

COUNCIL MEETING

Strathfield Municipal Council

Tuesday 19 July 2016

6.30pm
Council Chambers,
65 Homebush Road, Strathfield

OPEN FORUM

Open Forum is held prior to each Council Meeting to enable any person to address Council without notice on any matter NOT included in the Agenda of the meeting.

Speakers must give their name and address and are permitted five minutes to address council.

Members of the public are not permitted to make personal comments concerning Councillors, staff or other members of the public or engage in disorderly or offensive conduct at a meeting. Unacceptable conduct may result in rescinding speaking rights or expulsion from the meeting.

All comments made in Open Forum are recorded.



Report by Frankie Liang, Strategic Planner

RECOMMENDATION

1. ***That the Planning Proposal to rezone 7-33 Water Street, Strathfield South from IN1 General Industrial to R4 High Density Residential should not proceed to Gateway Determination for the following reasons:***
 - ***Lack of a comprehensive Flood Study to support the zoning change;***
 - ***Lack of detail and consultation with external agencies regarding the proposed Voluntary Planning Agreement;***
 - ***The proposed maximum height of 28m and maximum Floor Space Ratio of 1.85:1 are excessive considering context of the site; and***
 - ***Potential land use conflict between the proposed R4 High Density Residential zoning and neighbouring IN1 General Industrial zoning.***
2. ***That the proponent be advised to amend the Planning Proposal in accordance with maximum height of 11m and maximum FSR up to 1.2:1 consistent with the established Strathfield Local Environmental Plan spatial hierarchy, subject to the submission of additional information to satisfy the flooding issues within the site and value capture matters.***
3. ***That the Department of Planning & Environment be notified accordingly.***

PURPOSE OF REPORT

1. To inform Council of the Planning Proposal lodged by Urbis Pty Ltd to amend the Strathfield Local Environmental Plan 2012 (LEP) as detailed below:
 - a. Alter the Land Zoning of the subject site from IN1 General Industrial to R4 High Density Residential.
 - b. Increase the maximum applicable height of buildings Development Standard from 12 metres to 28 metres.
 - c. Increase the maximum applicable floor space ratio (FSR) Development Standard from 1:1 to 1.85:1.
2. To inform Council of the outcomes of the initial assessment of the Planning Proposal and the recommendation not to support the Planning Proposal to be submitted to the Department of Planning and Environment for Gateway determination.

REPORT

Proposal Overview

The table below provides a summary of the current and proposed planning controls relating to 7-33 Water Street:

	EXISTING	PROPOSED
Zoning	IN1 General Industrial	R4 High Density Residential
Height	12m	28m (135% increase)
FSR	1:1	1.85:1 (85% increase)
Permissibility	Residential Flat Buildings are prohibited	Residential Flat Buildings are permissible
No. of unit	N/A	361
Carparking	N/A	595

Table 1: Comparison of Current and Proposed Planning Controls

Background

There have been various attempts to rezone the Water Street properties by private proponents since the late 1990s.

In 1998 and 2003, two (2) rezoning applications seeking to rezone the site of 7-23 Water Street from Industrial to Residential were made, however, neither were successful due to the management of land contamination and impacts associated with increasing the maximum building height.

In December 2009, Council resolved to endorse the Planning Proposal (including supporting studies) to rezone 7-33 Water Street & 8-10 Dunlop Street from Industrial to Medium Density Residential and submitted to Department of Planning.

However, in February 2010, the Department determined not to support the Planning Proposal for the following reasons:

- “1. The proposal is premature given the imminent completion of Council’s economic and employment land use study. This study will inform Council in relation to the future of employment land throughout the LGA and the importance of retaining Category 1 employment lands to meet Council’s employment targets.*
- 2. In the event that the study shows that the rezoning of the subject land is appropriate, Council should consider extending the Planning Proposal to cover all of the industrially zoned land in the South Strathfield Water Street precinct to avoid future land use conflicts.”*

Subsequently, Council reviewed the zonings across the local government area including the Water / Dunlop Street industrial precinct as part of the new draft Strathfield Local Environmental Plan 2012 process.

In July 2012, Council resolved to submit the final draft Strathfield LEP 2011 to the Department of Planning, including recommendation of an individual Planning Proposal for the Water Street / Dunlop Street precinct to be prepared by land owners.

Pre-lodgement Discussions

Prior to lodging the Planning Proposal, the Proponent met with Council Officers on 19 June 2015. On 3 July 2015, Council Officers wrote to the Proponent providing a record of the meeting and the following feedback:

1. Consistent with the previous rezoning/planning proposals for the subject site, the proposal should demonstrate how the flooding and contamination issues will be addressed to ensure that the subject site is suitable for residential development. The flood planning issues are the main

site constraint and it is recommended that this matter be further investigated prior to Planning Proposal lodgement.

2. It is noted that the Department's Gateway Determination and the recommendation of the Economic Land Use and Employment Strategy indicate that a precinct-wide approach to land use planning is needed to ensure an equitable outcome for all landowners.
3. Consideration should also be given to surrounding low density residential areas, industrial land, and the centres hierarchy in determining the suitability of the proposed densities and heights for the subject site.
4. Council is generally on track to achieve its 20-year housing target of 8,300 dwellings as per the draft Inner West Subregional Strategy. The Strathfield LEP 2012, a 10-year LEP, allows for 75% of this housing target primarily concentrated in centres and secondary nodes such as the Strathfield Town Centre, Parramatta Road Precinct, Enfield, and Belfield local centres. The subject site is not located in any of these precincts.
5. Further meetings to discuss the progress of the proposal are recommended once the flooding and contamination issues have been addressed.

During the meeting on 19 June 2015, the proponent proposed the subject site with an R3 zoning which is generally consistent with Economic Land Use and Employment Strategy. To the surprise of Council Officers, the proponent subsequently emailed Council in August 2015 seeking Council's support on an R4 zoning, maximum height of 8 storeys, 2:1 FSR.

To clarify this matter, further correspondence dated 10 September 2015 was provided to the proponent reiterating:

1. Flood planning issues are the main constraints that have never been adequately addressed.
2. Council is unlikely to support an R4 High Density Residential zoning in this precinct.

Despite Council's indication of not supporting the proposed R4 High Density Residential zoning, the proponent formally lodged the Planning Proposal on 22 April 2016.

The Site and Surrounding Land

The subject site is known as 7-23 & 25-33 Water Street, forming Site A (25 – 33 Water Street) and Site B (7-23 Water Street). The legal description of the site is:

- Site A: Lots 23 and 24 in DP29213, Lot 22 in DP 402062,
- Site B: Lot 1 and 2 in DP 603465 and Lot 3 in DP 217450.

The total area is 18,952.7m² and is primarily occupied by industrial buildings. An electrical transmission tower and power lines are located adjacent to the southern boundary.

The site is situated approximately 13 kilometres west of the Sydney CBD on the northern bank of the Cook's River, between Liverpool Road and Punchbowl Road. Lots immediately to the north are detached dwellings. Two (2) three-storey residential flat buildings and Ford Park are located on eastern side of Water Street. Existing industrial lots fronting Dunlop Street neighbour the subject site to the west.

An aerial photograph of the subject site is below:



Figure 1: Locality Plan

Strategic Planning Context

The relevant planning provisions applicable to the subject site are under the provisions of SLEP 2012. These include land use zoning, building height and floor space ratio.

Land Use Zoning

The site is currently zoned *IN1 General Industrial* under Strathfield LEP 2012. The zone objectives of which are:

- To provide a wide range of industrial and warehouse land uses.
- To encourage employment opportunities.
- To minimise any adverse effect of industry on other land uses.
- To support and protect industrial land for industrial uses.
- To minimise fragmentation of valuable industrial land, and provide large sites for integrated and large floorplate activities.

All forms of residential accommodation (including residential flat buildings as proposed) are prohibited under the existing IN1 General Industrial zone. Please refer to Figure 2 for details of existing and surrounding land use zoning under the SLEP 2012.

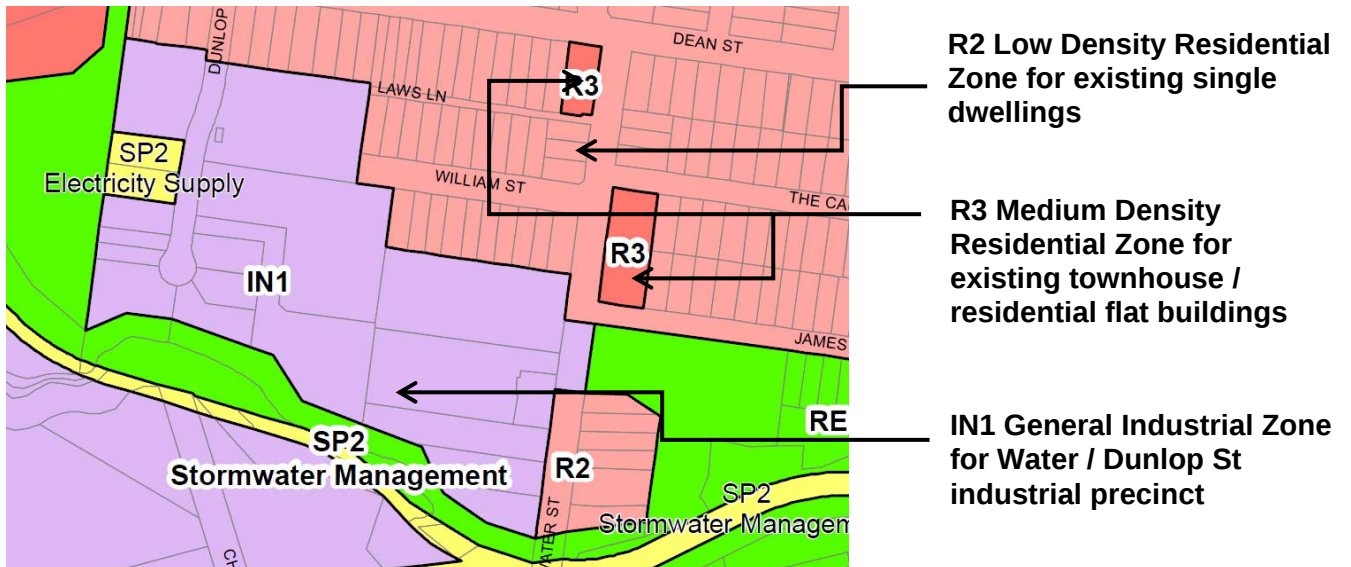


Figure 2: SLEP 2012 Zoning Map Extract

Building Height

The maximum building height for the site and surrounding as part of the Water Street / Dunlop Street industrial precinct is 12 metres. Refer to Figure 3.



Figure 3: SLEP 2012 Height Map Extract

Floor Space Ratio

The maximum floor space ratio for the subject site and the entire Water / Dunlop Street industrial precinct pursuant to Clause 4.4 is 1:1. Refer to Figure 4.

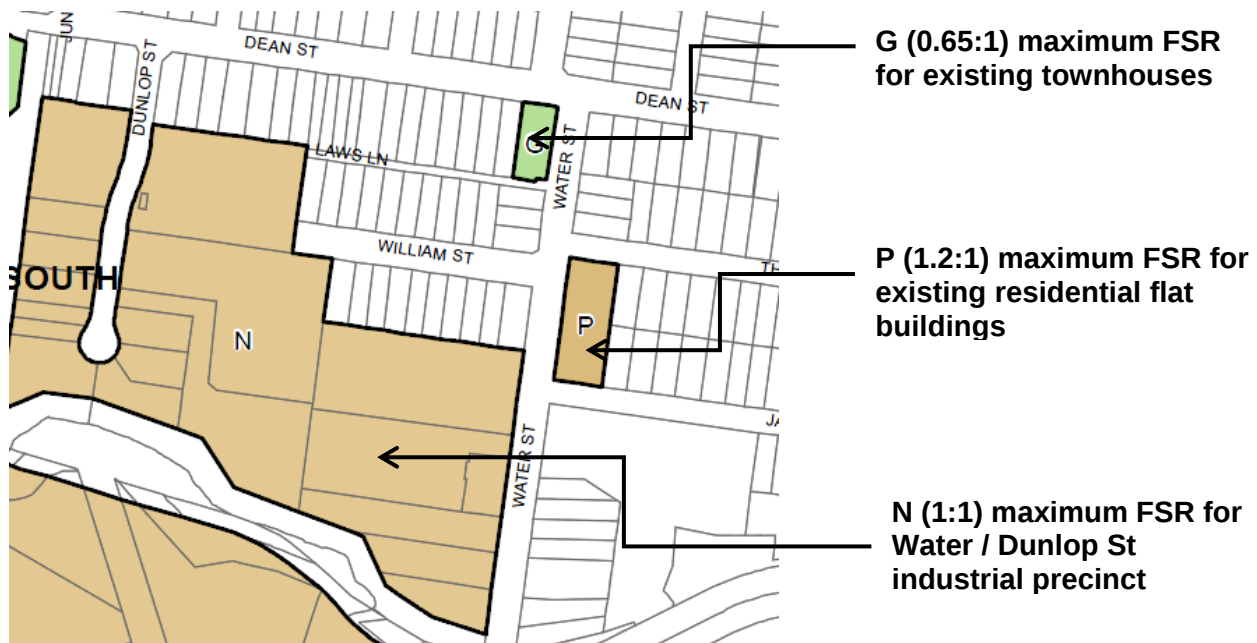


Figure 4: SLEP 2012 FSR Map Extract

Major Issues to Be Resolved

Flood Planning

Flood planning is the major issue that has not been adequately addressed by the proponent. Council Officers repeatedly recommended that the flooding matters be further investigated before progressing on other aspects of the proposal. This is documented in Council Officer's two (2) previous correspondences in July and September 2015. Despite the advice of Council Officers, the proponent formally lodged the Planning Proposal without adequate consideration of the flooding constraints.

A letter prepared by WMA Water for the proponent provides recommendations on how the flood risk can be managed, however, no specific recommendations are provided as to whether the Planning Proposal should be supported on flooding grounds. Therefore, the proponent has not addressed the NSW Government's Section 117 Direction 4.3 Flood Prone Land in sufficient detail.

Council's Consultant Development Engineer has reviewed the Flood Impact Assessment Report prepared by WMA Water dated November 2015 and its supporting Concept Plan which indicates the proposed residential building footprints. The assessment has considered the Cooks River Flood Study and NSW Floodplain Development Manual 2005.

The following comments are provided with respect to Flood Impact Assessment:

- The subject site is located adjacent to Cooks River and is severely affected by mainstream flooding during the Probable Maximum flood and flood depths exceed 2.8m on the western edge which is considered high risk;
- The proposal intensifies the development of land from industrial to residential and presents a possible danger to personal safety, risk to lives and potential for significant structural damage to buildings, is contrary to the requirements set out in the Section 117 Direction and NSW Floodplain Development Manual dated 2005, therefore cannot be supported on flooding grounds;
- The figure below provides direction of the Hydraulic Hazard Categories and the Velocity Depth.

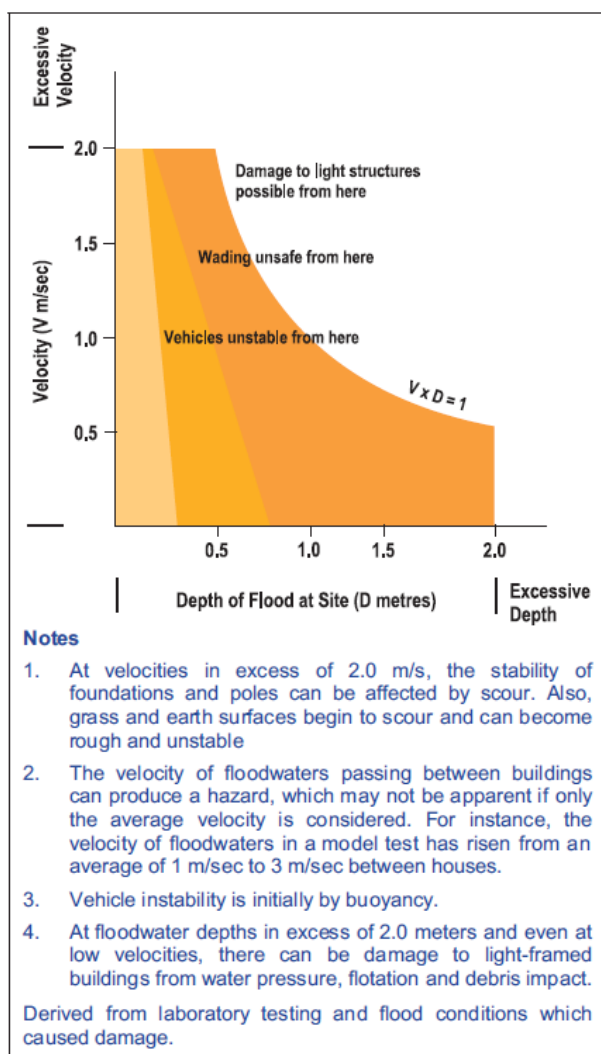


FIGURE L1 - Velocity & Depth Relationships

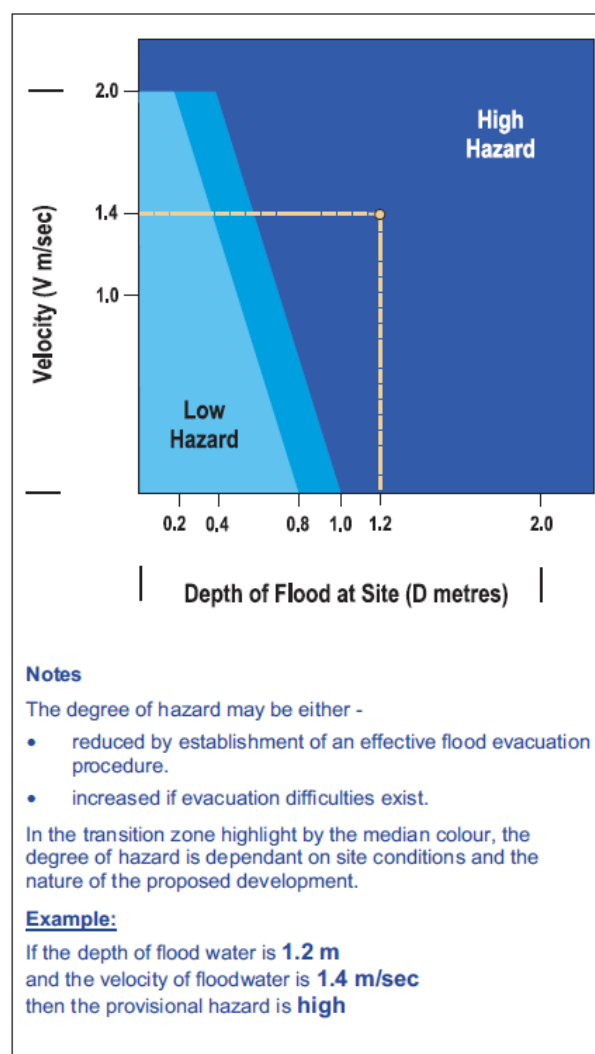


FIGURE L2 - Provisional Hydraulic Hazard Categories

Relationship:

- Based on the above tables, it can be concluded that the subject site is unsafe and high risk and therefore the proposal for residential development cannot be supported as the flood depth exceeds 2.8m along the western boundary of the site;
- The proposal also fails to demonstrate how vehicles can enter and exit the subject site in a safe manner (i.e. the proposed locations of vehicular access are located within areas of high flood

risk) and therefore cannot be supported. This also relates to issues of evacuation. There is insufficient time warning for people to evacuate to a place of refuge above the 100 year or PMF flood level. Again, this is contrary to the requirements set out in Section 117 Direction and NSW Floodplain Development Manual dated 2005.

In light of the above critical strategic planning issues that relate to the safety of future residents, it is recommended that the proponent should prepare a comprehensive flood study before proceeding further with other aspects of this Planning Proposal.

Taking into consideration the supporting Flood Study, the proponent will then need to revisit their proposal and provide an effective design that addresses all of the critical issues that relate to flooding. The Planning Proposal should then demonstrate compliance with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005 prior to Gateway Determination.

Value of Voluntary Planning Agreement

The Proponent has offered to enter into a Voluntary Planning Agreement (VPA) based on the following:

- a) Funding a portion of the implementation of Sydney Water's Cooks River Bank Naturalisation Project;
- b) Enhancement works to the Cooks River foreshore reserve and cycleway adjacent to the site;
- c) Relocation and replacement of the existing north bound and south bound Water Street bus stops; and
- d) Funding of a widened pedestrian / cycle path cantilevered off the existing Water Street bridge over the Cooks River

The Voluntary Planning Agreement offer includes elements that extend beyond Council's jurisdiction, therefore would require further consultation with relevant State agencies such as Sydney Water and Transport for NSW.

Regarding works to the Cooks River, Council has already been collecting funding through Section 94 contributions to improve the amenity along the Cooks River foreshore reserve and cycleway. This Section 94 work program will be undertaken according to the Section 94 Direct Contributions Plan regardless of whether this rezoning proposal will proceed or not.

Whilst a widened pedestrian / cycle path off the existing Water Street bridge over Cooks River may be supported, it is not accepted by Council that the proposed works can support the proposed rezoning and population densities in infrastructure terms. Furthermore, any works over the Cooks River will need to be considered in consultation with Sydney Water.

Further negotiation details and justification should be provided to ascertain the possibility of such infrastructure provisions and to address value capture satisfactorily.

Assessment of Planning Proposal

The below table provides a summary of the justification provided in the Planning Proposal (PP) and Council Officers' comment in accordance with the NSW "A Guide to Preparing Planning Proposals":

	Proponent's Justification	Council Officers' comment
<i>Strategic Merit Assessment</i>		
A Plan for Growing Sydney	Consistent – accelerate Urban Renewal and housing opportunities.	<i>Inconsistent – the site is not located within the identified strategic urban renewal corridors for high density residential.</i>
Local Strategy	Consistent – recommend high quality, medium density residential with improved open space link.	<i>Inconsistent – the proposed R4 High Density Residential zone is not consistent with Council's spatial planning hierarchy.</i>
SEPP 55 – Remediation of Land	Consistent – supported by the Site Audit Report by Ramboll Environ.	<i>Should the PP proceed to Gateway, a detailed contamination study is recommended that clearly demonstrates the site can be remediated to be suitable for the residential / open space purpose prior to exhibition.</i>
Direction 1.1 Business and Industrial Use	Consistent – the Strathfield South industrial precinct is diminishing as an industrial centre.	<i>Inconsistent, however it is accepted that the inconsistency is minor as supported by the Economic Impact Assessment by Hill PDA.</i>
Direction 3.1 Residential Zones	Consistent – it provides a variety of housing types and will improve residential amenity	<i>Inconsistent – the proposed R4 High Density Residential Zoning is in a location distant from established centres and frequent transport services.</i>
Direction 3.4 Integrating Land Use and Transport	Consistent – the subject site is in close proximity to both public transport and to the Cooks River Cycleway.	<i>Inconsistent – the subject site is not well serviced by existing public transport infrastructure.</i> <i>There is only one bus line located within 10min walking radius which provides access to Burwood / Sydney Olympic Park at 15min peak or 30min non-peak frequency.</i>
Direction 4.1 Acid Sulfate Soils	N/A	<i>Inconsistent – the site is identified in the Strathfield LEP 2012 as containing "Class 4 Acid Sulfate Soils".</i> <i>Should the PP proceed to Gateway, the proposal must demonstrate consistency with this direction prior to exhibition.</i>
Direction 4.3 Flood Prone Land	Consistent - A Flood Impact Assessment Report was prepared by WMA Water.	<i>Inconsistent – please refer to previous discussion regarding Flood Planning.</i>
<i>Site Specific Merit Assessment</i>		
Urban Design and Built Form	An Urban Design Report in support of the PP was prepared by GMU Urban Design & Architecture.	<i>The proposed height and FSR is contrary to the established height and FSR hierarchy set in the SLEP 2012;</i> <i>The physical impact on the surrounding</i>

	Proponent's Justification	Council Officers' comment
		<i>area (i.e. height, bulk, building location & orientation) is a critical concern;</i> <i>Five (5) storey buildings to the Water Street frontage would be incompatible with the existing built form and character of the streetscape;</i> <i>Five (5) storey buildings (with minimal setback above three storey component) to the northern boundary will likely create opportunities for significant overlooking toward the existing houses fronting William Street;</i> <i>High rise buildings ranging five (5) to eight (8) storeys on the western part of the site maximise the potential land use conflicts with the existing industrial premises at Dunlop Street; and</i> <i>The potential overshadowing impact on Cooks River Cycleway / Open Space link is excessive. This overshadowing impact would severely impact the visual amenity of the regional open space corridor area and potentially impact on the native vegetation.</i>
Traffic & Parking	A Traffic Assessment Report prepared by GTA Consultants.	<i>It is considered that the proposed residential development would generate predominantly light vehicle movements and thus replace the relatively high proportion of heavy vehicle movements currently being generated by the industrial use of the site.</i> <i>As the surrounding properties are generally low and medium density residential uses, the removal of heavy vehicle movements to and from the site would enhance the residential amenity in the area.</i> <i>No objection was made to the PP on traffic grounds.</i>
Acoustics	Acoustic Logic has undertaken a preliminary analysis of the potential impact of external sources of noise and vibration on the amenity of future residents. It is concluded that: a) The main source of noise from high traffic noise levels from Liverpool Road; and b) acoustic treatments will be	<i>The preliminary acoustic report is general in nature and fails to consider the source of noise from adjoining industrial operations. No specific building design solutions were recommended in order to maintain natural ventilation to the apartments adjoining the industrial sites whilst addressing the noise impact.</i> <i>Should the Planning Proposal proceed to Gateway, a more specific acoustic report</i>

	Proponent's Justification	Council Officers' comment
	possible and practical to the building façade to ensure that internal noise levels comply with significant noise emissions from the substation located immediately south of the proposed development.	<i>would need to be prepared to consider other relevant noise sources and demonstrate its compliance with NSW Industrial Noise Policy prior to exhibition.</i>

Recommended Alternative

It is accepted by Council Officers that the rezoning of the subject site from Industrial land use to Residential land use will increase the residential amenity of the precinct. The impact of potential loss of employment is justified by the supporting Economic Impact Assessment by Hill PDA as minor.

However, it is not supported by Council Officers that the proposed planning controls should be altered to such an excessive scale of height (28m) and density (1.85:1 FSR) in the context of a low-medium density residential neighbourhood.

Subject to the resolution of the flood planning and Voluntary Planning Agreement value capture matters, it is recommended an amended Planning Proposal be submitted to Council, at a more appropriate scale as below:

- Zoning: R3 Medium Density Residential
- Maximum Height: 11m
- Maximum FSR: 0.9:1 (or up to 1.2:1 subject to a supporting Voluntary Planning Agreement)

These proposed alternative planning controls are consistent with the SLEP 2012 strategic planning framework and other R3 Medium Density Residential zoned precincts adjacent to the Strathfield South Town Centre and Belfield Local Centre.

The bonus provisions of 1.2:1 FSR is consistent with the existing density of the three (3) storey Residential Flat Buildings at 8-16 Water Street, Strathfield South. This could be applied subject to provision of additional infrastructure which supports the increased density.

Conclusion

Council Officers have considered the proposal and supporting documentation and conclude that there is insufficient merit in the current proposal proceeding to the Gateway Determination by the Department of Planning & Environment.

Council Officers do recognise the site (being part of an isolated industrial lot) may provide an opportunity for possible rezoning, and there are some merits in applying a R3 Medium Density Residential zoning as outlined in the recommended alternative, subject to satisfactorily addressing the flooding and VPA / value capture matters.

The Planning Proposal fails to convincingly justify the proposed R4 High Density Residential zone, height and density to such an excessive scale. Furthermore, the flooding constraints and Voluntary Planning Agreement matters have not been adequately addressed. The subject site neighbours the existing IN1 General Industrial zoned lots in the Dunlop Street industrial precinct which could create significant land use conflicts.

Strategically the site is not located in the Parramatta Road / Bankstown to Sydenham Urban Renewal Corridor, or adjacent to Council's designated centres / nodes in the SLEP 2012 which are well serviced by existing infrastructure. Therefore, applying an R4 High Density Residential does not represent 'orderly planning' (Clause 5, EP&A Act 1979).

It is therefore recommended that the Planning Proposal should not proceed to Gateway Determination at its current format. Serious consideration should be given to preparing a Comprehensive Flood Study, negotiation on the Voluntary Planning Agreement and opportunities for value capture. On the basis of these documents, the proponent should then revisit the Planning Proposal in accordance with the recommended alternative planning controls provided in this report.

REFERRAL FROM OTHER DEPARTMENT

Various departments have been consulted with to provide comment on this Planning Proposal.

FINANCIAL IMPLICATIONS

There are no financial implications.

Report approved by:

Sophie Olsen	Silvio Falato
A/Manager Planning & Development	A/Director Infrastructure & Development