

Planning Proposal

Hurstville East Planning Proposal (Site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville)

Amend Hurstville LEP 2012 for a site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville by rezoning it from part IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use and increasing the maximum building height to 60m (Site A) and 25m (Site B) and the maximum floor space ratio to 3.5:1 (Site A) and 1.5:1 (Site B).

(PP2015/0001)

May 2016

GEORGES RIVER
COUNCIL

Table of Contents

1.	Introduction.....	5
	Subject Site	5
	Surrounding Land	6
	Applicant's Development Concept.....	7
2.	The Planning Proposal	8
	Part 1 – Objectives and Intended Outcomes	8
	Part 2 – Explanation of the Provisions	9
	Part 3 – Justification	14
	Part 4 – Mapping	27
	Part 5 – Community Consultation	27
	Part 6 – Project Timeline	28
3.	Conclusion.....	28

Attachments

Attachment 1 - Location Map

Attachment 2 - Proposed Land Zoning Map

Attachment 3 - Proposed Height of Buildings Map

Attachment 4 - Proposed Floor Space Ratio Map

Attachment 5 - State Environmental Planning Policies - checklist table

Attachment 6 - Section 117 Ministerial Directions - checklist table

Appendices

Appendix 1 – Hurstville City Council Report - CCL133-16 Planning Proposal - PP2015-0001 - Site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville - 20 April 2016 - [Report](#) and [Resolution](#)

Appendix 2 - Planning Proposal - Forest Road, Durham Street and Roberts Lane, Hurstville

 Appendix 2.1 - Planning Proposal - Forest Road, Durham Street and Roberts Lane, Hurstville

 Appendix 2.2 - Urban Design Report

 Appendix 2.3 - Economic Impact Assessment

 Appendix 2.4 - Hotel Demand Assessment

 Appendix 2.5 - Social Impact Assessment

Appendix 2.6 - Traffic and Transport Impact Assessment

Appendix 2.7 - Heritage Impact Assessment Report

Appendix 2.8 - Preliminary Site Investigation - Contamination

Appendix 2.9 - Survey Plan

Appendix 2.10 - Existing Staff Numbers

Appendix 2.11 - Peer Review of Planning proposal - Neustein Urban

Appendix 2.12 - Brett Daintry supporting report

Appendix 3 - Hurstville City Council Report - CCL1057-15 Draft Employment Lands Study - Draft Industrial Lands Planning Control Recommendations - 9 December 2015 - [Report](#) and [Resolution](#)

Appendix 4 - Urban Design Analysis - GM Urban Design and Architecture (GMU) (21 January 2016)

Appendix 5 - St George Design Review Panel Meeting Minutes - 53-75 Forest Rd, 108-126 Durham St and 9 Roberts Ln, Hurstville - 19 January 2016

1. Introduction

The Planning Proposal has been prepared in accordance with Section 55 of the *Environmental Planning and Assessment Act, 1979* and *Regulation, 2000* and the following advisory documents prepared by the Department of Planning and Environment:

- “A guide to preparing planning proposals” (October 2012); and
- “A guide to preparing local environmental plans” (April 2013).

The Planning Proposal is to amend Hurstville LEP 2012 for a site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville by rezoning it from part IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use and increasing the maximum building height to 60m (Site A) and 25m (Site B) and the maximum floor space ratio to 3.5:1 (Site A) and 1.5:1 (Site B). In addition to this a bonus FSR incentive of 1.5:1 for “hotel or motel accommodation” is proposed for some lots within Site A as well as a minimum non-residential FSR of 0.5:1 across the site. Detailed discussion on the proposed amendments is contained in Section 2 Part 1 of this report.

Subject Site

The Planning Proposal applies to a triangular shaped site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville. The site has dimensions of 175m along Forest Road, 140m along Durham Street and 207m along Roberts Lane. The site adjoins the area defined as the Hurstville City Centre and is within 400m walking distance from Allawah Station and 800m from Hurstville Station. The Site will be referred to as “Hurstville East”.

The subject site has multiple land owners. The Planning Proposal request divided the site into “Site A” and “Site B” (see below and Figure 1).

The site contains a total of 19 separate lots with a combined area of 14,070m² (approximately 1.4 hectares). The legal descriptions of the lots to which the Planning Proposal applies, separated into Site A and Site B are:

Site A:

- | | |
|---------------------------|-----------------------------------|
| • Lot A DP 372835 | (53 Forest Road, Hurstville); |
| • Lot 1 DP 225302 | (61 Forest Road, Hurstville); |
| • Lot 100 & 101 DP 776275 | (67-71A Forest Road, Hurstville); |
| • Lot 10 DP 621395 | (73 Forest Road, Hurstville); |
| • Lot 3 & 4, DP 12517 | (75 Forest Road, Hurstville); |
| • Lot 1 & 2 DP 12517 | (126 Durham Street, Hurstville); |
| • Lot 15 DP 601341 | (122A Durham Street, Hurstville); |
| • Lot 1 DP 337499 | (120 Durham Street, Hurstville); |

Total Area Site A: 10,276m²

Site B:

- | | |
|-----------------------------|--------------------------------------|
| • Lot 1 & 2 DP 213685 | (118 Durham Street, Hurstville); |
| • Lot 5 DP 171179 | (116 Durham Street, Hurstville); |
| • Lot A, B, C & D DP 391801 | (110-114 Durham Street, Hurstville); |
| • Lot 1 DP 172819 | (9 Roberts Lane, Hurstville). |

Total Area Site B: 3,794m²



Figure 1: Division of Subject Site into Site A and Site B (Source: Planning Proposal, Dickson Rothschild)

The existing buildings on the site are described below:

- Self-storage facility (Storage King);
- A number of automotive services and sales businesses;
- Community uses (Hurstville Scout Hall);
- Funeral home;
- A two storey Residential Flat Building at 53 Forest Road, corner of Roberts Lane (land zoned R2 Low Density Residential); and
- Dwellings used for residential purposes on Durham Street on land zoned IN2 Light Industrial.

Surrounding Land

The site adjoins the eastern boundary of the Hurstville City Centre. The surrounds of the site are described as follows:

- **South:** To the south, on the opposite side of Durham Street is a large mixed use development known as East Quarter which includes a number of mixed use buildings up to 19 storeys in height. The large open space area of Kempt Field (approx. 3 hectares) is also located opposite the site;
- **West:** On the other side of Forest Road is an area of land zoned B2 Local Centre featuring a range of commercial uses including a car dealership at the corner of Forest Road and Wright Street. Residential land on Wright Street and Hudson Street is a mix of R2 Low Density and R3 Medium Density Residential and is characterised by 1-2 storey dwelling houses and other low density residential development and 3 storey residential flat buildings respectively;

- **North:** A number of educational facilities are located to the north along Forest Road on land zoned SP2 Infrastructure. These include Hurstville Public School, Georges River College – Hurstville Boys Campus, Bethany College and Sydney Technical High School. There are also sites along Forest Road zoned B2 Local Centre which have recently been redeveloped with shops on the ground floor and generally 2 levels of residential apartments above;
- **North/East:** Land to the north and east along Lily Street, Cronulla Street and Botany Street is zoned R2 Low Density Residential. This area is predominantly characterised by 1-2 storey dwelling houses, with the rear yards of properties along Lily Street backing onto Roberts Lane.

Applicant's Development Concept

Specialist reports submitted with the Planning Proposal request, based on the development concept plans developed by Dickson Rothschild (refer Appendix 2.2), describe the following development which could be provided on the Subject Site under a B4 Mixed Use zoning:

Site A

Site A has an area of approximately 10,276m². Development Concept Plans and the Traffic Impact Assessment provided for Site A show a three (3) storey podium, part 2/part 3 storey podium and three 18-19 storey towers with the following mix of uses:

- 273 residential apartments (approx.)
- 150 room hotel (8 levels)
- 3,150m² GFA retail
- 641m² GFA child care centre facility (approx. 90 children and 18 staff)

Total Gross Floor Area for Site A (based on the Concept Plans provided by the Applicant): 39,218m² (FSR of 3.82:1 including a hotel).

Hotel GFA only: 9,674m² (FSR – 0.94:1)

Site B

Site B has an area of approximately 3,794m². Development Concept Plans and the supporting Traffic Impact Assessment provided by the Applicant for Site B show the following mix of uses:

- 35 residential apartments
- 1,588m² GFA retail and commercial office
- 815m² GFA community facility

Total Gross Floor Area for Site B (based on the Concept Plans provided by the Applicant): 5,300m² (FSR of 1.40:1)

2. The Planning Proposal

The Planning Proposal has been prepared in accordance with Section 55 of the *Environmental Planning and Assessment Act, 1979* and *Regulation, 2000* and the following advisory documents prepared by the Department of Planning and Environment:

- “A guide to preparing planning proposals” (October 2012); and
- “A guide to preparing local environmental plans” (April 2013).

Section 55 of the *Environmental Planning and Assessment Act 1979* outlines that a Planning Proposal must explain the intended effect and justification for making the proposed instrument and must include the following components:

- A statement of the objectives and intended outcomes of the proposed instrument (Part 1);
- An explanation of the provisions that are to be included in the proposed instrument (Part 2);
- The justification for those objectives, outcomes and the process for their implementation (including whether the proposed instrument will comply with relevant directions under section 117) (Part 3);
- Maps, where relevant, to identify the intent of the Planning Proposal and the area to which it applies (Part 4); and
- Details of community consultation that is to be undertaken before consideration is given to the making of the proposed instrument (Part 5).

Parts 1 – 5 below address the information requirements identified in Section 55 of the Act for the assessment of the Planning Proposal.

Part 1 – Objectives and Intended Outcomes

The objective of the Planning Proposal is to:

- Ensure that the light industrial and low density residential zoned site is rezoned to allow for a range of commercial, residential, community and tourism land uses within a mixed use zone that will provide employment, housing and tourism opportunities for Hurstville and will benefit from the proximity of the site to the Hurstville City Centre and public transport services.

The intended outcomes of the Planning Proposal are to:

- To rezone the site from part IN2 Light Industrial and part R2 Low Density Residential zoning to a B4 Mixed Use zoning which is compatible with the adjoining land and takes advantage of the proximity of the site to the Hurstville City Centre and a range of public transport options;
- To increase the Floor Space Ratio on the site from 0.6:1 and 1:1 to 3.5:1 (Site A) and 1.5:1 (Site B) (refer to Figure 1 for the identification of Site A and Site B);
- To increase the Height of Buildings on the site from 9m and 10m to 60m (Site A) and 25m (Site B);

- To encourage the provision of “*hotel and motel accommodation*” within close proximity to the Hurstville City Centre through the inclusion of a bonus FSR incentive subclause (Clause 4.4) for certain lots within Site A as set out below:
 - o Lot 1 DP 225302 – 67 Forest Road, Hurstville
 - o Lot 100 DP 776275 – 71A Forest Road, Hurstville
 - o Lot 101 DP 776275 – 61 Forest Road, Hurstville
 - o Lot 10 DP 621395 – 73 Forest Road, Hurstville
 - o Lot 1 DP 12517 – 126 Durham St, Hurstville
 - o Lot 2 DP 12517 – 126 Durham St, Hurstville
 - o Lot 3 DP 12517 – 75 Forest Road, Hurstville
 - o Lot 4 DP 12517 - 75 Forest Road, Hurstville
- To ensure that employment land uses continue to be developed on the site by requiring a minimum non-residential land use FSR of 0.5:1, consistent with the recommendations of the draft Hurstville Employment Lands Study. This will apply across the site including areas with a proposed base FSR of 3.5:1 (Site A) and FSR of 1.5:1 (Site B).

Note: The Planning Proposal retains heritage protection for the existing heritage item at No.116 Durham Street, Hurstville (Hurstville Scout Hall).

Part 2 – Explanation of the Provisions

Proposed amendments to Hurstville LEP 2012

The division of the Subject Site into Site A and Site B based on property ownership was proposed by the Applicant for the Planning Proposal (refer to Figure 1). This division was supported by Council at its meeting of 20 April 2016 and has been reflected in the range of maximum building heights and FSRs for the Site and application of the proposed FSR bonus.

The proposed intended outcomes described in Part 1 above will be achieved by amending the Hurstville LEP 2012 as follows:

Land Zoning

- Amending the Land Zoning Map (Sheet LZN_008B) to change the zoning of the site from part IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use.
- Amending the Land Zoning Map (Sheet LZN_008B) in relation to the adjoining roads (part of Roberts Lane and part of Durham Street) to B4 Mixed Use, consistent with the adjoining site.

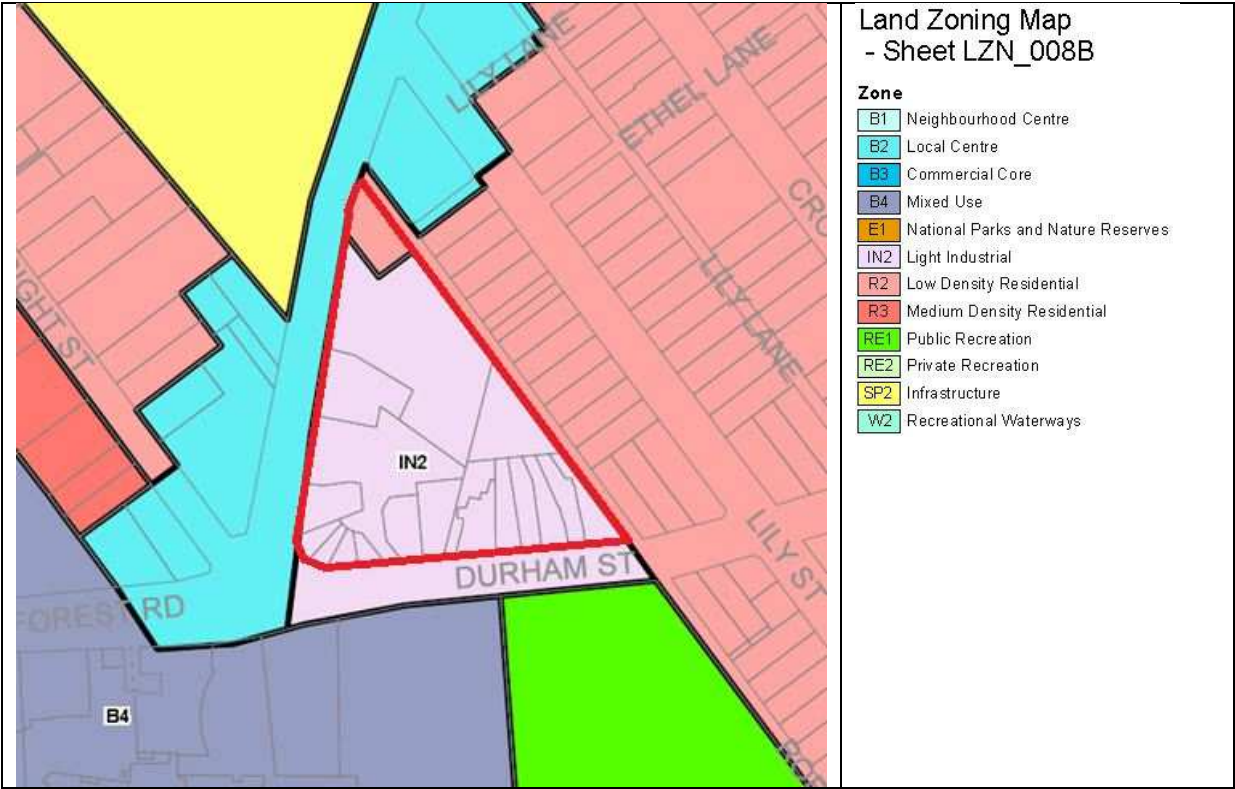


Figure 2: Existing Land Zoning

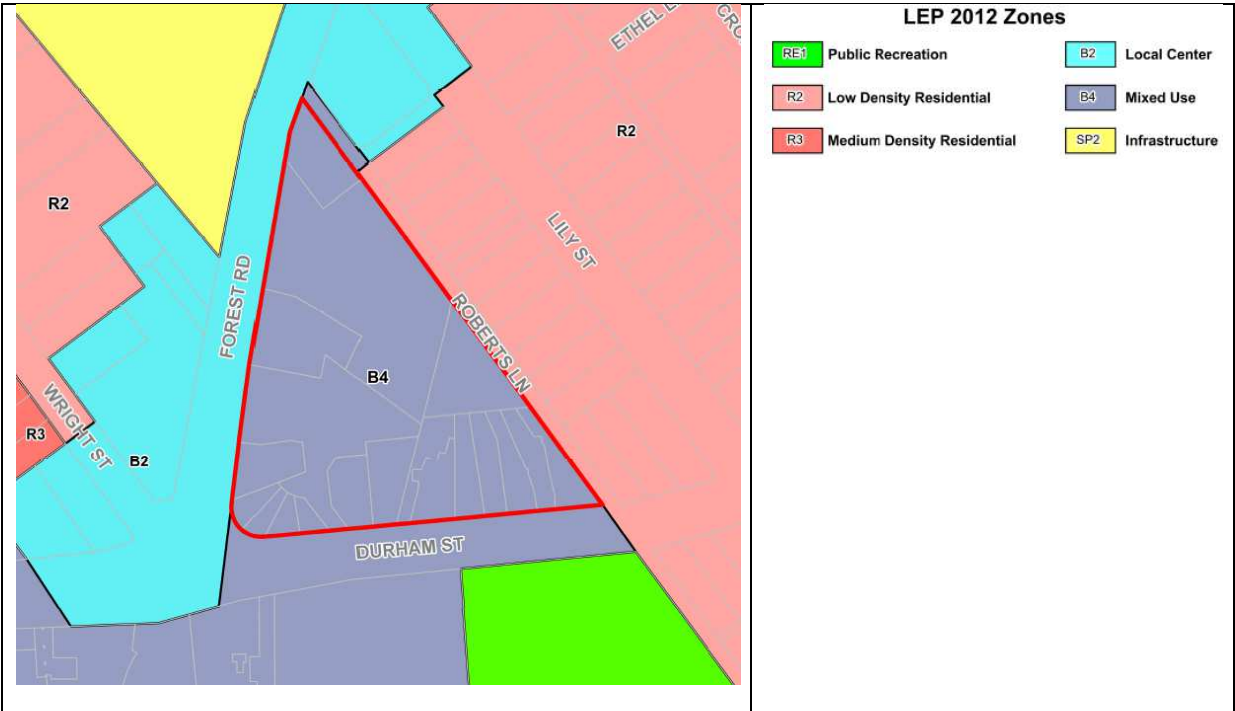


Figure 3: Proposed Land Zoning – Site and Adjoining Roads

Building Height

- Amending the Height of Buildings Map (Sheet HOB_008B) to amend the maximum building height on the Subject Site to 60m (Site A) and 25m (Site B);

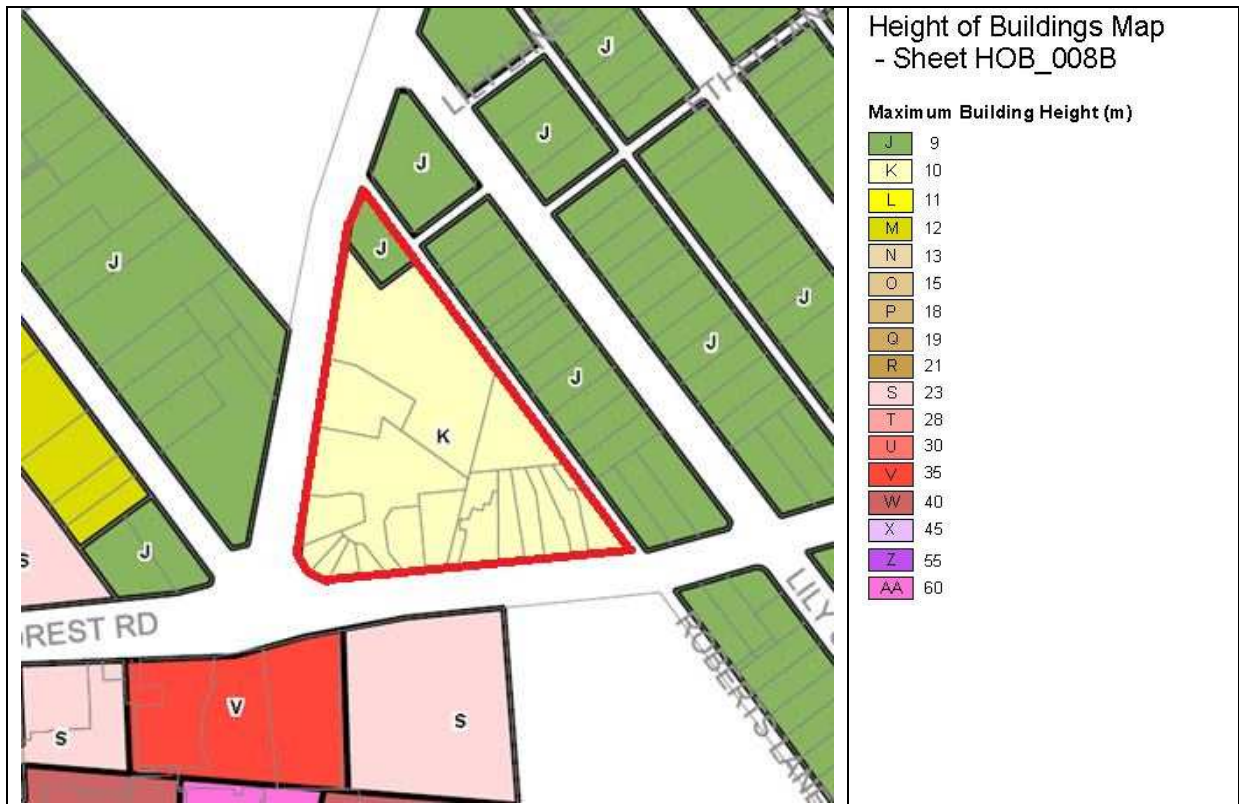


Figure 4: Existing Maximum Height of Buildings

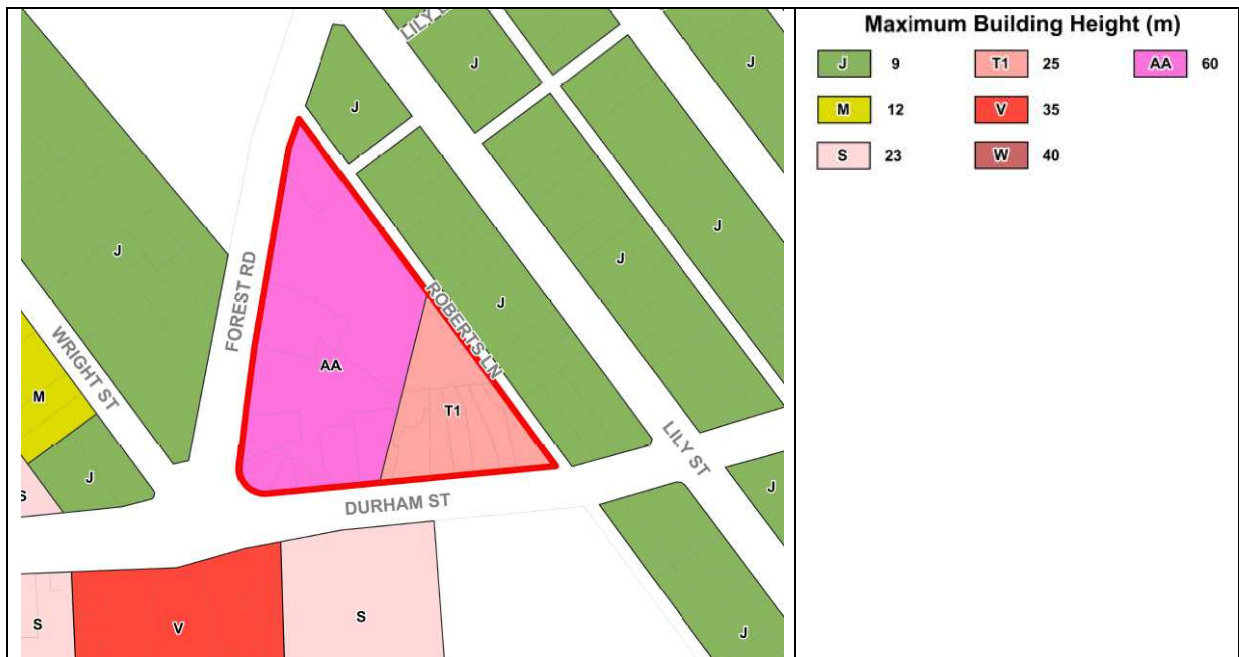


Figure 5: Proposed Maximum Height of Buildings

Floor Space Ratio

- Amending the Floor Space Ratio Map (Sheet FSR_008B) to amend the maximum floor space ratio on the Subject Site to 3.5:1 (Site A) and 1.5:1 (Site B);
- Amend Clause 4.4 Floor Space Ratio (see detail below) to introduce a FSR incentive of 1.5:1 for part of the Site for “*hotel or motel accommodation*” and identify the site of the FSR incentive on the Floor Space Ratio Map (Sheet FSR_008B). The proposed clause wording is as follows:

“(2A) Despite subclause (2), the floor space ratio for development on land identified as “Area 1” on the Floor Space Ratio Map may exceed the floor space ratio shown on the land on the Floor Space Ratio Map by 1.5:1 if the development is for the purposes of “hotel or motel accommodation.”

Council resolved that the Floor Space Ratio incentive is to apply to certain lots in Site A as follows (see Figure 7 – Area 1 – for the extent of the area where the incentive clause is to apply):

- o Lot 1 DP 225302 – 67 Forest Road, Hurstville
- o Lot 100 DP 776275 – 71A Forest Road, Hurstville
- o Lot 101 DP 776275 – 61 Forest Road, Hurstville
- o Lot 10 DP 621395 – 73 Forest Road, Hurstville
- o Lot 1 DP 12517 – 126 Durham St, Hurstville
- o Lot 2 DP 12517 – 126 Durham St, Hurstville
- o Lot 3 DP 12517 – 75 Forest Road, Hurstville
- o Lot 4 DP 12517 - 75 Forest Road, Hurstville
- Amend Clause 4.4A (Exceptions to floor space ratio) to require a minimum non-residential floor space ratio of at least 0.5:1 on the Subject Site (both Site A and Site B), consistent with the recommendations of the draft Hurstville Employment Lands Study. The proposed clause wording as follows:

“(3) Despite clause 4.4, development consent must not be granted on land in Zone B4 Mixed Use bounded by Forest Road, Durham Street and Roberts Lane, Hurstville unless the non-residential floor space ratio is at least 0.5:1.”

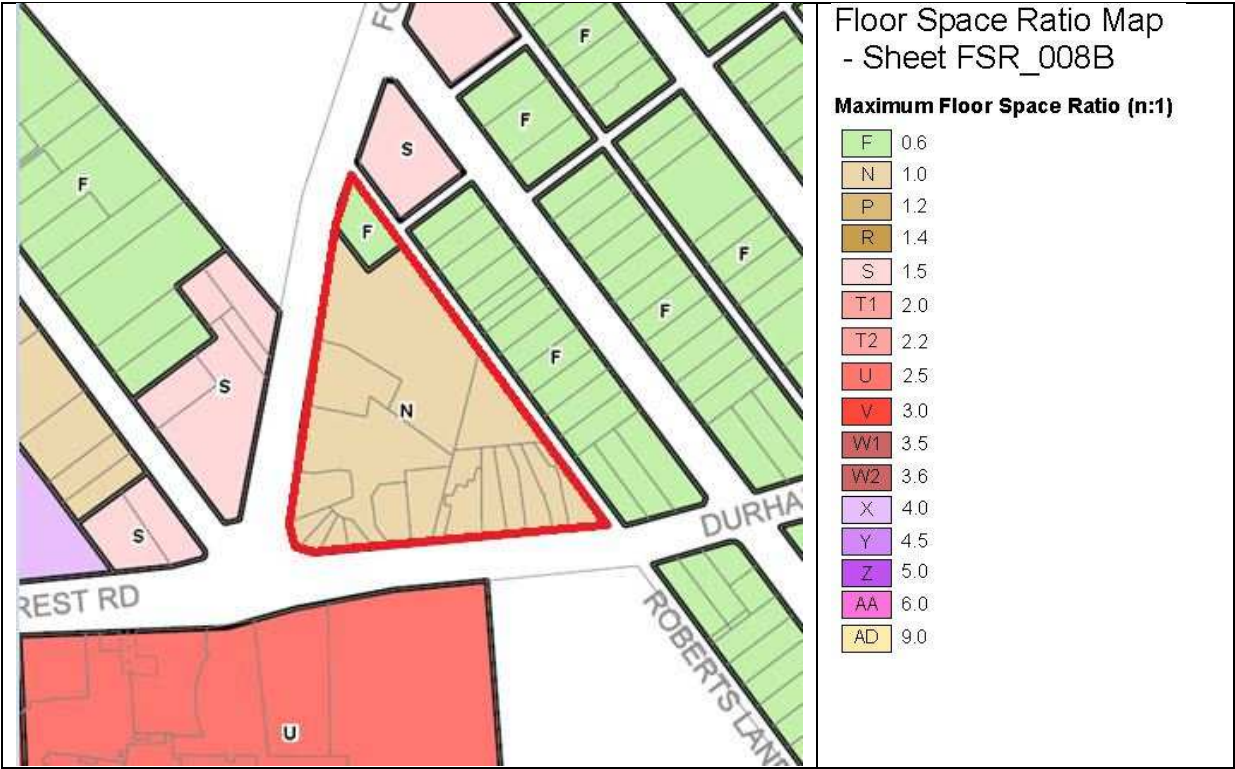


Figure 6: Existing Maximum Floor Space Ratio

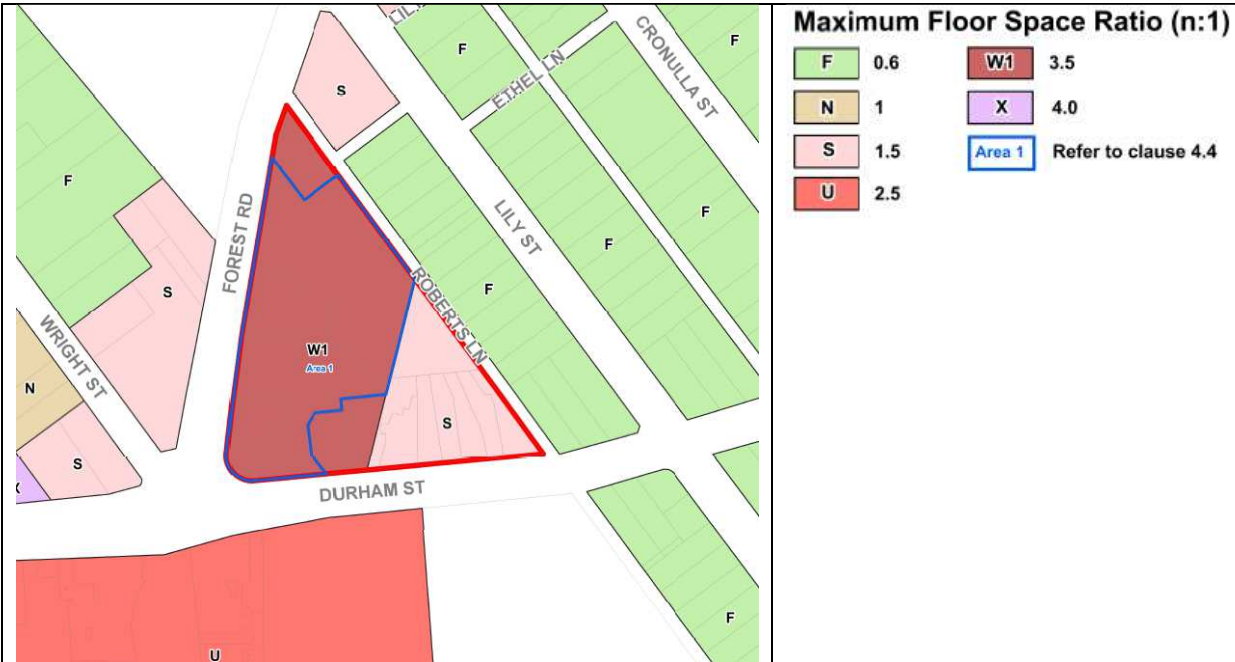


Figure 7: Proposed Maximum Floor Space Ratio

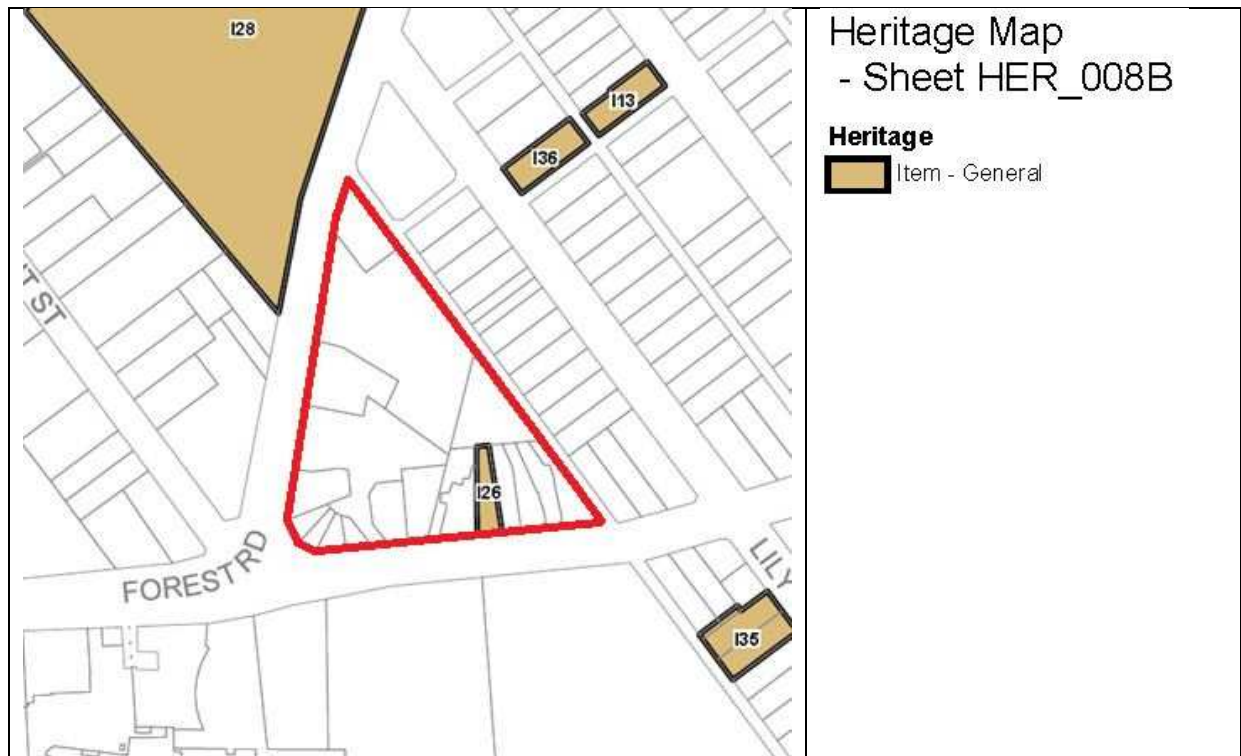


Figure 8: Heritage Map Extract (showing existing item at 116 Durham Street, Hurstville)

Part 3 – Justification

Section A – Need for the planning proposal

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

No. The Planning Proposal has been initiated by a request by Dickson Rothschild. In summary, the Planning Proposal requested that the Hurstville Local Environmental Plan (LEP) 2012 be amended as follows:

- Rezone the Subject Site from part IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use;
- Increase the maximum building height from 9 metres and 10 metres to 65 metres (Site A) and 25 metres (Site B) (refer to Figure 1 for the identification of Site A and Site B);
- Increase the maximum floor space ratio (FSR) from 0.6:1 and 1:1 to 3.5:1 (Site A) and from 1:1 to 1.5:1 (Site B);
- Introduce a floor space ratio bonus incentive of 1.5:1 for Site A (taking the total allowable FSR on Site A to 5:1) if the development includes the following land uses: “hotel and motel accommodation”, “community facilities”, “child care centres”, “recreation facilities (indoor)”, “public roads”, “drainage or flood mitigation works”; and has a lot area of at least 8,000 square metres.
- Retain the heritage item at No.116 Durham Street, Hurstville (Hurstville Scout Hall).

Draft Hurstville Employment Lands Study

It is noted that prior to receiving the Planning Proposal request Council had commissioned (September 2014) the preparation of the Hurstville Employment Lands Study to consider all industrial areas (i.e. lands zoned IN2 Light Industrial) and commercial centres (i.e. lands zoned B1 Neighbourhood Centre and B2 Local Centre) in the Hurstville LEP 2012. The draft Employment Lands Study has been prepared by consultants Jones Lang LaSalle and SJB Planning and includes:

- A detailed land use survey and analysis of the strengths, weaknesses and opportunities of the employment lands;
- A market assessment;
- A review of the NSW State Government's employment targets; and
- A review of the effectiveness of the existing planning controls.

The draft Study provides a draft Industrial Lands Strategy (Stage 1) and draft Commercial Lands Strategy (Stage 2) which recommends planning controls for the employment lands.

Stage 1: Industrial Lands preliminary planning control recommendations were presented to the Council Meeting of 9 December 2015 (Report No.CCL1057-15) (refer Appendix 3). Council "*Resolved that the matter be deferred for further consideration*". At the time of writing of this report, a Council meeting date for reconsideration of this report had not been determined.

The draft Employment Lands Study presented to the Council Meeting of 9 December 2015 considered the Subject Site (currently zoned IN2 Light Industrial) which it referred to as "Hurstville East – Durham Street" and recommended that it (including the portion of R2 Low Density Residential land) be rezoned to B4 Mixed Use. The draft Study also recommended a maximum FSR of 2.5:1 (with a minimum 0.5:1 non-residential floor space requirement) and a maximum building height ranging from 30 metres and 23 metres (along the R2 Low Density Residential zone interface with Roberts Lane). These maximum building height and maximum floor space ratio recommendations are inconsistent with those included in this Planning Proposal. Council also commissioned an independent Urban Design Analysis for the site (refer to Appendix 4).

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

The Planning Proposal is the best means of achieving the objectives and intended outcomes as a change in the land zoning to B4 Mixed Use will allow for the redevelopment of the Subject Site for a range of land uses (including commercial, residential and hotel or motel accommodation) on a site with excellent access to the facilities and services and public transport options available in the Hurstville City Centre. In addition, as discussed above, the change of zone requested through the Planning Proposal is consistent with the recommended B4 Mixed Use zoning of the site in the draft Hurstville Employment Lands Strategy.

The extent of the increase in the maximum building height and maximum floor space ratio development standards for the Subject Site and the division of the Site into Site A and Site B with different development standards, which were included in the Applicant's Planning Proposal request, were supported by Councillors at the meeting of 20 April 2016.

As detailed in the Hurstville City Council Report and Resolution (Appendix 1), the recommended increase in the building height and floor space ratio development standards, informed by advice of the St George Design Review Panel (constituted under SEPP 65) and the independent Urban Design Report prepared by GMU (Appendix 4) commissioned by Council in association with the draft Employment Lands Study, were not supported.

The proposed inclusion of a bonus FSR subclause in Clause 4.4 for development for “hotel or motel accommodation” provides an incentive for development for tourist accommodation on the Subject Site. The Council assessment report (Appendix 1) recommended that the FSR incentive be applied across the majority of the site with the exception of land along the Roberts Lane where a lower maximum building height was recommended to allow for a built form transition to the neighbouring R2 Low Density Residential zoned land. Council resolved that the FSR incentive is to apply to eight (8) lots of land only within Site A (see Proposed Floor Space Ratio Map in Figure 7).

In order to ensure a continuation of employment uses on the site following a change of zone from IN2 Light Industrial to B4 Mixed Use, it is also proposed to amend Clause 4.4A (Exceptions to floor space ratios for buildings on land in certain zones) to require that a minimum area of 0.5:1 of non-residential floor space be provided. This measure is in line with the recommendations of the Draft Hurstville ELS for industrial land reported to Council on 9 December 2015 (see Appendix 3).

Section B – Relationship to Strategic Framework

Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including A Plan for Growing Sydney and exhibited draft South Subregional Strategy)?

A Plan for Growing Sydney (Metropolitan Strategy)

The Planning Proposal request is broadly consistent with the aims of A Plan for Growing Sydney. A Plan for Growing Sydney sets out 664,000 new homes will be required in the Sydney Metropolitan region by 2031. The proposal will contribute toward this as well as provide opportunities for employment and tourism uses in an area close to existing transport infrastructure and services. The proposal will also contribute to reinforcing the status of Hurstville as a Strategic Centre.

Draft South Subregional Strategy

The draft South Subregional Strategy (2007) includes key directions and strategies for economy and employment, centres and corridors, housing and transport which are relevant to this Planning Proposal.

In relation to economy and employment, the key directions include:

- Retain strategic employment lands including those required for utilities and local services.
- Strengthen the commercial centre of Hurstville.

The Subject Site is identified in the draft South Subregional Strategy (Employment Lands Schedule) as a Category 1 Employment Land which is “to be retained for industrial purposes”. The draft Strategy notes that:

“(39) Hurstville (Local Industry and Urban Services)

Small triangular precinct approximately 1.3ha in size is located between Durham Street, Roberts Lane and Forest Road. The area is located in close proximity to the city centre and provides an area of Local Industry and Urban Services such as car repairs. The zoning for this precinct should be retained to ensure service for the local community close to the Major Centre is maintained”.

The draft Strategy also notes that “while the draft Employment Lands Schedules may provide some context, any proposal to rezone existing industrial zoned land will be subject to detailed investigation. Existing Section 117 Directions in relation to Industrial Zones apply to any proposed rezoning, which will require the agreement of the Director General of the Department of Planning and Environment, need to be justified via an environmental study and be in accordance with the relevant Regional Strategy or Subregional Strategy”. Consideration of the Planning Proposal’s inconsistency with the s117 Ministerial Direction is provided below.

The suitability of the existing IN2 Light Industrial zone on the Subject Site has been considered in the draft Hurstville Employment Lands Study. As noted above, Council has deferred consideration of the draft Study, and at this time no future date for reconsideration of this report has been determined.

The Planning Proposal will enable the provision of additional dwellings and employment generation which will contribute towards meeting targets set in the Strategy.

South District Studies

The Department of Planning and Environment recently released studies on the South District (includes the Council Areas of Hurstville, Canterbury, Kogarah, Rockdale and Sutherland) which will inform the new District Plan currently under preparation.

South District – Demographic and Economic Characteristics

This study provides a general summary of the demographic and economic characteristics of the South District including projected populations, household types and employment information. It is projected that the total number of households in the South District will reach 284,900 by 2031, an increase of around 62,800 from 2011.

South District – Local Planning Summaries

This study provides a summary of the local planning issues in each Council Area, including that the Hurstville Employment Land Study is currently under preparation.

In relation to centres and corridors, the key directions include:

- Strengthen Hurstville’s Commercial Centre

The Subject Site is located just within the Hurstville Major Centre as identified in the draft Strategy.

Hurstville Section 94 Developer Contributions Plan 2012

As a part of rezoning the site to B4 Mixed Use, the Council Resolution of 20 April 2016 (see Appendix 1) set out that the Hurstville Section 94 Developer Contributions Plan 2012 is to be amended to incorporate the site into the Hurstville City Centre.

Is the planning proposal consistent with a council's local strategy or other local strategic plan?

Draft Hurstville Employment Lands Study

The key local strategy which is relevant to the Planning Proposal due to the proposed rezoning of the site from IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use is the Draft Hurstville Employment Lands Study (ELS). The proposed rezoning of the site is consistent with the recommendations of the Draft Hurstville ELS for industrial land reported to Council on 9 December 2015 (Appendix 3). Refer to Part 3 Section A of this report for discussion on the Draft Hurstville ELS.

Hurstville City Centre Concept Masterplan (2004)

The Hurstville City Centre Concept Masterplan prepared in 2004 identifies a portion of the subject site as having potential for redevelopment as homemaker showrooms.

Hurstville DCP No.2 – Hurstville City Centre and Hurstville DCP No.1 – LGA Wide

Council did not resolve to include the site within the boundaries of the Hurstville City Centre in relation to the Hurstville DCP No.2 – Hurstville City Centre. The provisions of Hurstville DCP No.1 – LGA Wide will continue to apply to the site.

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

A checklist of all State Environmental Planning Policies ("SEPPs") is provided in Attachment 5. The following SEPPs are relevant for this Planning Proposal and are considered below.

- SEPP 32 – Urban Consolidation
- SEPP 55 – Remediation of Land
- SEPP 65 – Design Quality of Residential Apartment Development
- SEPP (Infrastructure) 2007
- SEPP (State and Regional Development)

SEPP 32 – Urban Consolidation

The Planning Proposal is consistent with *SEPP 32 – Urban Consolidation* in that the rezoning would allow for the orderly and economic development of the Subject Site. The site is well positioned, close to public transport, the Hurstville City Centre and existing social infrastructure including schools and public open space.

As noted above, the preliminary recommendation of the draft Hurstville Employment Lands Study is that a rezoning should be considered for the subject site from IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use.

State Environmental Planning Policy No.55 – Remediation of Land

State Environmental Planning Policy No.55 – Remediation of Land ("SEPP 55") requires that contamination and remediation is considered in a proposal to rezone land. Clause 6 requires that Council consider:

- Whether the land is contaminated;
- If the land is contaminated, Council is satisfied that the land is suitable in its contaminated state (or will be suitable after remediation) for all the land uses permitted in the proposed zone;
- If the land requires remediation to be made suitable for all the land uses permitted in the proposed zone, the Council is satisfied that the land will be so remediated before the land is used for that purpose.

The "*Managing Land Contamination – Planning Guidelines SEPP 55 – Remediation of Land*" states that for rezoning to residential use, it would not be appropriate to proceed with the rezoning unless the land was proven suitable for that development or it could be demonstrated that the land can, and will be, remediated to make the land suitable.

A Preliminary Site Investigation (27 August 2015) prepared by Environmental Investigations was submitted on 31 August 2015. A copy of the report is provided at Appendix 2.8.

The key findings of the Preliminary Site Investigation include:

- Site history review indicated that the historical use of the site was predominantly commercial and industrial from the 1930s and records suggest some commercial/industrial operations of high contaminating potential had occurred on the site including bus depots, glaziers, mechanical workshops, service station, dry cleaning, electrical repair and maintenance.
- Search of WorkCover NSW records found the presence of two (2) underground storage tanks (UST) at 71 Forest Road and one (1) UST at 61-65 Forest Road. All three (3) USTs were registered for petrol storage.
- Search through the record of notices for contaminated land indicated that the site and lands in the vicinity were free of statutory notices issued by the NSW EPA/OEH. The site or lands in its vicinity was not identified on the List of NSW contaminated sites notified to the EPA, or the POEO public register, except a POEO licence was issued to 95 Forest Road (premises now redeveloped into a mixed commercial and residential).

A conceptual site model (CSM), and subsequently a qualitative risk assessment was derived for the site in the Preliminary Site Investigation. The CSM identified potential contaminating sources that may occur at the site and evaluated the likelihood for relevant exposure pathways to be completed during and after the proposed development. The risk assessment was then conducted with respect to the proposed development, which involves a more sensitive land use (i.e. residential with minimal opportunities for soil access) than the existing commercial and industrial uses on the majority of the site. The risk assessment identified a medium to high contamination risk for the site.

The Preliminary Site Investigation concluded that:

“Based on the findings from this PSI, and with considerations given to the Statement of Limitations (Section 8), Environmental Investigations concludes that potential contamination exists at the site. A number of existing and former land uses may have impacted the site soils and underlying groundwater. While the actual type and extent of any potential contamination has not been determined, the current condition of site soil and groundwater would not prevent the rezoning of the site to B4 Mixed Use.

The suitability of the site for the proposed mixed commercial and residential development, however, should be assessed to determine the extent of any contamination of the soil and groundwater and to quantify any potential risks to human health and the environment. Any contamination identified can be managed by the SEPP 55 – Remediation of Land process.

Environmental Investigations recommends that a Detailed Site Investigation (DSI), incorporating a soil and groundwater sampling program, a hazardous materials survey and a preliminary landfill gas monitoring program, to quantitatively assess soil and groundwater at the site. Due considerations should be given to potential on-site and off-site contaminating sources, as well as identified data gaps and property access, when designing and carrying out of the detailed site investigation.”

The Preliminary Site Investigation identified the following investigation constraints “as owners consents for accessing records held by government authorities (i.e. Hurstville City Council and WorkCover NSW) could not be obtained by the Client at the time of investigation, the search through historical council records and WorkCover database on following properties was not conducted: 53 Forest Road, 108-122A Durham Street and 9 Roberts Lane, Hurstville”. No site inspections were conducted within these properties. The Preliminary Site Investigation also noted a number of data gaps (Section 5.5) which would warrant closure by further investigations.

The Preliminary Site Investigation recommended that:

“Environmental Investigations concludes that there is potential for contamination to be present on site from the possible sources described in Section 4.1 (Potential Contamination Sources) and recommends that a Detailed Site Investigation (DSI), incorporating a soil and groundwater sampling program, a hazardous materials survey and a preliminary landfill gas monitoring program, to quantitatively assess soil and groundwater at the site. Due considerations should be given to potential on-site and off-site contaminating sources, as well as identified data gaps and property access, when designing and carrying out of the detailed site investigation”.

The Planning Proposal documentation (Dickson Rothschild, February 2016) notes that the findings of the Preliminary Site Investigation should not prevent the rezoning of the site from IN2 Light Industrial to B4 Mixed Use and that the recommendations of the report can be dealt with at the DA Stage.

However, given the Preliminary Site Investigation findings that there is a medium to high contamination risk for the site, and the recommendation that a Detailed Site Investigation be undertaken, it is essential that these investigations be undertaken (including for all properties within the Subject Site) prior to any change in land zoning. However, the Council Resolution (Appendix 1) states that the Applicant must prepare a contamination assessment report prior to any post Gateway Public Exhibition for Site A only (not the entire subject site). It is recommended that if the Planning Proposal proceeds to Gateway that the Department of Planning and Environment be requested to require as a condition that detailed investigations of the site are undertaken in accordance with SEPP 55 and “*Managing Land Contamination – Planning Guidelines SEPP 55 – Remediation of Land*”. This is to ensure that the land is suitable for all of the land uses permissible in the proposed B4 Mixed Use zone. If the site is contaminated and requires remediation, a Stage 3 Site Remedial Action Plan and Site Audit will be required. The cost of these investigations and studies should be fully borne by the Applicant and not by Council.

SEPP 65 – Design Quality of Residential Apartment Development

In accordance with *State Environmental Planning Policy No.65* (SEPP 65), the St George Design Review Panel (DRP) was established to provide design advice on major development in the Hurstville, Kogarah and Rockdale Council Areas. Given the significant scale of development the proposal allows for, the St George DRP has considered the Planning Proposal request on three (3) occasions, and provided an assessment against the Design Quality Principles in *SEPP 65 – Design Quality of Residential Apartment Development*. The St George DRP did not support the urban design outcomes of the Planning Proposal, and the proposed maximum building heights and floor space ratios for the following reasons:

- The Urban Design Study does not consider the range of possible built form options for the site. In particular design options that compare a range of densities, building typologies and uses, and heights;
- The DRP generally considers that taller building heights may be appropriate along Durham Street which responds to the East Quarter development across the road. However, the northernmost building should be no taller than 6-7 storeys to enable transitioning to the north;
- Building heights on the site should support the Gateway function of East Quarter rather than compete with it;
- The site planning and proposed rezoning of the site into two parts (Site A and Site B) appears to respond to planning constraints and existing site ownerships and be driven by planning risk mitigation rather than arising from any considered design analysis.
- The minutes of the St George DRP meeting on 19 January 2016 are attached at Appendix 5.

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

A checklist of the Planning Proposal's consistency with the full set of Section 117 Ministerial Directions is included in Attachment 6. The Directions that are relevant to the Planning Proposal are:

- Direction 1.1 – Business and Industrial Zones
- Direction 2.3 – Heritage Conservation
- Direction 3.1 – Residential Zones
- Direction 3.4 – Integrating Land Use and Transport
- Direction 6.3 – Site Specific Provisions
- Direction 7.1 – Implementation of A Plan for Growing Sydney

Direction 1.1 – Business and Industrial Zones

The objectives of Direction 1.1 – Business and Industrial Zones are:

- a) Encourage employment growth in suitable locations,
- b) Protect employment land in business and industrial zones, and
- c) Support the viability of identified strategic centres.

The Planning Proposal request includes an Economic Analysis Prepared by Hill PDA (see Appendix 2.3). This report provides detailed discussion of the proposal in relation to S.117 Direction 1.1 Business and Industrial Zones. Through this analysis, it finds that the proposal is broadly consistent with the objectives of the Direction for the following reasons:

- The proposed mix of land uses will see an increase in the floor area of employment generating uses, the number of jobs on the site and the Gross Domestic Product (GDP) generated by the site; and
- The site is isolated from other industrial uses while surrounding residential development and road networks means the site is not well suited to industrial development.

The Preliminary recommendations for industrial land of the Hurstville Employment Lands Study (ELS) (as reported to Council on 9 December 2015), include that the subject site is suitable to be considered for a rezoning from IN2 Light Industrial to B4 Mixed Use. In summary, the ELS found:

“the area (Hurstville East, Durham Street/Forest Road industrial area) should be rezoned to a B4 Mixed use zoning. This rezoning will assist in better leveraging off the railway infrastructure and proximity to the Hurstville City Centre. The use of the B4 Mixed use zone is considered appropriate as the area effectively acts as an extension of the Hurstville City Centre and if necessary the City Centre boundary could be redefined to include this portion of B4 Mixed Use zoned land.”

The draft Study also recommends that a minimum non-residential floor space requirement of 0.5:1 be applied to ensure a continuation of employment generating uses on the site.

Direction 2.3 – Heritage Conservation

Direction 2.3 – Heritage Conservation sets out the following objective:

- 1) The objective of this direction is to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.

The Planning Proposal request includes an Assessment of Heritage Significance prepared by Rappoport Conservation Architects and Heritage Consultants (refer Appendix 2.7). In summary, the report finds the Heritage Item should be retained for its *“historical, associational, aesthetic, social, rarity and representative significance. The building is associated with the prominent Scouts organisation and the civic development of the Hurstville community. It is a distinct example of buildings of this period and type.”*

No change to the listing of the heritage item at 116 Durham St, Hurstville (Hurstville Scout Hall) is proposed.

Direction 3.1 – Residential Zones

The objectives of Direction 3.1 – Residential Zones are:

- a) To encourage a variety and choice of housing types to provide for existing and future housing needs,
- b) To make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and
- c) To minimise the impact of residential development on the environment and resource lands.

While not proposing the rezoning of the site to a residential zone, the B4 Mixed Use Zone will allow a greater provision of housing in an existing urban area, improve housing choice, and make efficient use of existing infrastructure, services and amenities. The relationship between the Planning Proposal and demand for existing infrastructure as a consequence of increased development on the Site, in particular traffic infrastructure, is discussed further below in relation to Direction 3.4.

Direction 3.4 – Integrating Land Use and Transport

The objectives of Direction 3.4 – Integrating Land Use and Transport is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:

- a) *Improving access to housing, jobs and services by walking, cycling and public transport, and*
- b) *Increasing the choice of available transport and reducing dependence on cars, and*
- c) *Reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and*
- d) *Supporting the efficient and viable operation of public transport services, and*
- e) *Providing for the efficient movement of freight.*

The Planning Proposal is consistent with Direction 3.4 as it would allow for additional housing in a location with good access to the facilities within the Hurstville City Centre, in particular public transport. Additional housing in this location will ease traffic demand on the Sydney road network generally when compared with additional housing in a less accessible location.

The Applicant was advised of issues raised by Council's Manager Infrastructure Planning in a letter from Council dated 9 August 2015 (including cumulative traffic with other proposals in the area, consideration of vehicle access points and car parking provision to be in accordance with the relevant DCP). All issues raised were addressed in the revised Traffic Impact Assessment submitted in 1 March 2016 with the exception of consideration of access points to the site. In particular, a number of access points are proposed to the site (see Figure 9) and consideration needs to be given to the potential for any conflict between traffic accessing the site on Durham Street and traffic accessing the East Quarter site to the south. It was recommended in the 20 April 2016 Council Report that access points must be clearly indicated in future site specific DCP provisions, however Council did not resolve to include the site within the boundaries of the Hurstville City Centre in relation to the Hurstville DCP No.2 – Hurstville City Centre and no amendment to the DCP in relation to the site was endorsed.



Figure 9: Potential Site Access (Source: Traffic Impact Assessment, Mott McDonald)

Section 94 Plan and Voluntary Planning Agreement

In order to address local traffic infrastructure demands associated with the proposal, the Applicant made an offer to enter into a Voluntary Planning Agreement (VPA) on 26 November 2015 to contribute towards traffic infrastructure improvements. However, the VPA offer was withdrawn by the applicant on 24 March 2016. In order to address potential traffic infrastructure demands associated with the proposal, the Council assessment report (Appendix 1) made the following recommendation:

THAT Council resolve, subject to an appropriate mechanism to address the road and traffic infrastructure demands and improvements within the City Centre generated by the future development of the site, to forward a Planning Proposal to the Department of Planning and Environment requesting a Gateway Determination for the following amendments to the Hurstville Local Environmental Plan 2012 in relation to the site bounded by Forest Road, Durham Street and Roberts Lane, Hurstville...

The mechanism to address funding requirements of traffic infrastructure demands and improvements could either take the form of a VPA or an amendment to the Hurstville Section 94 Plan to direct developer contributions towards traffic infrastructure improvements. This recommendation was not included in the resolution of Council (Appendix 1). The Hurstville City Centre Transport Management and Accessibility Plan (TMAP) (see the Council website for a copy of the TMAP) found that there is a need to undertake a number of traffic infrastructure improvements in order to accommodate further development in the Hurstville City Centre. These improvements include projects such as the widening of The Avenue Railway underpass from two lanes to four (two lanes each way). A number of funding sources are identified in the TMAP for these projects including Voluntary Planning Agreements under Section 93F of the Environmental Planning and Assessment Act 1979.

Direction 6.3 – Site Specific Provisions

Direction 6.3 aims to discourage unnecessarily restrictive site specific planning controls. The Planning Proposal includes a maximum floor space ratio incentive for “hotel and motel accommodation” (Clause 4.4). This is not unnecessarily restrictive as it is only to encourage the provision of “hotel and motel accommodation” on the site. The full range of other land uses allowed in the B4 Mixed Use zone will also be permitted on the site. It is also recommended that Clause 4.4A be amended to require a minimum non-residential floor space of 0.5:1 on the site. This is necessary to ensure employment uses continue on the site as it transitions from an industrial (IN2 Light Industrial) to a business zone (B4 Mixed Use) and is consistent with the recommendations of the Draft Hurstville ELS for industrial land.

Direction 7.1 – Implementation of A Plan for Growing Sydney

The proposal is consistent with Direction 7.1. The rezoning of the site to B4 Mixed Use will allow for a mix of uses on a site with good access to services and transport. It will also support the role of the Hurstville Strategic Centre.

Section C – Environmental, Social and Economic Impact

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?

No. There is no likelihood that critical habitat or threatened species, population or ecological communities, or their habitat will be adversely affected.

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

As discussed above in relation to SEPP No.55 – Remediation of Land, the preliminary site investigation report commissioned by the Applicant has identified that there may be land contamination on the site. Further work is required to determine the extent of any contamination and the steps needed to remediate the site in accordance with SEPP No.55. The resolution of Council (Appendix 1) requires that prior to any post Gateway Public Exhibition, the Applicant prepare a contamination assessment report in accordance with the SEPP for Site A only (not the entire subject site) (refer discussion above in relation to SEPP No.55).

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

The Planning Proposal request includes an Economic Assessment prepared by Hill PDA. This report makes the case that the IN2 Light Industrial zone is no longer suitable for the site for the following reasons:

- Lack of developable area for industrial uses due to the precincts small size of 1.4ha.
- Lack of accessibility to highways while adjoining residential uses limit heavy vehicle movements.
- The small scale of the precinct (around 1.4ha) means there is limited opportunity to enjoy the benefits of agglomeration of industrial land uses on the site (the clustering of similar businesses as a means to enjoy some of the economies of scale usually reserved for large firms).
- The surrounding residential and educational land uses place stringent requirements on the types of industrial uses which could locate in the precinct.

It is agreed that there are sound reasons to conclude that the IN2 Light Industrial zone is no longer suitable for the site in this location. A change of zone to B4 Mixed Use to allow for a range of other employment generating uses along with some residential is supported.

Based on the mix of uses set out in the Development Concept Plan for the site, an increase in employment from 83 to 303 jobs is identified. A component of the proposed development is a 150 room hotel with a GFA of 9,674m² and an estimated 128 jobs. An assessment of the viability of the hotel component has been prepared by Hill PDA (see Appendix 2.4) and concludes that the site is suitable to accommodate a hotel of the scale proposed for the following reasons:

- *Modest growth in domestic tourism;*
- *Strong growth in international tourism, particularly from China;*
- *Declining Australian dollar which makes Australia more price competitive for international tourists;*
- *Strong growth in the number of tourists staying in hotels and hotel night stays across Sydney;*
- *From the above increasing hotel performance as measured by occupancy rates that reaching an all-time high;*
- *A rise in room rates and an overall improvement in the feasibility of hotels; and*
- *Recognition of Hurstville as a viable and more price competitive option to Sydney CBD but with strong locational attributes including express train services, a major regional Westfield shopping centre and Chinatown.*

A Social Impact Assessment prepared by Hill PDA (see Appendix 2.5) has also been submitted with the Planning Proposal. In considering the impact on housing choice and affordability, the proposal is identified as contributing to housing choice by providing smaller dwelling types suited to the needs of the current and future population of the area. Housing affordability is addressed by the proposal adding to the supply of new dwellings.

Consultation with public authorities as required by any Gateway determination will be undertaken as a part of any future public exhibition.

Section D – State and Commonwealth Interests

Is there adequate public infrastructure for the planning proposal?

As noted above, public authorities will be consulted as part of any future public exhibition, including public transport and road authorities, education and service suppliers. As previously noted, the traffic impacts and pedestrian and streetscape impacts of the proposal should be considered through a Voluntary Planning Agreement or appropriate mechanism (see consideration of a VPA above in discussion of Direction 3.4).

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

State and Commonwealth public authorities will be consulted following the outcomes, and in line with any recommendations, of the Gateway Determination.

Part 4 – Mapping

The following maps have been prepared, consistent with the “Standard Technical Requirements for LEP Maps” and identify the Subject Site and the proposed land use zone development standards as resolved by Council at its 20 April 2016 meeting (Appendix 1), including:

- Land subject to the Planning Proposal;
- Proposed Land Use Zone;
- Proposed maximum Floor Space Ratio; and
- Proposed maximum Height of Buildings.

Part 5 – Community Consultation

If a Gateway Determination is issued, and subject to its conditions, it is anticipated that the Planning Proposal will be exhibited for a period of twenty eight (28) days in accordance with the provisions of the Environmental Planning and Assessment Act, 1979 and Regulation, 2000 and any requirements of the Gateway Determination.

Exhibition material, including explanatory information, land to which the Planning Proposal applies, description of the objectives and intended outcomes, copy of the Planning Proposal and relevant maps will be available for viewing during the exhibition period on Council's website and hard copies available at Council offices and libraries.

Notification of the public exhibition will be through:

- Newspaper advertisement in The St George and Sutherland Shire Leader;
- Exhibition notice on Council's website;
- Notices in Council offices and libraries;
- Letters to State and Commonwealth Government agencies identified in the Gateway Determination;
- Letters to all landowners in the subject site; and
- Letters to adjoining landowners (in accordance with Council's Notification Procedures).

Part 6 – Project Timeline

The anticipated project timeline for completion of the Planning Proposal is shown below:

Task	Anticipated Timeframe
Lodgement of Planning Proposal request Dickson Rothschild.	12 June 2015
Submission of revised Planning Proposal (subject of this assessment)	1 March 2016
Reporting to Council on Planning Proposal	20 April 2016
Anticipated commencement date (date of Gateway determination)	Mid July 2016
Anticipated timeframe for the completion of required technical information	Early-Mid August 2016
Timeframe for government agency consultation (pre and post exhibition as required by Gateway determination)	Mid July 2016
Commencement and completion dates for public exhibition period (twenty eight (28) days)	August-September 2016
Dates for public hearing (if required)	N/A
Timeframe for consideration of submissions	October 2016
Timeframe for the consideration by Council of a proposal post exhibition	November 2016
Date of submission to the Department to finalise the LEP	Late November 2016

It is noted that the anticipated project timeline may be amended by the Gateway Determination.

3. Conclusion

The Planning Proposal to rezone the site from part IN2 Light Industrial and part R2 Low Density Residential to B4 Mixed Use is supported by the recommendations of the Draft Hurstville Employment Lands Study (ELS) for Industrial Lands (refer to Appendix 3). The proximity of the site to the Hurstville City Centre with good access to transport and services make it a good location to accommodate both employment uses and housing in line with the objectives of the Metropolitan Strategy, *A Plan for Growing Sydney*. The inclusion of a bonus FSR incentive of 1.5:1 for “hotel and motel accommodation” is also supported as it will encourage both tourism and business accommodation in the Hurstville City Centre and provide employment on the site. Given the proposal involves the rezoning of IN2 Light Industrial land, the inclusion of a minimum non-residential floor space ratio of 0.5:1 will

ensure a continuation of employment generating uses on the site and is consistent with the recommendations of the Draft ELS.

In addition to this, Council also resolved at the 20 April 2016 Council Meeting to support the following development standards for the site (refer to Figure 1 for the identification of Site A and Site B):

- For Site A increase the maximum building height to 60m and increase the maximum floor space ratio to 3.5:1; and
- For Site B increase the maximum building height to 25m and increase the maximum floor space ratio to 1.5:1.