



Planning,  
Industry &  
Environment

IRF21/2528

## Gateway determination report – PP 2021 - 3265

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Waterloo Estate (South) – Renewal of social housing under Communities Plus (total of 3060 dwellings and 18,000sqm non-residential floorspace)

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# 1 Planning Proposal

## 1.1 Overview and objectives of planning proposal

This planning proposal is the result of an application from the NSW Land and Housing Corporation (LAHC) to change the floor space ratio (FSR) and height controls in Waterloo Estate (South) to facilitate the renewal of the social housing site under the NSW Government's Communities Plus model. This would create a mixed tenure community supported by community and commercial floorspace in proximity to the new Waterloo Metro Station.

Waterloo South is part of the wider Waterloo Estate that incorporates Waterloo Central and Waterloo North, as depicted at Figure 1. Waterloo South comprises the first stage of renewal, anticipated to be developed over a 10 year period.

The planning proposal seeks to amend *Sydney Local Environmental Plan 2012* to alter the development potential at Waterloo South. This involves:

- rezoning the land from R1 General Residential and 2(b) Low Density Residential to B2 Local Centre and B4 Mixed Use,
- amending the floor space ratio and height of building controls, and
- requiring the provision of open space, community uses, non-residential floorspace and affordable housing.

The planning proposal requires new maps and site specific planning controls and involves the repeal of *South Sydney Local Environmental Plan 1998* as it applies to the site, as summarised in Table 1 overleaf.



**Figure 1:** Waterloo Estate boundary (red) and Waterloo Metro (orange) Source: LAHC planning proposal, April 2020

### Table 1 planning proposal details

<b>LGA</b>	<b>The City of Sydney</b>
<b>PRINCIPAL PLANNING AUTHORITY (PPA)</b>	The Secretary of the Department of Planning, Industry and Environment is the PPA. This has been delegated to Mr Marcus Ray, Group Deputy Secretary, Planning and Assessment
<b>NAME</b>	Waterloo Estate South (3,067 dwellings and 18,000m <sup>2</sup> non-residential GFA)
<b>NUMBER</b>	PP-2021-3265
<b>LEP TO BE AMENDED</b>	Sydney Local Environmental Plan 2012
<b>ADDRESS</b>	209-219 Cope Street; 238-246 George Street; 229-231 Cope Street; 6 John Street; 97-109 Cooper Street; 248-254 George Street; 232 Pitt Street; 74-76 Wellington Street; 331-337 George Street; 247-251 Cope Street; 339-341 George Street; 250 Pitt Street; 221-223 Cope Street; 225-227 Cope Street; 233 Cope Street; 116 Wellington Street; 111 Cooper Street; 291 George Street; 110 Wellington Street; 336 George Street; and 213-215 Cope Street, Waterloo.
<b>DESCRIPTION</b>	Lot 1 DP 217386; Lot 1 DP 225159; Lot 3 DP 10721; Lot 1 DP 533762; Lot A DP 105916; Lot B DP 105916; Lot C DP 105916; Lot 14 DP 10721; Lot 2 DP 533678; Lot 11 DP 635663; Lot 10 DP 635663; Lot 1 DP 224728; Lot 3 DP 533680; Lot 1 DP 533679; Lot 1 DP 77168; Lot 313 DP 606576; Lot 6 DP 10721; Lot 7 DP 10721; Lot 9 DP 10721; Lot 8 DP 1147179; Lot 5 DP 10721; Lot 4 DP 10721; Lot 12 DP 1099410; Lots 1-41 SP 79210; Lot 10 DP 1072; Lot 11 DP 10721; Lot 15 DP 10721; Lot 10 DP 1238631; Lots 1-20 SP 96906; Lot 101 DP 1044801; Lots 1-58 SP 69476; Lot 3 DP 10686; and Lot 2 DP 217386
<b>RECEIVED</b>	27/04/2021
<b>FILE NO.</b>	IRF21/2528
<b>POLITICAL DONATIONS</b>	There are no donations or gifts to disclose and a political donation disclosure is not required
<b>LOBBYIST CODE OF CONDUCT</b>	There have been no meetings or communications with registered lobbyists with respect to this proposal

The planning proposal includes justification of the proposed amendments. The Department of Planning, Industry and Environment's (Department) assessment identifies proposed modifications as identified in the recommended gateway conditions. The planning proposal contains objectives and intended outcomes that adequately explain the intent of the proposal.

The objectives of the planning proposal are to:

- enable the orderly redevelopment of Waterloo Estate (South);
- prioritise the delivery of social and affordable housing, balanced with the provision of market housing;
- establish a new local centre in the City of Sydney's hierarchy of centres, that is supported by infrastructure, community facilities and services, open space, retail and commercial services, and employment opportunities that meet the diverse needs of the local community;
- ensure the built form provides high levels of amenity for residents and tenants, to the public domain and to open space; and

- require high environmental performance standards for buildings to mitigate the effects of climate change.

The objectives of this planning proposal are clear and adequate.

## 1.2 Recent Planning History

Strategic planning for the renewal of The Waterloo Estate has extended over a number of years, with key events summarised below.

In 2011, the Redfern-Waterloo Authority exhibited Draft Built Environment Plan 2 [BEP2] for the renewal of the Waterloo Estate. The City of Sydney Council's comments recommended that an inquiry be held into the potential intensification of land use around a potential railway station at Waterloo.

In 2015, the Government announced a new metro station to be constructed at Waterloo.

In 2017, the Minister for Planning determined that parts of Waterloo were of State planning significance and were to be rezoned through the State Significant Precinct process. The Department issued rezoning study requirements stipulating 26 technical studies to be completed to inform the rezoning.

In 2018, NSW Land and Housing Corporation (LAHC) undertook the required 26 technical studies and prepared 3 masterplan options for testing and consultation with the community and stakeholders in Waterloo.

In January 2019, LAHC released a preferred masterplan in response to the 3 masterplan options that were tested in 2018. This accommodated 6,800 new residential units across the 18.98 hectare Waterloo Estate, replacing 2,012 existing units.

In March 2019, Council released an alternate masterplan for Waterloo comprising a new 2.2 hectare park, 12-13 storey buildings surrounding the new park and 7 to 8 storey buildings across the Waterloo Estate with a reported 5,300 new residential units.

In late 2019, a number of alignment meetings were held between LAHC and Council to discuss differences in their respective masterplan concepts.

In May 2020, LAHC submitted a planning proposal to Council for Waterloo South with a total gross floor area of **257,000m<sup>2</sup>** on LAHC land and 25,734m<sup>2</sup> on privately owned properties. See **Attachment D**.

In June 2020, Council presented the LAHC planning proposal and its alternate concept to its Design Advisory Panel for advice. The Panel supported the City's alternative planning proposal, noting that the City's proposal achieved a similar yield to LAHC's planning proposal.

While there are a number of similarities between the LAHC and Council schemes, there remained disagreement over three key issues: built form, tenure mix and feasibility. A voluntary planning agreement was offered by LAHC for the proposal it submitted in May 2020, but not for the Council's alternate scheme.

On 22 February 2021, Council endorsed an alternative planning proposal for Waterloo South with a reported total gross floor area of **249,000m<sup>2</sup>** on LAHC land and 23,000m<sup>2</sup> on privately owned properties. See **Attachment A**. Council resolved to approve the planning proposal to be sent to the Minister with a request for gateway determination, once the NSW Government made an appropriate offer for the delivery of the necessary infrastructure.

On 23 February 2021, the Minister for Planning and Public Spaces wrote to the City of Sydney and the Minister for Water, Property and Housing to encourage LAHC and the City to work together to break this deadlock and find a solution by no later than 12 March 2021. The parties were advised



that if there is no resolution by this time, the Minister would appoint the Secretary of the Department as the planning proposal authority.

On 16 March 2021, the Minister for Planning and Public Spaces appointed the Secretary of the Department as the Planning Proposal Authority (PPA) for Waterloo South. This role has been delegated to Mr Marcus Ray, Group Deputy Secretary Planning and Assessment (The Planning and Assessment Group).

On 26 April 2021, the PPA's delegate submitted Council's planning proposal to the Department (Place Design and Public Spaces Group) for a Gateway determination. An Independent Advisory Group (IAG) was engaged by the Department to inform the Gateway Assessment required to be undertaken by The Department. The Waterloo IAG report is discussed at Part 3 of this report and attached in full at **Attachment F**.

## 1.3 Explanation of provisions

The planning proposal seeks to amend the Sydney LEP 2012 per the changes below:

**Table 2 Planning Proposal Zoning controls**

Subject Land	Current Zone	Proposed Zone
LAHC lots	South Sydney LEP 1998 2(b) – Residential (Medium Density)	B2 Local Centre (approx. 24,630m <sup>2</sup> ) B4 Mixed Use (approx. 56,401m <sup>2</sup> )
	Sydney LEP 2012 SP2 – Infrastructure (at McEvoy Street)	No change (approx. 1,090m <sup>2</sup> )
Private lots	Sydney LEP 2012 R1 – General Residential	B4 Mixed Use

**Table 3 Planning Proposal FSR controls**

Subject Land	Current FSR controls	Proposed FSR Controls	Equivalent GFA (zoned B2 and B4)
LAHC lots (81,031m <sup>2</sup> zoned B2 & B4)	1.5:1 in South Sydney DCP	1.5:1 + 1.26:1 (if satisfy criteria)* + 10% if design excellence (total FSR 3.036:1)	121,546m <sup>2</sup> 102,099m <sup>2</sup> <u>22,365m<sup>2</sup></u> 246,010m <sup>2</sup>
Private lots	1.75:1	Variable 1.75:1 to 2.66:1 + 0.25:1 (if satisfy criteria) + 10% if design excellence (up to max 3.2:1)	23,000m <sup>2</sup>

Note\*: The criteria to be satisfied to access the bonus 1.26:1 FSR on LAHC land includes:

- 30% of residential floor area is used for social housing;
- 20% of residential floor area is used for affordable housing;
- no less than 13,000 m<sup>2</sup> is used for a non-residential purpose;
- no less than 5,000 m<sup>2</sup> is used for community facilities, health facilities, or centre-based child-care facilities;
- BASIX commitments for water and energy are exceeded by not less than 10 points for energy and 5 points for water;
- adequate open space is provided in the precinct, and

- arrangements for the provision of publicly accessible open space have been made to the satisfaction of Council.

In summary, the application of the FSR controls would result in the following on LAHC land.

**Table 4: Equivalent GFA on LAHC land with Proposed FSR controls**

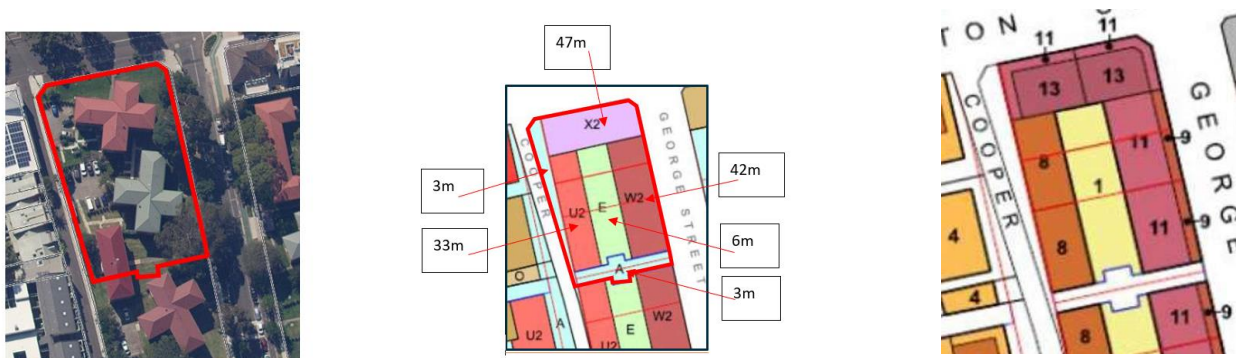
LAHC Land	Proposed Requirement	GFA	% of GFA	Council reported Unit Nos
Non-Residential	Min of 13,000m <sup>2</sup>	13,000m <sup>2</sup>	7.4%	NA
Community / Health	Min of 5,000m <sup>2</sup>	5,000m <sup>2</sup>		
<b>Total Residential GFA</b>	81,031m <sup>2</sup> x 3.036 FSR minus 18,000m <sup>2</sup> non-res GFA	<b>228,010m<sup>2</sup></b>		
Social Housing	Minimum GFA Required = 228,010 Res GFA X 30%	68,403m <sup>2</sup>	27.8%	920
CHP Housing	Minimum GFA Required = 228,010 Res GFA X 20%	45,602m <sup>2</sup>	18.5%	613
Market Housing	Max is balance of permitted GFA	114,005m <sup>2</sup>	46.3%	1534
<b>Total LAHC GFA</b> (on 81,031m <sup>2</sup> B2 and B4 zoned land)		<b>246,010m<sup>2</sup></b>	<b>100%</b>	<b>3067</b>

**Table 5 Planning Proposal height controls**

The height of building (HOB) map defines maximum heights above existing ground levels as summarised in Table 5 .

Subject Land	Current Height	Proposed Height
LAHC lots	No LEP controls (South Sydney DCP 1997 is 9m)	Variable 3m to 47m + RL126.4m for 3 towers (approx. height of 100 to 110metres)
Private lots	15m-18m	Variable 9m-35m

The Height of Building (HOB) map utilises the 3m and 6m building height control to mandate building depths of 12 to 16m, prescribe the location of communal open space, roads and private laneways in the Council’s Design Guide. Figure 2 illustrates how the HOB map is used to implement the Council’s concept plan. A copy of the HOB map and the Design Guide building envelopes are at Part 1.5 of this report.





**Figure 2:** Extract from the planning proposal's Height of Building Map (centre) illustrating how building heights have been applied to implement the Council's concept plan in the Design Guideline (right).

## Site Specific Provisions

The proposal includes a number of site specific provisions as follows:

- defining for FSR incentive provisions (as outlined above);
- limiting the 10% design excellence bonus at Clause 6.21 of the LEP to GFA only;
- defining social housing;
- defining affordable housing and requiring it to be owned and managed by a registered community housing provider;
- applying an Active Street Frontages Map that requires some ground floor premises to be used for either business, retail, community facilities, health facilities and/or child-care;
- requiring the Waterloo South Design Guide to be considered in the assessment of future development applications;
- requiring a development control plan or concept DA for development on LAHC land;
- ensuring that the floor area (GFA) available across the LAHC lands can be utilised by any land the subject of this planning proposal;
- turning off SEPP (Affordable Rental Housing) 2009 to prevent the use of floor space bonuses; and
- turning off LEP clause 7.13 Affordable Housing Contributions for future development on LAHC land, to avoid double dipping.

## Affordable Housing

The proposal would facilitate the renewal of the Waterloo South Estate. The redevelopment of the LAHC land would achieve the following affordable housing, under the Site Specific FSR bonus controls noted above:

- 920 social housing units operated by the State government, and
- 613 affordable rental housing units operated by community housing providers,

In addition, the proposal seeks to insert a new Affordable Housing clause for land that benefits from rezoning. This is not proposed to apply to the LAHC land. This is to apply to four private properties at Cope Street and Wellington Street that would benefit from the Waterloo South planning proposal. Under the proposed Affordable Housing program the total contribution rate for the private properties would be:

- 9% of new floor area, being floor area created as a result of the planning proposal;
- 3% of the existing residential floor area; and
- 1% of existing non-residential floor area.

The planning proposal is supported by more detailed planning controls in the draft Waterloo Estate (South) Design Guide (the draft Design Guide) that was prepared by Council to be publicly exhibited in conjunction with this planning proposal. The Council's Design Guide requires that 10% or more of affordable housing dwellings should be designed for and occupied by Aboriginal and Torres Strait Islander people.

The Department notes that encouraging Aboriginal Community Housing Providers (ACHP) to deliver affordable rental housing in Waterloo would strengthen and grow community housing by Aboriginal organisations for First Nations people that have a strong cultural understanding of Aboriginal communities and their needs.

## 1.4 Site description and surrounding area

The Waterloo Estate extends over 18.98 hectares, comprising 13.4 hectares of developable land owned by the NSW Land and Housing Corporation (LAHC).

Waterloo Estate (South) extends over 10.8 hectares and is bounded by Raglan Street in the north, Cope Street in the west, McEvoy Street in the south, and Waterloo Park, Kellick Street, Gibson Street, Wellington Street and George Street to the east. See Figure 1. The site is within the City of Sydney local government area, approximately 1.5 kilometres south of Central Station and 600 metres north of Green Square Town Centre.

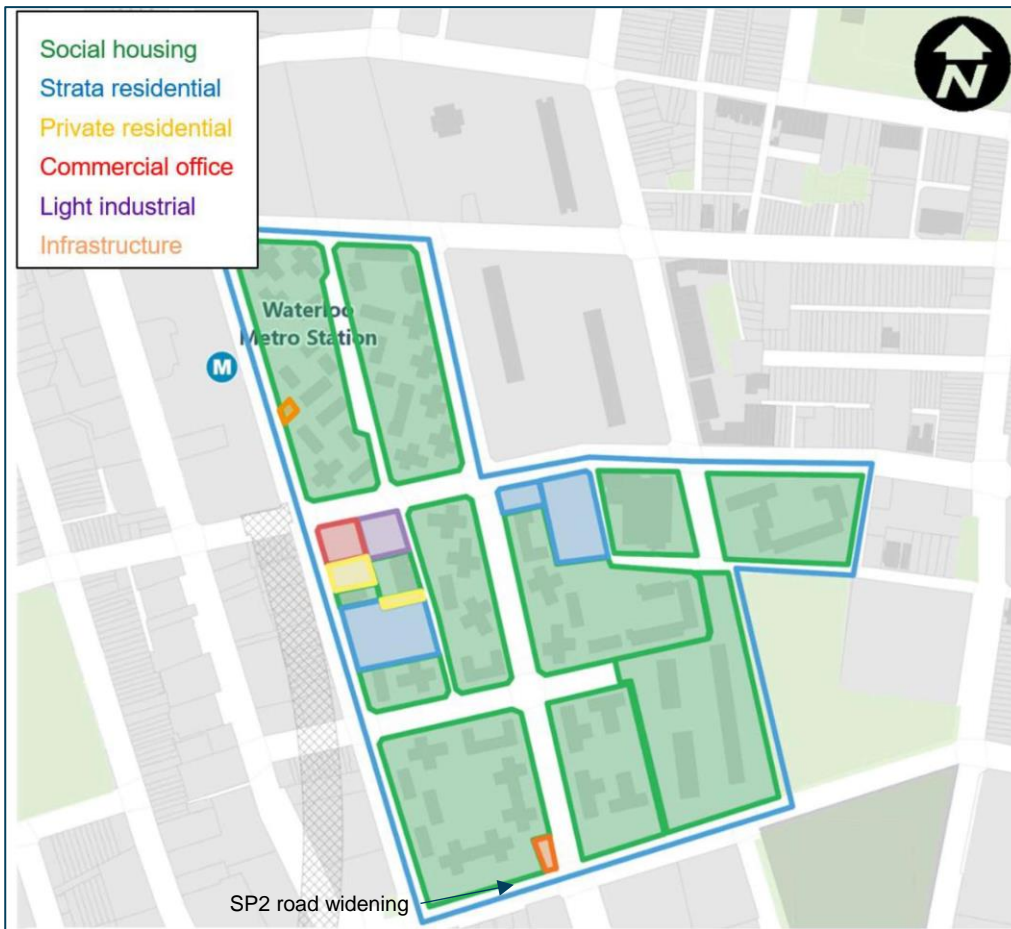
### Ownership and Landuses

The 10.8 hectare Waterloo Estate (South) precinct comprises predominantly social housing owned by the LAHC, private residential strata buildings and commercial landuses as depicted at **Figure 3** below and summarised at **Table 6**.

**Table 6 Existing Site area and Floor Space at Waterloo Estate (South)**

Subject Land	Site Area	Floorspace (GFA)	Description
LAHC Residential zoned land	81,031m <sup>2</sup>	70,000m <sup>2</sup> *	749 units
Private residential/ commercial lots	8,881m <sup>2</sup>	15,000m <sup>2</sup>	120 units + 3,000m <sup>2</sup> commercial
LAHC SP2 road widening (RMS)	1,090m <sup>2</sup>		
Internal Public roads	1.7ha		
<b>Total Land</b>	<b>10.8ha</b>		

**Note\*:** The existing GFA at Waterloo South is reported in the Council planning proposal as being 82,365m<sup>2</sup> while LAHC confirmed at 11.05.2021 it would be closer to **70,000m<sup>2</sup> GFA**, equating to an average of 93.5m<sup>2</sup> GFA per unit.



**Figure 3:** Waterloo Estate (South) existing landuses

Source: City of Sydney Report Feb 2021

### Built Form

Waterloo South accommodates mid-rise residential flat buildings ranging from 4 to 7 storeys in the eastern and southern parts of the site, and 3 storey walk up flats and terraces in the west.

Local heritage listed items in the precinct are privately owned and include the Duke of Wellington Hotel, Electricity Substation 174, the terrace houses at 229-231 Cope Street and the former Waterloo Pre-School at 225-227 Cope Street. The State Heritage listed *Potts Hill to Waterloo Pressure Tunnel and Shafts* passes underneath the precinct.

Substantial private buildings include:

- a five storey apartment building adjacent to the Duke of Wellington Hotel;
- 3 x 4 storey apartment buildings at 110 Wellington Street;
- 3 storey apartment building between Cooper Street and Cope Street; and
- 2-3 storey commercial building at the western end of Wellington Street.

The airport line railway tunnel also runs beneath the site.

### Housing Unit Mix

The existing housing in Waterloo South comprises 22.5% 0-1 bed dwellings and 77.5% 2+ bed dwellings. A greater proportion of smaller units are provided in Waterloo North and Central. The overall unit mix through the Estate is summarised in **Table 7** below.

**Table 7 Existing Unit Mix at Waterloo Estate**

Unit Mix	Waterloo Estate	Waterloo South
0-1 Bed	31.5%	22.5%
2 Beds	57.6%	49.0%
3+ Beds	10.9%	28.5%
Total Units	2012 units	749 units
Average beds/unit	1.8	2.07

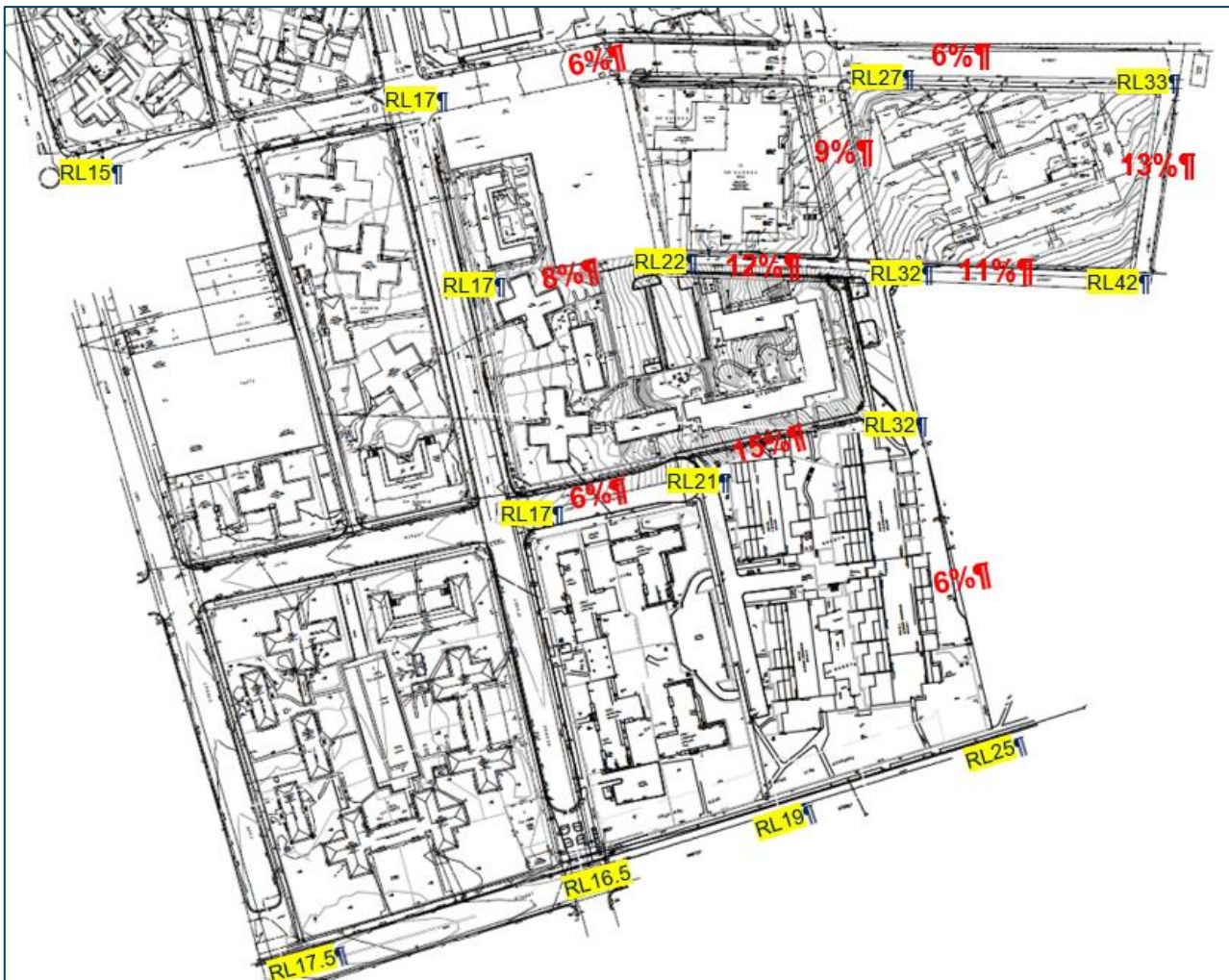
**Source:** Draft Built Environment Plan 2 [BEP2] Submission documents at 2011 and LAHC 11.05.2021

### Topography and Site Features

The Waterloo South topography falls 27 metres from east to west across 380 metres. The west of the precinct is predominately flat, with the land gently rising to the east from George Street to West Street with an average gradient of 6-8%. The gradient then increases noticeably from West Street towards Pitt Street and Kellick Street with an average gradient of 12-15%. The most elevated part of the site is at the corner at Kellick Street and Wellington Street with an elevation of RL42m. An annotated site survey provided at **Figure 4** overleaf illustrates the site's variable topography.

Significant fig and eucalyptus trees contribute to the sense of place and character of Waterloo South. Many existing high value trees are part of the streetscape experience, either street trees themselves or very close to the property boundaries.

Part of the site adjacent to McEvoy Street and adjacent to the intersection of Wellington Street and Cooper Street is constrained by stormwater overland flooding in the 1 in 20 and 1 in 100 year storm events. The Geotechnical report notes that the high groundwater table on the lower parts of the site may rise to the surface during floods.



**Figure 4:** Survey Plan with annotated spot levels and gradients by DPIE to indicate average gradients

### Adjacent Developments

Waterloo North extends over 3.2 hectares and incorporates two 30 storey slimline towers, Matavai and Tauranga, and two 17 storey slab towers with a total of 837 social housing units. Waterloo Central extends over 2 hectares and incorporates two 17 storey slab towers and a small retail building, with a total of 426 social housing units. Waterloo North and Central do not form part of this planning proposal however are part of the Waterloo Estate anticipated to be renewed by LAHC in the future.

The built form to the south of McEvoy Street includes six storey mixed use buildings constructed to the property boundary, in a perimeter block configuration.

Adjacent to the west is the Waterloo Metro station and Metro Quarter development. The approved State Significant Development concept is for three mid-rise buildings between 4 and 10 storeys along Cope Street, and three towers of 23, 25 and 29 storeys above a 3 to 4 storey podium along Botany Road to a maximum RL116.9m. The metro quarter was expected to accommodate 700 residential units. The approved envelope is illustrated at **Figure 5**.

The Department is also assessing a modification application to alter the concept approval to replace 480 residential units with commercial floorspace, and a concurrent reconfiguration of bulk. The modified concept includes 220 residential units with 70 social housing units and 24 affordable housing units by a Community Housing Provider, 34,116m<sup>2</sup> of office, retail, student housing and a

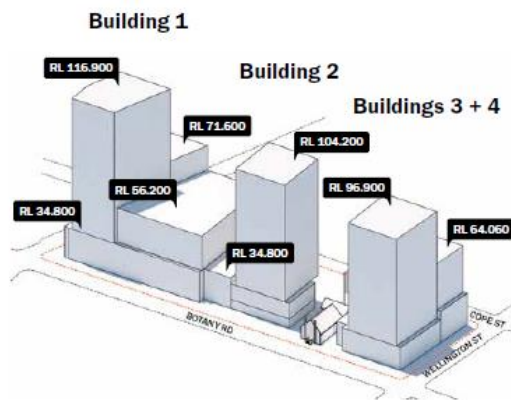


2,219m<sup>2</sup> (146 place) childcare centre. The concept anticipates any future development on the eastern side of Cope Street will not overshadow the Metro's 2,200m<sup>2</sup> Cope Street Plaza.

#### SSD-9393

##### Approved envelope, view from south-west

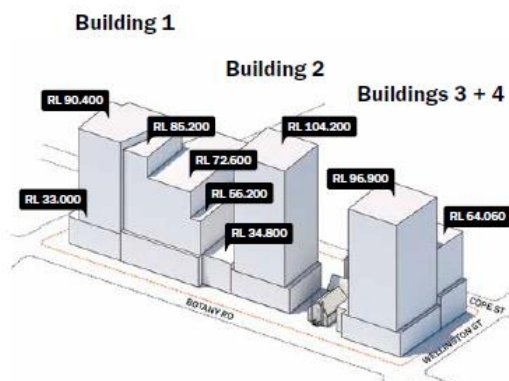
WMQ OSD Concept Application SSD-9393-  
Approved Building Envelope.



#### SSD-10441

##### Amended envelope, view from south-west

WMQ OSD Concept Application SSD-9393-  
Amended Building Envelope.



**Figure 5:** Extract of Waterloo Metro Development – Approved SSD-9393 and Proposed Modification SSD-10441

## 1.5 Mapping

The planning proposal includes mapping showing the proposed changes to Sydney LEP 2012 and South Sydney LEP 1998 maps, which are suitable for community consultation. A full set of proposed maps are included in the Council planning proposal Document at **Attachment A** and comprise the following:

- Land Application Map
- Locality and Site Identification Map
- Land Zoning Map
- Floor Space Ratio Map
- Height of Building Map
- Land Use and Transport Integration Map
- Heritage Map
- Public Transport Accessibility Level Map
- Acid Sulfate Soils Map
- Special Character Areas and Retail Map Sheet
- Active Street Frontages Map (new)



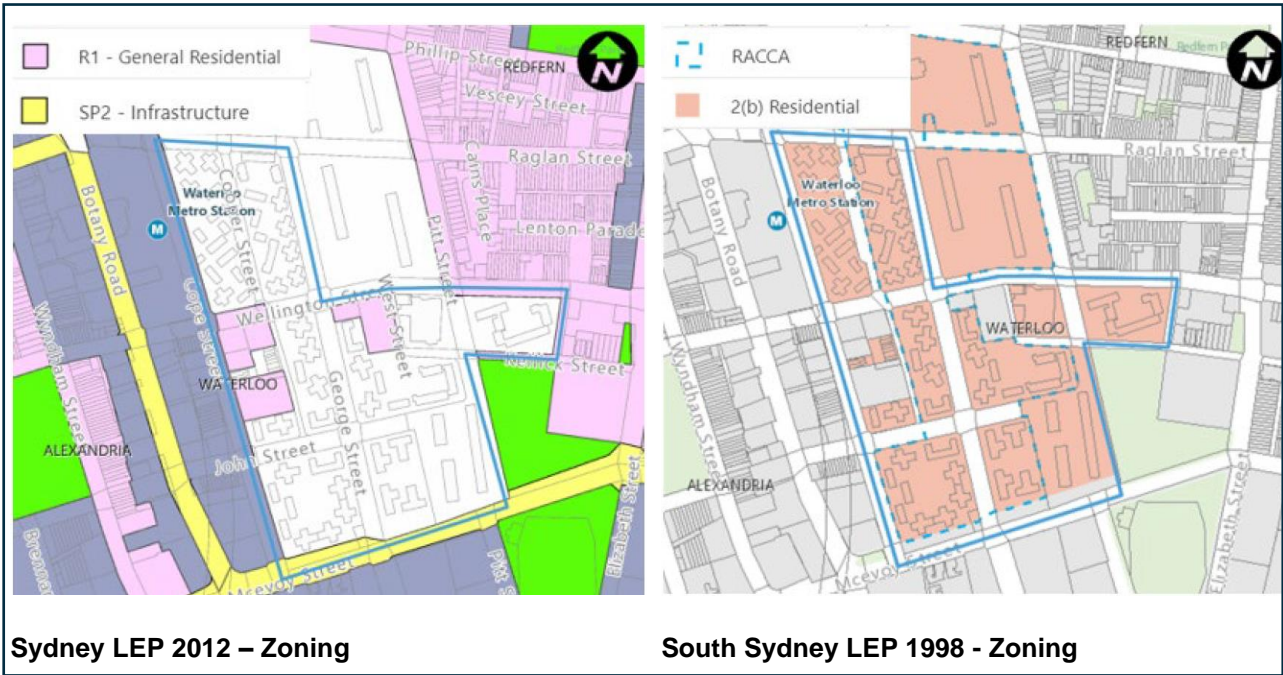
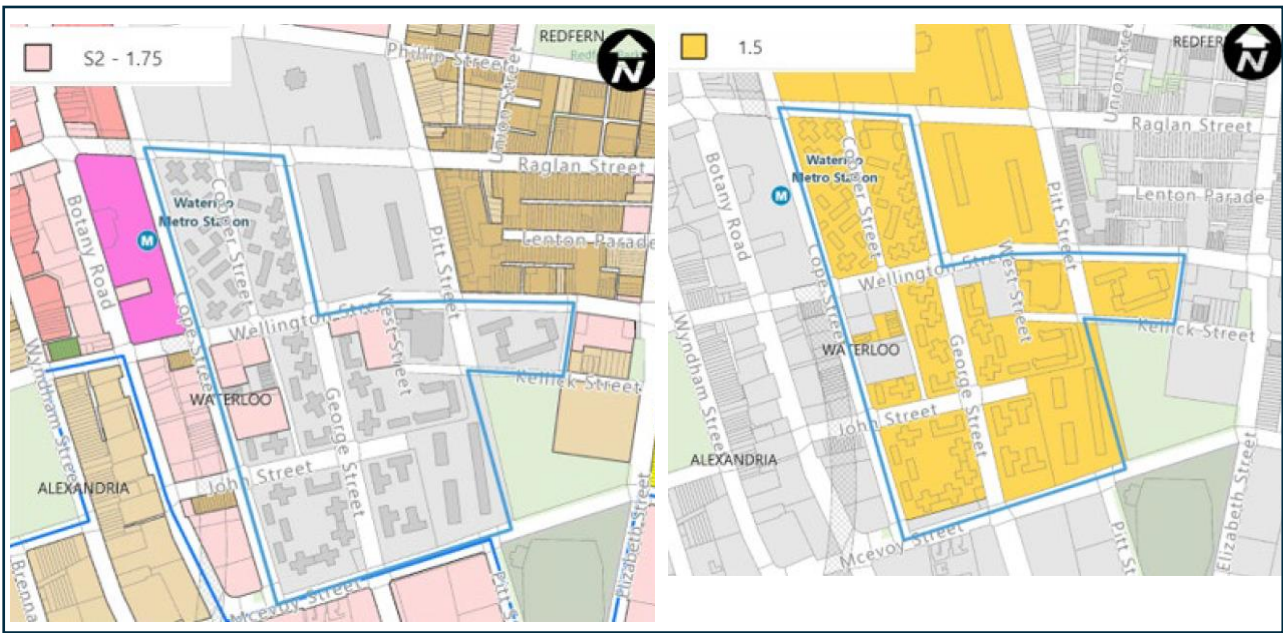


Figure 6: Existing Zoning Controls under Sydney LEP 2012 and South Sydney LEP 1998



Sydney LEP 2012 - FSR

South Sydney DCP 1997 Map - FSR

Figure 7: Existing Floor Space Ratio (FSR) Controls

The South Sydney DCP 1997 includes floor space ratio controls for the LAHC-owned lots on the site. The planning proposal document is unclear in that it identifies that the existing FSR control on LAHC lands is a DCP provision whereas the annotation at Figure 23 (pg 27 of planning proposal document) advises it is an existing LEP control. This inconsistency regarding the status of the existing planning controls is to be resolved in the amended planning proposal.

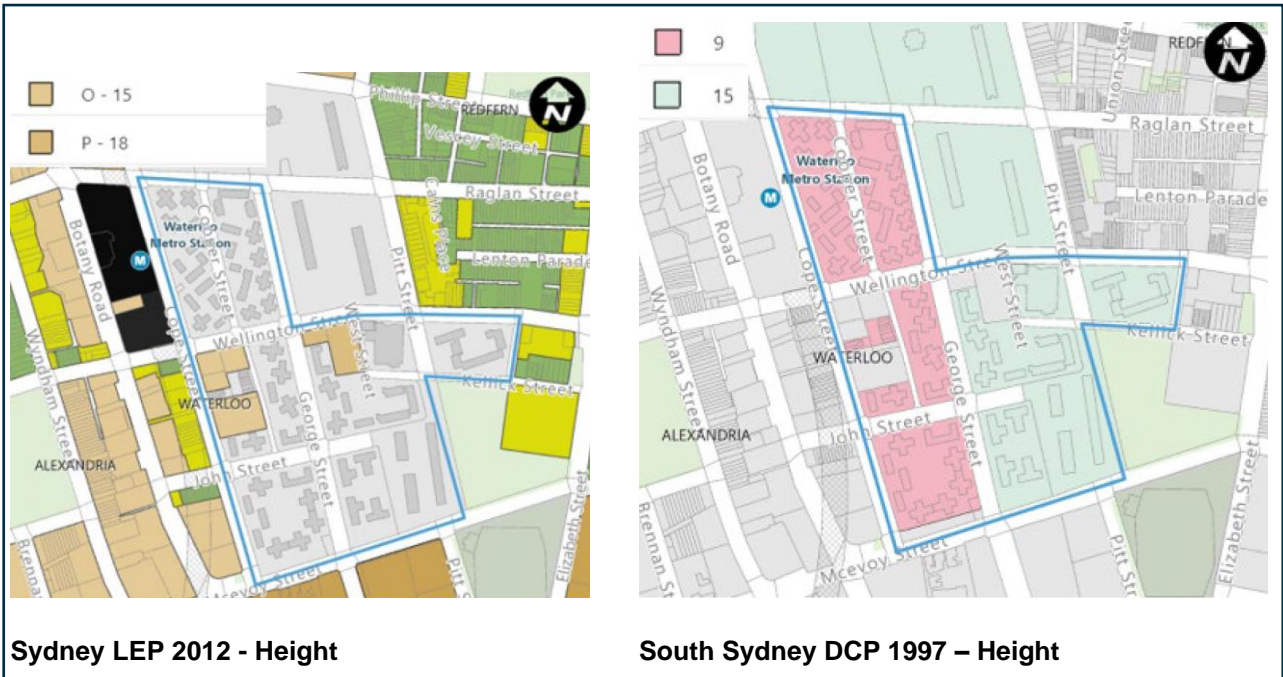


Figure 8: Existing Height of Building Controls



Figure 9: Proposed Zoning Controls under the Sydney LEP 2012



Figure 10 Proposed Floor Space Ratio Controls under the Sydney LEP 2012





**Figure 11 Proposed Height of Building Controls under Sydney LEP 2012**

The planning proposal is supported by more detailed planning controls in the draft Waterloo Estate (South) Design Guide (the draft Design Guide) that was prepared by Council to be publicly exhibited in conjunction with this planning proposal. The Design Guide is proposed to be a matter for consideration in the assessment of any future development applications at Waterloo South by virtue of a proposed site specific provision in the Sydney Local Environmental Plan 2012. The Draft Design Guide refines the buildings depicted in the proposed Height of Building map as copied at **Figure 12**:



**Figure 12 Refined building height controls in the Waterloo South Draft Design Guide**

For comparison, LAHC’s proposed distribution of building heights at Waterloo South is reflected in the concept plan at **Figure 13**.





Table 8 Comparison of LAHC and Council Planning Proposal

	LAHC	Council
<b>Zoning Map</b>		
LAHC Land	B4 Mixed Use and B2 Local Centre	B4 Mixed Use
LAHC Open Space	RE1 Public Recreation	B4 Mixed Use
Private Land	B4 Mixed Use	B4 Mixed Use
<b>Height of Building Map</b>		
LAHC Land	Variable RL71m to <b>RL126.4m</b> (concept plan comprised 9 towers (20-32 storeys) with the balance predominately 4 to 8 storeys)  <i>Limited road widening is depicted with a 3m height control</i>	<b>Max RL126.4m</b> Comprising 3 towers (30+ storeys) with the balance of buildings predominately 11-13 storeys <i>The HOB map prescribes building envelopes, an altered street layout, communal and public open space areas</i>
Private Land	RL71 to 72m (approx 50-55metres)	Mostly 30-35 metres
<b>Floor Space Ratio Map</b>		
LAHC Land	Variable 1.25:1 to 10.55:1 by lot	1.5:1 (+1.26:1 bonus)
LAHC Open Space	No FSR	1.5:1 (+1.26:1 bonus)
Private Land	3.09:1	1.75:1 (+0.25:1 bonus)
<b>FSR Bonus Controls</b>		
LAHC	Nil – Max FSR in the Map and Public Benefits via a Voluntary Planning Agreement	1.26:1 bonus, if: 30% social housing GFA + 30% CHP housing GFA + 13,000m <sup>2</sup> non-residential GFA + 5,000m <sup>2</sup> community GFA + Additional Basix targets + Undefined Open Space dedication
Total LAHC GFA (ex design excellence)	<b>257,000m<sup>2</sup></b>	<b>226,364m<sup>2</sup></b>
Private Land	Nil – FSR in the Map	0.25:1 bonus for additional Basix
<b>Retail Map</b> (where retail development >1000m <sup>2</sup> is not permitted)	Limited prohibition area	Prohibition area extends over the B4 zoned land
<b>Active Street Frontage Map</b>	Not proposed	Maps required ground floor non-residential adjacent to existing streets plus in mid block locations where no existing or proposed public roads are located
<b>Land Reservation and Acquisition Map</b>	Identifies Open Space	No Map
<b>Design Excellence</b>	+ 25,700m <sup>2</sup> if 10% GFA	+ 22,636m <sup>2</sup> if 10% GFA

LAHC has advised that “the existing planning controls would not be capable of supporting a feasible redevelopment of the entire site given the costs of demolition and construction, nor could they support the appropriate future mix of social (affordable rental) and private market housing”. (LAHC Planning Proposal pg 92) LAHC land is currently zoned Residential 2(b) under the South Sydney LEP 1998 and the South Sydney DCP limits the FSR to 1.5:1.



Under SEPP (Affordable Rental Housing) 2009 Division 1 (Infill Affordable Rental Housing) an additional FSR of up to 0.5:1 is permissible on the site. Therefore, the total potential residential gross floor area (GFA) permitted on the LAHC land is up to 161,942m<sup>2</sup> under the current planning controls.

The LAHC application proposed a total residential GFA of 239,100m<sup>2</sup> for units plus some 1,000m<sup>2</sup>+ for small community rooms within the social housing residential buildings. This equates to an increase in potential units from approximately 2,000 to 3,000 dwellings at Waterloo South. An additional 5,000m<sup>2</sup> GFA community floorspace and 12,000m<sup>2</sup> GFA retail floorspace was also proposed by LAHC that has been included in Council's proposal.

## 3 The Waterloo Independent Advisory Group (IAG)

### 3.1 Terms of Reference

As previously discussed at 1.2 of this report, LAHC does not support Council's planning proposal primarily because they consider it not financially viable. In response, Council resolved not to forward the planning proposal for Gateway to progress the redevelopment of Waterloo South until such time LAHC agree to deliver the infrastructure sought.

As Council and LAHC were unable to resolve the deadlock, the Minister for Planning and Public Spaces appointed the Secretary of the Department as the Planning Proposal Authority (PPA) for Waterloo South, so that it could be progressed for Gateway determination and public exhibition.

The Waterloo Independent Advisory Group (IAG) is a group of independent experts appointed by the Department to provide independent advice on the deadlock between Council and LAHC to inform the Gateway assessment to recommend if the planning proposal should proceed to public exhibition.

The objectives of the expert review by the IAG were to:

- *Critically analyse Council's planning proposal to be submitted for Gateway determination and LAHC's planning proposal.*
- *Assess the merits of key aspects of both planning proposals, in particular considering the financial viability of the two schemes and the balance of public benefits.*
- *Provide advice and recommendations to inform the Department's assessment and Gateway determination which will allow an acceptable planning proposal to be publicly exhibited.*
- *Recommend potential Gateway conditions to address changes (if any) to the planning proposal lodged by Council with Department.*

To achieve that, the IAG were to:

- *Review the Council report, planning proposal, supporting studies; LAHC's planning proposal, supporting studies and any other key documents nominated by the Council and LAHC.*
- *Interrogate LAHC's and Council's financial feasibility modelling and assumptions.*
- *Identify any site specific issues, provide advice and recommendations on the project:*
  - *Urban Design and place outcomes – including the appropriateness of building heights, distribution of floor space ratio, overshadowing, open space, street layout, and the mix of tall towers.*
  - *Housing mix – appropriateness and benefits/implications of the proposed housing mix (including the amounts of social/ affordable housing to be delivered).*

- *Public Benefits & Infrastructure Contributions – the appropriateness of the type and quantum of contributions when balanced against the development outcomes proposed.*

The IAG Report is at **Attachment F** and discussed at section 3.2.

## 3.2 Redevelopment Principles

The IAG identified four principles to guide the redevelopment of Waterloo South:

**Principle 1** *“This redevelopment must provide the full range of housing tenures to ensure a diverse community into the future.”*

The IAG strongly advocate for the maximum number of affordable rental housing units to be made available for development by the Community Housing sector.

**Principle 2** *“To accommodate the proposed density of development, the precinct must be developed with the highest urban amenity and design quality.”*

This includes:

- Support for Council’s building typology comprising predominately mid-rise perimeter block buildings, with a limited number of tall towers;
- A large public open space area;
- Widen George Street as a main street with ground floor non-residential uses;
- Maximise retention of mature trees; and
- Support for a Detailed Design Guide for achieving high quality outcomes.

**Principle 3** *“Every effort must be made to ensure that the existing communities on site are supported through the redevelopment process and, should they wish, be enabled to remain in the suburb after the development has taken place.”*

**Principle 4** *“Public benefits and infrastructure are to be provided by the successful tenderer to ensure that a high quality urban neighbourhood is achieved for this development.”*

This requires a Voluntary Planning Agreement be negotiated between Council and LAHC to comprise public infrastructure, open spaces, community facilities and affordable housing.

## 3.3 Financial Feasibility Findings

The NSW Land and Housing Corporation (LAHC) planning proposal comprised 239,100m<sup>2</sup> gross floor area of residential accommodation, providing for 3,048 dwellings, made up of a mix of market and social (affordable rental) housing. In line with the NSW Government policy *Future Directions for Social Housing*, LAHC proposed that 30% of dwellings (or 915 units) be provided for social housing units (SHU).

The LAHC scheme also included an LEP clause requiring 5% affordable housing (page 66), however it has been clarified that this was not to be dedicated to a Community Housing Provider (CHP) but rather be retained by LAHC and was to be counted within the 30% LAHC social housing target.

LAHC also advised that SHU are not the same average size as market housing in the Communities Plus scheme. Therefore allocating 30% of units to social housing is not equivalent to 30% gross floor area.

The City of Sydney Council (Council) planning proposal amended the LAHC scheme providing for 3,067 dwellings, comprising 30% gross floor area of social housing, 20% gross floor area of affordable housing by a CHP and 50% gross floor area of market housing.

While Council and LAHC agree that Waterloo Estate (South) is to accommodate some 3,060 residential units, the unit mix and total gross floor area differs. See **Table 9** below.

**Table 9 Residential Yield and Unit Mix Assumptions on LAHC Land**

Unit Size	Council		LAHC	
	SHU/CHP	Market	Social	Market
Studio	16.8%	16.6%	20%	5%
1-Bed	34.9%	35.6%	20%	33%
2-bed	41.8%	41.2%	48%	50%
3-Bed	6.5%	6.5%	12%	12%
Total	1534	1533	915	2133
Total Res GFA	230,492m <sup>2</sup>		239,100m <sup>2</sup>	

The IAG assessed the Council's scheme and concluded that

*“this is not feasible by a considerable margin. The main reason for this is that the addition of 612 affordable units displaces the same number of market units. Since the proceeds of sale of the market units fund the SHUs the reduction of market units undermines the feasibility of the Proposal.” (page 61, Option 1 IAG Report)”*

The IAG's key observations from its financial feasibility analysis are that (page 60):

- *Any reduction in the overall density (apartment yield) had a negative impact on financial feasibility. This is caused by a number of fixed, or close to fixed, development costs (such as, the cost of precinct wide infrastructure, roads, services and public open spaces), which do not vary with the numbers of apartments developed.*
- *Any increase in affordable housing has a heavy negative impact on overall feasibility. This is because affordable units displace market units (given SHU numbers are held constant), the revenues from which cover the cost of SHUs and the majority of affordable unit costs.*
- *The built form of the planning proposal affects both cost and revenue. The Council planning proposal is, generally speaking, a much lower rise built form. This results in more of the floor space being developed at lower levels in the development and less at high rise levels. This causes a reduction in construction costs, due to the avoidance of some costs associated with building higher rise building. It also results in lower overall revenues because apartments at higher levels sell at higher rates than lower level apartments. Generally speaking, the loss of revenues is a more significant impact than the savings in construction costs.*
- *Changes to floor plate configuration affect building efficiency and in turn the feasibility of the development. The perimeter block configuration adopted by the Council planning proposal produces a slightly less efficient ratio between the net sellable area and gross floor area. Around 80% rather than 85% which LAHC have used as the basis for their proposal.*

The planning metrics adopted by the Waterloo IAG to achieve development at no cost to government is recorded at **Table 10** below.

**Table 10 Waterloo IAG Planning Metrics to meet its ‘No Cost to Government’ Assessment**

Residential Tenure	Unit Nos x Size	Net Sellable Floorspace <sup>1</sup>	Equivalent GFA per LEP <sup>2</sup>
Social Housing Units (SHU)	847 units @ 62m <sup>2</sup> ea	52,514m <sup>2</sup>	61,781m <sup>2</sup>
Market Housing	1976 units @ 70m <sup>2</sup> ea	138,320m <sup>2</sup>	162,730m <sup>2</sup>
Affordable Housing by a Community Housing Provider (CHP)	237 units @ 62m <sup>2</sup> ea <i>(not to be constructed by LAHC)</i>	14,694m <sup>2</sup>	17,287m <sup>2</sup>
Non-Residential Floorspace			17,000m <sup>2</sup>
<b>Total</b>			<b>258,798m<sup>2</sup></b>

Note <sup>1</sup>: The Waterloo IAG unit numbers, average unit sizes and net sellable floorspace as at 14 May 2021.

Note<sup>2</sup>: The Waterloo IAG advised to apply an 85% efficiency to convert Net Sellable floorspace to a Planning GFA as defined by the Sydney LEP 2012 as at 15 May 2021.

**It is noted that the above results in the following:**

- a. That LAHC develops a 30/70% split of social to market housing (847/1976);
- b. A net increase of 98 social housing units (from 749 to 847 units);
- c. A net increase of 237 community housing units from what occupies the site now, equating to 10% that could be developed in the future in terms of the net additional units at Waterloo South (3060 total minus 749 existing units being replaced); and
- d. A residential unit mix comprising 27.7% SHU, 7.7% CHP and 64.6% market housing.

A development scenario involving LAHC constructing some 2,800 units with 30% social housing units, which is similar to the recommended scheme noted at (a) above, was reported by the IAG as potentially feasible but marginal, as discussed at page 48 of the IAG report (and extract copied below).

## Impact of density on financial feasibility

In addition to the impact on the numbers of social housing units, the reduction in density also has some impact on the feasibility. Using the IAG feasibility assessment, the financial feasibility objective of no additional government funding contribution is achieved at a density of 3060 with 30% social housing. However, if the overall development density is reduced, the feasibility of the development is negatively impacted despite the ratio of market and social housing being kept constant. At 2800 units (an 8% reduction in density), the development is potentially feasible but marginal. At 2600 units (15% reduction), the development is unlikely to be financially feasible.

It can be seen that the density alone is a critical variable in the feasibility calculations.

The Department notes and supports the above advice from the IAG that LAHC needs to develop at least 2,800 units to achieve the objectives of Communities Plus at no cost to Government. As discussed in the assessment at Part 5, the Gateway conditions require that the provision of social and market housing by LAHC is to be consistent with planning metrics in Table 10 to achieve a 30/70 split of social to market housing (847/1976) and achieve financial viability.

The IAG discusses the development efficiencies adopted within its assessment at Part 6.5 of the IAG report. During the course of the IAG's work there has been significant effort to ensure there is a sound understanding of the proposed built form and its alignment with the proposed development density and the financial feasibility of the development. The IAG advised the following:

*We have assumed that an 80% efficiency can be achieved between the net sellable area and Development GFA (For clarity this GFA is based on fully enclosed covered areas). As an example, 100 m<sup>2</sup> of net sellable area required 125 m<sup>2</sup> of Development GFA. This efficiency has been used in the IAG outline feasibility model.*

*For the purposes of testing the built form outcomes and the floor space ratio we have used an efficiency of 85% on the basis that lift shafts, stair well and risers are not counted as floor space in calculating the Planning GFA. This efficiency has been used by the IAG as the basis to calculate floor space ratio.*

The IAG further recommended that:

*In light of the impact of these efficiency assumptions on the feasibility of the Waterloo South Planning Proposal, the IAG recommends that the Council, LAHC and the Department jointly commission a study to test and validate the assumed floor plate efficiencies between building envelope, GFA and net sellable area before finalising the Gateway.*

The gateway conditions recommend that the planning proposal authority undertake the detailed analysis of the efficiency assumptions recommended by the IAG. This analysis is to determine how the sellable floorspace relied upon at **Table 10** is best reflected in the floor space ratio (FSR) controls.

In addition, the efficiency testing is to confirm that the 80% construction efficiency relied upon in the feasibility model (sellable floorspace to development floorspace) is consistent with the proposed planning controls. Development floorspace includes all the enclosed building elements to be constructed (excl balconies), some of which are typically excluded from an FSR calculation such as communal stairs and wall widths. The results are to be exhibited concurrently with the planning proposal to assist the community and stakeholders in commenting on the revised planning proposal.



## 4 Strategic assessment

### 4.1 Regional Plan

The following table provides an assessment of the planning proposal against key aspects of the Metropolis of Three Cities – The Greater Sydney Regional Plan.

**Table 11 Regional Plan assessment**

Regional Plan Objectives	Assessment of Consistency
<p><b>Objective 1</b> – Infrastructure Supports the Three Cities</p>	<p><b>Satisfactory</b></p> <p>This planning proposal proposes to capitalise on an opportunity created by a new metro station at Waterloo, a city-shaping transport infrastructure project that forms part of Sydney Metro City and Southwest, to provide additional housing near jobs and transport.</p>
<p><b>Objective 2</b> Growth infrastructure compact</p>	<p><b>Requires amendment</b></p> <p>The Regional Plan notes that while development needs to support the funding of infrastructure at an appropriate level, it should not be unreasonably burdened to the extent that projects become unviable. The assessment by the Waterloo Independent Advisory Group confirms that the Council planning proposal is not financially viable and therefore requires modification to support development contributions.</p>
<p><b>Objective 4</b> Infrastructure use is optimised</p>	<p><b>Satisfactory</b></p> <p>To maximise asset utilisation, new developments need to incorporate demand management. The planning proposal includes mechanisms to reduce the provision of on-site parking. The recommended gateway conditions require the planning proposal to address this Objective.</p>
<p><b>Objective 7</b> Communities are healthy, resilient and socially connected</p>	<p><b>Satisfactory</b></p> <p>The planning proposal achieves Objective 7 through the requirement for new public parks, the inclusion of non-residential land uses that activate George Street, a walkable community with improved pedestrian linkages and the provision of community facilities.</p>
<p><b>Objective 8</b> Greater Sydney's communities are culturally rich with diverse neighbourhoods</p>	<p><b>Satisfactory</b></p> <p>The Council's design guideline requires significant Aboriginal culture and heritage of the area will be acknowledged, respected and celebrated as an integral part of placemaking.</p>
<p><b>Objective 10</b> Greater Housing Supply</p>	<p><b>Requires amendment</b></p> <p>The Regional Plan identifies that where there is significant investment in mass transit, urban renewal may be investigated. As noted at Objective 2, the Council's planning proposal is not financially viable and financial feasibility needs to be resolved to ensure the site can contribute to housing supply.</p>



Regional Plan Objectives	Assessment of Consistency
<p><b>Objective 11</b></p> <p>Housing is more diverse and affordable</p>	<p><b>Requires amendment</b></p> <p>The Regional Plan notes that within Greater Sydney, affordable housing targets generally in the range of 5-10 per cent of new residential floor space are viable. The City's proposed provision requiring 30% social housing and 20% affordable housing is not financially viable, as noted at Objective 2. In addition, the viability of a 9% affordable housing levy on the private sites needs to be tested in accordance with the Department guidelines on SEPP 70 and adjusted if required prior to exhibition. This is discussed further at 5.2.2 and addressed via Gateway Conditions.</p>
<p><b>Objective 12</b></p> <p>Great Places that bring people together</p>	<p><b>Satisfactory</b></p> <p>Waterloo Estate (South) provides a connected and walkable place with open space, community facilities and a vibrant high street.</p>
<p><b>Objective 13</b></p> <p>Environmental heritage is identified, conserved and enhanced</p>	<p><b>Additional work required prior to exhibition</b></p> <p>An updated heritage assessment is required to discuss the relationship between Council's amended building envelopes and adjacent heritage items and conservation areas.</p>
<p><b>Objective 14</b></p> <p><i>A Metropolis of Three Cities</i> – integrated land use and transport creates walkable and 30-minute cities</p>	<p><b>Satisfactory</b></p> <p>Waterloo Estate (South) locates new dwellings in a well-connected precinct supported by a public transport, walking and cycling network.</p>
<p><b>Objective 30</b></p> <p>Urban Tree Canopy Cover is Increased</p>	<p><b>Additional work required prior to exhibition</b></p> <p>The Plan recommends that Urban renewal precincts prioritise expanding the urban tree canopy in the public realm. The planning proposal's inclusion of restricted building envelopes on the Height Map requires the removal of a number of existing canopy trees. This is discussed at 5.1.3 and addressed via Gateway Conditions.</p>
<p><b>Objective 31</b></p> <p>Public open space is accessible, protected and enhanced</p>	<p><b>Satisfactory</b></p> <p>The Regional Plan supports opportunities to contribute to the open space network so that all high density residential areas are within 200 metres of open space. The planning proposal incorporates extensive public open space as discussed at 5.3.1 and addressed via Gateway Conditions. Renewal enabled by the proposal would allow investment in higher quality and more accessible public open space.</p>
<p><b>Objective 33</b></p> <p>A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change</p>	<p><b>Satisfactory</b></p> <p>Developing the Metropolis of Three Cities and aligning land use with transport planning will help slow emissions growth by planning the location of new homes near public transport, walkways and cycling paths. The proposal to provide for additional housing adjacent to a new Metro Station is consistent with this vision.</p>

Regional Plan Objectives	Assessment of Consistency
<p><b>Objective 34</b></p> <p>Energy and water flows are captured, used and re-used</p>	<p><b>Satisfactory</b></p> <p>The planning proposal is consistent with the objective to increase energy and water efficiency in renewal precincts.</p>
<p><b>Objective 36</b></p> <p>People and places adapt to climate change and future shocks and stresses</p>	<p><b>Additional work required prior to exhibition</b></p> <p>The site is constrained by stormwater flooding, as documented in the Aecom report (March 2020) prepared for the LAHC scheme. An updated flood study was not provided in support of the Council scheme that alters the building envelopes and southern park that includes an overland flow area. This is discussed further at 5.1.2 and addressed via Gateway Conditions.</p>
<p><b>Objective 38</b></p> <p>Heatwaves and extreme heat are managed</p>	<p><b>Additional work required prior to exhibition</b></p> <p>This planning proposal provides opportunity for landscaping and green roofs to mitigate the urban heat island effect. Additional work is required to identify opportunities for the retention of existing canopy trees.</p>

## 4.2 District Plan

The site is within the Eastern City District and the Greater Sydney Commission released the Eastern City District Plan on 18 March 2018. The plan contains planning priorities and actions to guide the growth of the district while improving its social, economic and environmental assets.

The planning proposal is consistent with the priorities for infrastructure and collaboration, liveability, productivity, and sustainability in the plan as outlined below.

The Department is satisfied the planning proposal generally gives effect to the District Plan in accordance with section 3.8 of the *Environmental Planning and Assessment Act 1979*. Inconsistencies are the subject of conditions to be dealt with before exhibition. The following table includes an assessment of the planning proposal against relevant directions and actions.

**Table 12 District Plan assessment**

District Plan Priorities	Assessment of Consistency
<p><b>Planning Priority E1</b></p> <p>Planning for a city supported by infrastructure</p>	<p><b>Requires amendment</b></p> <p>Priority E1 has not been addressed in the planning proposal. This includes actions to align forecast growth with infrastructure and maximise the utility of existing infrastructure assets to reduce the demand for new infrastructure.</p> <p>The infrastructure and public benefit required by Council impacts the financial feasibility and scale of the project. The Waterloo IAG has provided recommendations to resolve this matter. This is discussed further at 5.2 and addressed via Gateway Conditions.</p>

District Plan Priorities	Assessment of Consistency
<p><b>Planning Priority E3</b> Providing services and social infrastructure to meet people’s changing needs</p>	<p><b>Satisfactory</b></p> <p>The planning proposal includes the provision of social infrastructure including a minimum of 5,000m<sup>2</sup> of floor space for community facilities, childcare facilities and health facilities and the dedication of land for public parks and roads.</p>
<p><b>Planning Priority E4</b> Fostering healthy, creative, culturally rich and socially connected communities</p>	<p><b>Satisfactory</b></p> <p>The District Plan encourages a diversity of housing types including affordable rental housing and social housing at Waterloo (pg31-32) supported by facilities that promote health and social networks, such as pedestrian networks, cycling links, community hubs, and sharing spaces like open space and high streets. These elements are all promoted in the planning proposal.</p> <p>Action 13 includes the need to strengthen the economic self determination of Aboriginal communities which could be supported through the participation of Aboriginal Community Housing Providers (ACHP) in delivering some affordable rental housing in Waterloo. Encouraging ACHPs to grow and strengthen their capabilities would assist in growing community housing by Aboriginal organisations that have a strong cultural understanding of Aboriginal communities and their needs. This could be undertaken in partnership with and supported by the NSW Aboriginal Housing Office. The provision of affordable housing on the site by community housing providers is addressed at 5.2 of this report.</p>
<p><b>Planning Priority E5</b> Providing housing supply, choice and affordability with access to jobs, services and public transport</p>	<p><b>Satisfactory</b></p> <p>The Plan recognises the urban renewal of Waterloo under Communities Plus as an important contributor to housing supply and choice. (pg39)</p>
<p><b>Planning Priority E6</b> Creating and renewing great places and local centres, and respecting the District’s heritage</p>	<p><b>Satisfactory</b></p> <p>The planning proposal requires commercial development to be provided on the ground floor of the mixed-use buildings along George Street to create a local centre that is a focal point of the neighbourhood, consistent with priority E6.</p> <p>This priority also notes that creating and renewing streets as great places is important to improving liveability. This planning proposal creates a walkable and accessible neighbourhood with a mix of land uses and existing heritage items are to be retained.</p>

District Plan Priorities	Assessment of Consistency
<p><b>Planning Priority E10</b></p> <p>Delivering integrated land use and transport planning and a 30-minute city</p>	<p><b>Requires amendment</b></p> <p>Action 36 includes to plan for urban development that is integrated with, and optimise opportunities of, the public value and use of Sydney Metro as well as other city shaping projects. The planning proposal constrains redevelopment of this precinct to a particular and prescribed urban form and gross floor space with specific proportions of social and affordable rental housing and open space. The Department's assessment concludes the Proposal is not financially viable. The Waterloo IAG provided recommendations to resolve this matter that require alterations to the Council's planning proposal as discussed at 5.2 and addressed via Gateway Conditions.</p>
<p><b>Planning Priority E11</b></p> <p>Growing investment, business opportunities and jobs in strategic centres</p>	<p><b>Additional work required prior to exhibition</b></p> <p>Priority E11 has not been addressed in the planning proposal. To manage the growth and change of the Eastern City District's centres, a hierarchy for centres has been established that identifies Green Square-Mascot as a strategic centre. While there is general agreement between Council, LAHC and the IAG on the need to provide for non-residential uses to support the redevelopment of Waterloo South, there is some disagreement on the legislative mechanism to achieve this agreed outcome.</p> <p>Council proposes a B2 Local Centre zone over 24,630m<sup>2</sup> of land at Waterloo South, rather than a B4 Mixed Use zone as proposed by LAHC. If the B2 zoned land was developed to its potential, being 24,630m<sup>2</sup> x an FSR of 1.5:1 or more, it may impact on existing centres. This matter is discussed at 5.2.3 and addressed via Gateway Conditions.</p>
<p><b>Planning Priority E17</b></p> <p>Increasing urban tree canopy cover and delivering Green Grid connections</p>	<p><b>Additional work required prior to exhibition</b></p> <p>The impact on the existing urban tree canopy cover is discussed at 5.1.3 and addressed via Gateway Conditions.</p>
<p><b>Planning Priority E18</b></p> <p>Delivering high quality open space</p>	<p><b>Satisfactory</b></p> <p>This planning proposal requires extensive public spaces and open space. The renewal of the precinct provides the opportunity to ensure this is high quality.</p>
<p><b>Planning Priority E19</b></p> <p>Reducing carbon emissions and managing energy, water and waste efficiently</p>	<p><b>Additional work required prior to exhibition</b></p> <p>The planning proposal requires development to exceed BASIX in order to access the bonus FSR. This is acceptable provided the total package of pre-conditions to access the bonus FSR is financially viable. The FSR bonus provisions require modification and further testing as discussed at 5.2 and addressed via consent conditions.</p>

District Plan Priorities	Assessment of Consistency
<p><b>Planning Priority E20</b></p> <p>Adapting to the impacts of urban and natural hazards and climate change</p>	<p><b>Additional work required prior to exhibition</b></p> <p>Priority E20 has not been addressed in the planning proposal. As previously discussed under Objective 36 of the Regional Plan, the site is subject to overland stormwater flow and localised flooding. This is discussed at 5.1.2 and addressed via Gateway Conditions.</p>

## 4.3 Local

The proposal states that it is consistent with the following local plans and endorsed strategies. It is also consistent with the strategic direction and objectives, as stated in the table below:

**Table 13 Local strategic planning assessment**

Local Strategies	Assessment of Consistency
Local Strategic Planning Statement	<p>Council has noted the planning proposal gives effect to the following planning priorities of the planning statement:</p> <ul style="list-style-type: none"> <li>• I1 Movement for walkable neighbourhoods and a connected city</li> <li>• I2 Align development and growth with supporting infrastructure</li> <li>• I3 Supporting community wellbeing with social infrastructure</li> <li>• L1 A creative and socially connected City of Sydney</li> <li>• L2 Creating great places</li> <li>• L3 New homes for a diverse community</li> <li>• S1 Protecting and enhancing the natural environment for a resilient City of Sydney</li> <li>• S2 Creating better buildings and places to reduce emissions and waste and use water efficiently</li> </ul> <p><i>The <b>GSC letter of assurance</b> to Council of March 2020 notes that notwithstanding the content of the LSPS, Ministerial Directions under Section 9.1 of the EP&amp;A Act and State Environmental Planning Policies continue to apply to the LGA. Compliance with Ministerial Directions and SEPPs are discussed in Sections 4.4 and 4.5.</i></p>

## 4.4 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below:

**Table 14 9.1 Ministerial Direction assessment**

Directions	Assessment of Consistency
1.1 Business and Industrial Zones	<b>Additional work required prior to exhibition.</b>

Directions	Assessment of Consistency
	<p>Council appears to be relying on provision 5(b) of this Direction that permits alterations to business zones if: <i>(b) justified by a study (prepared in support of the planning proposal) which gives consideration to the objective of this direction,</i></p> <p>The documentation submitted with the planning proposal does not satisfactorily assess the potential impact of the B2 Local Centre zone on existing strategic and local centres. This is discussed at 5.2.3 of this report.</p>
2.3 Heritage Conservation	<p><b>Additional work required prior to exhibition</b></p> <p>This requires the planning proposal to contain provisions to facilitate the conservation of environmental heritage and Aboriginal places or landscapes. This proposal facilitates a particular built form and height at the interface of Heritage items and Heritage Conservation Areas. An addendum heritage report was not submitted by Council with the planning proposal to address the impact of the amended building heights on the heritage significance of these adjacent properties. This is required to be undertaken prior to exhibition to assist the community and stakeholders in commenting on the planning proposal.</p>
2.6 Remediation of Contaminated Land	<p><b>Satisfactory</b></p> <p>The Preliminary Site Investigation provided by LAHC identifies potential sources of contamination, receptors and exposure pathways and presents a range of contamination recommendations which can be addressed at development application stage, consistent with this Direction.</p>
3.1 Residential Zones	<p><b>The base FSR on LAHC land does not comply.</b></p> <p>The planning proposal does not explicitly discuss compliance with the direction that requires the following:</p> <p><i>(4) A planning proposal must include provisions that encourage the provision of housing that will:</i></p> <p><i>(a) broaden the choice of building types and locations available in the housing market, and</i></p> <p><i>(b) make more efficient use of existing infrastructure and services, and</i></p> <p><i>(c) reduce the consumption of land for housing and associated urban development on the urban fringe, and</i></p> <p><i>(d) be of good design.</i></p> <p><i>(5) A planning proposal must, in relation to land to which this direction applies:</i></p> <p><b><i>(b) not contain provisions which will reduce the permissible residential density of land.</i></b></p> <p><i>(6) A planning proposal may be inconsistent with the terms of this direction if the relevant planning authority can satisfy the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) that the provisions of the planning proposal that are inconsistent are:</i></p> <p><i>(b) justified by a study prepared in support of the planning proposal which gives consideration to the objective of this direction, or</i></p> <p>The Council's development controls are framed as a 'base' with a 'bonus' that requires a number of conditions to be met to achieve the total FSR. If there are</p>



Directions	Assessment of Consistency
	<p>inadequate incentives or it is not viable for LAHC to access the FSR bonus, then the planning proposal effectively reduces the permissible residential density on land by:</p> <ol style="list-style-type: none"> <li>1. Preventing the use of SEPP (Affordable Rental Housing) 2009 that provides a bonus FSR of 0.5:1 for social housing developments. As the land is used for social housing, there is a decrease in the potential residential density from up to 2:1 to 1.5:1.</li> <li>2. Rezoning part of the site B2 Local Centre because part of the 'base' FSR is required to be for allocated to commercial floorspace. Based on the planning proposal, this may equate to a loss of residential FSR of at least 0.16:1.</li> </ol> <p>In order to comply with Ministerial Direction 3.1, the options include:</p> <ol style="list-style-type: none"> <li>a. Increasing the base FSR to 2:1, or</li> <li>b. Applying a maximum FSR, rather than utilising the 'bonus' mechanism.</li> </ol> <p>It is preferable that the base FSR be increased to 2:1 to be consistent with the Ministerial Direction to incentivise the provision of the public benefits sought by the additional FSR.</p>
3.4 Integrating Land Use and Transport	<p><b>Satisfactory</b></p> <p>This planning proposal is consistent with this direction because it is adjacent to the Waterloo Station on the Sydney Metro City &amp; South West project that is under construction and due to commence operations in 2024.</p>
3.5 Development Near Regulated Airports and Defence Airfields	<p><b>Satisfactory</b></p> <p>The Height of Buildings map limits the three tower buildings to the south of the site to RL 126.4 metres. No proposed increase in height in the planning proposal (or any other proposed control) will allow development to exceed the OLS level.</p>
4.1 Acid Sulfate Soils	<p><b>Satisfactory</b></p> <p>This planning proposal includes an acid sulfate soil map that would require any such soils to be managed at the DA stage.</p>
4.3 Flood Prone Land	<p><b>Does not comply</b></p> <p>This Ministerial Direction that requires:</p> <p><i>(6) A planning proposal must not contain provisions that apply to the flood planning areas which:</i></p> <ol style="list-style-type: none"> <li><i>(a) permit development in floodway areas,</i></li> <li><i>(b) permit development that will result in significant flood impacts to other properties,</i></li> <li><i>(c) permit a significant increase in the development of that land,</i></li> <li><i>(d) are likely to result in a substantially increased requirement for government spending on flood mitigation measures, infrastructure or services, or</i></li> <li><i>(e) permit development to be carried out without development consent except for the purposes of agriculture (not including dams, drainage</i></li> </ol>

Directions	Assessment of Consistency
	<p><i>canals, levees, buildings or structures in floodways or high hazard areas), roads or exempt development.</i></p> <p>The planning proposal is contrary to 6(b) as impact of overland flooding on the Council's building envelopes has not been quantified. The planning proposal is contrary to 6(c) as it contains provisions that appear likely to permit an increase in development on flood liable land. A planning proposal may only be inconsistent with this direction if the scheme is in accordance with a floodplain risk management plan.</p> <p>It is recommended that an updated technical flood report be undertaken prior to the exhibition of the planning proposal. This would allow the community and stakeholders to comment on the management of flood waters and any modifications to the distribution of the building envelopes to resolve compliance with this Ministerial Direction.</p>
5.10 Implementation of Regional Plans	<p><b>Capable of consistency with modifications</b></p> <p>The inconsistencies with the Regional Plan are to be addressed by condition, as discussed in detail under Section 4.1.</p>
6.1 Approval and Referral Requirements Consistent.	<p><b>Satisfactory</b></p> <p>The planning proposal does not include concurrence, consultation or referral provisions or identify any developments as designated development.</p>
6.3 Site Specific Provisions	<p><b>Does not comply. Modifications recommended.</b></p> <p>The objective of this direction is to discourage unnecessarily restrictive site specific planning controls. The planning proposal is inconsistent with this direction because it proposes site specific controls to allow a particular development concept to be carried out. Furthermore, the detailed building envelopes on the Height of Building Map limits the redevelopment to one particular concept.</p> <p>The Direction requires that a planning proposal may be inconsistent with the terms of this direction only if:</p> <p><i>the relevant planning authority can satisfy the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) that the provisions of the planning proposal that are inconsistent are of minor significance.</i></p> <p>The Gateway conditions require that site specific provisions be simplified so that they are of minor significance.</p>
7.1 Implementation of A Plan for Growing Sydney	<p><b>Capable of consistency with modifications</b></p> <p>The inconsistencies with the Greater Sydney Region Plan are to be addressed by condition, as discussed in detail under Section 4.1.</p>

## 4.5 State environmental planning policies (SEPPs)

The planning proposal is capable of consistency with all relevant SEPPs as discussed in the table overleaf.

**Table 15 Assessment of planning proposal against relevant SEPPs**

SEPPs	Assessment of Consistency
SEPP No 65— Design Quality of Residential Flat Development	<p><b>Additional work required prior to exhibition.</b></p> <p>The Waterloo IAG has recommended alterations to the building bulk to achieve a better place and urban design outcome and a feasible residential floor area that allows the scheme to be built at no cost to Government. It is recommended that this guide the height and floorspace ratio controls.</p> <p>As noted in the IAG's report, detailed work is needed to confirm the conversion of net sellable area to a gross floor area and then any Apartment Design Guide compliance. It is recommended this detailed work occur prior to exhibition to allow the community and stakeholders to comment on any minor changes (if any) needed to balance these technical matters.</p>
SEPP No.70 – Affordable Housing (Revised Schemes)	<p><b>Additional work required prior to exhibition.</b></p> <p>The planning proposal includes a floor space ratio bonus if 30% of residential floor space is used for social housing and 20% of the residential floor space is used for affordable housing. This has been established by the IAG as not financially feasible. The IAG report provided recommendations to resolve this matter as discussed at Part 3 of this report.</p> <p>In addition, there is no technical report demonstrating that the 9% affordable housing levy proposed to apply to the private sites is feasible and consistent with Department guidelines on SEPP No.70. It is recommended this detailed work occur prior to exhibition to enable the community and stakeholders to comment.</p>
SEPP (Affordable Rental Housing) 2009	<p><b>Not consistent.</b></p> <p>This planning proposal is to exclude the Waterloo Estate (South) from the SEPP (Affordable Rental Housing) 2009 that results in a reduction in the base FSR that currently applies to the site. This inconsistency can be resolved by amending the base FSR to apply to Waterloo South from 1.5:1 to 2:1 as recommended in the gateway conditions.</p>
SEPP (Building Sustainability Index: BASIX) 2004	<p><b>FSR bonus provisions apply amended targets.</b></p> <p>The planning proposal does not supersede BASIX, rather it provides a FSR bonus for the achievement of higher efficiency targets.</p>
SEPP (Housing for Seniors or People with a Disability) 2004	<p><b>Satisfactory</b></p> <p>This planning proposal will not contradict this SEPP.</p>
SEPP (Infrastructure) 2007	<p><b>Satisfactory</b></p> <p>This planning proposal will not contradict this SEPP.</p>

SEPPs	Assessment of Consistency
SEPP (State and Regional Development) 2011	<p><b>Satisfactory</b></p> <p>This SEPP identifies development that is of State or Regional Significance and nominates the development consent pathway. Development Control Plans do not apply to State Significant Development (SSD). Development applications for Waterloo South will likely be SSDs, taking into account the anticipated cost of work. The Council has prepared a draft Design Guideline and a mechanism in the planning proposal that requires the guideline to be considered as part of the assessment process. The Design Guideline is required to be updated through the planning proposal process by the planning proposal authority to ensure it is consistent with the planning controls. The draft Design Guideline is to be exhibited concurrently with the planning proposal to assist the community and stakeholders in commenting on the planning proposal. The final Design Guideline is required to be endorsed by the Secretary of the Department.</p>
SEPP (State Significant Precincts) 2005	<p><b>Satisfactory</b></p> <p>This planning proposal will not contradict this SEPP.</p>
SEPP (Urban Renewal) 2010	<p><b>Satisfactory</b></p> <p>This planning proposal will not contradict or hinder application of this SEPP.</p>

## 5 Site-specific assessment

### 5.1 Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

**Table 16 Environmental impact assessment**

Environmental Impact	Assessment
Building Bulk and Scale	<p>An updated Urban Design Report was prepared by Council to support the planning proposal. The Waterloo IAG is supportive of the Council's strategy to locate bulk in a greater number of mid-rise buildings and reduce the number of towers. The IAG's recommendations build on the Council's concept, recommending modifications to the building heights where they consider it has the least impact on the built form to deliver a total floor area that is financially viable with the range of public benefits sought. See discussion at 5.1.1.</p> <p>In addition, there are a number of updated technical reports required to inform the planning proposal that may require further minor changes. The technical reports required to support the rezoning of Waterloo were identified by the Department in 2017. The results of these technical assessments, updated shadow diagrams and any recommended alterations to the planning proposal should be documented in an addendum Urban Design report to be required as a Gateway condition. This will</p>

Environmental Impact	Assessment
	assist the community and stakeholders to respond to the updated planning proposal through the public exhibition process.
Stormwater and Flooding	It is recommended an updated stormwater assessment be undertaken prior to exhibition and any necessary modifications be made to the planning proposal. See detailed discussion at 5.1.2.
Urban Tree Canopy	An Urban Forest Study was submitted by LAHC. The planning proposal's restricted building envelopes may require removal of a number of significant canopy trees to achieve the minimum floorspace required. The Waterloo IAG has recommended that further canopy trees should be retained if possible. This should be considered as part of the addendum urban design assessment to be prepared and placed on public exhibition with the updated planning proposal. See 5.1.3.
Traffic, Access and Parking	A Transport report was submitted by LAHC. The Council concept modifies the proposed street network assessed in the LAHC report. It is recommended an updated report be undertaken prior to exhibition to assist the community and stakeholders.
Heritage and Aboriginal Archaeology	A Heritage Impact Statement and an Aboriginal Cultural Heritage Study were submitted by LAHC. The Council and IAG building envelopes alter the building bulk adjacent to Heritage items and Heritage Conservation Areas. It is recommended an updated report be undertaken prior to exhibition to assist the community and stakeholders.
Contamination and Geotech	A Geotechnical and Contamination Study was submitted by LAHC that is sufficient for the Gateway.
Biodiversity	A Flora and Fauna assessment was submitted by LAHC that is sufficient for the Gateway.
Noise, Vibration and Pollution	A Noise and Vibration Study, Air Quality Study and Light Spill Assessment were submitted by LAHC that are sufficient for the Gateway.
Wind	<p>A Pedestrian Wind Environment Study was submitted by LAHC. The Council prepared an Environmental Wind Assessment Report for its amended scheme. The Waterloo IAG have recommended modifications to the built form. The Waterloo IAG notes that wind impacts from the towers could be managed in a number of ways, as an alternative strategy to the removal of mid-floors as preferred by Council.</p> <p>It is recommended that an addendum technical report be undertaken prior to exhibition to identify the possible mechanisms available to manage wind to an acceptable level in Waterloo South, that is consistent with the building envelopes recommended by the IAG. This would assist the community and stakeholders in understanding the achievable wind conditions for the precinct. It is noted final resolution of wind issues will occur during future design excellence and development application process.</p>
Topography	The planning proposal identified that development will respond to the topography of the locality. Some of the blocks include relatively steep falls, particularly Block 7 (Kellick Street) and Block 10 (Mead Street East). It would assist if the addendum

Environmental Impact	Assessment
	urban design incorporated diagrams to illustrate how the levels changes are accommodated in the recommended building envelopes.
ESD and Climate Change Mitigation	A Climate Change Adaptation Study and an ESD Study was submitted by LAHC. The Gateway conditions recommend an addendum technical assessment identifying how adaptation actions are included in the concept plan, particularly in relation to extreme weather events.
Aeronautical	An Aeronautical Study was submitted by LAHC. There is no change to the maximum building height proposed (RL126.4) and therefore the report is sufficient for Gateway.

### 5.1.1 Building Bulk and Scale

#### (a) Gross Floor Area and Development Yields

Council and LAHC agree that Waterloo Estate (South) is to accommodate some 3,060 residential units, however the unit mix and total gross floor area required differs. The Waterloo IAG has calculated a gross floor area (GFA) in the vicinity of 258,798m<sup>2</sup> is required on LAHC's land to feasibly accommodate social housing, affordable housing by a community housing provider, market housing and non-residential floorspace. The Department recommends the precise GFA to achieve no cost to government is to be confirmed taking into account efficiency testing identified in the IAG report. The provision of infrastructure, public benefit and building bulk are important elements to balance within the planning framework for Waterloo South.

#### (b) Distribution of Building Bulk

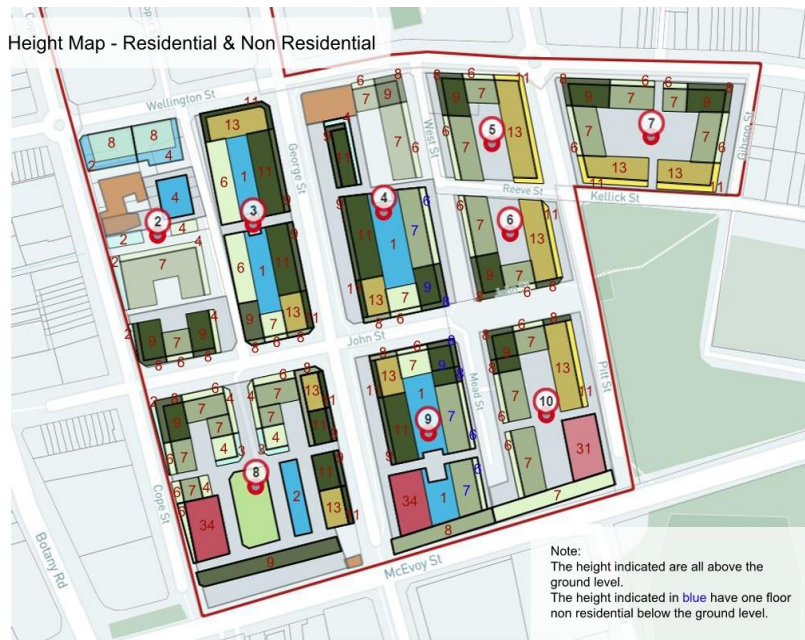
Council has a predominately 8-13 storey scheme with three tall towers, while LAHC has a predominately 4-8 storey scheme with nine tall towers and three 15 storey mid rise towers. See **Figure 11** for the Council concept and **Figure 12** for the LAHC concept.

The Waterloo IAG reviewed both of these schemes and supports a built form similar to the Council scheme (see **Figure 13**) that limits the number of towers and maintains the following public benefits and infrastructure:

- Provision of 847 social housing units at 62m<sup>2</sup>/unit;
- Provision of 1,976 market units at 70m<sup>2</sup>/unit;
- Provide Block 5 (17,287m<sup>2</sup> GFA) to a Community Housing Provider;
- LAHC is to construct extensive civil and social infrastructure;
- At least 17,000m<sup>2</sup> of non-residential floorspace; and
- Concentrate the building bulk to the south of Wellington Street to maintain the 2.2ha park.

The recommended gateway conditions require an addendum urban design assessment responding to additional technical reports to be undertaken. Once completed this work must inform amendment and simplification of the planning proposal's Height of Building map, guided by the Waterloo IAG storey height map and recommendations.





**Figure 13 Waterloo IAG Recommended Building Heights above ground (storeys)**

**(c) Floor Space Ratio Controls**

The Waterloo IAG noted an FSR of 3:1 for the LAHC land is very high for a residential precinct and that the consequence of this density is that the design either includes many towers (LAHC) or higher street and courtyard walls than would typically enable a development to achieve good solar access and amenity in order to accommodate the high number of units.

The Waterloo IAG financial feasibility assessment included **241,000m<sup>2</sup>** GFA for development by LAHC plus **17,668m<sup>2</sup>** GFA be available on LAHC’s land to be developed by a Community Housing Provider (CHP). The IAG identified Block 5 as a preferred location for the CHP units.

Two of the private sites in the precinct are proposed to have a maximum FSR (including bonus) in excess of 3:1 in the planning proposal endorsed by Council, including at 221-223 Cope Street and 116 Wellington Street. The visual bulk of development on the LAHC site exceeds 3:1 because the gross floor area is concentrated over a reduced site area, as noted below:

<b>Total Existing LAHC Land</b>	<b>82,121m<sup>2</sup></b>
Large Park	20,000m <sup>2</sup>
Small Park	1,000m <sup>2</sup>
Linear Civic Park	2,000m <sup>2</sup>
Local Roads	9,028m <sup>2</sup>
RMS Road	1,090m <sup>2</sup>
Block 5 (CHP)	3,452m <sup>2</sup>
Subtotal Parks, Roads, CHP	36,570m <sup>2</sup>
<b>LAHC Developable area</b>	<b>45,551m<sup>2</sup> (55% of site)</b>

The Department recommends the following suite of floorspace controls to facilitate the outcomes sought by the Waterloo IAG, while also ensuring compliance with Ministerial Directions:

- Modify the FSR Map to apply a base FSR of 2:1 on LAHC sites because of the requirement to comply with Section 9.1 Ministerial Direction 3.1(5)(b) that planning proposals are not to contain provisions which will reduce the permissible residential density of land.
- Modify the Site Specific control to prescribe a maximum FSR bonus that is consistent with the total sellable floorspace recommended by the Waterloo IAG to achieve financial feasibility, less the base FSR of 2:1. This is to incorporate the 10% floorspace bonus currently proposed through the design excellence process. This is recommended because the IAG floorspace advice relies on this additional 10% to deliver public benefits, such as affordable housing, which will be required by the planning controls.
- Notwithstanding the above, the planning controls should require LAHC to participate in the Design Excellence process to promote high quality outcomes. However, this should not entitle LAHC to additional floorspace or height.
- The exact FSR bonus is to be confirmed by the planning proposal authority taking into account the following:
  - the efficiency testing recommended by the IAG at part 3.3 of this report that may result in some minor changes to the gross floor area; and
  - any adjustments to remove any land identified on the Land Reservation and Acquisition Map. For example, if the large park to the north of Wellington Street is zoned RE1 and is identified on the Land Reservation and Acquisition Map, then an FSR control would not apply to the open space, and the FSR control for the LAHC land would need to be adjusted to allow the total net sellable floor area supported by the IAG.
- Subject to the efficiency testing recommended at part 3.3 of this report, prescribe a minimum gross floor area to be allocated to a Community Housing Provider(s) (CHP) on the site. Prescribing the total floorspace, rather than a specific block, addresses the consistency with Ministerial Directions that a concept plan is not to be mandated in an LEP. For example, the CHP floorspace might be delivered over 2 or more sites by different providers dispersed in the mixed tenure precinct. The Design Guide could be updated to identify assessment criteria for locating sites for CHP units. The affordable housing contribution rate is discussed further at 5.2.2 of this report.

#### **(d) The Height of Building Map**

The planning proposal's LEP Height Map mandates the Council's concept plan by applying precise height controls including 3m height controls in the middle of building envelopes. This effectively mandates courtyards in those locations and gives no flexibility in terms of building setbacks / depth and overall building configuration. **See Figure 11**. This is inconsistent with the objectives of Ministerial Direction 6.3 that compliance with a concept plan should not be mandated in an LEP unless it is of minor significance. It is not of minor significance for this planning proposal because of the need to respond to the environmental complexities of the site whilst achieving a prescribed floor area to fund the public benefits sought by Council.

Detailed design work is ordinarily undertaken at the design competition and/or Development Application stage to address matters such as compliance with the Apartment Design Guide, overshadowing, geotechnical constraints, and stormwater management. Any of these may require further refinement and improvement to the Council's concept plan. The planning proposal should give flexibility to change while requiring consideration of a detailed Design Guideline at the DA stage.

Some key technical studies are proposed prior to the exhibition of the planning proposal in the Gateway conditions to provide transparency and allow the community and stakeholders to comment in the event further changes are recommended to the planning proposal or Design Guideline.

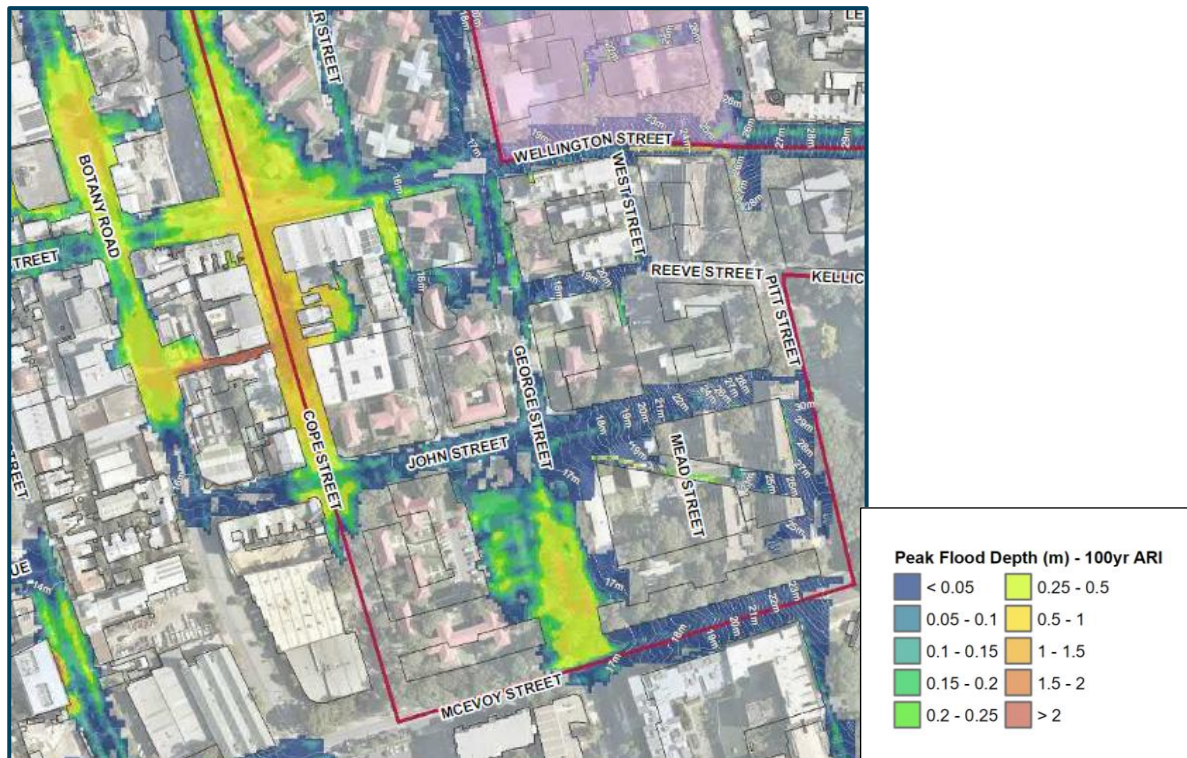
The Waterloo IAG has analysed the building envelopes in the Design Guide to assess the maximum building heights needed to achieve the required floorspace and have made recommendations about the redistribution of bulk. The Height of Building map in the Council's planning proposal is a more simplified version of the Design Guide.

Taking into account the above, the planning proposal's Height of Building Map is recommended to be amended prior to exhibition as follows:

- Using the Waterloo IAG storey height map as a guide (**Figure 13**) set simplified maximum heights above ground in the Height of Building Map, including an allowance for roof top communal facilities and flood levels;
- Remove the height controls that prescribe the exact location of private courtyards and laneways as this prevents the development responding to the site constraints during the detailed design stage and is inconsistent with Ministerial Directions that discourage concept schemes being mandated in an LEP;
- Remove the 3m building height control on land to be dedicated by LAHC to Council for roads or laneways. Prepare a Land Reservation Acquisition Map and address road dedication through a Voluntary Planning Agreement.

### 5.1.2 Flooding and Stormwater

A Water Quality, Flooding and Stormwater Study by Aecom (March 2020) was submitted in support of the LAHC Concept Plan. The land is subject to local overland flow and flooding in 1 in 20 year and 1 in 100 year storm events. As illustrated in **Figure 14**, in the LAHC concept overland flooding enters the site at the low point at the intersection of McEvoy and George Street, ponds between McEvoy and John Street, and then travels overland discharging at Cope Street. The report advises the majority of the site is within a floodplain and would be subject to the Flood Planning Level of 100 year ARI plus 0.5m freeboard.



**Figure 14:** 100 Year ARI with LAHC Scheme Source: Extract LAHC Flooding and Stormwater Study by AECOM

The Council concept reduces and relocates the southern park and narrows the overland flow path by flanking George Street with buildings between McEvoy Street and John Street. An updated flood study is required to quantify the impacts on the site and neighbouring properties, including flood levels, velocity and safety. It is recommended this technical study occurs prior to exhibition to allow the results to be considered by the community and stakeholders. Any alterations required to the building footprints to resolve flooding should be available for public comment during the public exhibition of the planning proposal.

### 5.1.3 Urban Tree Canopy

An Urban Forest Study by LAHC identifies significant canopy trees that contribute to the sense of place and character of Waterloo. As illustrated at **Figure 15** overleaf, the significant trees are typically concentrated within or immediately adjacent to existing roads.

The Council's amended concept plan alters the setback between a number of these trees and the building footprints to redistribute the floorspace. The Waterloo IAG has recommended additional canopy trees be retained where possible. An addendum arborist report is required to identify the existing trees capable of retention in the amended concept plan to assist the community and stakeholders in commenting on the plan during the public exhibition.

This should be considered as part of the addendum urban design assessment to be prepared and placed on public exhibition with the planning proposal.



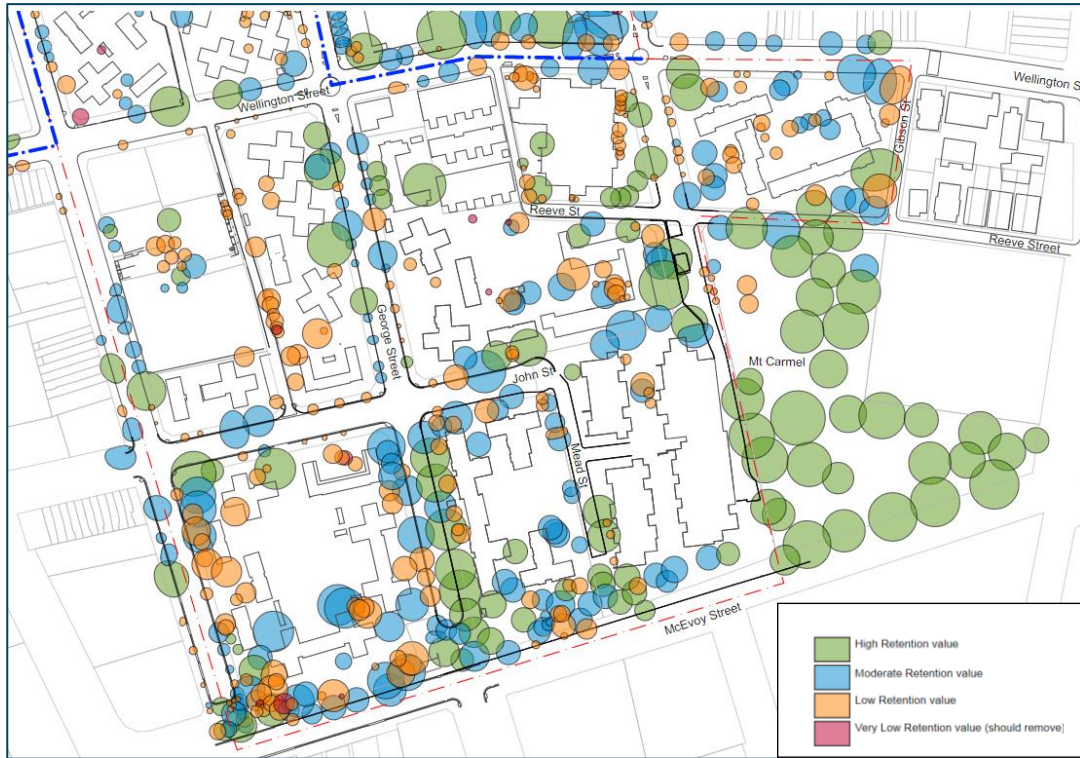


Figure 15: Extract LAHC Urban Forest Study identifying existing trees

## 5.2 Social and economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Table 17 Social and economic impact assessment

Social and Economic Impact	Assessment
Social Housing	The replacement of the existing social housing stock is discussed at 5.2.1.
Affordable Housing	The provision of affordable housing on the site by a community housing provider is discussed at 5.2.2
B2 Local Centre Zone	See discussion at 5.2.3.

### 5.2.1 Social Housing

*Future Directions for Social Housing in NSW* is underpinned by three strategic priorities:

- i. More social housing;
- ii. More opportunities, support and incentives to avoid and/or leave social housing; and
- iii. A better social housing experience.

The National Housing and Homelessness Agreement (NHHA) identifies NSW’s three inter-linked initiatives to achieve these strategic priorities as: Communities Plus, the Social and Affordable Housing Fund, and the transfer of management of 32% of public housing to the non-government sector to improve tenancy support.

The NHHA reports that Communities Plus is to deliver up to **23,000 new and replacement social housing dwellings, 500 affordable housing dwellings, and 40,000 private dwellings**. Major projects were identified as Ivanhoe Estate, Waterloo, Riverwood, Arncliffe, Telopea, Redfern and Villawood plus a number of other neighbourhood renewal sites.

There are currently 749 social housing units at Waterloo South. The IAG recommends that LAHC develop a mixed tenure scheme comprising 30% (847) social housing units and 70% (1976) market housing units. This would be supplemented by 237 affordable housing units to be constructed by a community housing provider (CHP) on part of LAHC's Waterloo South estate. Together the social housing and CHP affordable housing would achieve a net increase of **335 affordable rental units** at Waterloo South.

LAHC does not allocate social housing, instead this is the responsibility of the Department of Communities and Justice. However, LAHC advised it is intended to provide existing tenants with a right of return.

The Department recommends a total of 847 units be provided, a net increase from 749 existing. This amount allows LAHC to develop a mixed tenure scheme comprising 30% (847) social housing units and 70% (1976) market housing units to balance project feasibility and still allow for a portion LAHC land to be developed for affordable housing by a community housing provider. This is to be secured as one of the updates and modifications required by recommended gateway condition 1.

## 5.2.2 Affordable Housing and Feasibility

The Region Plan recommends Affordable Rental Housing Targets as a mechanism to deliver an additional supply of affordable housing. The Regional Plan notes that **so as not to inhibit housing supply outcomes, or affect existing home and property owners, the application of the target will be the subject of a viability test**. This includes an assessment of the uplift in land value created as a result of a rezoning decision, to be measured using a consistent viability test and core assumptions.

The Environmental Planning and Assessment Act 1979 defines affordable housing as

*“means housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.”*

SEPP No. 70 identifies that there is a need for affordable housing within the City of Sydney. Section 8 of SEPP No.70 provides the following definition for 'affordable housing':

### 8 Definition of “affordable housing”

*For the purposes of the definition of affordable housing in section “1.4 (1) of the Act, very low income households, low income households and moderate income households are those whose gross incomes fall within the following ranges of percentages of the median household income for the time being for the Greater Sydney (Greater Capital City Statistical Area) according to the Australian Bureau of Statistics:*

<i>Very low income household</i>	<i>less than 50%</i>
<i>Low income household</i>	<i>50 or more but less than 80%</i>
<i>Moderate income household</i>	<i>80–120%</i>

The Eastern District Plan has identified that a mix of social, affordable and market housing is anticipated within the Waterloo Estate, as reflected in the extract below:

*“The District includes social housing in places such as Waterloo. Targeted local responses to address spatial variations in socioeconomic disadvantage across the Eastern City District*



*are required, particularly in neighbourhoods that experience greater disadvantage. This includes creating communities where social housing is part of the same urban fabric as private and affordable housing; where people have good access to transport and employment, community facilities and open spaces which can therefore provide a better social housing experience.” (pg 31-32)*

The provision of affordable housing on the site by Community Housing Providers (CHP) is an important goal, subject to a viability test. This may also provide an opportunity for Aboriginal CHPs to participate in affordable housing provision at Waterloo, that would promote engagement with First Nations people founded on self-determination and economic participation as envisaged by the Regional Plan. The ambitions need to be continually considered by the PPA and LAHC as the planning proposal is updated and progressed.

The Waterloo IAG strongly supports the provision of affordable housing by Community Housing Providers to promote housing tenure diversity. The Department also supports this outcome being delivered for Waterloo South.

It is the responsibility of the Planning Proposal Authority seeking to impose an affordable housing contribution to demonstrate that it is financially viable. The IAG found that the quantum of social housing (30%) and affordable housing (20%) proposed by Council is not financially feasible by a considerable margin. Financial feasibility of a project is a requirement of the Regional Plan. The viability test applied by the IAG is not the ‘*uplift in land value as a result of rezoning*’ as reference in The Regional Plan, but is rather a more generous viability test of ‘*no cost to government*’ to maximise public benefits from the renewal.

The IAG’s aspirational target that 10% of all units (including social housing) be allocated to a Community Housing Provider (CHP) is noted and supported by the Department. Departmental policies and Clause 7.13(6) of the Sydney LEP 2012 do not endorse the levying of social housing units or CHP units to fund more affordable housing. Rather, an affordable housing levy is ordinarily applied to the market housing component of a development, subject to viability.

At Waterloo South the market housing is already being leveraged to fund the social housing and public infrastructure under the Communities Plus model. Therefore, if there is no appetite by the Principal Planning Authority or the community to increase the overall floorspace, then the 79,068m<sup>2</sup> of residential floorspace located to the south of Wellington Street for social and CHP housing in the IAG’s feasibility model will need to be shared between the two tenures.

The Gateway conditions recommend that between 5% and 10% of net additional units be developed as affordable housing by a Community Housing Provider, subject to the additional efficiency testing recommended by the IAG as discussed previously at 3.3 of the report. The Gateway conditions require that a minimum gross floor area for this landuse be prescribed within the site specific provisions to secure this outcome.

Secondly, it is noted that Council is seeking to impose a 9% affordable housing levy on the private properties on the site. To date, the planning proposal documents do not demonstrate that this is financially feasible in accordance with the Department’s Affordable Housing guidelines. This is required to be further addressed as a Gateway condition.

### 5.2.3 Local Centre Zone

Ministerial Direction 1.1 includes provisions that planning proposals are to protect existing business zones and support the viability of identified centres. New employment areas are to be consistent with an endorsed strategy or justified by a study having regard to the objectives of the ministerial direction.

Green Square-Mascot is identified as a strategic centre in the Eastern District Plan. The Green Square town centre is located in walking distance from Waterloo South some 600 metres to the south of McEvoy Street.

The planning proposal includes a B2 Local Centre zone over 24,630m<sup>2</sup> of LAHC land at Waterloo South, rather than a B4 Mixed Use zone as originally sought by LAHC. See **Figure 8**. Both the B2 and B4 zones permit centre-based child care facilities, commercial premises, community facilities, medical centres and shops. The key difference between the zones is that the B4 zone is typically partly mapped as a *Restricted Retail Development* area pursuant to Clause 7.23 of the LEP that prohibits development for the purpose of a shop with a floor area larger than 1,000m<sup>2</sup> outside of the Green Square Town Centre and local centres.

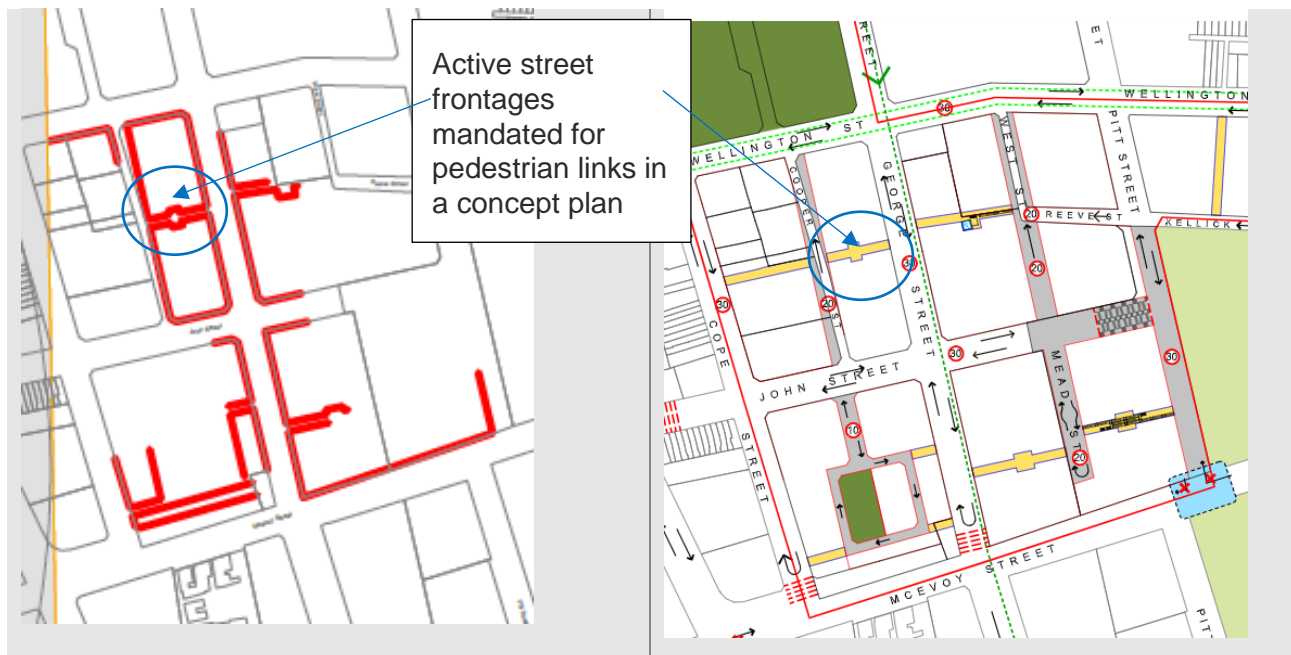
The Council has prepared a *Retail Review report* dated Sept 2020 in support of the B2 Local Centre zone. The Council *report* references the LAHC study that identifies economic support for 11,200m<sup>2</sup> of retail floorspace at Waterloo South by 2024, increasing to 15,000m<sup>2</sup> by 2036. The retail report does not assess the potential impact of a 24,630m<sup>2</sup> B2 zone on existing local and strategic centres if it was developed to its potential with an FSR of 1.5:1 or more. For example, this could equate to a retail floorspace area of 25,000m<sup>2</sup> to 40,000m<sup>2</sup>.

Secondly the retail review needs to be updated to take into account the Department's recently exhibited proposal to replace the existing Business (B) zones with new Employment zones under the Standard Instrument Principle LEP and any implications for Waterloo South.

The Retail Review should also address the planning rationale of imposing a B4 rather than B2 zone to the existing commercial buildings on private land fronting Wellington Street.

Lastly, the Departments does have concerns with the active street frontage map. See Figure 16 below. The purpose of Clause 7.27 *Active street frontages* is to require business or retail development on the ground floor of buildings that face a street. The Active Street Frontage map is proposed to apply to land that does not adjoin an existing or proposed street. The map is being used to enforce a concept plan in the Design Guide, contrary to Ministerial Directions. All future public streets and laneways should be depicted on a Land Dedication and Acquisition Map.

It is recommended that this issue is addressed amending the Active Street Frontage Map as outlined in the recommended gateway conditions.



**Figure 16:** Extract of Active Street Frontage Map (left) compared to Council's Road Dedication Map (right) where grey areas depict roads to be dedicated and yellow are pedestrian links on private land in Council's concept plan.

## 5.3 Infrastructure

The provision of infrastructure, public benefit and development yield are important elements to balance within the place based planning framework for Waterloo South. This balance is to be financially feasible in accordance with Objective 2 of The Regional Plan.

### 5.3.1 Public Open Space

Council's Open Space, Sport and Recreational Needs Study 2016 (the 2016 Study) adopts a benchmark from the Department's 2010 Recreation and Open Space Planning Guidelines for Local Government that 15% of all land excluding industrial land should be provided as open space. The Department's 2010 guidelines identify that the 15% benchmark comprises 9% local and district open space and 6% regional open space such as the Botanic Gardens or Darling Harbour. Open space includes parks, 10m wide linkages and sporting fields.

The 2016 Study prioritises the need to acquire larger sites in The City to accommodate sporting activities (pg129). The 2016 Study recommends that any land acquired for local parks be 3,000-5,000m<sup>2</sup> in area (pg132).

The planning proposal comprises the following open space:

- 2.2 hectare park north of Wellington Street;
- 1,000m<sup>2</sup> local park in the south of site; and
- 2,000m<sup>2</sup> linear civic space x 10m wide (var) at George Street (east).

The provision of **2.5 hectares of open space** at Waterloo South is equivalent to **13.2%** of the 18.98 hectare Waterloo Estate site, excluding any allowance for future public open space at Waterloo North and Waterloo Central. While this exceeds the **benchmark that 9%** of land be provided for local and district open space, it is noted the Waterloo urban renewal precinct provides a unique opportunity to address the need for larger parks identified in Council's 2016 Study.

In the 2019 Preferred Masterplans by Council and LAHC the existing communal open space at ground level in Waterloo North and Central is expected to be reduced, with some public open space anticipated near George Street. (See extracts **Figure 17** overleaf).

The provision of a public open space network that exceeds the adopted benchmark that 9% of land be provided for local and district open space is achieved by concentrating the floorspace south of Wellington Street. While taken alone this is agreed to be a positive ambition, the implications of this choice are there is greater pressure on the project feasibility (less land to develop), need for more height on the remaining areas to be developed and the ability to deliver larger amounts of social or affordable housing are also under greater pressure. This is an important element to note in balancing the site's building bulk, public benefits and financial feasibility. The Waterloo IAG supports the size and distribution of public open space in the Council's planning proposal.

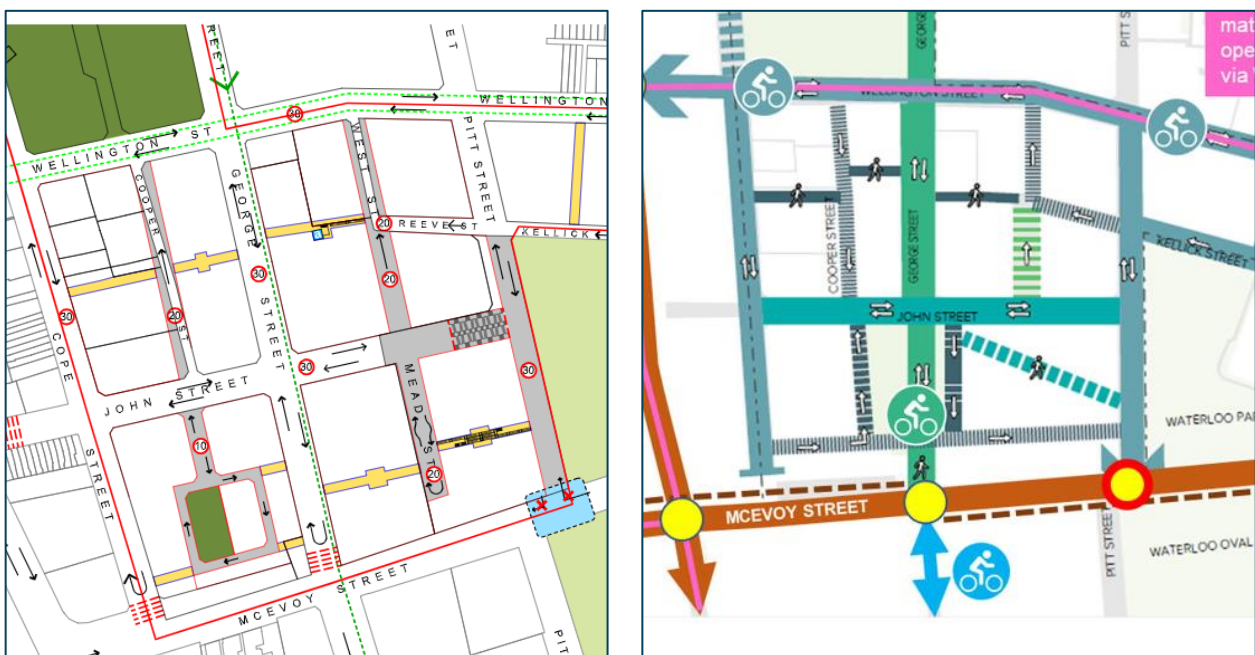




**Figure 17:** Extract 2019 Preferred Masterplans for Waterloo North and Central, by Council (left) and LAHC (right)

### 5.3.2 Roads and Pedestrian Links


The Council concept modifies the proposed street network assessed in the Transport assessment undertaken by LAHC. As shown in **Figure 18** the Council road network (left) includes dead-end streets requiring vehicles to undertake U-turns, including in George Street, whereas the LAHC street network (right) allows for vehicles to travel in a forward direction. It is recommended an updated Transport report be undertaken prior to exhibition to assist the community and stakeholders understand the implications of Council’s alternate scheme. The recommendations from the updated transport report should be addressed in the planning proposal and the draft Design Guide.



**Figure 18:** Extract of Proposed Road and Pedestrian networks, Council (left) and LAHC (right)

Secondly, the proposed roads and pedestrian links required by Council are currently depicted by a 3m height control on the planning proposal's Height of Building Map. Land required to be dedicated for road widening is required to be identified on a Land Reservation and Acquisition map.

For example, land to be dedicated as a road that is to be zoned B4 Mixed Use would be annotated as local road on the Land Reservation Acquisition Map with a corresponding amendment to Clause 5.1 of the Sydney Local Environmental Plan 2012 as follows:

Type of land shown on Map	Authority of the State	Local Road (B4) Local Road (B4) Local Road (B4)
Zone B4 Mixed Use and marked "Local road"	Council	

The location of pedestrian links is a matter to be included in the Design Guide to address Ministerial Directions that concept plans are not to be included in an LEP, unless they are also depicted on the Land Reservation and Acquisition map. The dedication of land is a matter that should be further resolved prior to the exhibition of the planning proposal to provide more certainty for the community. A gateway condition is recommended to ensure all land dedications are identified on a Land Reservation and Acquisition Map.

### 5.3.3 Community and Commercial Facilities

Council reported a need for 2,400m<sup>2</sup> for a purpose-built multi-purpose community facility, that would be provided by a voluntary planning agreement. An additional 2,600 square metres was identified as required for health and childcare facilities to be owned and managed by commercial, not-for-profit or state government operations.

Council reported that 5,000 square metres of floor space for community facilities, childcare facilities and health facilities is at the upper end of the ranges provided by the needs analysis, that could be located in the mixed-use buildings along George Street. The planning proposal requires 5,000 square metres of floor space for community facilities, childcare facilities and health facilities be provided as pre-condition to accessing the FSR bonus controls. This is generally consistent with LAHC's planning proposal.

## 6 Consultation

### 6.1 Community

The planning proposal document endorsed by Council in February 2021 proposed a public exhibition period of 60 days. The extended exhibition period was to assist the community in understanding the proposal and make the necessary submissions.

The planning proposal Authority (PPA) will be responsible for public consultation. In accordance with section 6.5.2 of the Department's 'A guide to preparing local environmental plans' notification in writing to all affected and adjoining landowners is required. The Gateway conditions require that the PPA consult with Council to ensure that exhibition material is available in an accessible location

for the Waterloo South community, in addition to be provided online, and address consistency with City of Sydney Community Participation Plan 2019.

It is considered in this instance the PPA be responsible for determining the format and duration of the exhibition, ensuring the community have adequate opportunity to understand and comment on the proposal. Noting the significant community interest in this proposal a public exhibition period should be greater than the minimum required 28 days. The gateway should be conditioned to require at least 42 days for the public exhibition and PPA can elect to have a longer period of time.

## 6.2 Agencies

It is recommended the following agencies be consulted on the planning proposal and given 42 days to comment:

- City of Sydney Council;
- NSW Land and Housing Corporation;
- NSW Environment, Energy and Science;
- Heritage NSW;
- Transport for NSW;
- NSW Environment Protection Authority;
- Sydney Trains and Sydney Metro;
- Civil Aviation Safety Authority;
- Sydney Water;
- Utilities providers including Ausgrid and Jemena;
- NSW Aboriginal Housing Office;
- Aboriginal Affairs NSW;
- Department of Education;
- Sydney Local Health District; and
- Department of Communities and Justice.

## 7 Timeframe

Council proposes a 12 month time frame to complete the LEP.

The Department supports a 12 month time frame to 1 June 2022 to ensure it is completed in line with its commitment to reduce processing times. It is recommended that if the gateway is supported it also includes conditions requiring council to exhibit the proposal by specified milestone dates.

## 8 Local plan-making authority

As the site is of state and regional significance, the Department is to be the local plan-making authority for this proposal. The Department will consult with Council during the drafting of the instrument.



## 9 Assessment Summary

The planning proposal is supported to proceed with conditions for the following reasons:

- It can be consistent with the Eastern City District Plan and the relevant section 9.1 Ministerial Directions and State Environmental Planning Policies, with modifications.
- It is consistent with City of Sydney's Local Strategic Planning Statement.
- It will deliver positive social effects including the renewal of social housing and additional affordable housing within a mixed tenure community, supported by additional community and commercial facilities.

As discussed in the previous sections 4 and 5, the proposal should be updated to:

Undertake and respond to the following technical reports:

**Table 18 Additional Technical Documentation to be Prepared and Considered**

Study	Addendum Reports
IAG efficiency testing	<p>The efficiencies applied in the IAG feasibility modelling for the redevelopment of the LAHC land requires further testing, as noted at Part 6.5 of the IAG report. This analysis is to determine:</p> <ul style="list-style-type: none"> <li>i. how the sellable floorspace relied upon by the IAG per <b>Table 10</b> of the Gateway report is best reflected in the FSR controls and</li> <li>ii. how the 80% construction efficiency relied upon by the IAG for the residential development (net sellable area to development floorspace) in the feasibility model can be achieved by the proposed planning controls.</li> </ul> <p>The results of the analysis is to be exhibited concurrently with the planning proposal to assist the community and stakeholders in commenting on the revised planning proposal.</p>
2. Urban Design	<p>Provide an addendum assessment that responds to the amended proposal and additional technical reports. This should address, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Converting the net sellable area to a gross floor area using the perimeter block typology in the Design Guide,</li> <li>• Ensure the required sellable residential floorspace can be achieved in the planning proposal, as per the Waterloo IAG financial feasibility planning metrics,</li> <li>• Compliance with SEPP 65 and the Apartment Design Guide,</li> <li>• Updated overshadowing diagrams for the revised scheme,</li> <li>• Additional drawings on built form on steep sites with cross falls, and</li> <li>• Address the recommendations of updated technical studies.</li> </ul>
5. Transport	An updated transport assessment of the proposed road network.
6. Housing	A financial feasibility assessment of the impact of the 9% affordable housing levy on the private lands in accordance with Department guidelines for affordable housing schemes under SEPP No.70.

Study		Addendum Reports
10.	Climate Change Mitigation and Adaptation	An addendum report to address storm events and flooding with the amended proposal.
11.	Heritage	An addendum report to address the amended proposals building envelopes and relationships to heritage. Address Ministerial Direction 2.3.
14.	Urban Forest	An addendum to address the Council concept, including opportunities to retain additional canopy trees.
17.	Water Quality, Flooding and Stormwater	A new report to address stormwater management and flooding from overland flow with the amended proposal. Address Ministerial Direction 4.3.
19.	Wind	An addendum report to address the amended proposal including the building envelopes recommended by the IAG.
24.	Economic Development, Local Retail and Services	An addendum report to discuss potential impacts of the B2 zone on existing and planned centres. Address Ministerial Direction 1.1

Based on the assessment in this report, the proposal must be updated before consultation to:

**Table 19 Updates and Modifications to the Planning Proposal Prior to Exhibition**

Planning proposal	Amendments and Updates Required
Zoning Map	<p>Amend the zoning map as follows:</p> <ul style="list-style-type: none"> <li>In consultation with Council and LAHC, consider zoning the land identified for public park to RE1, to provide certainty for the community during the public exhibition process. If there is no agreement reached between Council and LAHC, evidenced by a draft Voluntary Planning Agreement or letter of offer, then maintain the B4 zone.</li> <li>In consultation with Council and LAHC, consider if the proposed B2 zone needs to be modified to address Ministerial Direction 1.1 while ensuring the underlying objective to promote a high street experience along George Street is retained. For example, this may result in the B2 zone being maintained, the B2 zone being amended to only front George Street and Wellington Street, or the B4 zone being reinstated.</li> </ul>
Floor Space Ratio Map	Address Ministerial Direction 3.1 and adopt a base FSR of 2:1 for the LAHC properties or provide detailed justification why an alternate FSR is more appropriate.
LAHC Site Specific FSR Bonus Controls	<ul style="list-style-type: none"> <li>Modify the Site Specific control to prescribe an FSR bonus that is consistent with the Waterloo IAG's financial feasibility assessment to achieve no cost to government, less the base FSR. This is to take into account the results of the</li> </ul>

Planning proposal	Amendments and Updates Required
	<p>assumption testing recommended in Part 6.5 of the IAG report and any modifications to the Zoning map and Land Reservation and Acquisition map;</p> <ul style="list-style-type: none"> <li>• The FSR bonus is to incorporate the 10% floorspace previously proposed through the design excellence process because it is relied upon to deliver affordable housing required by the site specific provisions;</li> <li>• Require at least 847 social housing units to replace the existing housing stock;</li> <li>• Require 5 to 10% of net additional residential units be developed by a Community Housing Provider (CHP) and/or Aboriginal Community Housing Provider (ACHP) (exact percentage subject to the results of the efficiency analysis noted above);</li> <li>• Amend the minimum non-residential development floorspace from 13,000m<sup>2</sup> to 12,000m<sup>2</sup>;</li> <li>• Remove the requirement for “<i>the provision of publicly accessible open space has been made, to the satisfaction of Council</i>” as this provides no finality. The planning mechanism to deliver public open space is to be by either zoning of the land RE1 or by a draft Voluntary Planning Agreement. The Planning Proposal Authority is encouraged to consult with Council and LAHC prior to public exhibition to provide certainty for the community.</li> </ul>
Height of Building Map	<ul style="list-style-type: none"> <li>• Use the Waterloo IAG storey height map as a guide and set simplified maximum heights above ground on the Height of Building Map, including an allowance for roof top communal facilities and flood levels;</li> <li>• Maintain the maximum RL for the 3 proposed towers;</li> <li>• Remove the 3m and/or 6m height control that depicts the location of private internal courtyards and apply the adjacent maximum heights;</li> <li>• Remove the 3m and/or 6m height control on land to be dedicated for roads or laneways. Prepare a Land Reservation Acquisition Map and address road dedication through a Voluntary Planning Agreement.</li> </ul>
Active Street Frontage Map	This map is to be amended to remove land that does not front an existing or proposed public road depicted on the Land Reservation and Acquisition Map.
Retail Premises Map	This map is to updated as required in response to any alterations to the zoning map.
Land Reservation and Acquisition Map	Land to be dedicated for open space, road widening and/or pedestrian links are required to be identified on a Land Reservation and Acquisition map.
Design Excellence	The planning controls are to require LAHC to participate in the Design Excellence process to promote high quality outcomes. However, this should not entitle LAHC to additional floorspace or height.
Explanation of Provisions	Include a plain English explanation of provisions.
New Affordable Housing Clause and Schedule 7	Update the provisions to be consistent with the results of the additional technical report required on financial feasibility as noted under reports (Study item No.6) above.

Planning proposal	Amendments and Updates Required
Proposed Drafting	Remove proposed drafting which is undertaken at finalisation stage subject to legal advice.
Planning Proposal Report	Update the Report to be consistent with the final planning proposal. Identify the 26 technical studies required by the Department to support the Waterloo rezoning (at May 2017) and explain how the final planning proposal incorporates the recommendations within these studies within the Justification at part 5 of the report.
Design Guide	Update the Design Guide to be consistent with the final planning proposal, and taking into account the recommendations within the Waterloo IAG report.

## 10 Recommendation

It is recommended the delegate of the Secretary:

- Note that the consistency with section 9.1 Directions 1.1 Business and Industrial Zones, 2.3 Heritage Conservation, 3.1 Residential Zones, 4.3 Flood Prone Land, 6.3 Site Specific Provisions, and 7.1 Regional Plan are unresolved and will require justification.

It is recommended the Minister determine that the planning proposal should proceed subject to the following conditions:

- The planning proposal is to be updated to:
  - Prepare the technical reports in Table 1 and make alterations to the planning proposal in response [Table 18 from this report], and
  - Modify the planning proposal as detailed in Table 2 [Table 19 from this report]
- Prior to community consultation, consultation is required with the following public authorities:
  - Sydney City Council
  - NSW Land and Housing Corporation
- Prior to community consultation, the planning proposal is to be revised to address conditions 1 and 2 and forwarded to the Department for review and approval.
- Consultation is required with the following public authorities:
  - NSW Environment, Energy and Science;
  - Heritage NSW;
  - Transport for NSW;
  - NSW Environment Protection Authority;
  - Sydney Trains and Sydney Metro;
  - Civil Aviation Safety Authority;
  - Sydney Water;
  - Utilities providers including Ausgrid and Jemena;
  - NSW Aboriginal Housing Office;
  - Aboriginal Affairs NSW;

- Department of Education;
  - Sydney Local Health District; and
  - Department of Communities and Justice.
5. The planning proposal should be made available for community consultation for a minimum of 42 days.
  6. The timeframe for completing the LEP is to be 12 months from the date of the Gateway determination.
  7. Given the nature of the proposal, the Principle Planning Authority, Council, should not be authorised to be the local plan-making authority.

\_\_\_\_\_ (Signature)

\_\_\_4 June 2021\_\_\_ (Date)

David McNamara  
Director, Eastern District City of Sydney

\_\_\_\_\_ (Signature)

5 June 2021

Malcolm McDonald  
Executive Director, Eastern Harbour City

\_\_\_\_\_ (Signature)

\_\_\_17 June 2021\_\_\_ (Date)

Brett Whitworth  
Deputy Secretary, Greater Sydney, Place and Infrastructure

Assessment officer

Deborah Dickerson  
Specialist Planning Officer, Agile Planning and Programs



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<b>Attachment</b>	<b>Title</b>
Report	Gateway determination report
A	Planning proposal
B	Gateway determination
C	Letter to Planning Proposal Authority
D	LHC Planning Proposal Application
E	Council Draft Design Guide
F	Waterloo IAG Report
G	Waterloo IAG Terms of Reference
H	Planning Proposal Authority Delegation