

# Addendum to Planning Proposal for 469-483 Balmain Road, Lilyfield

## 1 Objectives or intended outcomes | Part 1

---

The objectives and intended outcomes of this proposal are:

- To facilitate redevelopment of an underutilised site in a main street location in close proximity to a range of services and public transport options.
- To provide for an improved cultural and community hub and foster the growth of creative industries which add to the richness and diversity of the local community.
- To retain the character buildings on the site maintaining a link with the existing neighbourhood character while allowing for improved built form outcomes in the surrounding lower scale residential streets.
- To maintain and enhance the uses in the IN2 Light Industrial Zone through the provision of a modern flexible employment space, while also incorporating a range of housing types including affordable housing for the Leichhardt area.
- To take advantage of good existing public transport and high quality open space that is in close proximity to the site.
- To facilitate redevelopment of the site that takes advantage of the site's characteristics to minimise any impact on surrounding developments.
- To provide a high quality design outcome and a sustainable development.
- To assist in achieving State and Local Government's employment and housing targets.

The planning proposal seeks to achieve these objectives by allowing the redevelopment of the site for employment purposes including creative industries, affordable or key worker housing, residential development and a neighbourhood shop.

## 2 Explanation of provisions | Part 2

---

The planning proposal seeks the proposed amendments to the *Leichhardt Local Environmental Plan 2013* as follows:

- Add *residential accommodation* as additional permitted use to the currently IN2 Light Industrial Zoned site;
- Amend the maximum floor space ratio map to show the FSR for the site as 2.54:1.
- Introduce the following new local provision applying to the site:

### **6.1x Development on certain land at Lilyfield**

*(1) This clause applies to Lot 2 DP 101583*

*(2) Despite any other provision of this Plan, development consent may be granted to a single development application for development on land to which this clause applies that is both of the following:*

*(a) a proposal to develop the 469-483 Balmain Rd site in its entirety, and*

*(b) a proposal for development with a maximum floor space ratio of 2.54:1, inclusive of a component of residential accommodation.*

*(3) Development consent must not be granted under subclause (2) unless the consent authority is satisfied that:*

*(a) a high standard of architectural and urban design appropriate to the building type and location will be achieved, with articulated height and massing providing an appropriate transition to the existing streetscape, and*

*(b) the total gross floor area of the part of the development that is used for non-residential or employment purposes is a minimum of 6,000 square metres, and*

*(c) the development will not exceed 6 storeys in height, and*

*(d) the development will cause no adverse overshadowing impact of neighbouring properties, and*

*(e) the development will provide and facilitate pedestrian access connecting Fred Street to Alberto Street, and*

*(f) the development will incorporate environmentally sustainable design principles, and*

*(g) the development will include the necessary design and acoustic measures to ensure that light industries within the development, as well as any existing industrial uses on land surrounding the development, do not have a significant adverse impact on the amenity of future residents of the development.*

## 3 Part 3 | Justification

---

### 3.1 Section A | Need for the planning proposal

**Q1.** *Is the planning proposal a result of any strategic study or report?*

The Planning Proposal is the result of an analysis that balances an outcome that will best serve the needs of the future community and be able to be delivered consistent with market demand in the locality.

Additionally, the proposal supports a number of strategic objectives at the state and local level:

- Objectives of the Leichhardt 2021 plan strongly encourage providing local employment of a type that meets the needs of the local population encouraging jobs close to home and a vibrant local economy.
- The site has reached the end of its economic life and the Leichhardt Employment and Economic Development Plan advocates transforming appropriate industrial land (such as the subject site) into different land uses including affordable housing for key workers and students. Under this proposal, the equivalent floor space and zoning is maintained but transformed into a modern flexible space likely to ensure the longevity of permissible uses.
- The proposal is consistent with the key directions of the *A Plan for Growing Sydney* relating to employment, urban renewal and housing growth in areas with good amenity and connectivity in the Central Subregion.
- The proposal is consistent with the direction in the Draft Central District Plan with regard to taking a precautionary approach to rezoning of employment lands in maintaining the current zoning and will deliver a greater amount of employment than the existing use of the site.
- The proposal while not in the Bays Precinct is in close proximity to plans for major open space and high tech employment outcomes which are a key priority of *A Plan for Growing Sydney* and the NSW Government.

**Q2.** *Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?*

The Planning Proposal is the best means of ensuring an appropriate redevelopment that increases the number of jobs on the site, provides a closer match of employment to the needs of the local population, provides a continuation and improvement to the employment/arts/community uses on the site and provides an additional housing supply, including affordable housing.

### 3.2 Section B | Relationship to the strategic planning framework

**Q3.** *Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?*

#### **A Plan for Growing Sydney**

*A Plan for Growing Sydney* released in 2014 represents the current NSW Government policy for land use planning in Sydney. An analysis against the relevant aims for employment, lifestyle and housing is below.

As noted in the revised Hill PDA Economic Impact Assessment (June 2017), the subject site is part of an isolated industrial area and not a key industrial precinct. Most of the Plan for Growing Sydney's objectives are around supporting employment in Strategic Centres and other key areas.

Notwithstanding the above the proposal retains the current IN2 Light Industrial Zoning and will provide a minimum of 6,000 sqm of modern flexible employment space.

*Table 1 – Analysis against Action 1.9.2 of A Plan for Growing Sydney*

| <b>ACTION 1.9.2: SUPPORT KEY INDUSTRIAL PRECINCTS WITH APPROPRIATE PLANNING CONTROLS</b> states that the Industrial Lands Strategic Assessment Checklist will guide the assessment of proposed rezoning of industrial lands |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands?                                                                                                            | An analysis of the former Leichhardt Council's strategies is listed below. In short both the former Leichhardt Council's Economic Development Plan and Leichhardt 2020+ both support the tailoring of jobs to the local population, the lifestyle benefits of jobs close to home and the provision of a diverse and affordable housing supply. By retaining 6,000sqm of employment space and allowing for residential development. The proposal adds to the local supply of jobs and housing.                         |
| Near or within direct access to key economic infrastructure? Contributing to a significant industry cluster                                                                                                                 | <p>The site is well located close to the Sydney CBD with good access to transport infrastructure and very near the proposed redevelopment of a major high tech jobs precinct planned at White Bay.</p> <p>The site is home to a mix of uses not belonging to any particular industry cluster and not predominantly industrial in nature. The development of the site into flexible modern employment space of an equivalent amount of floor space will likely result in a fivefold increase of employment onsite.</p> |
| How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future demand for industrial land activity?                                                            | The subject site represented approximately 0.7 percent of zoned employment lands in the former Leichhardt LGA in 2015 and just 0.2 percent of the supply within the newly defined Inner West LGA. The retention of an equivalent amount of floor space will result in no net loss and a likely increase in utilisation.                                                                                                                                                                                               |
| How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?                                                                            | The proposal will deliver significantly greater employment than presently exists on the site. Hill PDA predict that the new flexible space could accommodate 131 jobs compared to the existing 26.                                                                                                                                                                                                                                                                                                                    |

|                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries? | The former Leichhardt Council's own economic development plan acknowledges that the site would not be viable for redevelopment as a stand-alone industrial use. The addition of residential component enables the redevelopment for an equivalent amount of flexible employment space that will foster small business, light industrial, high tech and creative industries. |
| Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?                                                                                                                        | No and the existing use of the land is being retained.                                                                                                                                                                                                                                                                                                                      |

*Table 2 – Analysis against Goal 2 of A Plan for Growing Sydney*

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Goal 2 – A city of housing choice, with homes that meet our needs and lifestyles</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>Direction 2.1 – Accelerate housing supply across Sydney</p> <p>2.1.1 Accelerate housing supply and local housing choices.</p> <p>2.1.2 Accelerate new housing in designated infill areas (established urban areas) through the Priority Precincts and Urban Growth NSW programs.</p> <p>Direction 2.2 – Accelerate urban renewal across Sydney – providing homes closer to jobs</p> <p>2.2.2 Undertake urban renewal in transport corridors which are being transformed by investment, and around strategic centres.</p> <p>Direction 2.3: Improve housing choice to suit different needs and lifestyles</p> <p>2.3.3 Deliver more opportunities for Affordable Housing</p> | <p>The redevelopment of the subject site to retain the same quantum of employment floor space and add medium density housing development will contribute to housing supply across Sydney and deliver more housing in a key strategic location that reflects the demographic needs of the community.</p> <p>A total of 142 residential apartments is proposed as part of the redevelopment of the site which will incorporate a mix of one bedroom, two bedrooms and three bedroom residential apartments.</p> <p>The subject site is currently supporting 26 jobs and the proposal is expected to generate approximately 131 jobs.</p> <p>By redeveloping the site to more than five times the amount of employment in a type of employment closely matched to the surrounding areas demographics the proposal will provide more jobs close to home.</p> <p>The site is in close proximity to two light rail stops, Callan Park and the Bays Precinct. A high degree of amenity is provided by the transport and recreational infrastructure in the immediate vicinity.</p> <p>The proposal is accompanied by a VPA offer to deliver five percent affordable housing on the site.</p> |

*Table 3 – Analysis against Goal 3 of A Plan for Growing Sydney*

|                                                                                                    |
|----------------------------------------------------------------------------------------------------|
| <b>Goal 3 – A great place to live with communities that are strong, healthy and well connected</b> |
|----------------------------------------------------------------------------------------------------|

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Direction 3.1 Revitalise existing suburbs | <p>The subject sites are located within an established suburb in Sydney. Redeveloping the sites will improve residents' access to jobs, services and creation which will enhance the liveability of Sydney.</p> <p>The redevelopment of the former industrial site to provide a supply of modern employment space more compatible with the demographics of the surrounding area will reduce need for overall vehicle commuting trips and result in lifestyle improvements from shorter journey to work trips.</p> <p>The redevelopment of the site will result in significant amenity improvements for the surrounding residential areas, particularly on the Fred Street frontage.</p> <p>The redevelopment of the site will specifically address this objective, and will support urban renewal.</p> |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

*Table 4 – Analysis against the Central Subregion objectives of A Plan for Growing Sydney*

|                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Central Subregion – Objectives</b></p> <ul style="list-style-type: none"> <li>• A competitive economy</li> <li>• Accelerate housing supply, choice and affordability and build great places to live</li> <li>• Protect the natural environment and promote its sustainability and resilience</li> </ul> | <p>The proposal is consistent with the Central Subregion priorities to accelerate housing supply, choice and affordability and build great places to live.</p> <p>By providing greater local employment, housing, community/cultural facilities and affordable housing the proposal will contribute significantly to achieving the plans objectives for the subregion.</p> <p>The proposal is also well located to encourage sustainable public transport and active transport use, such as walking and cycling.</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### ***Draft Towards our Greater Sydney***

In November 2016, the Greater Sydney Commission released a draft update to *A Plan for Growing Sydney 2014*, it proposes an amendment to the previous metropolitan plan and contains the following revised priorities.

| <b>A Productive Sydney</b>                                                  | <b>A Liveable Sydney</b>                                                                                        | <b>A Sustainable Sydney</b>                                                     |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <p>A growing city</p> <p>A city with smart jobs</p> <p>A 30-minute city</p> | <p>An equitable, polycentric city</p> <p>A city of housing choice and diversity</p> <p>A collaborative city</p> | <p>A city in its landscape</p> <p>An efficient city</p> <p>A resilient city</p> |

*Figure 1 - Towards Our Greater Sydney Priorities*

The amendment proposes a large increase in jobs and housing, 817 000 jobs and 725 000 new homes. In housing terms this is at least a 9% increase in homes beyond that sought by *A Plan for Growing Sydney in 2014*. The draft states that the need for additional capacity is greatest in the North and Central Districts,

The objectives relating to smart jobs and a 30-minute City are particularly relevant to this proposal as it will supply a greater density of employment and housing matched to the needs of the local population than presently exists on the current underutilized site.

The proposal also aims to deliver a supply of medium density and subsidized affordable housing that will directly contribute to the housing choice and diversity of the local area.

### ***Draft Central District Plan***

The Draft Central District Plan was put on public exhibition in November 2016 until the end of March 2017. While the draft plan makes no specific reference to housing and employment targets for Lilyfield, it does reinforce the role of housing and employment in local and strategic centres. It is important to note that the plan is still in draft form and subject to a process of consultation.

Within the current hierarchy of NSW strategic plans, the District Plans are intended to give effect to the aims and objectives of the metropolitan strategy *A Plan for Growing Sydney 2014*). The planning proposal and included Hill PDA Economic Impact Assessment contains a comprehensive assessment of the proposals ability to deliver to deliver a supply of housing and greater employment in an area well serviced by transport and community infrastructure satisfying the consolidated objectives of this plan.

The draft Central District Plan reiterates the importance of three main principles from *A Plan for Growing Sydney* and states that these underpin its proposed priorities. These principles are

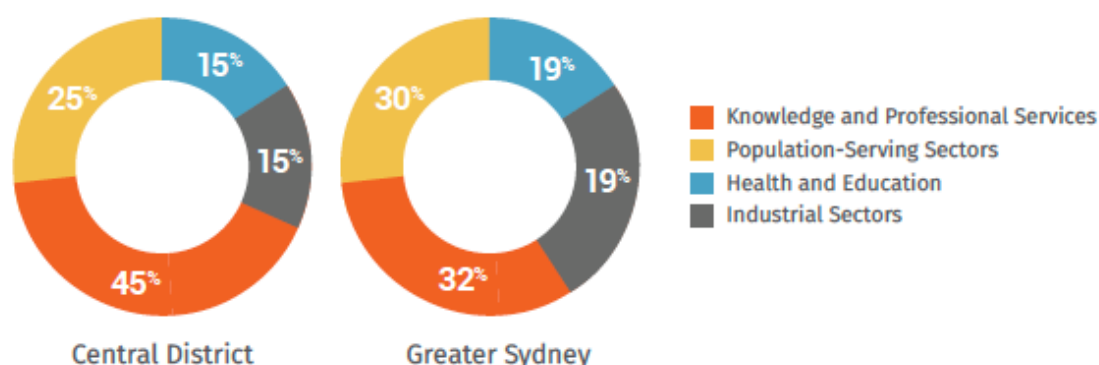
1. *Principle 1: Increasing housing choice around all centres through urban renewal in established areas*
2. *Principle 2: Stronger economic development in strategic centres and transport gateways*
3. *Principle 3: Connecting centres with a networked transport system*

The first objective is of particular relevance to this proposal as it increases housing supply, choice and employment in an established area. It also builds on the cultural and creative richness of the area by providing space for a continuation and enhancement of cultural and creative activities on the site.

The draft District Plan contains further evidence which can be used to determine the proposals fit with the *A Plan for Growing Sydney 2014* objectives. The proposal is designed to provide a supply of employment that better matches the demographics of the surrounding area. The Draft District Plan contains the following information;

*In the 20 years between 1996 and 2016, the growth of the District's jobs was largely in knowledge and professional services (67% growth), health and education (56%) and population-serving (46%) sectors. A modest decline occurred in industrial sector jobs. (Pg37)*

Figure 3-2: Employment profile by sector in Central District vs Greater Sydney (2016)



Source: Transport Performance & Analytics (TPA) (formerly known as Bureau of Transport Statistics), Transport for NSW, Greater Sydney Employment Forecasts, 2011 to 2041 (2016 Release), NSW Government, Sydney

Figure 2 - Draft Central District Plan Employment Profile

The planning proposal will provide the equivalent amount of employment space as presently exist on the site that is a better fit with the employment needs of the current demographics of the area. Spaces suited to small professional firms, start-ups, urban services and creative industries. The greater density of employment of a kind matched to the local area, will provide more jobs closer to where people live.

The draft Central District Plan contains a number of relevant priorities to the proposal, these are discussed below;

### **Relevant Priorities**

*The Draft Central District Plan groups its priorities under the categories of productivity, liveability and sustainability.*

### **Productivity**

The overarching productivity priorities are:

- Driving the growth of the Eastern City
- Enhancing the Eastern City's role as a global leader
- Planning for job target ranges for strategic and district centres
- Growing economic activity in centres
- Improving 30-minute access to jobs and services
- Managing Sydney's trade gateways

When measured against the priorities of the draft plan the proposal will deliver significant employment and housing growth on a site which has remained stagnant and underutilised for many years. The proposal aims to match employment to the demographics of the surrounding area and provide a diversity of housing in close proximity to local and CBD jobs in accordance with the ambition of a 30-minute city.

The draft plan expresses concern about the erosion of employment and urban services land in the Central District. It urges Councils to take a precautionary approach and proposes that proposals which seek to rezone industrial land should demonstrate that there is a net community benefit and this should take into account the economic, social and environmental considerations of the change of use.

Hill PDA have completed an Economic Impact Assessment of the planning proposal and this along with a further response to issues raised by Council and the draft Central District Plan are attached to the planning proposal.

In applying the above net community benefit considerations to the current proposal it is clear that the outcome for the site will remain unchanged if the proposal does not proceed. The site is an isolated pocket of industrial land landlocked by very fragmented residential land with quite narrow streets. Clearly the current built form is not conducive to an intensified employment use and the Hill PDA analysis shows that none of the current uses on the site could be characterised as providing urban services for the surrounding area. the Hill PDA economic analysis shows that there will be a significant increase in employment on the site and there is a substantial economic benefit to the redevelopment of the site.

From a social perspective, the site currently contributes relatively little in the way of employment and provides for only two dwellings. There is currently provision for artist space on the site however this space is in poor condition. Redevelopment will allow for a range and diversity of housing types, new community and creative space and a kind of employment space that matches the local need.

Regarding the environmental considerations of the proposal there are no significant additional impacts from overshadowing and the opportunity for local employment and active transport options for future residents will have a positive environmental impact.

### **Liveability**

The overarching liveability priorities are:

- Improving housing choice
- Improving housing diversity and affordability
- Coordinating and monitoring housing outcomes and demographic trends
- Creating great places
- Fostering cohesive communities
- Responding to people's need for services

While medium density housing exists in the local area the draft district plan states that the Northern and Central Districts are in greatest need for increased housing supply and diversity. The proposal will provide approximately 142 new dwellings of which 5% are proposed to be affordable rental accommodation. The proposed dwellings, employment and community space is located adjacent to Callan Park, good services and transport and will provide a highly desirable place to live and work.

The proposal creates opportunities for living and working either onsite or in close proximity. It also proposes a significant community space which should generate synergies with the office component of the proposal given the presence of creative industries in the area.

### **Sustainability**

The overarching sustainability priorities are:

- Enhancing the Central District in its landscape
- Protecting the District's waterways
- Managing coastal landscapes

- Protecting and enhancing biodiversity
- Delivering Sydney's Green Grid
- Creating an efficient Central District
- Planning for a resilient Central District

Proximity of employment, housing and recreation both on the site and in a location with high quality walking cycling and public transport connections adds to the efficiency of the urban area and reduces pressure on greenfield and less suitable locations.

*Q4. Is the planning proposal consistent with a council's local strategy or other strategic plan?*

An assessment against the following local strategies have been provided below

- *Leichhardt 2020+.*
- *Leichhardt Employment and Economic Development Plan (2013).*
- *Leichhardt Community and Cultural Plan 2011 - 2021*
- *Leichhardt Integrated Transport Plan*
- *Draft Inner West Council Affordable Housing Policy*

## Leichhardt 2020+

Table 5 – Analysis against Leichhardt 2020+

|                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Leichhardt 2020 +</b></p> <p>This Plan was adopted by Leichhardt Council in May 2007. The Leichhardt 2020+ Plan identifies current and emerging long term issues and priorities for Leichhardt LGA and the wider community.</p>                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p><b>Objective 1.3-</b> Engage and connect all local people, people with special needs, businesses and institutions to build our community.</p>                                                                                                            | <p>The proposal has been developed with a focus on meeting local community needs for both employment, housing and cultural activities. The opportunity to work live and recreate in the locality will help connect members of the local community and result in increased quality of life.</p>                                                                                                                                                            |
| <p><b>Objective 2.1-</b> Develop integrated plans to reduce our dependence on private cars for local regular community activities and trip purposes;</p>                                                                                                    | <p>By creating local employment that fit the demographics of the surrounding area it provides the opportunity for people to live close to work. Providing dwellings in an accessible location also means that that more often public or active forms of transport are the optimal choice for commuter and non-commuter trips. This is the most effective measure to reduce car dependence.</p>                                                            |
| <p><b>Objective 2.4-</b> Plan local community facilities and services to fit the places we live and the way we want to live;</p>                                                                                                                            | <p>As shown in Figure 3 and discussed above the site is located in close proximity to a wide variety of community facilities and local services. This is important for both employment and residential uses on the site. The provision of a café, gallery, artist studio and convenience shopping will also contribute to the amenity of the local area and the lifestyle of its inhabitants.</p>                                                         |
| <p><b>Objective 3.1-</b> Our town plan and place plans optimise the potential of our area through integrating the built and natural environment with a vision of how we want to live as a community, and how areas should develop to meet future needs;</p> | <p>The provision of studio spaces and a type of employment offering that will appeal to small professional suites, creative and technical business will provide a type of employment that is not only closely matched to the local population but by providing jobs close to home will contribute to the quality of life of the local community.</p> <p>The close proximity of existing and planned open space also directly supports this objective.</p> |

|                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Objective 5.1:</b> Develop integrated planning to promote thriving and diverse businesses that build on the demands and characteristics of the community, and reduce our dependence on private cars; and</p> | <p>The proposal will provide a greater level of business activity than exists on the site as demonstrated in the Hill PDA Economic Impact Assessment.</p> <p>Currently 75 percent of residents of the former Leichhardt local government area travel outside the area for work. The following statistics on the former Leichhardt local government area from Profile.id demonstrate that the proposal will deliver an employment outcome closer to the demand and characteristics of the local community.</p> <ul style="list-style-type: none"> <li>• A larger percentage of persons employed in professional, scientific and technical services (16.9 percent compared to a Sydney average of 9.6 percent)</li> <li>• A larger percentage of persons employed in information media and telecommunications (6.5 percent compared to a Sydney average of 3.0 percent)</li> <li>• A smaller percentage of persons employed in manufacturing compared to a Sydney average (4.7 percent compared to 8.5 percent)</li> </ul> |
| <p><b>Objective 5.2:</b> Develop accessible and environmentally sustainable businesses that help to build local communities</p>                                                                                    | <p>A renewed modern more flexible built form is more likely to be sustainable and attractive to a wider range of industries in the longer term than the declining industrial and manufacturing uses presently on the site.</p> <p>The redevelopment of the site as part of this proposal will allow for the building of a more sustainable building form and provide better amenity for the surrounding residents.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## Leichhardt Employment and Economic Development Plan (2013)

The Leichhardt Employment and Economic Development Plan (EEDP) is a 10-year strategic plan for economic development in the former Leichhardt local government area.

Key considerations relevant to the proposed development include:

- Demand for industrial land is in locations which enable large modern industrial facilities to maintain low cost operations. Land suitable for new industries is largely in Western Sydney.
- The percentage of office space versus commercial space is changing with a larger proportion of office space required than in the past.
- Recommendations for Council to respond to industrial trends are to increase the amount of office space in industrial areas and transform appropriate industrial land into affordable housing for key workers and students.
- Strategic sites and underutilised land provide the opportunity to be transformed into other uses such as affordable housing for key workers and students;
- Smaller industrial sites in the Leichhardt LGA are surrounded by residential development which increases the likelihood of opposition to new industrial uses and reduces the viability of industrial property.

Objective 3 of the Plan is to embrace the new economy, it lists two relevant strategies to achieve this;

- Strategy 3.1 Support small business and start-ups.
- Strategy 3.3: Support the growth of creative industries.
- 

The provision of 400 square metres community arts space included in 6000 square metres of flexible employment space zoned Light Industrial equals the existing floor space on site and is likely to attract a greater density of employment and services than presently exists on the site. The Hill PDA Economic Impact Assessment predicts a fivefold increase in employment density.

### *Q4. Is the planning proposal consistent with applicable State Environmental Planning Policies?*

An analysis of the consistency of the proposed amendments with relevant State Environmental Planning Policies (SEPPs) is listed in Table 6.

*Table 6 – Analysis against State Environmental Policies*

| Policy                        | Assessment                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SEPP 55 – Remediation of Land | SEPP 55 introduces planning controls for the remediation of contaminated land. The policy states that the planning authority must consider whether the land is contaminated, and if so that the land is suitable in its contaminated state for the permitted uses in the zone, or that the land requires remediation before the land is developed for that purpose. |

| Policy                                                             | Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                    | <p>A preliminary contamination assessment conducted by Douglas Partners has concluded that the site has a low to moderate potential for significant or broad scale contamination. There may be moderate to high concentrations of contamination at point sources of contamination.</p> <p>The report finds that the site has potential to accommodate a change of use, subject to the completion of any remediation deemed necessary as a result of a Phase 2 assessment, which Douglas Partners advises would be required prior to any future development application for mixed use development on the land. Notwithstanding future residential uses would be located above ground level.</p> <p>This is consistent with the Managing Land Contamination, Planning Guidelines SEPP 55–Remediation of Land (1998).</p> <p>The Douglas Partners report is attached at Appendix E.</p> |
| SEPP 65 – Design Quality of Residential Apartment Development      | <p>Roberts Day have conducted an assessment of the proposal, and have concluded that the proposal has the ability to comply with SEPP 65 and the Apartment Design Guideline.</p> <p>This will be further assessed at the development application stage.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| SEPP (Buildings Sustainability Index: BASIX) 2004                  | <p>SEPP BASIX requires all future residential developments to achieve mandated levels of energy and water efficiency, as well as thermal comfort.</p> <p>BASIX Certificates are included as part of future development applications that is being lodged concurrently with the planning proposal which demonstrates compliance with SEPP BASIX requirements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| SEPP (Infrastructure) 2007                                         | <p>As part of the proposal a Traffic Impact Assessment is included which assesses the transport impacts that may arise from the proposal.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Development Near Rail Corridors and Busy Roads (Interim Guideline) | <p>There are referral requirements at development application stage.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

**Q6. Is the planning proposal consistent with applicable Ministerial Directions (s.117 Directions)?**

The proposal is consistent with all relevant Ministerial directions under Section 117(2) of the *Environmental Planning and Assessment Act 1979*.

An assessment of the proposal against the applicable Section 117 directions is supplied in Table 7.

Table 7 – Assessment against Section 117 Direction

| Section 117 Direction                                                                                                                                                                                                                                                             | Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Business and Industrial Zones</p> <p>The objectives of this direction are to:</p> <p>encourage employment growth in suitable locations,</p> <p>protect employment land in business and industrial zones, and</p> <p>support the viability of identified strategic centres.</p> | <p>The planning proposal will deliver a significantly greater number of jobs than are currently available on the site (131 from 26). Further the jobs created are likely to be better match to the local demographics of the area.</p> <p>The current proposal will result in no net loss in land zoned for industrial uses. However, the site is currently underutilized and the majority of uses on site are not industrial in nature.</p> <p>The Planning Proposal would result in a more intensive use of space and increase in employment on site in a locality with good access to transport and amenities,</p> <p>The provision of a modern purpose built flexible employment space will ensure the longevity of industry, creative uses and employment on the site.</p>                                                                                                                                                                                                                                                                                                                            |
| <p>Environment and Heritage</p> <p>2.3 Heritage Conservation</p>                                                                                                                                                                                                                  | <p>No state or local listed heritage items exist on the subject site, a full heritage assessment has been completed by NBRS which found the character buildings on the site did not meet the criteria for heritage listing.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>Housing, Infrastructure and Urban Development</p> <p>3.1 Residential Zones</p> <p>3.4 Integrating Land Use and Transport</p>                                                                                                                                                   | <p>The existing Lilyfield housing stock is comprised of a majority of single or semidetached dwellings. The introduction of a greater range of medium density dwelling of a range of sizes and types will satisfy this direction by providing a greater supply of more affordable and accessible types of dwellings.</p> <p>The Lilyfield/Roselle area has good access to infrastructure, open space and a range of services</p> <p>The increased activity both industrial, commercial and residential will provide further activation to the Rozelle local centre and a more sustainable source of local employment over the longer term.</p> <p>Redevelopment of the site will provide future residents the opportunity to live and work locally introducing a potential for further containment in the area, resulting in overall reduction in vehicle kilometres travelled.</p> <p>The proposal also aims to improve access to housing, jobs and services by allowing people to live and work in areas where walking, cycling and public transport are viable alternatives to car based transport.</p> |
| <p>Hazard and Risk</p> <p>4.1 Acid Sulphate Soils</p> <p>4.3 Flood Prone Land</p>                                                                                                                                                                                                 | <p>The proposal is consistent with the Standard Instrument and has provisions which aim to ensure suitability of any development and will manage the impact of any acid sulphate soils.</p> <p>The site is not in a flood prone area.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>Local Plan Making</p>                                                                                                                                                                                                                                                          | <p>The proposal can be achieved through the amendment of local provisions and mapping changes to the LLEP, no concurrences, or public land reservation is proposed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Leichhardt Community and Cultural Plan 2011 - 2021

The Plan identifies five Strategic Objectives for social inclusion, equity, access, creative expression, cultural engagement and community wellbeing:

1. Connecting people to each other
2. Connecting people to place
3. Developing community strengths and capabilities
4. Enlivening the arts and cultural life
5. Promoting health and wellbeing.

The table below contains an assessment of the proposal against the five strategic objectives of the *Leichhardt Community and Cultural Plan 2011 – 2021*.

| Objective                                          | Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Connecting people to each other                 | <p>The provision of a supply of employment closely matched to the demographics of the surrounding area enables more people to work locally and create stronger connections with the local community and spend less time commuting.</p> <p>The addition of a renewed significant arts space will foster connections with the local creative community as well as allowing for potential connections with employment uses onsite and in the surrounding area. The design of the proposal allows for the possibility of live/work arrangements.</p> |
| 2. Connecting people to place                      | <p>The preservation of the older building forms of the site provides a historical built form reference to the history and previous use of the area. This will have the effect of connecting the future community to the area.</p> <p>The ability to live and work in the locality is probably the strongest element of connection to place, reduces travel times and travel by foot or cycle will allow future workers and residents to fully appreciate the desirable local environment.</p>                                                    |
| 3. Developing community strengths and capabilities | <p>The supply of 6,000 square metres of new adaptable floor space will generate approximately 131 local jobs, this kind of space is likely to be attractive to urban services and creative industries, particularly with the planned artist facilities.</p> <p>The proposed affordable housing will assist in ameliorating housing stress experienced in the local area and enable some members of the community to</p>                                                                                                                          |

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | remain in the local area who would have otherwise been forced to relocate due to rising housing costs.                                                                                                                                                                                                                                                                                                                                                                    |
| 4. Enlivening the arts and cultural life | The provision of 400 square metres of space dedicated to creative uses including artist studios, art gallery and creative space is directly consistent with this objective.                                                                                                                                                                                                                                                                                               |
| 5. Promoting health and wellbeing.       | The location of housing and employment in an area that has good access to public transport and that encourages working in the local area will increase work and recreational travel by active means and reduce reliance on car based trips. This has been shown to have positive health benefits. Additionally, the sites close proximity to a number of existing and planned areas of high quality open space creates an environment that promotes health and wellbeing. |

The proposal will replace an underutilised site which is home to a mix of uses not belonging to any particular industry cluster and not predominantly industrial in nature.

The current uses on the site have little role in servicing the local area and the proposal is to replace these with local housing, employment, affordable housing and an arts/cultural facility. As such the proposal is directly consistent with the objectives of the *Leichhardt Community and Cultural Plan 2011 – 2021*.

### **Leichhardt Integrated Transport Plan**

The Leichhardt Integrated Transport Plan states “Approximately 18% of Leichhardt LGA residents work within the LGA and a total of 63% work either within the Leichhardt LGA or in one of the adjoining LGAs”. This relatively high level of containment is evidence of the areas high level of transport accessibility and the significant employment options in the local area. As stated in the planning proposal Lilyfield is extremely close to the Sydney CBD and the new planned employment precinct of White Bay as well as significant sources of local employment.

The transport plan contains nine objectives which are shown below and followed by a table providing an assessment of the proposal against these objectives.

1. Improve accessibility within and through the LGA.
2. Create a legible, direct and safe pedestrian and cycling environment.
3. Encourage public transport use.
4. Provide a safe and efficient road network for all road users.
5. Provide appropriate levels of parking.
6. Facilitate integration of land use, transport and community & cultural activities.
7. Provide convenience for users of Leichhardt.
8. Promote health and wellbeing.
9. Improve environmental conditions.

| Objective                                                                             | Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Improve accessibility within and through the LGA.                                  | The provision of a supply of employment closely matched to the demographics of the surrounding area enables more people to work locally and create stronger connections with the local community and spend less time commuting.                                                                                                                                                                                                                                     |
| 2. Create a legible, direct and safe pedestrian and cycling environment.              | A new Fred St pedestrian connection is proposed and it is also proposed to incorporate widened footpaths to enhance neighbourhood amenity and pedestrian circulation around the site                                                                                                                                                                                                                                                                                |
| 3. Encourage public transport use.                                                    | The proposal will result in the placement of significant employment and housing in close proximity to                                                                                                                                                                                                                                                                                                                                                               |
| 4. Provide a safe and efficient road network for all road users.                      | <p>In providing for an improved pedestrian environment and minimising vehicle movements through the residential area the proposal meets this objective.</p> <p>The traffic report states that the future development would have minimal impact on the surrounding area and adequate transport infrastructure exists to cater for the future development.</p>                                                                                                        |
| 5. Provide appropriate levels of parking.                                             | <p>The proposal is capable of complying with the parking provisions in the Leichhardt DCP. This will be further assessed at development application stage.</p> <p>Vehicular access to the development is proposed to be provided from Alberto Street, Fred and/or Cecily Street. The existing driveways to the site from Balmain Road, and two of the existing site driveways from Alberto Street, will be removed. This will improve parking in these streets.</p> |
| 6. Facilitate integration of land use, transport and community & cultural activities. | The proposal integrates employment, housing, and arts/community space all in close proximity to established centre and in easy walking distance of high quality public transport.                                                                                                                                                                                                                                                                                   |
| 7. Provide convenience for users of Leichhardt.                                       | Employment space matched to the demographics of the local area will allow for more people to live and work locally which has significant quality of life and convenience advantages. It is also a more sustainable travel option.                                                                                                                                                                                                                                   |
| 8. Promote health and wellbeing.                                                      | The proposal has been designed to provide opportunities for live/work onsite and encourage local employment for local people. This should result in                                                                                                                                                                                                                                                                                                                 |

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | <p>greater use of active transport options such as walking and cycling.</p> <p>The improvement and provision of new pedestrian footpaths and provision of a pedestrian link connecting Fred Street to Alberto Street will further encourage walking and cycling.</p>                                                                                                                                                        |
| 9. Improve environmental conditions. | <p>The current operations of the site involve larger delivery vehicles, at grade above ground parking and present a poor interface to the adjoining residential area.</p> <p>Vehicular access to the development can be provided in a number of configurations as demonstrated by the traffic report. The redevelopment of the site is likely to result in improved environmental conditions in the immediate vicinity.</p> |

### **Draft Inner West Council Affordable Housing policy**

Released in November 2016 for public comment the Draft Inner West Affordable Housing Policy was formulated in response to decreased housing affordability in the LGA and an increase in the number of households experiencing housing stress.

The draft strategy states that *“redevelopment is most likely to take place in older industrial areas and areas of low quality commercial development. The strategy suggests that a levy of 15% is likely to be sustainable for developments of six stories and above in such areas, particularly given the order of accuracy of the modelling and the relatively conservative assumptions used”*.

The planning proposal will allow the redevelopment of an older isolated pocket of former industrial land to be developed to meet the aims of the strategy.

The draft Central District Plan suggests that affordable housing of up to 5-10% would be appropriate and an analysis of existing affordable housing schemes in Sydney shows that on the ground outcomes of between 3% and 4% have been delivered.

The current planning proposal is proposing rather than deliver the entire public benefit in the form of affordable housing a balance of community/cultural facilities, employment outcomes and affordable housing is more appropriate given the state and local strategic aims. The proposed 5% provision of affordable housing will deliver a best practice example when measures against existing schemes while also delivering on a range of other objectives.

Provision of artist spaces, provision of employment space and the provision of 5% affordable housing represents a balanced approach to the delivery of a public benefit to the local area.