

Planning Proposal

14-20 Orion Road, Lane Cove

Prepared for Ducru Pty Ltd

October 2015

OWNER/PROPONENT of Proposal: DUCRU PTY. Ltd.

urbis

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Executive Summary

INTRODUCTION

This planning proposal has been prepared by Urbis on behalf of Ducru Pty Ltd (the proponent), and seeks to amend the *Lane Cove Environmental Plan 2009* (the LEP 2009) as it applies to 14-16 and 18-20 Orion Road (the subject site). The Planning Proposal is submitted to Lane Cove Council in accordance with Section 55 of the *Environmental Planning and Assessment Act 1979* and the Department of Planning and Environment's 'A guide to preparing planning proposals' dated October 2012.

The objective of the planning proposal is to enable development of the subject site for a mixed use development including residential, retail and commercial uses.

CONCEPT DESIGN

A concept design for 14-16 and 18-20 Orion Road including design commentary, preliminary plans and SEPP 65 analysis has been prepared by Sissons Architects and is provided in a separate volume. The concept design is indicative of what can be achieved with the proposed standards, and may be used as the basis for a development application following the planning proposal process. The key features of the concept design include:

- Vehicle access off Orion Road.
- Approximately 459 apartments across four buildings, made up of:
 - 40sqm Studios – 5%
 - 55sqm 1 x Beds – 15%
 - 70sqm 2 x Beds, 1 Bath – 40%
 - 80sqm 2 x Beds, 2 Bath – 30%
 - 105sqm 3 x Beds, 2 Baths – 10%
- Approximately 42,178sqm residential GFA
- Approximately 2,050sqm of commercial space (including commercial, retail and childcare tenancies).

PROPOSED AMENDMENTS TO THE LANE COVE LOCAL ENVIRONMENTAL PLAN 2009

The subject site is presently zoned IN2 Light Industrial under the LEP 2009, with a building height maximum of 18m and a floor space ratio maximum of 1:1.

It is noted that under the 'Durham Deed' the site can achieve a FSR of 2:1. The Durham Deed is addressed further in Section 2.2.

In order to meet the objectives of the planning proposal, it is proposed to amend the land use zoning, floor space ratio and height controls that apply to the site under the LEP 2009 as follows:

- Rezone the subject site B4 Mixed Use.
- Assign the subject site a floor space ratio standard of 2.5:1.
- Assign the subject site a height maximum of 55m.

PLANNING ASSESSMENT

The planning proposal has been assessed against relevant State and local planning considerations. The planning proposal offers significant benefits and opportunities for the development of the site and to the surrounding area:

This planning proposal has thoroughly assessed the site's existing development controls and considered the site in its industrial context, and the broader local and metropolitan strategic planning context. It is considered this planning proposal enables the development of a more viable land use at 14-16 and 18-20 Orion Rd. This development will improve the vitality and safety of the local precinct while contributing valuable services to employees in the area, and provide quality residential dwellings for locals supported by public transport and infrastructure.

It has been established that the viability of the existing commercial development is limited by:

- Inferior competitive position of the subject site relative to other commercial employment centres.
- Lack of demand for commercial use on the subject site. The Urbis Economic Assessment states the vacancy rate is 40%. Ducru have confirmed as at 30 Sep 2015 the vacancy rate was 42%.
- Current extent of commercial space is not supportable and changes in market dynamics mean this is unlikely to become supportable. Therefore the proposed scheme adjusts this space to suit market demand.
- Strong trend for commercial tenants to move to North Ryde / Macquarie Park, for which the subject site cannot compete, due to the following supportable factors:
 - Strong transport connections
 - Amenity / services
 - Large office floor plates.
 - **Redevelopment of the site for industrial purposes is unlikely to be feasible due to:**
- Constraints owing to topography and vegetation that place upward pressure on development costs.
- Lack of financial viability of industrial development, where there are high costs associated with site conditions.
- Weak demand for industrial use on the subject site (locational and site condition issues).

The site benefits from good development separation and a leafy outlook, with excellent access to jobs and services. The size of the site and potential future development is such that it will create a community in itself which will provide for residents and the nearby employees.

The abundance of proximate public parks and recreation spaces together with the walking and cycling networks, abundant bus services and connectivity to jobs and major centres makes the site well suited to residential development.

The planning proposal offers significant benefits for the development of the site and to subsequently to the local community including:

- **The planning proposal is consistent with State and local government strategic planning initiatives**, with the site being well positioned to provide high amenity housing in an area well serviced by public transport.
- **The planning proposal will deliver community benefits to the precinct** by permitting tenancies suitable for retail, commercial, and a child care centre which will service local employees within walking distance, reducing reliance of cars in the area.
- **The planning proposal will maintain opportunities for employment** with the inclusion of high density employment tenancies including a child care centre, retail and commercial office space as well as ongoing building management and maintenance employment opportunities.

- **The proposed rezoning will provide community activation in the precinct.** The Lane Cove Industrial Precinct as it stands is lacking the activation and vibrancy that a mixed use residential development can bring to the area.
- **The planning proposal does not significantly increase the potential scale of development** the maximum height proposed for the site is 55m (up to 16 floors) and comparable with the development at 150 Epping Road (Meriton project). The 'Site Section' at **Appendix A** illustrates the height relationship between these developments.
- **The concept design responds to the site topography, surrounding natural context, and prevailing urban morphology** ensuring a built scale which is proportionate to the site's location, complimentary to the topography and avoids unreasonable amenity impacts on surrounding sites.
- **The concept design does not result in unreasonable impacts to adjoining land uses and residents**, the concept design demonstrates how future development can avoid a conflict in land uses with adjoining and surrounding industrial uses with adequate setbacks and vegetative buffers. The site is of such a size that adequate setbacks can be afforded with future development. Nearby residential uses will similarly not be adversely affected by the proposal due to the separation between the site and any residential developments.
The traffic assessment carried out demonstrates on-site parking and access and egress can be appropriately accommodated on site with future traffic volumes being easily accommodated on the local road network.
- **The proponent of the planning proposal is willing to work with Council** to ensure the Lane Cove community is included in the public consultation process and the planning proposal is ultimately considered to be in the public interest.

For these reasons it is recommended the planning proposal is endorsed by Council to enable a gateway determination by the Department of Planning and Environment.

1 Introduction

The current use and zoning of the Subject Site at 14-16 and 18-20 Orion Road, Lane Cove, has been established as no longer appropriate. The site lies on the edge of the industrial area. 14-16 Orion Road is currently vacant, while a commercial office premise (a prohibited land use in the zone) exists at 18-20 Orion Road.

The site has been held by the current landowner for many years. What is clearly evident on the site and what economic and market research supports, is the absence of demand for commercial tenancies in the Lane Cove Industrial Precinct. As outlined later in this report, redevelopment of the site for light industrial “factory warehouse style” tenancies has also been established as unviable for this site.

The subject site presents opportunity to establish a mixed use development which will provide community services such as childcare and retail/commercial tenancies that would service the existing workforce as well as support the proposed residences proposed on the site.

Accordingly, this planning proposal has been prepared by Urbis on behalf of Ducru Pty Ltd (the applicant) to initiate an amendment to the *Lane Cove Local Environmental Plan 2009* (the LEP 2009) for the subject site to change the site zoning from IN2 Light Industrial to B4 Mixed Use.

The objective of the planning proposal is to enable a more appropriate zoning for the site allowing mixed use development with retail, commercial and residential land uses.

The planning proposal requests amendments to the zoning, floor space ratio and height controls applying to the site under the LEP 2009. A summary of proposed amendments is provided in **Table 1**.

TABLE 1 – SUMMARY OF PROPOSED AMENDMENTS TO THE LEP 2009

CONTROL	EXISTING 2008 LEP PROVISIONS	PROPOSED PROVISIONS
Land use zoning	IN2 Light Industrial	B4 Mixed Use
Height of building	Maximum 18 metres.	55m
Floor space ratio	1:1	2.5:1

It is noted that under the Durham Deed (detailed further in **Section 2.2**) commercial premises are permitted on 14-16 and 18-20 Orion Road with a FSR of up to 2:1. Under this Deed a DA for commercial premises has been approved on 14-16 Orion Road with a FSR of 2:1 (D28/09).

Despite multiple attempts to formally engage with the neighbouring landowner at 160 Epping Road (S C Johnson site) about a joint rezoning, all avenues have been exhausted. Thus, the proposal does not seek to rezone the neighbouring landowner (SJ Johnson) as it is not the applicants' position to recommend alternate land use zones on neighbouring lands. Should Council form the view that it supports the extension of the proposed B4 zoning to include the SC Johnson site then the applicant would support that action.

This Planning Proposal includes the following:

- Description and analysis of the site and local context with reference to metropolitan strategic planning and infrastructure projects.
- Consideration of previous and current strategic planning for Lane Cove and the existing planning framework.
- Objectives and intended outcomes of the planning proposal.
- Explanation of the provisions of the proposed amendment to the LEP.

- Justification of the concept design and Planning Proposal.
- Consideration of the community consultation likely to be associated with the Planning Proposal.

This planning proposal has been prepared with regard to concept designs prepared by Sissons Architects. An Urban Design report is provided in a separate volume. Traffic advice has been prepared by Colston Budd Hunt & Kafes Pty Ltd and is included at **Appendix D**.

2 Site and Context

2.1 THE SUBJECT SITE

This Planning Proposal relates to a site made up of numerous lots located on Orion Road and Epping Road, within the Lane Cove West Industrial Precinct. The site measures approximately 1.7 hectares. Lot and DP details are provided in the table below, with the site area outlined in **Figure 1**.

TABLE 2 - DESCRIPTION OF LOTS FORMING THE SUBJECT SITE

ADDRESS	LOT	DP	AREA	DESCRIPTION
14-16 Orion Road	Lot 1	DP 1095363	7,922sqm	Vacant with significant vegetation. Entry via Orion Rd. DA approval granted July 2009 for a 5 storey commercial office building, comprising some 15,100sqm commercial floor space and 670sqm warehouse space. Owned by Ducru Pty Ltd.
18-20 Orion Road	Lot 2	DP 1095363	8,938sqm	9-storey commercial building with 350-space open air car park and ground floor childcare centre. Well established vegetation located on the boundaries of the lot. Entry via Orion Road. Owned by Ducru Pty Ltd.
Total area			16,860sqm	

FIGURE 1 – AERIAL IMAGE OF THE SUBJECT SITE



Figure 2 below contains images of the existing built form on the Subject Site.

FIGURE 2 – IMAGES OF THE SITE



PICTURE 1 – EXISTING COMMERCIAL BUILDING AT 18-20 ORION RD



PICTURE 2 – STEEP DROP IN GROUND LEVEL AT NORTHWESTERN BOUNDARY OF 18-20 ORION



PICTURE 3 – OPEN AIR PARKING AT 18-20 ORION RD



PICTURE 4 – LOOKING NORTH FROM 18-20 ORION RD



PICTURE 5 – CHILD CARE CENTRE AT 18-20 ORION RD



PICTURE 6 – VACANT BLOCK AT 14-16 ORION RD

2.2 160 EPPING ROAD

It is noted that at the request of Council, Develco has attempted on several occasions to engage in conversations with S C Johnson, the owners of the site at 160 Epping Road, with regards to the inclusion of this site in the planning proposal. It has been made evident that S C Johnson is not interested in the redevelopment of their site and therefore will not participate in the planning proposal.

Evidence of correspondence is provided at **Appendix F**.

2.3 DURHAM DEED – 14-16 AND 18-20 ORION ROAD

To understand the context of the sites' development, it is important to understand the 'Durham Deed' which was an agreement between the landowner and Council.

The Durham Deed was originally signed on 9/9/85, the purpose of which was twofold, and is an agreement between Lane Cove Council (LCC) and Durham Pty Ltd (Subsidiary of Ducru Pty Ltd).

The Development conditions can be summarised as follows:

- a) The construction and dedication of land for the link road between Orion Rd & Epping Rd, now known as Sam Johnson Way.
- b) It also constructed stormwater drainage and sub-station (kiosk).
- c) Furthermore, it dedicated certain parcels of land to Council to construct a public park.
- d) In return Council granted the Development rights of 45,127sq .m of Development of which 49% was for **Commercial Development/Office Buildings**, comprising a total of 22,112sq.m.
- e) It follows that only approx.8,700sqm was built on 18 Orion Road, a further 13,112sq.m was to be built on 16 Orion Road.
- f) This in turn is encapsulated in the Commercial (Office) Building Approval on 16 Orion Rd, which approx. resulted in 13,400sqm of NLA for an Office Building. i.e. If we take into account GLA the DA approval is approx. 14,500sqm which represents a **FSR of 2:1**.
- g) The overall principle of the Durham Deed however was to confirm the special conditions and special approval for the land of 14-20 Orion Road. It is further noted that the land is quite separate from the existing LCW Light Industrial area, in that it is surrounded by roads on 3 sides and a large escarpment overlooking the S C Johnson (SCJ) land.
- h) The fall in land is approx. 25 metres from the base of 18 Orion Road building to SCJ.
- i) The "outlier" concept of the Site is proven by the Topography and the Durham Deed, which makes a strong case for the re-zoning of the land to Mixed Use.

This summary provides a history as to why the current development came to be which explains in part how the commercial office building came to exist in the industrial area.

2.4 THE LOCAL CONTEXT

The site is located on the periphery of the Lane Cove West Industrial Precinct, south of Epping Road, and situated approximately 1km south east from the North Ryde precinct, and 1.9km North West from the Lane Cove town centre.

The site is adjacent to the Lane Cove National Park and Lane Cove River, and a 12 minute walk to Lane Cove Public School and 11 minute walk from Mowbray Public School. The site is also located proximate to an abundance of local reserves and public parks.

The Lane Cove West Industrial Precinct (indicated in **Figure 1**) is situated between Epping Road to the north and Lloyd Rees Drive to the south, and covers an area of around 46.9 hectares. The precinct provides around 33.7 hectares of IN2 zoned land (over 66 properties), and 1 hectare of SP2 zoned undevelopable land. The subject site proposed for rezoning constitutes approximately 3.6% of the land within the Lane Cove Industrial Precinct. The most prevalent buildings in the precinct are mixed warehouse / office stock that accommodate businesses requiring co-located office space and warehouse space. The Economic Assessment at **Appendix B** provides a more detailed breakdown of uses in the precinct.

Surrounding land uses and built form are indicated in **Figure 3**.

FIGURE 3 - SURROUNDING LAND USES AND BUILDINGS



PICTURE 7 – 15 ORION RD – WAREHOUSE AND DISTRIBUTION



PICTURE 8 – 11-13 ORION RD - WAREHOUSES



PICTURE 9 – 4 SIRIUS RD, WAREHOUSE AND STORAGE



PICTURE 10 – 1 CHAPLIN DRIVE – HI TECH



PICTURE 11 – 8 CHAPLIN DRIVE – MECHANICAL REPAIRS



PICTURE 12 – 32 SIRIUS RD – HI TECH

The site is physically separated from the existing Lane Cove North residential area by the Lane Cove Motorway, but shares a view of a stretch of the Lane Cove National Park and tributary with the Meriton mixed use development at 150 Epping Road. This development is currently under construction.

2.4.1 EMPLOYMENT CONTEXT

The site is within 3kms of Macquarie Park, 4kms of Chatswood, 6kms of Royal North Shore Hospital, 8kms to North Sydney and 13kms of the Sydney CBD. These are key employment destinations, and are all close to the site.

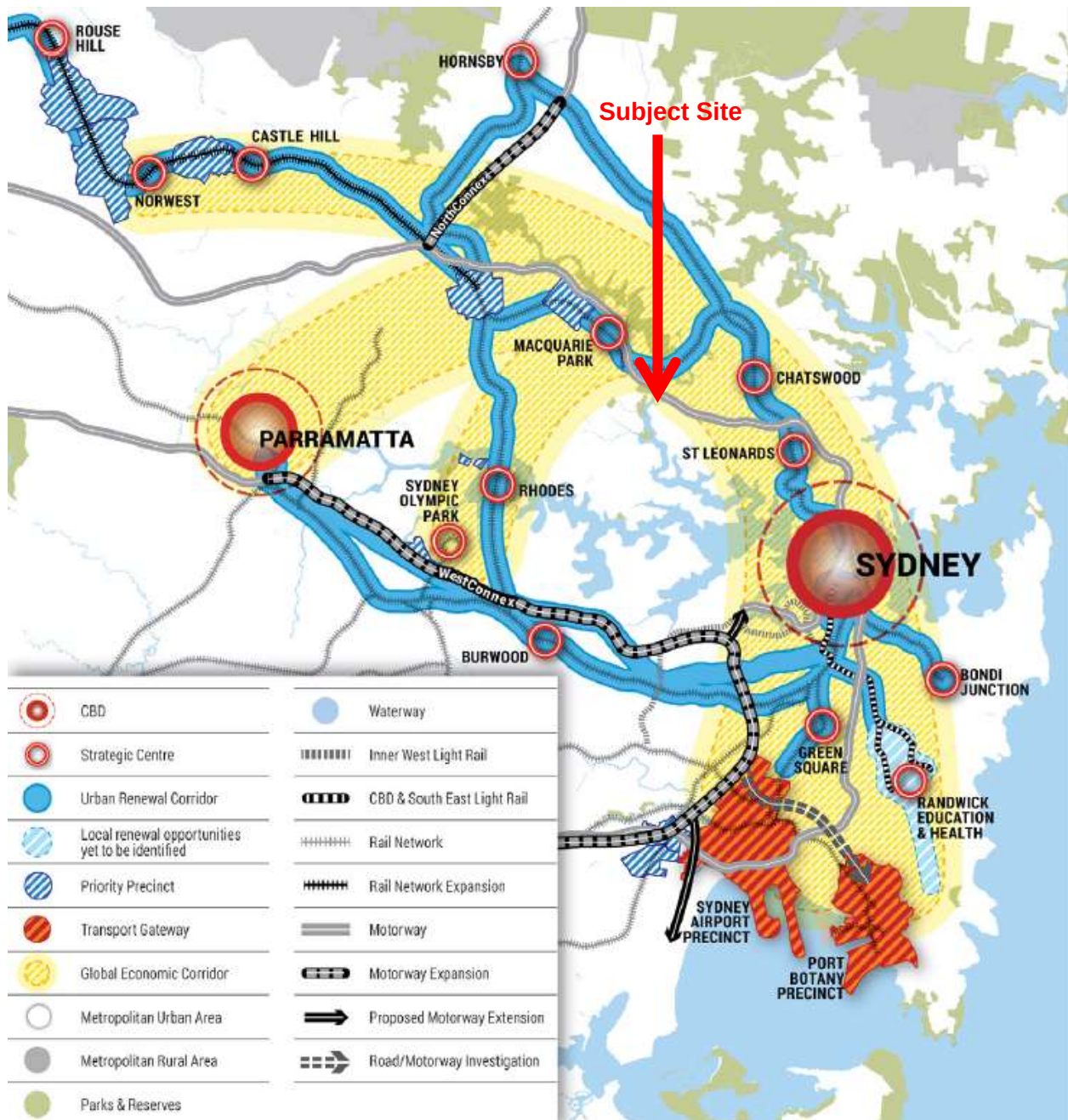


FIGURE 4 – CENTRAL AND NORTHERN SYDNEY - A PLAN FOR GROWING SYDNEY

2.4.2 NEARBY PROPOSED AND APPROVED DEVELOPMENTS

In December 2013 the Planning Assessment Commission approved a Concept Plan for a mixed use development north west of the site (150 Epping Road) comprising six building envelopes ranging in height from six to 20 storeys. As of February 2014 Meriton has had the site under construction.

A planning proposal was submitted in February 2015 for the rezoning of 1 Sirius Road, Lane Cove West, and was rejected by Council in April 2015 on grounds including inconsistency with State and Council planning documents, and conflict of land use with nearby industry.

2.4.3 NEARBY SERVICES

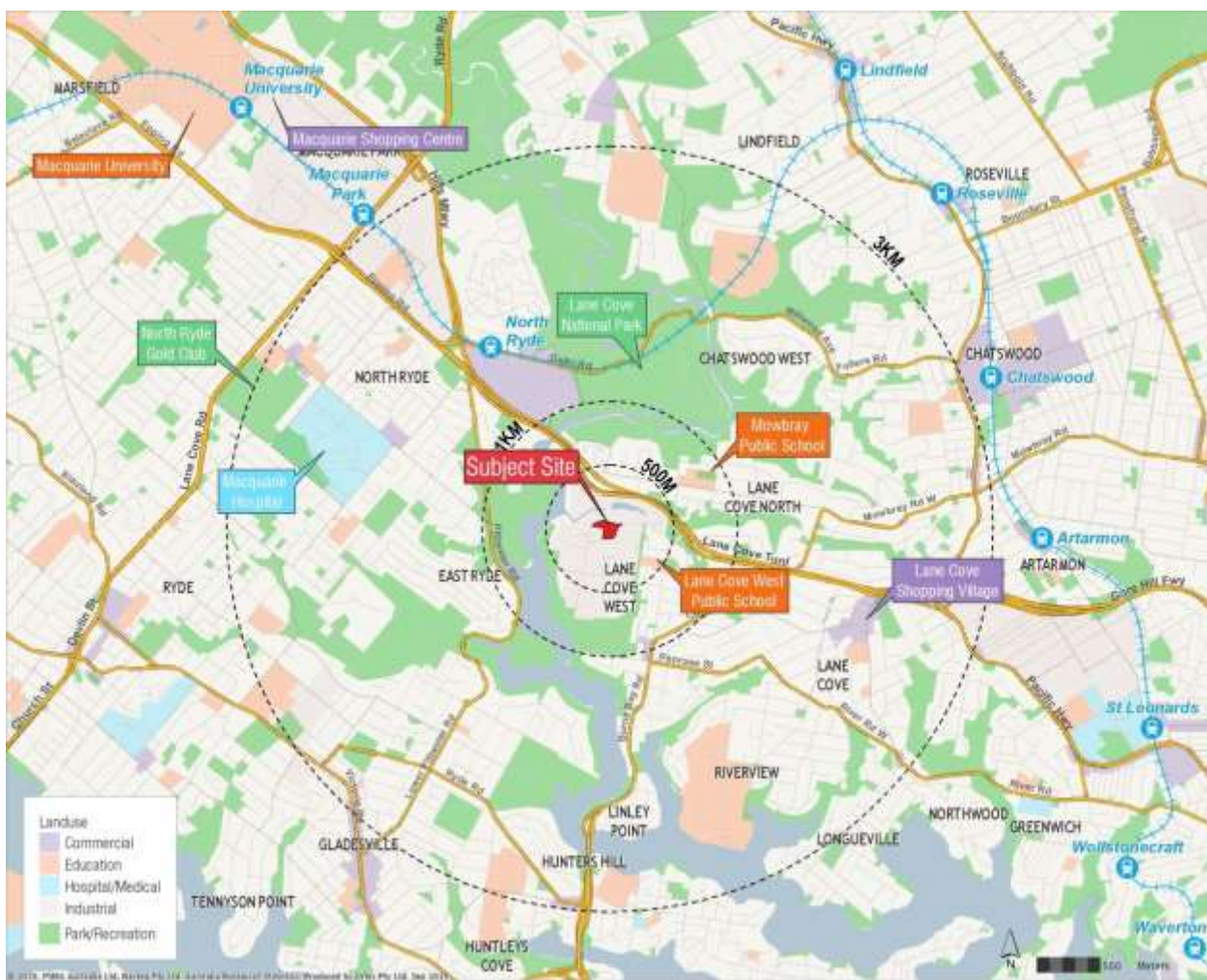
Local services are located near the North Ryde rail station including convenience stores, cafes and specialty stores, some 3km from the site. The Lane Cove local village is also located close by to the south-east approximately 2.7km away. Additionally, there two pockets of convenience retail/service uses ~1.2km away, on Burns Bay Rd and Centennial Av.

Regional scale shopping and services are located within the Macquarie Shopping Centre near the Macquarie University train station only 4km away.

In terms of other services, north-west of the site (approximately 2.6km) is Macquarie Hospital and North Ryde Golf Club.

While the subject site is separated from existing residential communities and services within walking distance of the site, the site is nonetheless well sited in terms of overall services such as recreation spaces, bike paths, major infrastructure, and employment opportunities.

FIGURE 5 – CONTEXT MAP



2.5 EXISTING PLANNING FRAMEWORK

2.5.1 LAND USE ZONING

The *Lane Cove Local Environmental Plan 2009* (the LEP 2009) is the local environmental planning instrument applying to the site.

The existing zoning of the site is IN2 Light Industrial. The site is outlined in red in the zoning map below, and the IN2 zoning controls are provided in **Table 3**. The site is surrounded by other IN2 land to the south, E2 (Environmental Conservation) land to the west and north, and R2 and R3 (Low and Medium Density Residential) land across Orion Road and across Epping Road.

FIGURE 6 – LEP 2009 ZONING MAP

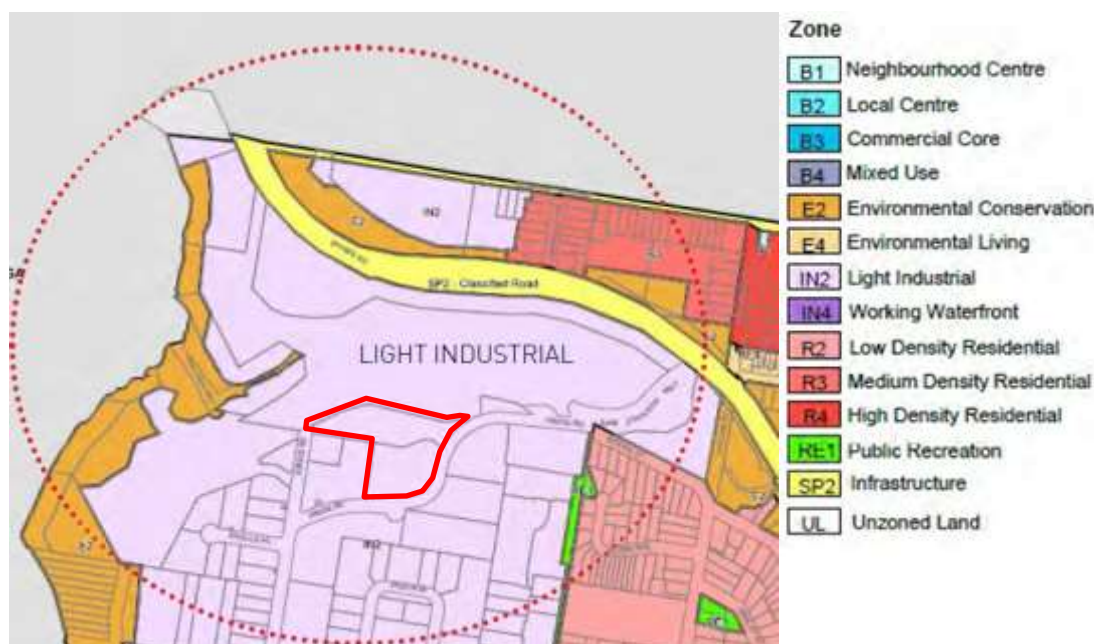


TABLE 3 – IN2 ZONING CONTROLS IN THE LEP 2009

CONTROL	IN2 LIGHT INDUSTRIAL
Zone objectives	The objectives of the zone are: - To provide a wide range of light industrial, warehouse and related land uses. - To encourage employment opportunities and to support the viability of centres. - To minimise any adverse effect of industry on other land uses. - To enable other land uses that provides facilities or services to meet the day to day needs of workers in the area. - To support and protect industrial land for industrial uses. - To ensure that landscaping is a significant element in development viewed from the public domain and neighbouring properties. - To recognise the close proximity of this zone to adjoining residential areas and seek to mitigate potential conflict between industrial and residential uses.

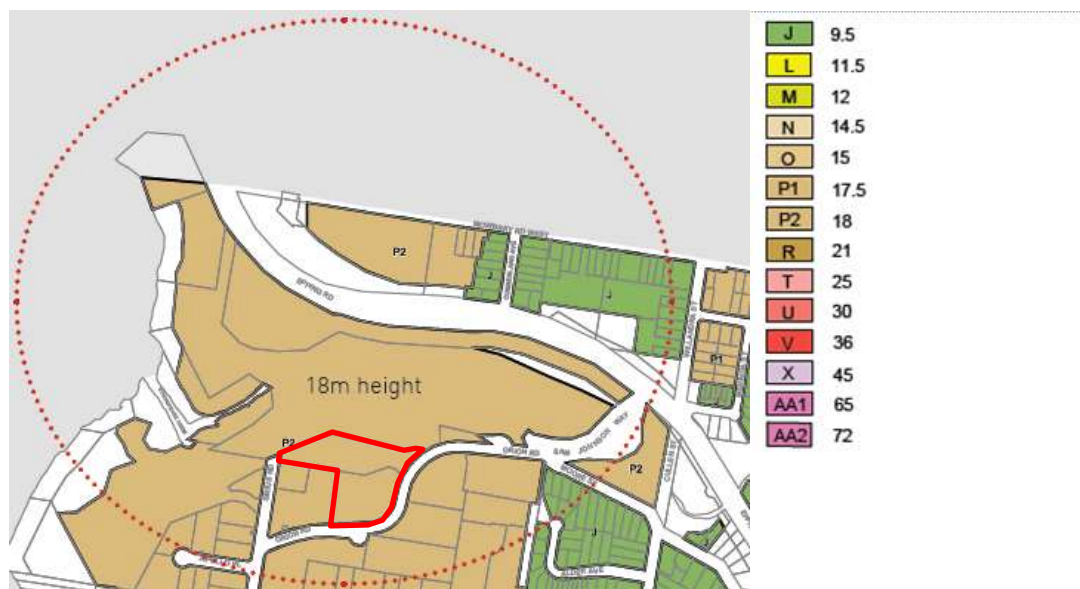
CONTROL	IN2 LIGHT INDUSTRIAL
Permissible development	Car parks; Child care centres; Community facilities; Depots; Food and drink premises; Industrial training facilities; Light industries; Neighbourhood shops; Recreation areas; Recreation facilities (indoor); Respite day care centres; Roads; Self-storage units; Sex services premises; Signage; Vehicle sales or hire premises; Warehouse or distribution centres.
Prohibited	All other uses not listed above are prohibited in the IN2 zone.

Uses including 'residential flat buildings' and 'shop top housing' are not listed in the permissible uses in the zone.

2.5.2 HEIGHT OF BUILDINGS

The LEP 2009 applies an 18m building height control to the site.

FIGURE 7 – LEP 2009 HEIGHT OF BUILDINGS MAP



2.5.3 FLOOR SPACE RATIO

A floor space ratio control of 1:1 applies to the site under the LEP 2009 (however it is noted that consent has been granted for an FSR of 2:1 for 14-16 Orion Rd under the Durham Deed). The lots surrounding the site have an FSR of 1:1 or 1.1:1.

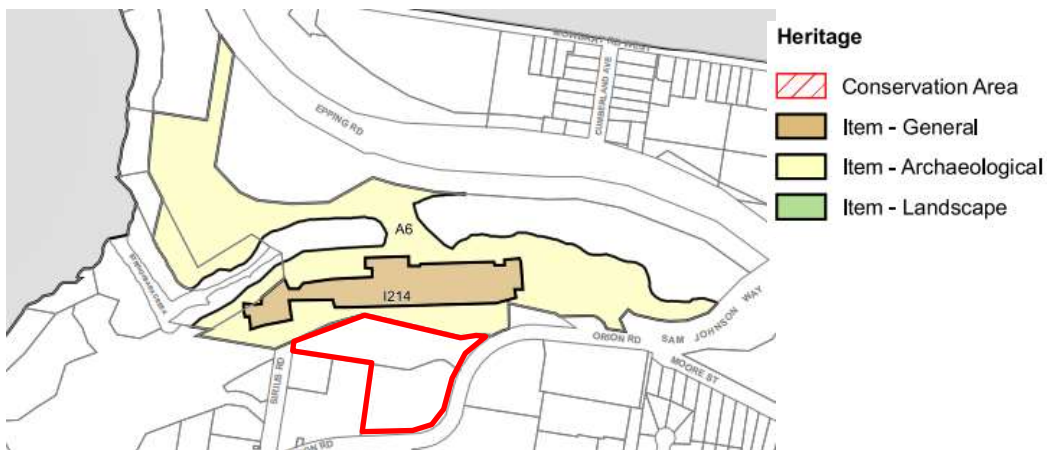
FIGURE 8 – LEP 2009 FLOOR SPACE RATIO MAP



2.5.4 HERITAGE

An Archaeological heritage item and a General heritage item are located at the adjoining site 160 Epping Road.

FIGURE 9 – HERITAGE MAP EXCERPT FROM THE LEP 2009



The SC Johnson building or 'Cumberland Paper Mill' is locally heritage listed (item number I214, A5) in the LEP 2009. An image of the building is provided below.

FIGURE 10 – CUMBERLAND PAPERMILL



The Cumberland Paper Mill was opened in 1912. After the almost complete demolition of the plant due to fire in 1928, the site was used for a chemicals manufacturing plant, owned firstly by Robert Corbett and Sons, and later by CSR Chemicals. The site is now owned by S C Johnson, though the building is mostly vacant.

The land surrounding the listed building is marked as an Archaeological item in the LEP 2009 with local significance.

2.5.5 LANE COVE DEVELOPMENT CONTROL PLAN 2010

The Lane Cove Development Control Plan 2010 (the DCP 2010) was adopted by Council on 22 February 2010, and applies to all land in the Lane Cove Local Government Area. The DCP contains specific provisions relating to commercial, industrial, residential and mixed use development. All of which apply to the site.

Any development application that results from this proposal will need to consider the DCP 2010 and its relevant sections.

2.5.6 COMMUNITY STRATEGIC PLAN 2025

The built environment vision for Lane Cove 2025 is *'a well-designed area. Heritage items and historical areas will be preserved. New residential development will be harmonious with Lane Cove's natural landscapes and with existing and emerging streetscapes and village character. Urban planning will be best practice, incorporating sustainable design principles'*.

Future residential development at 14-20 Orion Road has the opportunity to compliment and maximise enjoyment of the surrounding Lane Cove National Park, whilst not conflicting or detracting from its current state.

3 The Planning Proposal

This planning proposal has been prepared in accordance with Section 55 of the *Environmental Planning and Assessment Act 1979* with consideration of the Department of Planning and Infrastructure's 'A guide to preparing planning proposals'.

Accordingly, the planning proposal is addressed in the following four parts:

- **Part 1:** A statement of the objectives or intended outcomes of the proposed amendment.
- **Part 2:** An explanation of the provisions that are to be included in the proposed amendment.
- **Part 3:** The justification for those objectives, outcomes and the process for their implementation.
- **Part 4:** Mapping of the Proposed LEP changes.
- **Part 5:** Details of community consultation that is to be undertaken for the planning proposal; and

Discussion for each of the above parts is outlined in the following sections.

4 Part 1 – Objectives and Intended Outcomes

4.1 OBJECTIVES

The primary objectives of the planning proposal are:

- Rezone the site to B4 Mixed Use to enable a range of alternate viable land uses on the site.
- Increase applicable floor space ratio standard to 2.5:1 to facilitate a residential population density appropriate to support onsite services and create a 'community' within the site.
- Provide a height control that accommodates the increase in floor space ratio while ensuring compatibility with the context.
- To recommend a local planning provision that requires a minimum delivery of non-residential floor space on the site.

Despite multiple attempts to formally engage with the neighbouring landowner at 160 Epping Road (S C Johnson site), all avenues have been exhausted. Thus, the proposal does not seek to rezone the neighbouring landowner (SJ Johnson) as it is not the applicants' position to recommend alternate land use zones on neighbouring lands. Should Council form the view that it supports the extension of the proposed B4 zoning to include the SC Johnson site then the applicant would support that action.

4.2 INTENDED OUTCOMES

The intended outcomes of the Planning Proposal are:

- Enable opportunities for retail, commercial and childcare uses that serve the needs of the local industrial precinct.
- Permit residential land uses on the site to enable redevelopment of the site for a high demand use.
- To retain employment generating tenancies.
- Enable a residential population density suitable to create an onsite 'community'.
- To guarantee non-residential floor space on the subject site that will service the surrounding industrial precinct.

4.2.1 SITE CONCEPT PLAN

The objective of the planning proposal is to introduce the opportunity for residential development on the subject site. The concept design proposes residential, retail, and commercial uses, and a child care facility. The concept design establishes a series of residential blocks suitably separated to create a scale complimentary to the surrounding area.

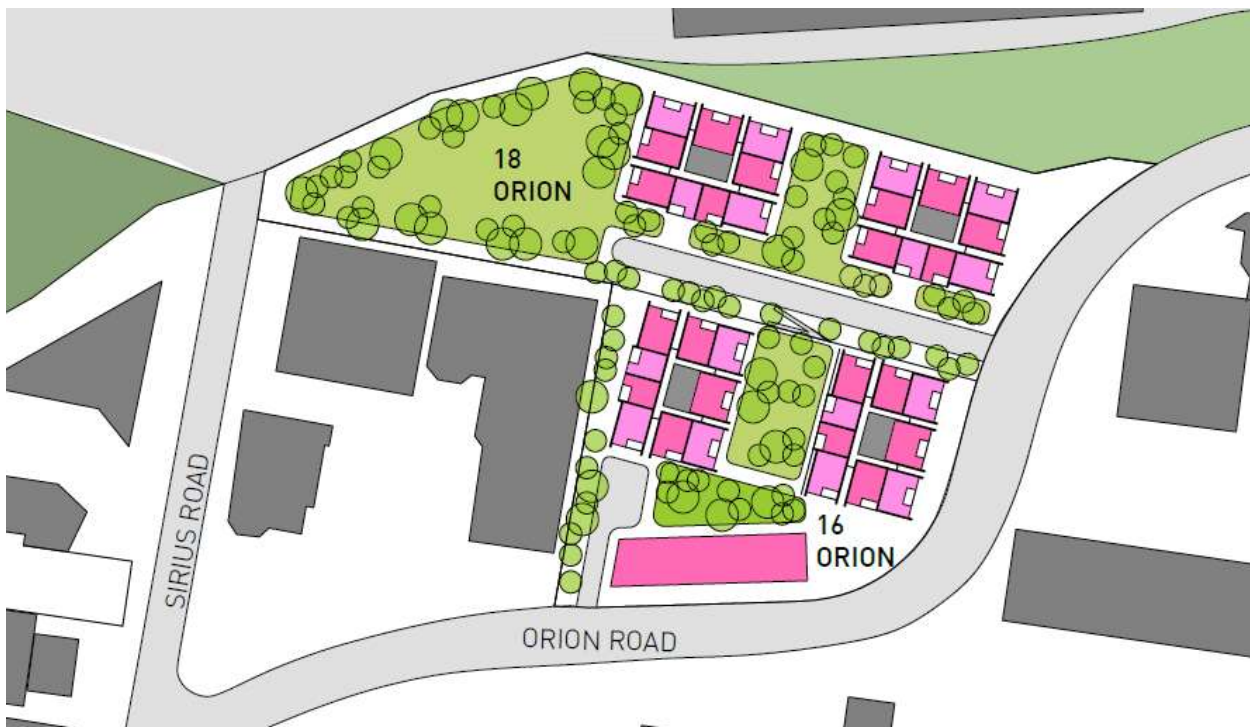
The concept plans in the figures below demonstrate the key elements of the plan including:

- Mixed retail, commercial and residential land uses.
- Communal courtyard areas.
- Active frontage at the child care centre.
- Buffers to adjoining industrial use.
- Vehicle access via Orion Road.

It has also been acknowledged that 160 Epping Road has the infrastructure and capacity to accommodate a mixed use development via adaptive re-use of the existing development.

The existing long span warehouse, with its high ceilings and column free spaces, could become an indoor sports hall or leisure facility neither of which are currently available within the Lane Cove LGA.

FIGURE 11 – CONCEPT PLANS



PICTURE 13 – CONCEPT LAYOUT



PICTURE 14 – FORM AND MASSING STUDY

5 Part 2 – Explanation of Provisions

The objectives and intended outcomes of the planning proposal will be achieved by amending the land zoning, building height and floor space ratio maps of the 2009 LEP as they apply to the site, as detailed below.

5.1 LAND USE ZONING

Amendment of the Lane Cove LEP 2009 Land Zoning Map to rezone the site **from IN2 Light Industrial to B4 Mixed Use** allowing residential, retail and commercial development.

5.2 BUILDING HEIGHT

Amendment of the Lane Cove LEP 2009 Height Map to increase the maximum height limit on the site **from 18m to 55m**. This varying height maximum will ensure harmony of built form in the natural setting by encouraging buildings to follow topography and create a height relationship with 150 Epping Road.

5.3 FLOOR SPACE RATIO

Amendment of the Lane Cove LEP 2009 Floor Space Ratio Map increasing the maximum permissible floor space ratio **from 1:1 to 2.5:1** on the site.

5.4 LOCAL PLANNING PROVISION

It is suggested the rezoning is complimented by an LEP Schedule specific to the subject site requiring future applications to provide a minimum area of non-residential floor space (approximately 2,000m²) on the site.

6 Part 3 – Justification for the Planning Proposal

6.1 SECTION A - NEED FOR A PLANNING PROPOSAL

6.1.1 *IS THE PLANNING PROPOSAL A RESULT OF ANY STRATEGIC STUDY OR REPORT?*

This planning proposal is not the result of a Lane Cove Council strategic study or report, but rather economic and market demand studies carried out by the Urbis Economic Market Research Team and JLL in the local area and broader metropolitan area.

These studies discerned the tenant demand for office space, capacity for industrial development on the site, and the economic benefits of the proposed rezoning for the area. As such, this planning proposal has been prepared in response to the outcomes of these studies which indicate the current site zoning is not appropriate or viable on the site, and a mixed use zoning would encourage development that would suitably service the surrounding industrial precinct.

The proposal is also aligned with the Lane Cove Community Strategic plan 2025 which identifies a built form vision for development that respects and retains local heritage, and is harmonious with the natural landscape.

6.1.2 *IS THE PLANNING PROPOSAL THE BEST MEANS OF ACHIEVING THE OBJECTIVES OR INTENDED OUTCOMES, OR IS THERE A BETTER WAY?*

The rezoning and changes to the height and FSR controls proposed in this Planning Proposal are the best means of achieving the above stated objectives. Alternative approaches are considered inadequate for the following reasons:

- **Maintaining the existing controls:** under the current IN2 zoning the existing land use, being commercial, is prohibited. There is an established lack of market demand for traditional industrial developments; therefore redevelopment of the site for this purpose is not justified.
- **Maintaining the current land use:** a lack of demand for commercial office space has been established in the industrial precinct, with high vacancy rates and low absorption rates for this use. The current land use is no longer viable and does not contribute to the area.
- **Seeking variation to the standards:** the underlying issue of residential land use being prohibited in IN2 is not resolved, and would inhibit the development potential of the site. A variation is not relevant in this case.

6.1.3 *IS THERE A NET COMMUNITY BENEFIT?*

Net community benefit arises where the sum of all the benefits of a development or rezoning outweighs the sum of all costs. The justification to proceed with the planning proposal has taken into consideration the public interest and the consequence of not proceeding with the proposal.

The Net Community Benefit Test set out in the Department of Planning's draft Centres Policy 2009 has been used in this case to guide the test of community benefit. The table below provides a summary of how the Planning Proposal performs against key criteria. It is noted this test is intended for retail and commercial developments which only make up a part of the planning proposal. As such, only the relevant criteria have been included.

TABLE 4 – SUMMARY OF COMMUNITY BENEFIT

CRITERIA	PROPOSAL
<i>Will the LEP be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800 metres of a transit node)?</i>	Yes. The site is compatible with the strategic directions of the State which promote new development near transit nodes. The site has direct access to bus services to Chatswood and the City as well local centres. Bus services enable access to North Ryde train station (1.5km) and Macquarie Park train station (4km) and allow good access to other centres such as Parramatta and Epping.
<i>Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional or sub regional strategy?</i>	Yes. The site is located within the Global Economic Corridor.
<i>Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?</i>	No. The site is unique in the industrial precinct in that the existing development (18-20 Orion Rd) and approved development (14-16 Orion Rd) are commercial only uses (granted as per the Durham Deed), which is a prohibited use in the IN2 zone. In addition, the site is an “outlier on the edge of the precinct” enabling access to and from the site without having to enter the industrial area proper. This affords expansive north facing district bushland views that would orientate development away from the industrial area. Other industrial properties in the precinct lack these unique characteristics and therefore could not apply this case as precedent for a rezoning.
<i>Have the cumulative effects of other spot rezoning proposals in the locality been considered? What was the outcome of these considerations?</i>	Yes. The spot rezoning of 150 Epping Road for mixed use will complement the rezoning of the subject site in that it will further contribute to the residential presence of the area in the setting.
<i>Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?</i>	Yes. An employment function will remain on the site, via the proposed LEP requirement of a minimum retail/commercial floor space for the site. As discussed in the Economic Report (detailed further in Appendix B), commercial office market is not desirable in this industrial area for a range of reasons, which is evident in the long term significant vacancy levels of the existing office tower.

CRITERIA	PROPOSAL
	A theoretical redevelopment of the site for industrial uses (a permitted use) would yield a lower employment outcome than the current operation. Further, as established by JLL in the Industrial Development Feasibility Analysis at Appendix C, a compliant industrial development would result in negative residual land values. Thus the proposal seeks to balance a mixed land use outcome that provides employment in future uses that will function to service the industrial area but not of a scale to undermine existing town centres and retail villages. Furthermore, as a result of the Economic work by Urbis done to support this proposal, Council has the ability to utilise and “upzone” key sites suitable for redevelopment (as per the multi criteria assessment) in the industrial area to incentivise redevelopment and growth of employment in the types of industrial development that are attractive to the market.
<i>Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?</i>	Yes. The Planning Proposal will facilitate an increase in land available for residential development. The apartments will offer diversity and choice to the apartments being developed elsewhere in Lane Cove and St Leonards centres.
<i>Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site? Is there good pedestrian and cycling access? Is public transport currently available or is there infrastructure capacity to support future public transport.</i>	Yes. There are substantial existing bus services within walking distance of the site which service key employment and service areas. The site also benefits from excellent cycling and pedestrian access.
<i>Will the proposal result in changes to the car distances travelled by customers, employees and suppliers?</i> <i>If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?</i>	Yes. Local services such as convenience retailing and child care will present employees of the industrial precinct with the opportunity to utilise these services by foot from their place of work, or en route to/from the nearby bus station, thus reducing the need for additional car trips. Future residents of the site will have the opportunity to travel using the bus services within walking distance of the site to key employment destinations including Macquarie Park, North Sydney, and the Sydney CBD in less than 30 minutes. Therefore opportunity to reduce emissions from private car travel is present;

CRITERIA	PROPOSAL
<i>Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts?</i> <i>Is the land constrained by environmental factors such as flooding?</i>	The Subject Site adjoins the Lane Cove National Park and land which has been identified by Lane Cove Council as having local archaeological significance (160 Epping Road). The Lane Cove National Park and 160 Epping Rd will not be impacted as a result of the proposal. Yes. While the site has had a history of land use disturbance, there is currently some vegetation located on 14-16 Orion Road. Should a residential development proceed on this site, many of these trees will most likely be removed, and replaced with other plantings. Should it be necessary, further information on the existing vegetation on the site can be provided as part of the Gateway determination.
<i>Will the LEP be compatible or complementary with surrounding land uses?</i> <i>What is the impact on amenity in the location and wider community?</i> <i>Will the public domain improve?</i>	The rezoning will be compatible with the recent rezoning of 150 Epping Rd and residential zoning of land across Epping Rd. The site is located on the edge of the industrial zone with scenic district north facing bushland views. This together with quality design measures like those proposed in the concept design to ensure sympathetic interfaces with other land uses, there is ample opportunity through good design to avoid land use interfaces with adjoining development. Future development of the site that maximises the height and FSR allowance will have negligible impacts on existing residential communities given the topography and significant separation from other residential developments. Shadowing from future developments will be cast primarily onto bushland and the Orion Rd roadway or outdoor car parks. Mixed use development on the site will attract activity and renew the existing street frontage with opportunities for retail, food and beverage, and child care centre tenancies. It will thus create a lively urban edge of the site which has been vacant for many years.
<i>What are the public interest reasons for preparing the draft plan?</i> <i>What are the implications of not proceeding at this time?</i>	The proposal will create new retail, childcare and commercial floor space that will help provide local services and facilities to the surrounding employees. The provision of these services within walking distance of the industrial precinct and outside the congested Lane Cove town centre will assist in alleviating traffic congestion in the town centre.

CRITERIA	PROPOSAL
	The residential offering will assist in delivering housing with the amenity and 'leafy' setting much desired on the north shore of Sydney, away from higher density town centre settings which does not appeal to all buyers. This proposal creates the opportunity for diversity in housing. The separation of the subject site from other land uses and its leafy outlook, with excellent access to jobs and services, is an attractor to future residents, and the size of the development is such that it will create a neighbourhood community in itself. Communal and recreational facilities together with the walking and cycling linkages, abundant bus services and general proximity of services and jobs to the site further shows that the location is ideal for future residents. The implications of not proceeding with the proposal is the continued undesirable (and prohibited) use of the site for commercial purposes, which currently is not supported by the market and demonstrated through the difficulties in securing commercial tenants on the site.

Based on the responses to the key evaluation criteria in the table above, it is considered the proposed changes to the LEP 2009 will produce a net community benefit. There are very few costs to the community in a broad sense. Benefits are particularly generated from the introduction of services that will serve the surrounding industrial precinct including child care and retail.

The benefits need to be considered against the following costs of the proposal:

- The existing commercial office space located at 18-20 Orion Road will be lost
- While the proposed development promotes reduced car dependency, it may result in an increase additional localised traffic movements on weekends only which is currently absent with the commercial use. Any such increase in weekend residential traffic movements would be outweighed by the overall decrease in traffic generation across the week through the change of use (refer to appended traffic report for additional information);
- There will most likely be a loss of existing vegetation at 14-16 and 18-20 Orion Road;
- Asbestos is currently present on this site. Rehabilitation is likely to be required;
- Greater visual impact on 14-16 Orion Road compared to the currently vacant site.

Overall it is considered the benefits of a development that may arise from this Planning Proposal will have a net community benefit by facilitating the introduction of high quality residential development while maintaining useful employment opportunities on the site.

6.2 SECTION B- RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK

6.2.1 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)?

The relevant strategic document is NSW's 'A Plan for Growing Sydney' released in December 2014.

Table 5 below provides an assessment of the planning proposal and concept design against the relevant directions and priorities specific to Lane Cove set out in A Plan for Growing Sydney and the draft Central Subregional Strategy.

TABLE 5 – ASSESSMENT OF THE PLANNING PROPOSAL AGAINST RELEVANT OBJECTIVES OF A PLAN FOR GROWING SYDNEY

PLAN OBJECTIVE	PLANNING PROPOSAL
<i>Accelerate housing supply and local housing supply across Sydney</i>	The planning proposal will enable development with a dwelling yield of approximately 459 which would otherwise not be permitted on the site
<i>Improve housing choice to suit different needs and lifestyles</i>	The site is unique in that it enjoys natural outlook onto the Lane Cove National Park and the Lane Cove River, with significant separation from other residential developments. This presents a different choice to the more commonly encountered residential developments in high density town centres. This option will particularly suit those who enjoy the 'leafy' and natural setting of Lane Cove and are not attracted to the dense apartment environments
<i>Create healthy built environments</i>	The planning proposal support healthy lifestyles by enabling a development that connects people to opportunities for physical activity and recreation

The Department of Planning and Environment is in the processing of creating new subregional plans which support the framework established in A Plan for Growing Sydney. In the absence of these subregional strategies, the previous draft Central Subregional Strategy under the Draft Metropolitan Strategy for Sydney to 2031 has been considered. The relevant priorities are assessed against the proposal below.

TABLE 6 – ASSESSMENT OF THE PLANNING PROPOSAL AGAINST RELEVANT OBJECTIVES OF THE DRAFT CENTRAL SUBREGIONAL STRATEGY

STRATEGY OBJECTIVE	PLANNING PROPOSAL
<i>Recognise the well connected, highly accessible and walkable environments which contribute to the vitality of the suburbs in this subregion</i>	The planning proposal will introduce housing in a location which is well connected and highly accessible and walkable. The site is well connected by public transport, and connects with an extensive cycleway network around the north shore. The site is proximate to bushwalking opportunities in and around the Lane Cove national park

STRATEGY OBJECTIVE	PLANNING PROPOSAL
<i>Capitalise on the high amenity and accessibility to coastal landscapes, Sydney Harbour and parks'</i>	The proposal capitalises on the high amenity location with its proximity to the Lane Cove National Park and does not impede the ability of other sites to continue enjoying the natural setting. Furthermore the design report demonstrates that as a result of the site access and building orientation, sufficient physical separation is afforded to the future residential dwelling from industrial uses as they orientate north over the district bushland views away from the centre of the industrial area.
<i>Build on the character of the subregion's vibrant suburbs and capitalise on the high amenity and accessibility to coastal landscapes, Sydney Harbour and parks</i>	The planning proposal will introduce an element of vitality into what is currently a fairly inactive precinct through the introduction of a child care centre and additional retail tenancies along Orion Rd. The proposal capitalises on the high amenity location with its proximity to the Lane Cove National Park and does not impede the ability of other sites to continue enjoying the natural setting
<i>Retain smaller pockets of industrial land to enable economic diversity</i>	The planning proposal will not detract from the Lane Cove West industrial precinct given the existing use is not industrial, rather commercial, which is a prohibited use in the zone. The industrial area has 68 properties with a total GFA of approximately 340,000sqm over an area of some 47 hectares. It is well defined by roads and natural boundaries. This proposal is relatively minor in the context of the physical area and extent of the industrial area. The Economic Impact Assessment at Appendix B discusses the opportunity to introduce additional industrial gross floor area through intensification of selected appropriate sites in the industrial precinct.

6.2.2 IS THE PLANNING PROPOSAL CONSISTENT WITH A COUNCIL'S LOCAL STRATEGY OR OTHER LOCAL STRATEGIC PLAN?

Relevant to this planning proposal is the Lane Cove Community Strategic Plan 2025. This strategy is discussed in **Section 2.5.6** and addressed further below.

The proposal will assist in the attainment of objectives in the Plan specifically in relation to improved leisure opportunities and access to transport.

Section 2 of the Plan centres around creating housing close to shops, community facilities, and transport that suits people of all ages; *'Housing Choice that is socially sustainable and looks at whole-of-life-cycle planning will need to be considered, including more flats with lifts and adaptable and accessible housing. These are to be located close to shops, community facilities and transport to minimise car usage.'*

Development on the site will be able to address these social planning needs with the incorporation of adaptable and accessible housing with lift access. The site, as well as being able to provide services on site, is located within walking distance to numerous bus services that will transport residents to a number of nearby centres that provide extensive retail, commercial, and community offerings.

The built environment vision for the Plan is *'a well-designed area. Heritage items and historical areas will be preserved. New residential development will be harmonious with Lane Cove's natural landscapes and with existing and emerging streetscapes and village character. Urban planning will be best practice, incorporating sustainable design principles'*.

Future residential development at 14-20 Orion Road has the **opportunity to compliment and maximise enjoyment of the surrounding Lane Cove National Park, whilst not conflicting or detracting from its current state.**

Council has demonstrated previous support of spot rezoning's showing a comprehensive strategy is not always required to make considered judgements. While St Leonards South is the most recent example of a major strategy to inform up zonings of a large area, there should always be the ability for more minor matters to be considered on merit, such as this proposal. Given this proposal does not seek to make changes to the entire industrial area there is sufficient supporting information to assist Council in making an informed decision on merits for this proposal.

6.2.3 IS THE PLANNING PROPOSAL CONSISTENT WITH APPLICABLE STATE ENVIRONMENTAL PLANNING POLICIES?

The planning proposal is consistent with all relevant state environmental planning policies as assessed in **Table 7** below.

TABLE 7 – COMPLIANCE OF THE PLANNING PROPOSAL WITH RELEVANT STATE ENVIRONMENTAL PLANNING POLICIES

POLICY	ASSESSMENT
<i>State Environmental Planning Policy No 55—Remediation of Land</i>	A Preliminary Environmental Review was conducted on the site by Coffey (Appendix E). The study concluded The following contamination issues were identified in this report which require further consideration: - Asbestos in the form of bundles of fibres was detected in samples from 14-16 Orion Road at a range of depths. It was considered that the asbestos detections would likely be associated with fill imported onto the site. No asbestos contamination materials were identified in samples collected from 18-20 Orion Road. - Concentrations of nickel, zinc, TPH C15-C28 and Benzo(a) pyrene were reported at concentrations exceeding the adopted ecological investigation levels. Coffey has concluded the site can be made suitable for mixed residential and commercial/industrial development with remediation or management of asbestos. A Remedial Action Plan is recommended to mitigate potential risks. It should be noted a DA for commercial premises has been approved at 14-16 Orion Rd and thus satisfactory mitigating measures have previously been proposal. Therefore it can be assumed the land, subject to employing these measures would be acceptable for the proposed development.
<i>State Environmental Planning Policy No 65—Design Quality of Residential Flat Development</i>	The Concept Plan which forms part of this proposal has been designed to facilitate achievement of the SEPP 65 principles and rules of thumb. Overarching design tenets including building and façade orientation, building depth, separation, shadowing and solar access, and open space have been considered.
<i>State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004</i>	Building orientation, massing and depth will assist to facilitate compliance with the requirements of the BASIX SEPP at the development application stage.

POLICY	ASSESSMENT
<i>State Environmental Planning Policy (Infrastructure) 2007</i>	The following provisions of the Infrastructure SEPP would be relevant to a development application made in accordance with this planning proposal: - Any necessary concurrence of Roads and Maritime Services under the Infrastructure SEPP will be addressed when a development application is lodged. - The preliminary traffic assessment provided at Appendix D assesses the concept design and potential impacts on the surrounding road network. The advice determines the planning proposal is supportable on traffic grounds and potential impacts on traffic generation for the local traffic network are manageable.

6.3 IS THE PLANNING PROPOSAL CONSISTENT WITH APPLICABLE MINISTERIAL DIRECTIONS (S.117 DIRECTIONS)?

The planning proposal is consistent with all relevant ministerial directions as assessed in **Table 8** below.

TABLE 8 – COMPLIANCE OF THE PLANNING PROPOSAL WITH RELEVANT SECTION 117 DIRECTIONS

S.117 DIRECTION	ASSESSMENT
1.1 Business and Industrial Zones	This proposal will remove the existing commercial tenancies on the site. It has been established by the Urbis Economic and Market Research team that there has been systemic long term lack of demand for commercial office space on this site and in the industrial in the area for the following reasons: - Proximity to Macquarie Park, Chatswood, St Leonards which have agglomerations of commercial businesses and businesses naturally want to cluster together. - Furthermore, North Ryde / Macquarie Park, with which the subject site cannot compete, also enables purpose built or large floor plates as well as close proximity to regional shopping services. - Lack of transport services. Commercial tenants desire and require train access as competing centres have these services. This site lacks that infrastructure. - Inferior competitive position of the subject site relative to other commercial employment centres. - Lack of demand for commercial use on the subject site, where vacancy has remained between 40% and 50% for over 4 years. As such, there is not so much a total loss of employment but a relocation of suitable tenants on the existing site to larger commercial centres nearby. The inferior competitive position of the subject site is demonstrated from the following well-known larger tenants vacating the site and moving to more competitive and established commercial precincts:

S.117 DIRECTION	ASSESSMENT
	▪ Cochlear (moved to Macquarie Park) ▪ Dade Behring, acquired by Siemens (moved to North Ryde) ▪ Compaq Computer Australia Pty Ltd, acquired by Hewlett-Packard Australia Ltd (moved to Concord West). The vacant space has remained unoccupied for over four years, thereby reinforcing the lack of demand for commercial use on the subject site. It is likely that vacancy will be exacerbated with future lease expiration. Employment opportunities will be presented with commercial and retail tenancies being permissible on the site. There is no loss of industrial employment as there is currently no industrial employment on the site. According to the Economic Assessment (Appendix B) Industrial redevelopment on the site is unlikely to be feasible due to: ▪ Site constraints owing to topography and vegetation that place upward pressure on development costs ▪ Lack of financial viability of industrial development, where there are high costs associated with site conditions and high cost of demolition of existing structures (i.e. a negative return on costs) ▪ Weak demand for industrial use on the subject site (locational and site condition issues) ▪ The site is not located in an identified strategic centre. Further, as established by JLL in the Industrial Development Feasibility Analysis at Appendix C, a compliant industrial development would result in negative residual land values.
2.3 Heritage Conservation	The planning proposal will not interrupt the conservation of the built and archaeological heritage at the adjoining 160 Epping Rd.
3.1 Residential Zones	The proposal will facilitate future development with the capacity to contribute to the existing housing supply in Lane Cove . The scale of the proposed allows a design flexible and large enough to incorporate variation in dwelling types. All future development applications on the site would be subject to the provisions of SEPP 65 to ensure high design and amenity standards.
3.4 Integrating Land Use and Transport	The planning proposal is consistent with the principles of 'Improving Transport Choice – Guidelines for Planning and Development' for the following reasons: ▪ The site has strong public transport connections to the Sydney CBD, North Sydney, North Ryde, and other key centres, which decreases the need for private car use

S.117 DIRECTION	ASSESSMENT
	The planning proposal will enable a development which will enable the site as an activity centre and allow employees in the area to access services without needing to drive to a town centre, thus improving access to services by walking and cycling.
4.1 Acid sulphate soils	According to the Lane Cove LEP 2009 the site is not affected by acid sulphate soils.
6.3 Site Specific Provisions	The planning proposal also proposes an amendment to the Lane Cove DCP to require a minimum GFA if non-residential land use on the site for future developments.
7.1 Implementation of the Metropolitan Plan for Sydney 2031	The planning proposal is consistent with the relevant objectives of A Plan for Growing Sydney, as assessed in Table 5 above.

6.4 SECTION C – ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

6.5 *IS THERE ANY LIKELIHOOD THAT CRITICAL HABITAT OR THREATENED SPECIES, POPULATIONS OR ECOLOGICAL COMMUNITIES, OR THEIR HABITATS, WILL BE ADVERSELY AFFECTED AS A RESULT OF THE PROPOSAL?*

Most of 18-20 Orion Rd is cleared of natural vegetation. It is unlikely this address supports critical habitat or threatened species, populations or communities.

14-16 Orion Road contains some vegetation including trees, shrubs and grasses.

At the time of future development applications, studies and assessments will need to be conducted to ensure environmental impacts on existing vegetation is negligible and minimised where possible.

The site is adequately distanced from the Lane Cove River to avoid adverse impacts on the riparian zone.

6.5.1 *ARE THERE ANY OTHER LIKELY ENVIRONMENTAL EFFECTS AS A RESULT OF THE PLANNING PROPOSAL AND HOW ARE THEY PROPOSED TO BE MANAGED?*

Traffic and Transport

The concept design proposes two points of access via Orion Road. Colston Budd Hunt & Kafes Pty Ltd Consultants have assessed the traffic impacts of the concept design and determined the planning proposal is supportable. **The advice notes the potential development would have a lesser traffic generation than the existing and approved uses on the site.**

Further, given the development would be for residential purposes, peak traffic flows from the site would be in the opposite direction to the existing traffic flows to the industrial premises in the precinct. As such, the site would not have a negative impact on existing traffic flows.

Shadow Impacts

It is expected that shadows from future developments will be cast primarily onto bushland and the Orion Rd roadway or outdoor car parks.

Stormwater and Flooding

The site is not classified as flood prone, and is not identified as land required carrying out flood planning under the LEP 2009. The proposal will have no impact on flooding.

The proposed will increase the load on the stormwater system at 14-16 Orion Road due to the increase in impervious surfaces. A stormwater management plans will form part of any future development applications for the site to avoid any potential detrimental impacts to the stormwater system.

Site Contamination

The matter of site contamination has been addressed in **Table 7**. A Preliminary Environmental Review was conducted on the site by Coffey (**Appendix E**). In summary, the study concluded further consideration is required in relation to the asbestos detected at 14-16 Orion Road, and the concentrations of nickel, zinc, TPH C15-C28 and Benzo(a) pyrene. Notwithstanding, Coffey concluded **the site can be made suitable for mixed residential and commercial/industrial development** with remediation or management of asbestos.

A Remedial Action Plan is recommended to mitigate potential risks.

The Public Domain

The proposed concept configuration is designed to act as an active feature at the entry to the industrial precinct. Future redevelopment will **improve the aesthetic quality of the site** visible from the public domain. The introduction of multiple non-residential tenancies is intended to benefit the vitality and aesthetics of this area.

The Built Form

As shown in **Appendix A**, the site is of a size and shape that can afford appropriate setbacks for residential blocks, reducing the bulk of the building at the street frontage. The positioning of a child care centre at the Orion Road frontage creates an active frontage at this façade. The capacity for open space also assists in ensuring adequate buffering from neighbouring businesses. The proposed height increase creates a transition in height from the 150 Orion Road heights to the industrial developments, taking into consideration the natural topography of the area which absorbs the impact of the additional height].

6.5.2 HAS THE PLANNING PROPOSAL ADEQUATELY ADDRESSED ANY SOCIAL AND ECONOMIC EFFECTS?

It is considered **the social and economic impacts of the proposal will be positive**, given the following.

Housing supply

The proposed changes allow residential development opportunities that will accommodate additional dwellings and variety of housing within an accessible location. The approximate yield of the site will be 459 units.

Employment maintenance and creation

Currently the site operates as a commercial building. As established in the Economic Assessment at **Appendix B**, there is **lacking demand for commercial office space in the area**, with market demand trending towards North Ryde and Macquarie Park.

Compared to competing commercial centres, the Lane Cove West industrial precinct does not have access to a train station. The precinct also lacks the scale of commercial tenants in the area, thereby limiting the type of commercial tenants that would be attracted to an unestablished centre that is relatively disconnected.

Due to the fact that the Lane Cove industrial precinct is not a well-established commercial centre, tenant needs such as retail services and high grade office floor space are not met. These demand drivers further hinder the prospect of demand for office floor space on the site and within the precinct.

The inferior competitive position of the subject site is demonstrated from the following well-known larger tenants vacating the site and moving to more competitive and established commercial precincts:

- Cochlear (moved to Macquarie Park).
- Dade Behring, acquired by Siemens (moved to North Ryde).
- Compaq Computer Australia Pty Ltd, acquired by Hewlett-Packard Australia Ltd (moved to Concord West).

These vacant spaces have remained unoccupied for over four years, thereby reinforcing the lack of demand for commercial use on the subject site. It is likely that vacancy will be exacerbated with future lease expiration. As such, the removal of this building is not considered detrimental to overall employment goals of Sydney and the subregion.

Further, there are a number of potential sources of development uplift within Lane Cove West to accommodate future employment growth:

- Short to Medium term (5-10 years) there is approximately 81,100 sqm of additional development capacity.
- Medium to Long term (10-20 years) there is an additional 34,100 sqm of development capacity.

Therefore in the long run there is potential for approximately 115,200 sqm of additional floorspace. If fully developed this constitutes an FSR of 0.94. This FSR is below the FSR threshold of 1.34:1 that was identified by Lane Cove Council as likely to result in negative traffic impacts.

The net development uplift potential is presented in table and map form in the Economic Assessment **Appendix B**).

The combination of existing vacancy and identified development potential on other sites indicates that the precinct does not lack existing or potential capacity to accommodate future tenant demand if it arises. Taking into consideration the indicative future demand for floor space (detailed in Economic Assessment), there is potential for the precinct to have a surplus of available floor space approximately equal to 53,150sqm.

Therefore rezoning the subject site will not inhibit the Lane Cove West industrial area from catering to future demand from all industry sectors.

Further, as established by JLL in the Industrial Development Feasibility Analysis at **Appendix C**, a **compliant industrial development on the site would result in negative residual land values.**

Other employment benefits of the site include:

- Construction employment benefits of roughly 510 employees.
- Ongoing employment benefits of 105 employees.

Heritage

The proposal will not impact the built and archaeological heritage items identified under the LEP 2009 at the adjoining 160 Epping Road.

6.6 SECTION D – STATE AND COMMONWEALTH INTERESTS

6.6.1 *IS THERE ADEQUATE PUBLIC INFRASTRUCTURE FOR THE PLANNING PROPOSAL?*

Public Transport

As has been identified in the rationale for the planning proposal, the site is strategically located to benefit from **strong public transport connections to surrounding centres**. Presently, the locality is regularly serviced by bus services connecting to the Sydney CBD, North Ryde, St Leonards, and North Sydney.

Utilities

The site is already serviced by all relevant utilities. Increasing the density of the area will increase the efficiency and viability of these utilities. Further investigations would be undertaken at the development application stage to determine the existing capacity of these services and to identify whether any amplification or upgrades are required.

Regional Open Space

Surrounding the site is a **network of regional open spaces**. The Lane Cove National Park and Lane Cove River adjoin the site. Also in close proximity to the site are a series of smaller parks and reserves, including Batten Reserve, Blackman Park, and Magdala Park.

Health and Education

The site is surrounded by a multitude of educational and health establishments. Located in North Ryde is the Macquarie Hospital. In Macquarie Park is the Macquarie University Hospital and Macquarie University. Located in neighbouring Riverview is Saint Ignace College. Numerous smaller public primary and secondary schools are proximate to the site including Mowbray Public School, Lane Cove Public School, Currembena Primary and Pre-School, St Michael's Primary School and Hunters Hill High School.

6.7 *WHAT ARE THE VIEWS OF STATE AND COMMONWEALTH PUBLIC AUTHORITIES CONSULTED IN ACCORDANCE WITH THE GATEWAY DETERMINATION?*

Appropriate consultation with relevant government agencies would be undertaken by Council following a gateway determination.

7 Part 4 – Mapping

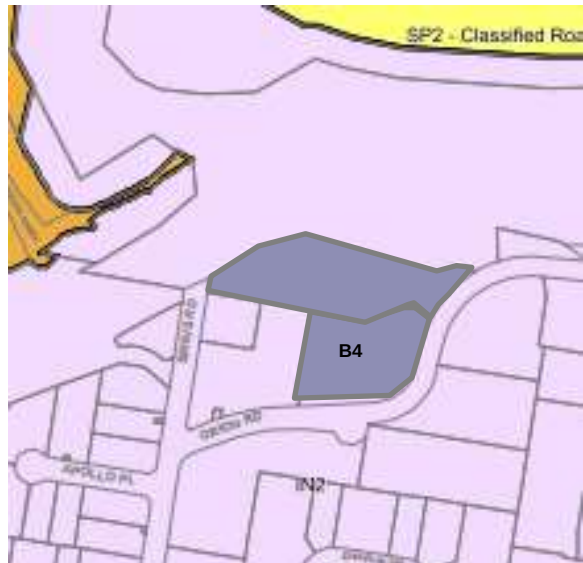
The maps currently associated with the site in the LEP 2009 are proposed to be amended as follows:

FIGURE 12 – ZONING MAPS



IN2 Light Industrial

PICTURE 15 – EXISTING



B4 Mixed Use

PICTURE 16 – PROPOSED

FIGURE 13 – BUILDING HEIGHT MAPS



P2 18

PICTURE 17 – EXISTING



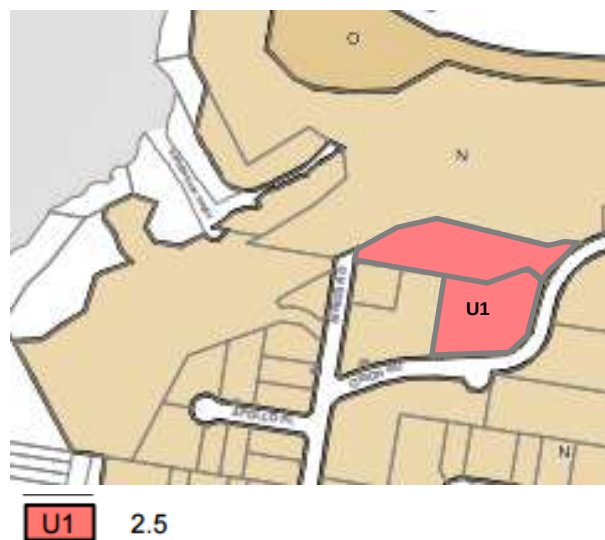
Z 55 - 59.9

PICTURE 18 – PROPOSED

FIGURE 14 – FLOOR SPACE RATIO MAPS



PICTURE 19 – EXISTING



PICTURE 20 – PROPOSED

8 Part 5 - Community Consultation

The following meetings and discussions have been carried out between mentioned parties to outline the proposed concept design and to understand Council's position on the proposal.

- Urbis, Develco and Lane Cove Council – meeting 11 April 2014 at Lane Cove Council offices to discuss the rezoning and present urban design analysis and conceptual plans.
- Urbis, Develco and Lane Cove Council – meeting 25 June 2014 at Lane Cove Council offices to discuss the rezoning.
- Urbis and Develco – meeting 5 May 2015 at the Department of Planning and Environment with Lee Mulvey to discuss the rezoning.

The outcomes of this consultation have formed the basis for the documentation submitted as part of the planning proposal to ensure adequate information and analysis is provided.

Section 57 of the *Environmental Planning and Assessment Act 1979* requires a planning proposal to be publicly exhibited for community consultation. It is anticipated the planning proposal would be exhibited for a period of 14 or 28 days dependent on the outcome of the gateway determination. This exhibition would be conducted in accordance with Council's policies for community consultation.

The proponent is willing to engage with Council following the lodgement of this planning proposal. This would include briefing councillors and Council staff prior to it being considered for gateway determination.

8.1 VOLUNTARY PLANNING AGREEMENT

It is acknowledged that Council may wish for the applicant to enter a Voluntary Planning Agreement (VPA) as part of the rezoning.

The applicant intends to offer a VPA and is willing to engage in discussion with Council.

9 Conclusion

This planning proposal has been prepared to initiate an amendment to the *Lane Cove Local Environmental Plan 2009* as it relates to land at 14-16 and 18-20 Orion Road, Lane Cove West. The planning proposal is made in accordance with Section 55 of the *Environmental Planning and Assessment Act 1979* and the Department of Planning and Environment's 'A guide to preparing planning proposals' dated October 2012.

Specifically, the planning proposal seeks to amend the following controls:

- **Rezone the site to B4 Mixed Use.**
- **Assign a maximum building height standard of 55m to the site.**
- **Assign a maximum floor space ratio standard of 2.5:1.**

This planning proposal has thoroughly assessed the site's existing development controls and considered the site in its industrial context, and the broader local and metropolitan strategic planning context. It is considered this planning proposal enables the redevelopment of the land use anomaly at 18-20 Orion Rd and rezoning of the site to allow more viable development.

Viability of the existing commercial development is limited by:

- Inferior competitive position of the subject site relative to other commercial employment centres.
- Lack of demand for commercial use on the subject site, where vacancy has remained between 40% and 50% for over 4 years.
- Current extent of commercial space is not supportable and changed in market dynamics mean this is unlikely to become supportable. Therefore the proposed scheme adjusts this space to suit market demand.
- Strong trend for commercial tenants to move to North Ryde / Macquarie Park, for which the subject site cannot compete, due to the following supportable factors:
 - Strong transport connections.
 - Amenity / services.
 - Large office floor plates.

Industrial redevelopment on the site is unlikely to be feasible due to:

- Constraints owing to topography and vegetation that place upward pressure on development costs.
- Lack of financial viability of industrial development, where there are high costs associated with site conditions and high cost of demolition of existing structures (i.e. a negative return on costs).
- Weak demand for industrial use on the subject site (locational and site condition issues).
- The feasibility of a compliant industrial development on the subject site has been investigated, and confirmed to be unfeasible.

In summary:

- **The planning proposal is consistent with State and local government strategic planning instruments**, with the site being well positioned to provide high amenity housing in an area well serviced by public transport.

- **The planning proposal will deliver community benefits to the precinct** by permitting tenancies suitable for retail, a child care centre and commercial uses which will service local employees within walking distance, reducing reliance on cars in the area.
- **The planning proposal will maintain opportunities for employment** through permitting high density employment tenancies including a child care centre, retail and commercial. It is estimated future development consistent with the concept design will generate ongoing employment benefits in the order of 128 employees.
- **The proposed rezoning will provide community activation in the precinct.** The Lane Cove Industrial Precinct as it stands is lacking the activation and vibrancy that a mixed use residential development can bring to the area. The abundance of proximate public parks and recreation spaces together with the walking and cycling networks, abundant bus services and connectivity to jobs and major centres makes the site well suited to residential development.
- **The planning proposal does not significantly increase the potential scale of development** with the height and FSR limits ensuring a built form that is compatible with the site's topography and complementary with the approved development at 150 Epping Road (Meriton site).
- **The concept design demonstrates how a future development can respond to the site topography, surrounding natural context, and prevailing urban morphology** ensuring a built scale which is proportionate to the site's location, complementary to the natural landscape and avoids unreasonable amenity impacts on surrounding sites.
- **The concept design does not result in unreasonable impacts to adjoining land uses and residents**, with analysis demonstrating that the future development will not create a conflict in land uses with adjoining and surrounding industrial uses through appropriate separation and vegetative buffers. The traffic assessment carried out demonstrates on-site parking and access and egress can be appropriately accommodated on site with future traffic volumes being easily accommodated on the local road network. Further, it has been established that the traffic impacts from a development on the site similar to the concept design will be less than those associated with the existing development.
- **The proponent of the planning proposal is willing to work with Council** to ensure the Lane Cove community is included in the public consultation process and the planning proposal is ultimately considered to be in the public interest.

Further, it is proposed that a balance of industrial zoned land can be achieved through selective intensification of specific sites in the precinct. The Economic Assessment found that in the long run there is potential for approximately 115,200sqm of additional floor space in Lane Cove West. If fully developed this constitutes an FSR of 0.94. This FSR is below the FSR threshold of 1.34:1 that was identified by Lane Cove Council to result in negative traffic impacts.

For these reasons it is recommended that the planning proposal is endorsed by Council to enable a gateway determination by the Department of Planning and Environment.

Appendix A

Concept Design Plans

Appendix B

Economic Assessment

Appendix C

Industrial Feasibility Analysis

Appendix D

Traffic Report

Appendix E

Preliminary Environmental Review

Appendix F

Develco Report – Correspondence with S C Johnson

Appendix G

Durham Deed

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