

Purpose: To provide a recommendation to the Deputy Director General stating whether the proposed instrument should progress to pre-Gateway review by the Joint Regional Planning Panel (JRPP) / Planning Assessment Commission (PAC) by:

- undertaking an assessment of the proposed instrument to determine whether it has strategic merit and/or site-specific merit
- considering any views of the council and justification of the proponent in relation to the proposed instrument.

Dept. Ref. No:	PGR_2012_LEICH_001_00	
LGA:	Leichhardt	
LEP to be Amended:	Leichhardt 2000 or draft Leichhardt 2011	
Address/ Location:	141 and 159 Allen Street, Leichhardt	
Proposed Instrument:	Rezone land from industrial and residential The site comprises an area of 9,920m ² and is currently occupied by two warehouse/ storage facilities. Dwelling yield is dependant on the scale and density of development recommended by the urban design study. Preliminary yield analysis suggests an FSR range between 0.7:1 and 1.5:1 would provide a yield between 80 and 150 dwellings.	
Reason for Review:	☐ Council notified proponent it will not support the proposed instrument.	☒ Council failed to indicate support within 90 days

Supporting information

Additional supporting material List additional information provided at time of initial request to council including date material prepared	No additional information was provided with planning proposal. It is envisaged that the following additional studies will be requested by the Gateway determination and completed before public exhibition: Urban Design: provides an analysis of character, scale, and height of new development within the context of its residential setting. Arising from the urban design work, a built form Controls Map may be a suitable outcome, showing FSR and possibly height. Contamination: Given the sites current and historical industrial use a minimum phase 2 Environmental Site Audit (ESA) will be required to determine the extent and nature of any contamination that is present on either site and determine the appropriate measures for remediation (if required) to ensure the land is suitable for its intended future residential use. Traffic, Access and Movement: assessment of traffic impacts, cumulative impacts, amelioration of impacts and alternative forms of travel; access and movement to and from the site; and Infrastructure: confirmation that existing facilities can be upgraded and/or extended to meet demand.
Correspondence Submitted List (chronologically) correspondence including date, purpose and outcome/agreement, and including any correspondence with	17 January 2012 – Planning proposal request sent to Council by SJB Planning. 18 January 2012 – Letter sent to Council by SJB containing details of people employed by current use of the site, as requested by Council via email. 28 February 2012 - Council resolved to defer consideration of the proposal pending the completion and adoption of a Employment and Economic Development study (EED). 1 June 2012 – Letter to Department by SJB requesting a meeting to discuss the merits of the proposal and options available to progress the proposal. 3 July 2012 - Letter to Department by SJB requesting a meeting to discuss the merits of the

agencies/stakeholders etc	proposal and options available to progress the proposal. 4 October 2012 – Letter to Department by SJB requesting the appointment of a Relevant Planning Authority other than Council. 4 October 2012 – Letter sent to Council by SJB asking for a meeting to discuss progression of the planning proposal. 9 November 2012 – Letter to SJB from Department providing information on the new pre-gateway review process. 3 December 2012 – Completed pre-gateway review application form, cheque and attachments received by DP&I.
---------------------------	--

Views of council

Date council advised of request:	8 January 2013
Date of council response:	27 February 2013
Council response: List issues / points provided in response	At Council's meeting on 26 February 2013, Council unanimously supported the principle to rezone the Allen St site from industrial to residential through a voluntary planning agreement (VPA) that addresses public benefits which could include Key Worker Affordable Housing, Child Care Facilities, Public Open Space and/or monetary contributions. Council advises that: - The site is currently zoned for employment purposes. - Council has developed a methodology for confirming the potential of existing industrial sites to be re-zoned for non-industrial purposes. - Preliminary investigations have identified the site's potential for alternative employment outcomes including affordable housing for key workers. - There is a current and projected deficiency within the LGA in relation to affordable housing for key workers, child care facilities, recreation and open space. - Any planning proposal to rezone the site for residential purposes should incorporate a voluntary planning agreement addressing public benefits.

Proponent justification

Details of justification:	The proponent considers the proposal is justified by the following: - A residential use of the site is consistent with surrounding uses; - Residential use of the site would be serviced by existing public transport and the proposed Hawthorne light rail stop; - Development of the site will contribute towards Leichhardt LGA dwelling forecast of 2000 by 2036; and, - The proposed use is consistent with the recommendations of the Leichhardt Employment Lands Study 2011 (LEL), prepared by SGS Economics and Planning on behalf of Council and endorsed by Council on 22 February 2011. The LEL study describes the site as an isolated pocket of industrial zoned land, surrounded by residential development. The interface with residential development limits the potential for expansion and intensification of the industrial uses due to interface conflicts arising from heavy vehicle movements. The site is not linked to other industrial precincts or major transport corridors.
Material provided in support of application/proposal:	A planning proposal was provided containing an overview of the site and its context, relationship with the Metropolitan Plan for Sydney 2036 and Inner West Draft Subregional Strategy, consistency with s117 directions and initial assessment of transport, economic and environmental impacts.

Strategic and site specific assessment

STRATEGIC MERIT ASSESSMENT	
Relevant regional strategy Include details about strategy i.e. currency, being reviewed etc	Inner West Subregion Draft Subregional Strategy The subject site is identified in the Inner West Subregion Structure Plan as being Category 1 employment land. Sites identified as category 1 lands are those which presently function as industrial areas and provide a regional/national, subregional or local economic role. Sites within this category are seen as being collectively vital to the health of local and regional economies and should be retained to accommodate and support a range of services. The key directions in the Inner West Subregion Draft Subregional Strategy of relevance to the proposal include: A1.1.1 Inner West local councils to prepare Principal LEPs which will provide sufficient zoned commercial and employment Land to meet their employment capacity targets. The Planning Proposal will reduce the quantum of employment lands within the Leichhardt LGA by nearly 9,920m². The isolation of the site in conjunction with the amenity interface issues caused by the proximity of residential uses constrains the site and restricts potential growth and intensification of the existing industrial use. The net reduction in employment land is less than 1% and will not affect the capacity of remaining employment lands within the Leichhardt LGA from meeting the employment capacity target of 500 new jobs by 2031. A1.2.3 Council to ensure retention of sufficient small Employment Lands parcels to support local service industries. The Leichhardt Employment Lands study 2011 undertaken by SGS identifies the site as being fragmented and isolated from other commercial locations. Moreover, the report indicates that the continued use of the site for industrial purposes is inconsistent with the surrounding residential development. The constrained nature of the site restricts existing and future employment opportunities, with the larger warehouse (Matt Blatt) only employing 10 people. C1.3.1 Inner West Councils to plan for sufficient zoned land to accommodate their local government area housing targets through their Principal LEPs. The planning proposal will contribute 9,920m² to the quantum of residential zoned land. C2.1.2 Councils to provide in their LEPs zoned capacity for a significant majority of new dwellings to be located in strategic and local centres. The site is located within the walking catchment of the Leichhardt Market Village, the Norton Street commercial strip and the future Hawthorne light rail stop. C2.3 Provide a mix of housing The planning proposal will facilitate comprehensive redevelopment of the sites. Diversity in the housing mix will be determined at the development application stage.
Relevant local strategy Include relevant details e.g. date adopted, date endorsed etc	There are no specific local strategies endorsed by the Director-General in respect to the site. However, the proposal is consistent with Leichhardt Employment Lands Study 2011 (LEL) undertaken to inform the preparation of the draft Leichhardt LEP 2011. On 22 February 2011 Council endorsed the Leichhardt Employment Lands Study.
Relevant s117 Directions considered to support strategic merit	The planning proposal provides the following considerations of s.117 Directions: 1.1 Business and Industrial Zones The objectives of this direction are to encourage employment growth in suitable areas; protect employment lands, and support viability of identified strategic centres. A draft LEP can be inconsistent with this direction, if justified by a strategy that has given consideration to this direction.

	The planning proposal advises that it is consistent with this direction by explaining that planning proposal will reduce the availability of employment lands, however, the site has been identified by the Leichhardt Employment Lands 2011 study (LEL) as unsuitable for continued industrial use due to its constrained location and isolation from major transport and freight links. 3.4 Integrating Land Use and Transport The site is located on an existing public transport route along Flood and Norton Street connecting to local and major urban centres. The site is also located within close proximity of the future "Hawthorne" light rail stop to be constructed as part of the approved inner west light rail extension to be delivered by early 2014. 7.1 Implementation of the Metropolitan Plan for Sydney 2036 The planning proposal to rezone Category 1 industrial land is consistent with the strategic aims of the Metropolitan Plan to regularly review and identify underutilised and constrained industrial land to enable suitable redevelopment through rezoning. Retention of category 1 employment lands of strategic importance is a key objective of the Metropolitan Plan, however, as envisaged by Action E3.2, categorisation may restrict the ability of locations to adjust to changing economic conditions. Consequently, industrial land categories are likely to be removed from the subregional strategies, in favour of a strategic checklist approach.
Additional supporting information provided	In February 2012, Leichhardt Council resolved to defer this planning proposal until the completion of an Employment and Economic Development Plan (EED). The EED has not been completed and adopted by Council. A review of an early draft EED by the DP&I Employment Lands team advises that it would not provide any further information for the assessment of the Allen Street rezoning as it does not comment on specific industrial precincts.
Assessment Provide assessment of information provided	The planning proposal provides an adequate overview of the site, its context and addresses all strategies and plans relevant to the site. Although the LEL study does not give consideration to s.117 Directions, the recommendations of the LEL study provide justifiable inconsistency with direction 1.1.
Recommendation:	Justifications provided are adequate at this stage.

SITE-SPECIFIC MERIT ASSESSMENT	
Natural environment	The site is located within a highly modified urban environment and has been extensively developed to accommodate warehouse buildings and at grade parking, loading and unloading facilities. There is no vegetation present on the site. The site is not identified as a Flood Control Lot under Part A of the Leichhardt Development Control Plan. The site is not identified as being affected by Acid Sulphate Soils under the draft Leichhardt LEP 2011. The historical and continuing use of the site for industrial purposes may have some potential of contamination of ground soils.
Existing, approved, likely future use of land	Site is currently zoned Industrial and used for warehouse/storage uses.
Services and Infrastructure	The subject site is located in an area currently serviced by all necessary services and infrastructure facilities.
Other relevant matters	Preliminary work on local traffic movements suggest that the current warehousing operations generate approximately 250-350 vehicle trips per day on weekdays (30-40 trips per hour), with the busiest time occurring at 11 am on Saturday mornings with an average of 150 vehicle trips. A detailed traffic and parking assessment will be undertaken. It is envisaged that rezoning of the site from industrial to residential is likely to result in reduced traffic impacts of surrounding streets.

Assessment Provide assessment of information provided	Preliminary discussion of site specific assessment is adequate and listed studies are appropriate.
Recommendation	Proponent to complete urban design, contamination, traffic and infrastructure studies prior to public exhibition.

Assessment summary

Department's assessment Provide a summary assessment of the department's position/views on the proposal	The site does not appear to be of high strategic value for industrial purposes for the following reasons: • It is a relatively small precinct that represents less than 1% of total industrial zoned land in the Leichhardt LGA. • It is isolated from other industrial lands and does not adjoin or specifically relate to other employment lands precincts. • The site does not form part of a freight cluster or is located with good access to freight networks. • Relatively small job yield (due to small precinct size the Department does not have job data for the precinct, though SJB supplied data identifying 23 jobs). Further investigation of the site providing affordable housing for key workers, child care facilities, recreation and open space is supported. The planning proposal should not be deferred until the completion of the Employment and Economic Development Plan (EED).
---	--

RECOMMENDATIONS

☒ There is merit in the proposed instrument proceeding to Gateway determination. The review of the proposed instrument by JRPP / PAC is justified.	Any additional comments:
☐ There is no merit in the proposed instrument proceeding to Gateway determination. The review of the proposed instrument by JRPP / PAC is not justified.	Any additional comments:

Prepared by:

Wayne Williamson

Endorsed by:

Grant
12/3/13