

12.3 Amendments to the Kiama LEP 2011 to rezone Council's Administration Site and to Allow a Greater Building Height at the Retirement Village Site at Havilah Place, Kiama

CSP Objective: 2.0 Well planned and managed spaces, places and environment

CSP Strategy: 2.1 Maintain the separation and distinct nature of local towns, villages and agricultural land

Delivery Program: 2.1.1 Develop and implement appropriate land use plans

Summary

The Kiama Town Centre (KTC) Study was prepared to assist Council with its planning and development functions, whilst also informing the direction of future strategic planning studies and policies.

The draft KTC Study includes 47 recommended actions as well as Development Control Plan (DCP) and Local Environmental Plan (LEP) recommendations. The draft KTC Study recommends rezoning 11 Manning Street Kiama (i.e. Council's Administration site) from SP2 Special Purpose to B2 Local Centre and increasing the permissible building height and floor space ratio to facilitate a five (5) storey building on the site.

The draft Study also recommends increasing the permissible building height and floor space ratio for the retirement village component of the Blue Haven site (i.e. the land opposite the Leisure Centre building) to facilitate a seven (7) storey building on the site.

These recommendations are accompanied by detailed site analysis, including hypothetical street views.

Finance

The Kiama Town Centre Study project has been delivered within the allocated budget and agreed timeframes. The original timeframe was extended with the approval of Manex due to additional consultation sessions being carried out and the scope of the study being expanded.

A fee structure for submittal and review of planning proposals has been developed by Council and is contained in Council's fees and charges schedule. As this Planning Proposal is being prepared internally no fees are payable.

Policy

Planning Proposals require consideration of a number of Acts, Government policies, Council environmental planning instruments and planning documents. Specifically, the Environmental Planning and Assessment Act 1979, Kiama Local Environmental Plan 2011, Illawarra-Shoalhaven Regional Plan, Kiama Urban Strategy and the Kiama Planning Proposal Policy.

Consultation (Internal)

A wide range of Council staff were consulted with as part of the preparation of the Kiama Town Centre Study.

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Council's Planning Committee has also been consulted with regarding the opportunities for these two sites. The Planning Committee supports the proposed Kiama Local Environmental Plan (LEP) 2011 amendments.

Communication/Community Engagement

Throughout the preparation and finalisation of the Kiama Town Centre Study the community was extensively engaged with. The draft Kiama Town Centre Study included the proposed LEP amendments.

In accordance with Council's adopted Planning Proposal Policy, Community Engagement, specifically regarding these LEP amendments, will be carried out following receipt of any Gateway Determination.

Attachments

Nil

Enclosures

Nil

RECOMMENDATION

That:

- 1) Council endorse this Planning Proposal for amendments to the Kiama LEP 2011 to proceed to the Department of Planning, Industry and Environment (DPIE) for a Gateway Determination to:
 - a. Rezone Lot 100 DP 635688 - 11 Manning Street Kiama (i.e. Council's Administration site) from SP2 Special Purpose to B2 Local Centre and increase the permissible building height and floor space ratio to facilitate a five (5) storey building on the site, and
 - b. Increase the permissible building height and floor space ratio for part of Lot 71 DP 831089 - 2 Havilah Place Kiama (i.e. the retirement village component of the Blue Haven site) to facilitate a seven (7) storey building on the site.
- 2) Council request plan making delegations for this proposal as a part of the Gateway determination.
- 3) On receipt of the Gateway determination, Council proceed with the recommendations of the DPIE including carrying out any further studies and public exhibition.

BACKGROUND

The Kiama Town Centre (KTC) Study was prepared to assist Council with its planning and development functions, whilst also informing the direction of future strategic planning studies and policies.

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The draft KTC Study includes 47 recommended actions as well as DCP and LEP recommendations. The draft KTC Study includes LEP amendments for 11 Manning Street Kiama (i.e. Council's Administration site) and for the retirement village component of the Blue Haven site (i.e. the land opposite the Leisure Centre building).

The options for both sites, outlined below, are concepts only to provide context for potential LEP amendments to achieve the outcome identified under the KTC Study. Further refinements and detail design and feasibility assessments would be required before any development proposal could be progressed following the LEP amendments.

Council Administration Site

Council's Administration site forms part of the Civic Quarter. The Civic Quarter includes some of Kiama's most significant historic landmarks, including the Post Office, Council Chambers, Courthouse, Police Station and Lock-up Keepers Cottage. While very attractive, this area is currently described as a 'dead' zone within the town centre, offering little activity or facilities for visitors or locals.

Detailed background research and primary analysis studies were undertaken to support the consultation and engagement process associated with the preparation of the KTC Study. The process began with an Economic Study by HillPDA who attended workshops with Council to discuss and explore the findings.

HillPDA prepared the Kiama Town Centre Economic Study which outlined that local government administration was the second largest employment industry, with over 80% of all such employment generated in the LGA located in the study area. The location of Council's Administration site in the centre is likely having a beneficial economic effect through activation and foot traffic generation. For this reason the KTC Study outlines that it is critical to retain Council's Administration functions in a central location within the town centre. HillPDA outlined that Council Administration functions should remain in the town centre to promote economic development and assist in the retention of jobs within the town centre. This also assists the viability of local retail shops. Council's floor space requirements and carparking requirements would need to be met on this site first, with the surplus space sold or leased to market. HillPDA identified a need for commercial floor spaces exceeding 200 metres squared, with in the town centre, to accommodation a greater range of uses.

In order to reinvigorate this important area, the KTC Study puts forward two options. One is based on the creation of a series of laneways between the heritage buildings, to lead visitors into a world of interesting and unique retail offerings. The alternative option focuses on the provision of a central 'town square', located off Manning Street.

- *Option 1 – Laneways*

Option 1 considers developing in the rear of existing heritage buildings to provide new council offices, commercial offices, and mixed commercial and retail uses.

Laneways are proposed to increase pedestrian permeability, improve access to areas within the block and create an alternative more intimate street character from the wider Manning and Terralong Streets. Views are also possible through this development, down to the Harbour.

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Development steps in height to respond to the adjacent heritage buildings. Smaller footprint buildings are proposed to the rear of heritage buildings fronting Terralong Street to support smaller scale commercial, and retail/restaurant/arts uses.



Figure 1: Option 1 – Aerial View Looking North

The building at the rear of the site could accommodate 5 storeys (approximately 18m) as it is next to the Railway line and has limited impact on views.

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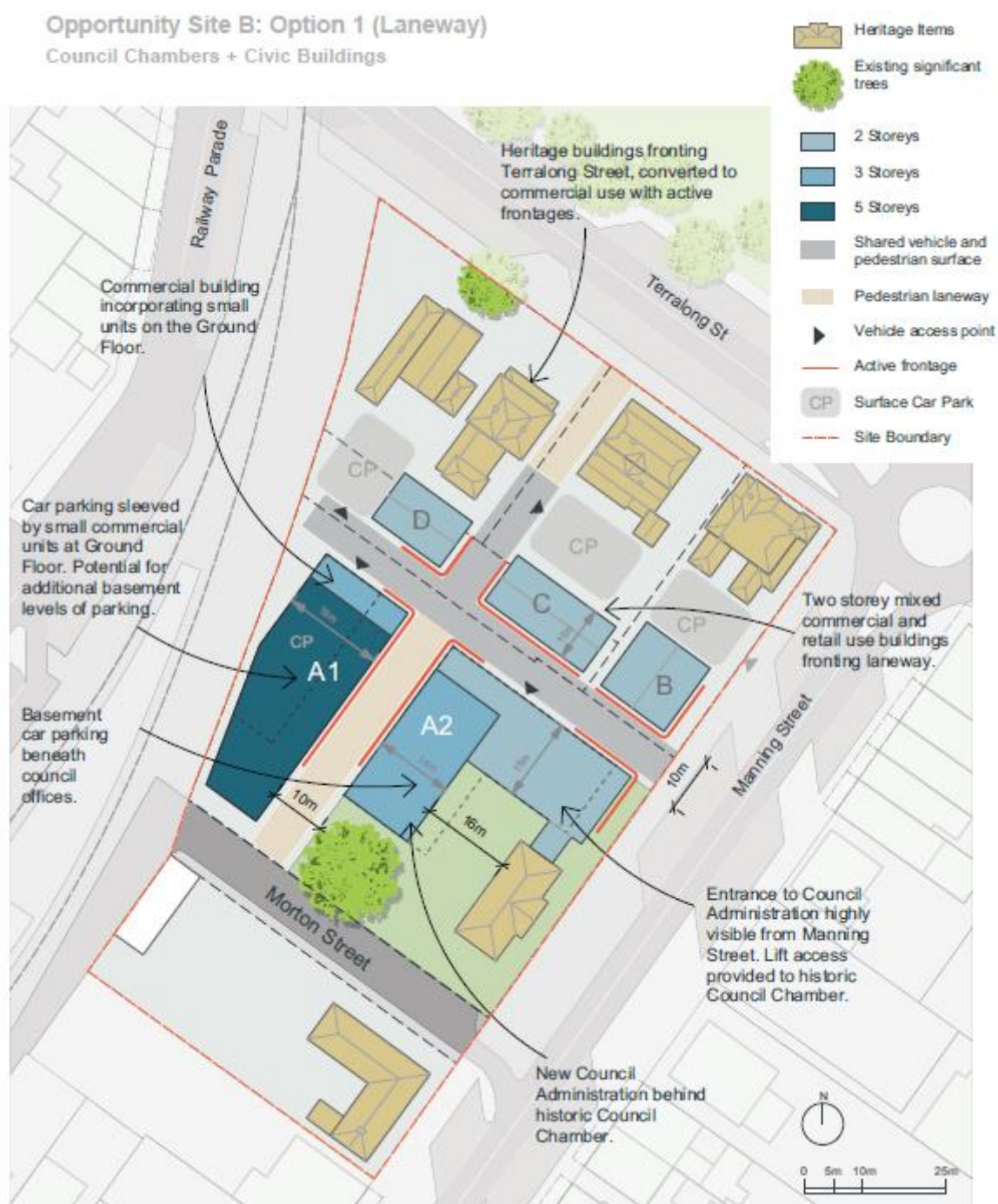


Figure 2: Option 1 – Site Plan

- Option 2 – Town Square**

Option 2 considers developing a 4 storey commercial building to the rear of the historic Council Chambers. Mixed commercial and retail/ art/food uses are proposed within smaller buildings to the rear of heritage properties fronting Terralong Street.

A new laneway and public square is proposed to increase pedestrian permeability through the block and create a public frontage for development in the rear of Terralong St properties.

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The new commercial building could accommodate both council offices and other commercial tenants. The large floor plates allow for flexibility and a wide range of tenants. An elevated connection to the historic Council Chambers provides lift access to the upper floor of the building.



Figure 3: Option 2 – Aerial View Looking North

Option 2 provides the opportunity to locate a large basement car park beneath the new commercial/council building and public square accessed from Morton Street.

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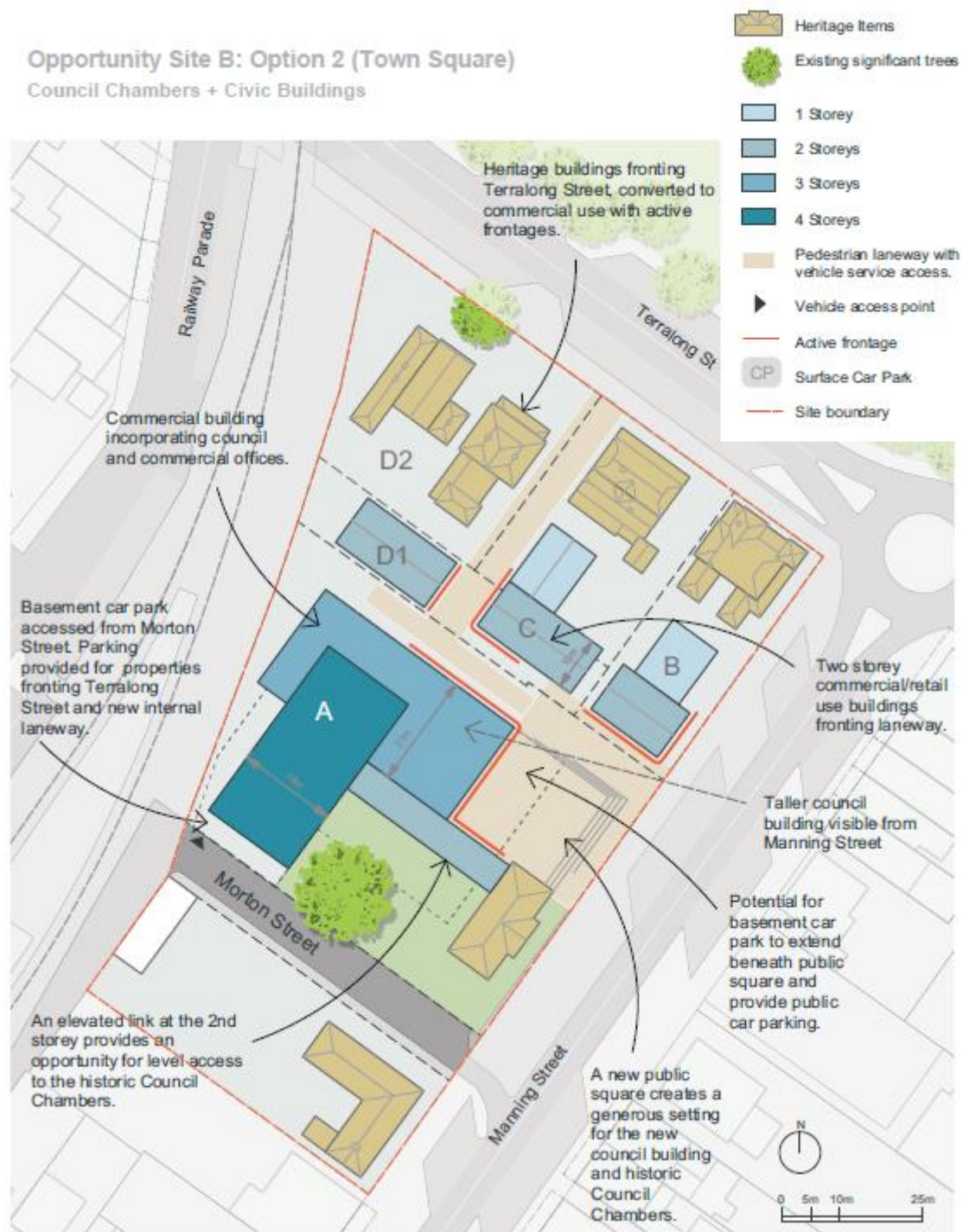


Figure 4: Option 2 – Site Plan

It should be stressed that this report is only considering these options in relation to Council's Administration site and not the other heritage buildings within the Quarter. It is considered that the establishment of a heritage conservation area and site specific heritage DCP controls are required for these sites prior to any LEP changes.

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Both options have desirable elements that would contribute, both commercially and civically, to the Civic Quarter. Both options retain Council's Administration functions on the site and provide for commercial floor spaces exceeding 200 metres squared.

Currently the site is zoned SP2 Special Purpose. Under the LEP only *aquaculture*, *roads* and Council Chambers are permissible on the site. Currently the maximum height of building, permitted by the LEP, is 11 metres and the maximum floor space ratio (FSR) is 0.9:1. The current FSR would permit a 3,757 square metre building.

Rezoning the site to B2 Local Centre allows for a wider range of commercial activities to occur on the site. Council's Administration functions, as a type of *public administration building*, would still be permissible on the site. Option 1 includes a five (5) storey building and a gross floor area of approximately 8,500 square metres. Option 2 includes a four (4) storey building and a gross floor area of approximately 9,500 square metres. In this regard it is proposed to amend the LEP to establish a maximum height of building of 19 metres and a maximum floor space ratio (FSR) of 2.5:1.

Havilah Place Site

Currently the location of the Aged Care facility that is to be relocated to the former Kiama Hospital site, this site is ripe for redevelopment into a residential offering.

Located adjacent to the Kiama Leisure Centre, this site is ideal for residential uses, with easy access to a wide variety of facilities and amenities. Located away from the centre of the town, it is still within walking distance (albeit via a steep route) to the northern end of the retail area, including the existing shopping centre. Development on this site is limited by consideration of views from the adjoining retirement development. Due to its location at the top of the hill, that falls away towards the harbour, if a taller apartment building is possible it could provide breathtaking views of both the oceanfront and the escarpment without impacting on the views of surrounding developments. Initial investigations have led to a recommended residential scheme comprising multi-level apartments to the north of the site, and 2-storey terraces addressing Havilah Place. Massing of future development on this site would need to consider impact on views from the adjoining facility. The concept design proposes a mix of residential typologies including Torrens titled townhouses and an apartment building.

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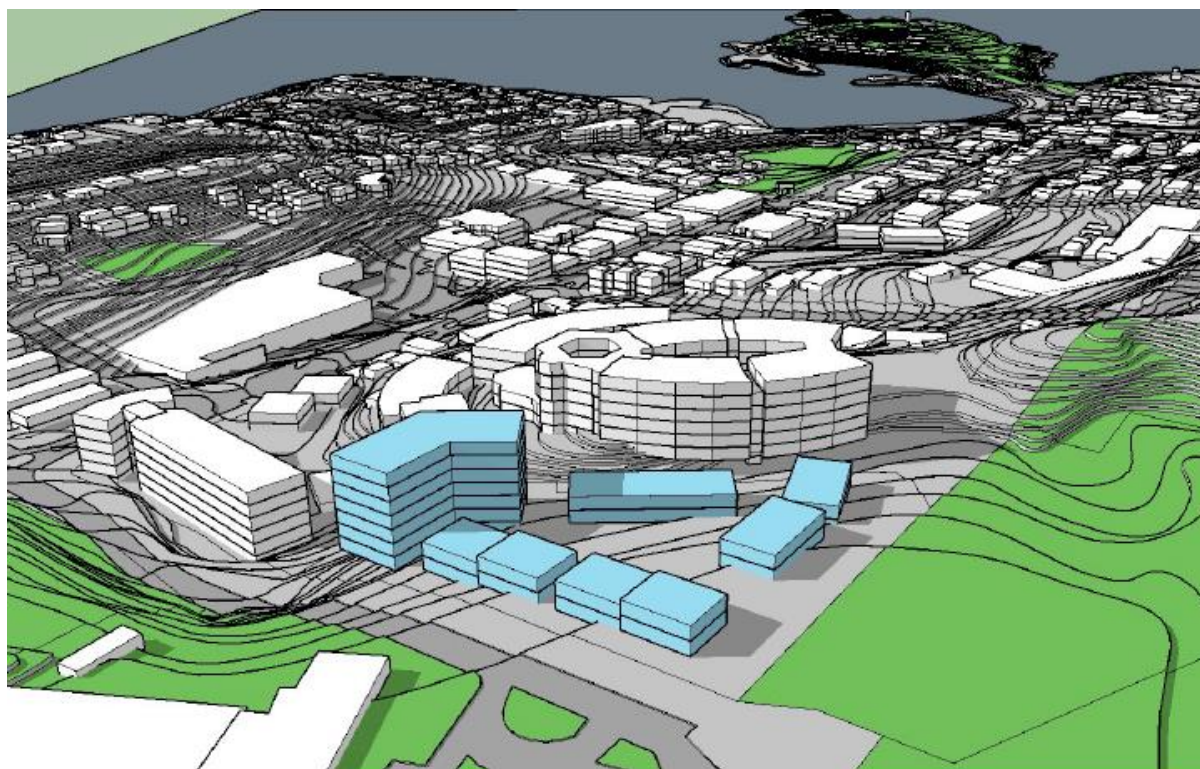


Figure 5: Aerial view looking north east

Due to its relationship with the existing Blue Haven facility a proposed seven (7) storey structure would not look out of context from surrounding vantage points.

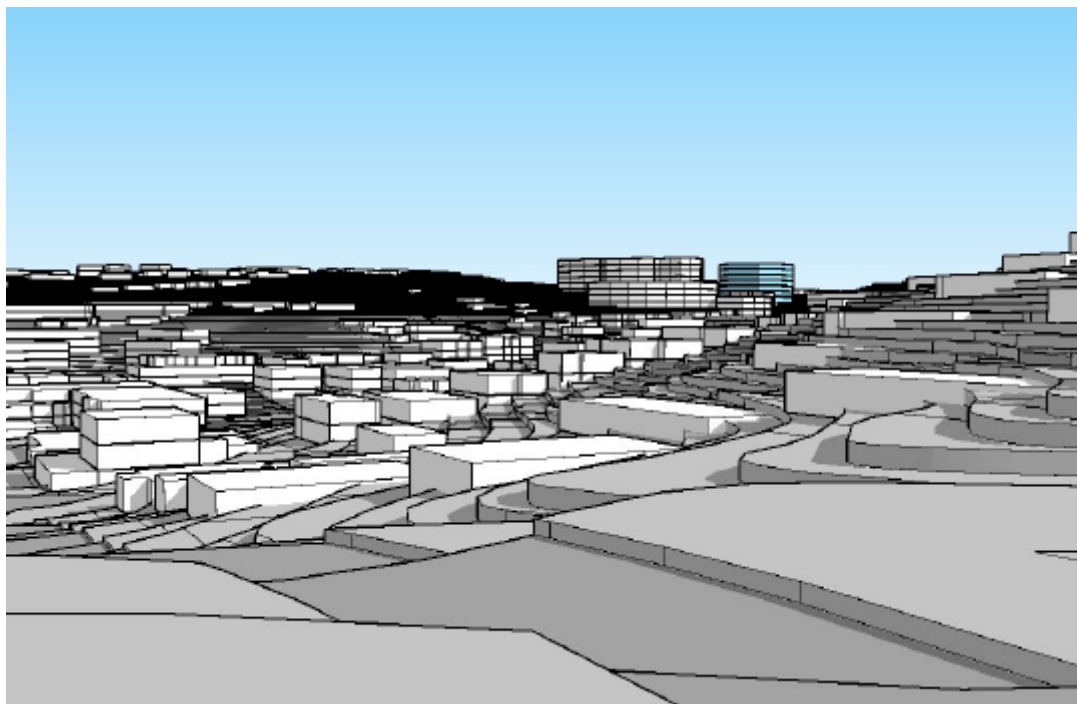


Figure 5: Aerial view looking north east

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Currently the site is zoned R3 Medium Density Residential and as such residential flat buildings and multi dwelling housing are permissible with consent on the site. Currently the maximum height of building, permitted by the LEP, is 8.5 metres and the maximum FSR is 0.7:1.

The recommended town houses would comply with the existing maximum building height and FSR. In order to facilitate the recommended seven (7) residential apartment, the LEP would need to be amended to establish a maximum height of building of 24 metres and a maximum floor space ratio (FSR) of 2.5:1 specifically for the northern corner of the site.

Planning Proposal

A Planning Proposal explains the intended effect of, and justification for, a proposed amendment to the LEP. The proposed amendments to the LEP will facilitate the proposed recommendations of the Kiama Town Centre Study. The Planning Proposal will seek to:

- Rezone Lot 100 DP 635688 - 11 Manning Street Kiama (i.e. Council's Administration site) from SP2 Special Purpose to B2 Local Centre
- Increase the permissible building height of Lot 100 DP 635688 - 11 Manning Street Kiama (i.e. Council's Administration site) from 11 metres to 19 metres
- Increase the permissible FSR of Lot 100 DP 635688 - 11 Manning Street Kiama (i.e. Council's Administration site) from 0.9:1 to 2.5:1
- Increase the permissible building height for part of Lot 71 DP 831089 - 2 Havilah Place Kiama (i.e. the retirement village component of the Blue Haven site) from 8.5 metres to 24 metres
- Increase the permissible FSR for part of Lot 71 DP 831089 - 2 Havilah Place Kiama (i.e. the retirement village component of the Blue Haven site) from 0.7:1 to 2.5:1

If Council agrees with the outlined intended amendment, staff will prepare a Planning Proposal which is consistent with the requirements of the Kiama Planning Proposal Policy, the Department of Planning, Industry and Environment's (DPIE) 'Guide to Preparing Planning Proposals, the Illawarra-Shoalhaven Regional Plan, Kiama Urban Strategy (KUS), relevant State Environmental Planning Policies (SEPPs), and applicable Section 9.1 Ministerial Directions. The proposed LEP amendments would be consistent with Directions 2.1 and 3.1 of the Regional Plan as it provides for additional housing and grows the opportunity for investment and activity in the Kiama centre. The proposed LEP amendments would be consistent with Ministerial Directions 1.1, 2.3 and 3.1 as it increases the total potential floor space for employment uses, facilitates the conservation of buildings of heritage significance and broadens the choice of building types available in the Kiama housing market. The proposal would also be consistent with SEPP No 55 – Remediation of Land as the sites are suitable for the proposed uses.

Plan Making Delegations

Council has received delegations for local plan making powers under Planning Circular PS16-005 and Section 3.36 of the Environment Planning and Assessment Act 1979.

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Staff will request delegated Plan making powers for this planning proposal. This request will be sent to DPIE as part of the request for a Gateway determination. Following the Gateway determination, Council will be directed as to any further requirements to obtain additional studies, consult with public authorities and exhibit the proposed amendment to the Kiama LEP.

Conclusion

The Kiama Town Centre (KTC) Study was prepared, in collaboration with the community, to assist Council with its planning and development functions, whilst also informing the direction of future strategic planning studies and policies.

The draft KTC Study recommends rezoning 11 Manning Street Kiama (i.e. Council's Administration site) from SP2 Special Purpose to B2 Local Centre and increasing the permissible building height and floor space ratio to facilitate a five (5) storey building on the site. The location of Council's Administration site in the centre is likely having a beneficial economic effect through activation and foot traffic generation. For this reason the KTC Study outlines that it is critical to retain Council's Administration functions in a central location within the town centre. The detailed options for the site retain Council's Administration functions on site and may also provide additional large commercial/office floor spaces within the Town Centre.

The draft Study also recommends increasing the permissible building height and floor space ratio for the retirement village component of the Blue Haven site (i.e. the land opposite the Leisure Centre building) to facilitate a seven (7) storey building on the site. Located adjacent to the Kiama Leisure Centre, this site is ideal for residential uses, with easy access to a wide variety of facilities and amenities. Due to its location at the top of the hill, that falls away towards the harbour, if a taller apartment building is possible it could provide breathtaking views of both the oceanfront and the escarpment without impacting on the views of surrounding developments.

If Council agree with the outlined intended amendments, staff will prepare a Planning Proposal and subsequently submit it to DPIE for a Gateway Determination. If a positive Gateway Determination is issued the Planning Proposal will be placed on public exhibition and subsequently reported back to Council for final endorsement.