, flowing to social benefits accrued as a result of increased recreation/spare time. Also included will be the longer term sustainability of road infrastructure;
- General economic sustainability through sourcing and providing goods and services in the local area, thus reducing reliance on external economies

Section D – State and Commonwealth interests

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

In summary the key items of public infrastructure required in support of the additional population are:

- **Public transport**

The subject site is located within a 400m walking distance of the Parramatta Road Strategic Bus Corridor. It is also within walking distance of railway stations at Lewisham, Petersham and the proposed light rail line to Dulwich Hill.

- **Roads**

The potential impacts on the local road network and traffic management implications will require further analysis in conjunction with the RTA, council and the community.

- **Utilities**

The subject land is located within an established urban area and is already provided with water, gas, sewer, power and telecommunications infrastructure. Consultation to confirm capacity (or otherwise) with the relevant servicing authorities will need to be commenced following the Gateway Determination. Discussions will be required to identify if any necessary augmentation of existing utilities will be a requirement of rezoning or can be dealt with as part of the Development Approval process.

- **Waste management and recycling**

A detailed Waste Management Plan has not been prepared at this stage. However, the layout of the site can incorporate the necessary provisions for either Council or private waste management services.

- **Health Education and Emergency Services**

The subject land is located within a 400m walking distance to medical and associated professional consulting rooms located at or near Leichhardt Marketplace. Additional medical and ancillary services are located along Norton Street and Parramatta Road. Regional level health facilities are located at or near the Royal Prince Alfred Hospital which is located within 3 km of the subject land.

- **Open space**

Further consideration of the Planning Proposal in the context of open space provision in the locality is required.

12. What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?

Consultation with the NSW Department of Planning and the community was initiated during the original rezoning processes in 2005. Subsequently, the Department of Planning advised the Proponent on 24 July 2009 that the Department *'supports the classification of all land north of McAleer Street (including the Labelcraft site) as Category 2 Employment Land'*. (refer to Attachment A)

Consultation with other State and Commonwealth authorities and agencies in relation to this Planning Proposal has not been carried out at this stage. A Gateway Determination arising from this Planning Proposal will identify which State and Commonwealth Public Authorities are to be consulted. Consultation will be undertaken in accordance with any Gateway Determination. It is noted that due to the nature and location of the subject sites mean that it is unlikely that any Commonwealth agencies will need to be consulted as a result of the 'Gateway Determination'.

Part 4 – Community Consultation

Prior to any statutory exhibition Council will ensure that an engagement framework which reflects Council's commitment to informing, consulting and involving people in Council's planning and decision-making processes is implemented. It is anticipated that such community engagement may take the form of community workshops and/or briefings similar to the consultation process for the Kolotex site and for sites such as Terry Street, Rozelle.

The Planning Proposal is not considered to be low impact and the statutory exhibition period should be a minimum of 28 days.

- Attachment B:** Department of Planning letter of support for Category 2 Classification to LMC
- Attachment C:** Department of Planning letter of support for Category 2 Classification to Proponent

**Attachment B: Department of Planning letter of support for Category 2
Classification to LMC**



NSW GOVERNMENT
Department of Planning

Mr Peter Head
General Manager
Leichhardt Municipal Council
PO Box 45
LEICHHARDT NSW 2040

COPY

Dear Mr Head,

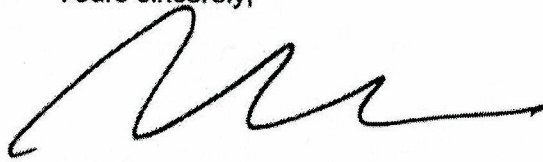
The Department has recently considered a request from Catylis Properties Pty Ltd to reclassify the Kolotex site in George Street, Leichhardt as Category 2 Employment Land in the Inner West Sub-Regional Strategy.

I advise that the Department supports the reclassification of all land north of McAleer Street (including the Labelcraft site) as Category 2 Employment Land, and will take the necessary steps to ensure this occurs when it finalises the Inner West Sub-Regional Strategy.

The Departments letter to the applicant is attached for your information.

Should you have any enquires relating to this matter, I suggest that you contact Faye Roberts on (02) 9228 6113 who is the Director of the Department's Sydney East Regional Team.

Yours sincerely,



30/7/2009

Michael Woodland
Director, Urban Assessments

**Attachment C: Department of Planning letter of support for Category 2
Classification to Proponent**