

**City Planning & Environment Committee**

**13/03/2024**

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Item No	CPE24.011
Subject	<b>Planning Proposal Request - 263, 273 &amp; 273A Coward Street, Mascot</b>
Report by	Ana Trifunovska, Senior Urban Planner
File	SF23/8734

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**Summary**

On 12 May 2023, a Planning Proposal Request (PP) was submitted to Council for land at 263, 273 & 273A Coward Street, Mascot ('the site'). The site is currently zoned E4 General Industrial under the *Bayside Local Environmental Plan 2021* (BLEP 2021).

The PP seeks the following amendments to the BLEP 2021:

- Increase the floor space ratio (FSR) standard under clause 4.4 from the current base control of 1.2:1 to a maximum 2:1;
- Remove the site from the current Additional Permitted Use provisions under Schedule 1 Clause 14, which allows for the site to be developed for any purposes where the purpose is related to the operation of Sydney (Kingsford Smith) Airport, and also allows the FSR control to be increased to 1.5:1 for these developments; and
- Insert a new Additional Permitted Use clause to allow for:
  - Office premises (to a maximum of 5% of total floor space associated with any development); and
  - Restaurant and/or café uses.

The PP has been the subject of a detailed strategic and site-specific merit assessment against the planning framework. It is recommended to the City Planning and Environment Committee (CP&EC) that it be supported by Council for the reasons outlined in this report, including that it will protect and increase the amount of employment floor space within the Bayside LGA.

The proponent has offered to enter into a planning agreement with Council, which will be considered separately by Council at a future meeting once negotiations have concluded.

The PP was considered by the Bayside Local Planning Panel (BLPP) on 12 December 2023, where the Panel unanimously agreed that Council should support the Planning Proposal Request, for the following reasons:

- *The Panel is satisfied that the PP has both strategic and site specific merit for the reasons outlined above.*
- *The Panel were concerned that there could be a proliferation of signage, particularly third party advertising, and would seek for that to be regulated through a DCP signage strategy.*
- *The Panel concurs with the Council Officer's rationale and recommendation.*

The Assessment Report prepared for the BLPP is located within **Attachment 1**, and the BLPP's recommendation is within **Attachment 2**.

This assessment and report has been prepared by planning consultants, Patch Planning, engaged by Council.

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## Officer Recommendation

1. That the City Planning & Environment Committee notes the advice of the Bayside Local Planning Panel.
2. That Council, pursuant to s3.33 of the Environmental Planning and Assessment Act 1979, the Planning Proposal Request for land known as 263, 273 & 273A Coward Street, Mascot be submitted to the Department of Planning, Housing and Infrastructure for a Gateway Determination.
3. That should a Gateway Determination be issued to proceed to public exhibition, a further report be presented to the City Planning and Environment Committee following the exhibition period addressing any submissions received.
4. That the Bayside Development Control Plan 2022 be reviewed and updated concurrently with the Planning Proposal post-Gateway, to ensure consistency with the concept scheme and the controls contained in these documents and the Planning Proposal.

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## Background

**Owner:** Perpetual Corporate Trust Limited

**Applicant:** Urbis Pty Ltd on behalf of Perpetual Corporate Trust Limited

### SUBJECT SITE AND SURROUNDING AREA

The site is known as 263, 273 & 273A, Mascot, legally described as PT 100 and 101 in DP 1277278, and PT 3 in DP 230355. The site is shown in **Figure 1**.

The site is located at the western end of Coward Street with frontages to Coward Street to the north (380m boundary), adjoining warehouse development to the west (260m boundary), the Port Botany Rail Line to the south (400m boundary), and industrial/warehouse development to the east (250m boundary). The site is 94,565.6sqm in area.

Further details about the site are contained within the Assessment Report at **Attachment 1** and the Planning Proposal at **Attachment 3**. All of the Appendices referred to in the Planning Proposal have not been published given the significant number, though are available to view upon request.

An existing Council stormwater drainage pipe runs from the east to west from Kent Road before routing south towards the Sydney Water channel. The site has developed drainage systems that collect rainwater and discharge it into the stormwater channel. The stormwater channel ultimately discharges into the Alexandra Canal.



**Figure 1:** Aerial photograph of site (Source: Urbis Planning Proposal)

There are significant trees across the site, primarily within the landscaped setbacks along the northern and southern boundaries of the site but also within the Kent Road setback and along the edges of the hardstand car parking areas.

There are no known scenic and culturally important landscapes based on the existing development at the site, although the site is highly visible from Qantas Drive and Sydney Airport.

## SITE CONTEXT

Perpetual Corporate Trust Limited purchased the site and nearby land parcels from Qantas Airways Limited (Qantas) in late 2021. The consolidated land holding comprises a total of 137,565sqm across Mascot as shown in **Figure 2**.

The PP applies to the northern most lot identified in **Figure 2** as 'QF1 / QF2' comprising 94,565.6sqm. As detailed in the Assessment Report (**Attachment 1**) State Significant Development proposals are underway for Multi-Storey Warehouse and Distribution Centres on the remaining properties.

The site is located within the Mascot West Employment Lands Precinct and close to major transport infrastructure, including Sydney Kingsford Smith Airport, WestConnex and the Sydney Gateway Road Project (see **Figure 3**). The Mascot West Employment Lands comprise warehouse and distribution developments and manufacturing facilities. Notable land use activities surrounding the site include:





**Figure 2: LOGOS consolidated landholdings in the precinct**  
(Source: Urbis Planning Proposal)

- Airgate Business Park to the west of the site, which comprises multiple buildings such as the DHL Express Head Office immediately to the west of the subject site, with other tenants including Woolworths and Toll Global Forwarding.
- Industrial zoned land to the north on the opposite side of Coward Street which accommodates a variety of small-medium scale industrial style buildings.
- Immediately adjoining land to the east along Coward Street which includes older-style industrial buildings accommodating manufacturing activities and other industrial and commercial buildings.
- The Port Botany freight line to the south.



**Figure 3: Site Context Map** (Source: Urbis Planning Proposal)

## PLANNING PROPOSAL HISTORY

A history of the Planning Proposal Request is included in **Table 1** below:

**Table 1:** History and Context of the draft Planning Proposal

Date	Summary of Event
17 November 2021	Preliminary meeting to discuss Planning Proposal between Applicant and Council
31 May 2022	Technical meeting to discuss Planning Proposal between Applicant and Council
17 August 2022	Technical meeting to discuss required inputs to support a Planning Proposal between Applicant and Council
26 September 2022	Scoping Proposal Report submitted to Council, which sought an update to BLEP 2021 to facilitate an increase in the current FSR development standard from 1.2:1 (or 1.5:1 under Schedule 1) to 2:1.
17 November 2022	Scoping Proposal meeting held between Applicant and Council.
30 November 2022	Pre-lodgement Advice issued to Proponent.
12 May 2023	<b>Subject Planning Proposal Request submitted</b> seeking to amend the Bayside LEP 2021.
August - October 2023	Resolution of Requests for Information with applicant.
12 December 2023	Bayside Local Planning Panel meeting

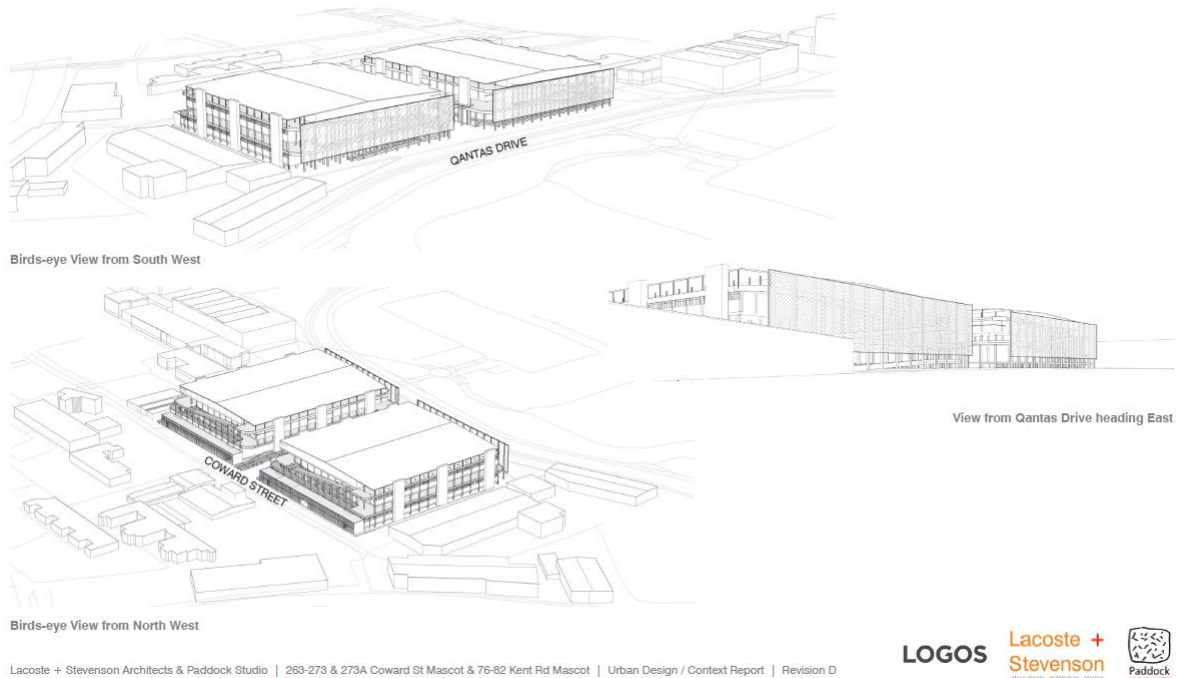
## Details of the Planning Proposal

The Planning Proposal (refer **Attachment 3**) seeks amendments to the Bayside LEP 2021 as detailed in **Table 2** below.

**Table 2:** Proposed Amendments to the Bayside LEP 2021

Control	Bayside LEP 2021	Planning Proposal Request
<b>Zone</b>	E4 – General Industrial	No change.
<b>Height of Buildings (HOB)</b>	44m	No change.
<b>Floor Space Ratio (FSR)</b>	1.2:1 (base) and 1.5:1 (where development is for a purpose listed in Schedule 1 Clause 14)	2:1

<p><b>Schedule 1 Additional Permitted Use (APU)</b></p>	<p>Remove the site from clause 14(1) in Schedule 1 and the associated pink shading and '10' notation on the Additional Permitted Uses Map.</p>	<p>Insert a new clause 45 that reads:  <b>45 Use of certain land at 263-273 and 273A Coward Street and 76-82 Kent Road, Mascot</b>  <i>(1) This clause applies to land at 263-273 and 273A Coward Street and 76-82 Kent Road, Mascot, being PT 100 and 101 in DP 1277278, and PT 3 in DP 230355, and identified as "45" on the Additional Permitted Uses Map.</i>  <i>(2) Development for the following purposes is permitted with development consent:</i>  <i>(a) office premises</i>  <i>(b) café or restaurant</i>  <i>(3) Despite subclause (2), development consent must not be granted to development for the purposes of office premises where the gross floor area of the office premises exceeds 5% of the total gross floor area of the development.</i></p>
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Concept design from Urban Design/Context Report.

## Public Benefit Offer

Perpetual Corporate Trust Limited has also offered to enter into a Voluntary Planning Agreement (VPA) with Council. The following is a summary of the offer:

- **Public Artwork:** Works in kind to deliver 4 x integrated permanent public artwork pieces across the southern facades facing Qantas Drive. This public artwork forms a significant component of the Proponent's Letter of Offer to enter into a VPA; and

- Stormwater Upgrades: Works in kind to upgrade the stormwater system in the vicinity of the PP site including upgrades to the existing stormwater diversion from Kent Road, and stormwater improvements to upsize and replace existing drainage infrastructure along the northern side of Kent Road.

The Letter of Offer to enter into a VPA is subject to further negotiation between the Proponent and Council. These discussions will focus on clarifying the requirements of the Proponent's Design Excellence Strategy for the digital artwork, and as such determining if the public art can be classified as a material public benefit. Further details are also sought to ascertain to what extent the stormwater upgrades constitute work required to support the proposal and/or a public benefit, and confirmation that the offer does not exclude development contributions under either s7.11 or s7.12 of the Act.

Any Planning Agreement offer will be considered separately by Council at a future meeting once negotiations have concluded.

## Assessment of the Planning Proposal Request

A detailed assessment of the PP's strategic and site-specific merit in accordance with the Department of Planning, Housing and Infrastructure's LEP Making Guidelines is included in the Planning Assessment Report to the BLPP in **Attachment 1**.

The PP is supported as it provides sufficient justification to support the proposed changes to development standards, will have a positive net economic impact, and there are no tangible risks associated with de-linking existing bonus FSR provisions from the development of airport-related land uses.

The PP is also consistent with the directions outlined in the *Greater Sydney Regional Plan* (GSRP), the planning priorities in the *Eastern City District Plan* (ECDP) and *Bayside Local Strategic Planning Statement* (LSPS), and the Section 9.1 Ministerial Directions, demonstrating strategic and site-specific merit.

Council has also undertaken an assessment of the draft PP, including an assessment of visual impact and urban design, flooding, stormwater management, traffic and parking and economic impact.

Key issues identified within the assessment include:

- Visual impact and urban design, which has been considered through an Urban Design Report and Visual Impact Assessment.

Although the proposal would result in some level of visual impact, these are not likely to be any more significant than the visual impacts that would be experienced through a development under the existing planning controls and are therefore considered acceptable.

- Flooding and Stormwater, which has been appropriately addressed through the submission of a Civil Engineering Report confirming that the site is capable of suitably accommodating the proposed increase in density from a flooding perspective, and will not result in significant flood impacts to other properties.
- Traffic, which has been considered through a Traffic Report identifying that, with the implementation of certain measures on nearby roads and intersections, these intersections will operate to a satisfactory level of service.



- Economic Impact, which has been considered through an Economic Impact Assessment demonstrating justification in changes to planning controls to achieve the significant economic benefits associated with the proposal.

The PP also responds to strategic directions at a State and local level regarding the alignment of infrastructure and land use, as it will leverage recent significant road transport investments such as Sydney Gateway and WestConnex, and is also located within walking distance from rail transport at Mascot Station which can service the future workforce.

The introduction of office uses to the site has been capped at 5% of total GFA, which will ensure that the strategic hierarchy of centres is not compromised.

The BLPP outlined concerns that there could be a proliferation of signage as a result of any future development, particularly third party advertising. Advertising structures are currently prohibited on the site, and the PP does not seek to change this. However, there is concern that the proposed digital art screens facing Qantas Drive could be used for third-party advertising. This could be regulated and controlled through a DCP requirement for a Signage Strategy.

## Bayside Local Planning Panel Advice

The Planning Proposal Request was considered by the Bayside Local Planning Panel at its meeting on 12 December 2023. The Panel advises Council that the draft Planning Proposal should be supported, and their advice is outlined below, and included in **Attachment 2**:

- 1 *That the Bayside Local Planning Panel recommend to Council that, pursuant to s3.33 of the Environmental Planning and Assessment Act 1979 (EP&A Act), the draft Planning Proposal for land known as 263 and 273 Coward Street, Mascot be submitted to the Department of Planning and Environment for a Gateway Determination;*
- 2 *That, should a Gateway Determination be issued to proceed to public exhibition, a further report be presented to Council following the exhibition period addressing any submissions received throughout that process; and*
- 3 *That Bayside DCP 2022 be reviewed and updated concurrently with the draft PP post-Gateway, to ensure consistency with the concept scheme and the controls contained in these documents and the draft PP.*
- 4 *That the PP include a requirement for the preparation of a site-specific development control plan within the relevant clause of the Bayside LEP 2021.*

The concept development scheme supporting the PP proposes public art facades which would screen the warehouse structures. In the reasons for their recommendation, the BLPP highlighted a concern that this could result in a proliferation of signage, particularly third party advertising and sought for this to be regulated through a DCP signage strategy. Concurrent review and update of the Bayside DCP 2022 with the draft PP post-Gateway, as recommended in the BLPP advice, would ensure that any proposed signage is appropriately regulated in the future.



## Conclusion

The draft PP has been subject to a detailed merit-based assessment against the strategic and statutory planning framework as required by the *Environmental Planning and Assessment Act 1979*, relevant guidelines, Planning Circulars and Practice Notes.

In considering whether to progress a draft Planning Proposal to a Gateway determination, Council is required to consider if the proposed changes to the Bayside LEP 2021 have both strategic and site-specific merit. The proposal has been found to be consistent with the strategic planning framework applying to the site. In particular, the draft PP supports the protection of employment lands and will facilitate the renewal of the site for ongoing employment purposes. The draft PP also responds to strategic directions at a State and local level regarding the alignment of infrastructure and land use, as it will leverage recent significant road transport investments such as Sydney Gateway and WestConnex, and is also located within walking distance from rail transport at Mascot Station which can service the future workforce. The introduction of office uses to the site has also been capped at 5% of total GFA, which will ensure that the strategic hierarchy of centres is not compromised.

Regarding site-specific merit, the assessment undertaken has identified impacts on the locality that would likely arise if the draft Planning Proposal proceeds. These include visual impact and urban design impacts, flooding and stormwater impacts, traffic impacts and economic benefits. The PP has also given consideration to site-specific constraints, and has demonstrated these can be addressed through any future development outcome.

The Proponent's Offer to enter into a VPA will be considered in a separate report to Council.

Giving consideration to the above, it is considered that the draft PP has demonstrated both strategic and site-specific merit, and is recommended to be submitted to the Department of Planning, Housing and Infrastructure for Gateway determination.

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## Financial Implications

Not applicable	<input checked="" type="checkbox"/>	A fee has been paid by the Proponent for the assessment of this draft Planning Proposal.
Included in existing approved budget	<input type="checkbox"/>	
Additional funds required	<input type="checkbox"/>	

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## Community Strategic Plan

Theme One	– In 2032 Bayside will be a vibrant place	<input checked="" type="checkbox"/>
Theme Two	– In 2032 Our people will be connected in a creative City	<input type="checkbox"/>
Theme Three	– In 2032 Bayside will be green, resilient and sustainable	<input checked="" type="checkbox"/>
Theme Four	– In 2032 Bayside will be a prosperous community	<input checked="" type="checkbox"/>

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## Risk Management – Risk Level Rating

No risk	<input type="checkbox"/>
Low risk	<input checked="" type="checkbox"/>

Medium risk	<input type="checkbox"/>
High risk	<input type="checkbox"/>
Very High risk	<input type="checkbox"/>
Extreme risk	<input type="checkbox"/>

There is a risk that if Council defers or does not support this draft Planning Proposal, that the Proponent will lodge a Rezoning Review with the Department of Planning, Housing and Infrastructure (formerly the Department of Planning and Environment). This risk is considered to be low, as the current version of the proposal being reported to the CP&EC demonstrates strategic and site-specific merit.

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## Community Engagement

The Planning Proposal has not been subject to community consultation. Should Council support the draft Planning Proposal, it will be drafted and submitted to the Department of Planning, Housing and Infrastructure seeking a Gateway determination. If a Gateway determination is issued, the draft Planning Proposal will be subject to community consultation in accordance with Section 3.34(2)(c) of the Environmental Planning and Assessment Act 1979 and Council's Community Participation Plan. The specific requirements for community consultation will be listed in the Gateway determination, including the requirement to consult with any government agencies and authorities.

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## Attachments

- 1 Planning Proposal Assessment Report - Bayside Local Planning Panel Report 12 December 2023 (Under separate cover Attachments Part One)
- 2 Bayside Local Planning Panel Advice - 12 December 2023 (Under separate cover Attachments Part One)
- 3 Draft Planning Proposal Report - Urbis (Under separate cover Attachments Part One)
- 4 Proposed LEP Mapping (Under separate cover Attachments Part One)
- 5 Letter of Offer (Under separate cover Attachments Part One)
- 6 Architectural Plans (Under separate cover Attachments Part One)
- 7 Urban Design Context Report (Under separate cover Attachments Part One)
- 8 Transport Report (Under separate cover Attachments Part One)
- 9 Visual Impact Assessment (Under separate cover Attachments Part One)
- 10 Heritage Impact Statement (Under separate cover Attachments Part One)
- 11 Aboriginal Objects Due Diligence Assessment (Under separate cover Attachments Part One)
- 12 Landscape Concept Plan (Under separate cover Attachments Part One)
- 13 Economic Impact Assessment (Under separate cover Attachments Part One)
- 14 ESD Report (Under separate cover Attachments Part One)