

MO/GK
13530
23 October 2015

Brian Barrett
General Manager
Marrickville Council
2 Fisher Street
PETERSHAM NSW 2049

Attention: Tim Moore (Director, Planning & Environmental Services)

Dear Tim,

MARRICKVILLE EMPLOYMENT LANDS STUDY VICTORIA ROAD PRECINCT

Thank you for the opportunity to review the paper prepared by SGS entitled '*Peer review: JBA Victoria Road Precinct Employment Strategy*' dated August 2015. We understand that this report has been commissioned by officers in response to the resolution of Marrickville Council's Infrastructure Planning and Environmental Services Committee on 7 April 2015 that relevantly states:

- (2) Council requests SGS to review the findings of the Marrickville Employment Lands Study to:
- i. ensure that any future land use options recommended are consistent with the Department of Planning and Environment's A Plan for Growing Sydney;
 - ii. respond to the alternate employment strategy for the Victoria Road Precinct put forward in JBA's Employment Strategy;

The following letter provide our brief commentary following our review of SGS' paper.

1.0 EXECUTIVE SUMMARY

- A Plan for Growing Sydney sets out the State Government's plan for land use, infrastructure, housing and employment across Sydney which has been given statutory weight by a Ministerial Local Planning Direction. The MELS authors have declined to review the study in light of the Plan, contrary to Council's previous resolution. Whilst the MELS still references outdated policies as the basis for its recommendations, it cannot be relied upon by Council in any way.
- The MELS authors argue that there is a need for Marrickville to accommodate industrial uses leaving other inner-ring Council areas such as the City of Sydney, Leichhardt and Botany as a result of rezonings in these areas. There is no evidence of this occurring to date within the precinct, and it is a matter for Marrickville Council to determine whether Marrickville should accommodate more industrial uses that assist other LGAs to reap the benefits of urban renewal.
- JBA agrees that as the Sydenham/Marrickville precinct transitions away from traditional industrial/manufacturing uses it should facilitate a range of local industries and services – but these uses are better suited to a business zoning rather than an industrial zone.
- JBA agrees that there is a strong industrial precinct centred around Fitzroy Street that serves both local and subregional business needs. The Victoria Road Planning Proposal is seeking to rezone the fringe of the precinct, which is not suitable for industrial uses for a range of reasons, to a predominately business zone with some housing. Housing would be permitted on less than 3% of Marrickville's existing industrial land. The Planning Proposal simply reflects the outcome of further detailed planning that adds detail to the high-level conclusions of the MELS.

2.0 PROCESS

We note that Council resolved at its April meeting to request that Council's industrial lands consultant review the MELS in light of the release of A Plan for Growing Sydney and JBA's Victoria Road Employment Strategy. Instead, the authors have prepared a rebuttal of JBA's Strategy and have not dealt with A Plan for Growing Sydney, and have not reviewed any of the content of the MELS. This would appear to be inconsistent with the Council's resolution, and does little to progress the development of Council's approach to planning for its industrial lands.

We also note that the review paper states that Council has adopted the MELS. This is not the case. Until such a time as the MELS has been reported back to Council, and Council has determined whether or not the MELS should form part of Council's strategic planning policies, it is our view that the MELS should not be a relevant consideration in the assessment of the Victoria Road Planning Proposal.

3.0 STRATEGIC APPROACH

The review paper devotes the vast majority of its attention to the JBA Strategy, but deals only sparsely with the NSW Government's new metropolitan strategy - A Plan for Growing Sydney. This is disappointing and only serves to reinforce our concerns with the MELS document. Whilst A Plan for Growing Sydney does not set detailed land use recommendations for each industrial precinct, it sets out clear and significant directions for land use planning in Sydney. The Plan is given statutory effect by a Ministerial Direction under section 117 of the *Environmental Planning and Assessment Act 1979*. The statement in the paper that "*even if the timing was such that A Plan for Growing Sydney could have been reviewed before the MELS was prepared, it would have been of limited use*" effectively disqualifies the MELS from being relied on by Council as a basis for its strategic planning. We noted that Council was unanimous in its view that the MELS' findings should be reviewed in light of A Plan for Growing Sydney's release when this matter was debated at the April meeting.

The practical effect of A Plan for Growing Sydney in setting the direction for precinct-scale change in Marrickville is already being seen through actions such as the release of the Sydenham to Bankstown Urban Renewal Corridor Strategy, which is a direct result of Action 2.2 of the Plan. Similarly, the Plan directly identifies the extent of industrial land that is required to support the operation of Port Botany and Sydney Airport, which excludes the Sydenham-Marrickville industrial precinct. Unfortunately, both the review paper and the MELS continue to reference a number of outdated planning strategies that have been superseded by A Plan for Growing Sydney, such as the Draft Metropolitan Strategy (2013) and the Draft South Subregional Strategy (2008). This puts the outcomes of the MELS at odds with the metropolitan planning framework.

Importantly, we note that the *Greater Sydney Commission Bill 2015* has been introduced into Parliament by the NSW Government in recent days. The Bill will add significant authority to the status of A Plan for Growing Sydney, designating it as a Regional Plan under proposed amendments to the *Environmental Planning and Assessment Act 1979*. The Greater Sydney Commission will have legal oversight of this 'statutory strategic plan', and will be responsible for ensuring that Councils must *give effect* to the Plan in their local strategic planning. These new legislative provisions will give A Plan for Growing Sydney far greater statutory and strategic force than any other metropolitan strategy in decades.

The MELS also gave significant weight to strategies adopted by the City of Sydney, Leichhardt and Botany Bay Councils to rezone land in those LGAs for urban renewal, commercial and housing purposes in informing the recommendations that Marrickville should retain its industrial lands. We do not believe it is appropriate for local land use planning strategies (or indeed subregional planning issues) to be forced on Marrickville by the decisions of neighbouring councils, especially when the State Government is encouraging industrial businesses to instead develop in Western Sydney's industrial precincts that are better serviced with infrastructure, support regional development goals and are overwhelmingly more suitable for these land use types.

4.0 TRANSITION OF INDUSTRIAL LAND TO BUSINESS PRECINCT

SGS and JBA agree that traditional industrial and manufacturing uses are shifting out of inner-ring LGAs and toward Western Sydney. It is also agreed that the vast majority of this area should continue to support a range of business activities that are necessary to provide employment and local services. Whereas SGS believe that this should be under an industrial zoning in order to suppress competition from other land uses and retain low-grade industrial buildings, JBA believes that a business zoning would enable the precinct to develop into a vibrant mixed use precinct that continues to fulfil the employment and business functions, facilitates improvements to the public domain and reduces land use conflict.

The review paper claims that whilst some land uses are considered to be 'low value' in terms of their return to land owners, they are in fact 'high value' to the broader community, and on this basis should be protected from more intensive business zonings that would increase competition for land. This should not be the basis for zoning land. It is agreed that the land use within the precinct is shifting toward predominately business uses, there is no reason that a business zone should not be applied. This will ensure that development within the precinct genuinely reflects the highest value business uses, having regard to the proximity to the CBD, transport network, highly educated local workforce and contribution to the urban form. Using an industrial zoning as a form of protectionism to prevent competition from the full ambit of business land uses is not the role of planning, especially when it delivers a poorer outcome for the Marrickville community.

Council should not accept a strategic study that would allow the area to continue to fall into disrepair at the expense of the broader community. Whilst the MELS suggests that there is potential for larger land holdings to be redeveloped for more intensive industrial land uses we believe that, based on our detailed business survey and ongoing consultation, this does not reflect land owner and business intentions and is unlikely to occur in practice. A business zoning will allow for high value business activity to occur within the precinct whilst ensuring that appropriate built form standards are enforced to ensure that there is a positive environmental and built form outcome from all new development. The review paper claims that *"industrial precincts are not strictly public areas and streetscapes and amenity for the public is secondary"* – we fundamentally disagree with this statement. The precinct sits directly adjacent to residential suburbs, and between these areas and the designated Sydenham-Bankstown urban renewal corridor.

In addition to the above, we also note that the review paper rejects the strategic objective of supporting the delivery of local employment that meets the needs of Marrickville's residents. The Sydenham-Marrickville industrial precinct has historically provided employment for Marrickville's resident workforce, and its failure to adapt to the skills and opportunities presented by Marrickville's modern population is reflected in the declining urban fabric in this area. Planning should support the provision of local employment opportunities, in order to build on the strengths of the local population (creative uses, small business premises etc.), reduce congestion and improve quality of life through reduced commuting. We strongly recommend that Council endorse this objective as part of any future planning policy.

5.0 VICTORIA ROAD PRECINCT PLANNING PROPOSAL

The area that is the subject of the revised Victoria Road Planning Proposal submitted to Marrickville Council in early-August 2015 affects less than 7% of the total industrial land across the LGA. This land is located at the edge of the Sydenham-Marrickville industrial precinct, outside of the area around Fitzroy Street that SGS agrees is the core of the industrial precinct. 85% of the land within Precinct 47 would continue to be zoned for business or industrial uses as a result of the Planning Proposal, and will facilitate the range of local business services that the MELS finds are required.

Less than 3% of Marrickville's industrial land is proposed to be withdrawn from business use entirely and converted to a residential zone – this land represents a highly fragmented and constrained portion of the precinct that is not suitable for industrial or business use due to close interfaces with Marrickville Public School and residential areas and an inner-city residential street network that restricts its use by modern logistics operations which require unimpeded heavy

vehicle access (including B-doubles). This is reflected in the high prevalence of existing retail premises and residential conversions moving into this edge of the industrial precinct.

The Planning Proposal has been informed by a detailed and professional analysis of the physical, economic and environmental conditions within Precinct 47. Whilst the MELS provides some useful analysis and modelling of the subregional trends, and supports the continued use of the Sydenham-Marrickville precinct for employment and business uses, it is clear that the detailed information provided in the Planning Proposal and the public submissions received by Council during the public exhibition of the MELS have not been reviewed. Rather than being inconsistent with the MELS, the Planning Proposal simply reflects the translation of high-level modelling into appropriate precinct-scale planning provisions that reflect the broader range of constraints and opportunities.

Importantly, the proposed strategic land use plan accords with the strategic planning priorities set out in A Plan for Growing Sydney and will generate significant dividends to the community by enhancing what is presently a run-down industrial precinct with streetscape activation, more local services and creates a new safe pedestrian connections. Establishing a positive strategic planning direction for this precinct, with new zonings, floor space ratio, height and affordable housing controls, will allow for detailed planning to progress. The preparation of a Draft Development Control Plan will be carried out prior to public exhibition, and will ensure that appropriate planning provisions are put in place to deal with design issues such as the interface between business, industrial and residential uses as well as amenity issues such as aircraft noise.

On the basis of the above, we strongly recommend that Council supports the Victoria Road Planning Proposal proceeding to the LEP Gateway Panel.

Should you have any queries about this matter, please do not hesitate to contact me on 9956 6962 or gkirkby@jbaurban.com.au.

Yours faithfully,



Gordon Kirkby
Director