

JOINT REGIONAL PLANNING PANEL
Sydney Region East

JRPP No	RPA2013SYE002
Local Government Area	Leichhardt
Proposed Development	Rezone site from industrial to residential
Street Address	141 and 159 Allen Street, Leichhardt
Applicant/Owner	Leichhardt 141 Pty Ltd and Arquilla Bulk Trading Co Pty Ltd
Recommendation	Approval to proceed to gateway
Report by	Wayne Williamson, Planning Officer, Sydney Region East

1.0 Introduction

This is a briefing report on the process for progressing a Pre-Gateway Review Application for Leichhardt 141 Pty Ltd and Arquilla Bulk Trading Co Pty Ltd (proponent) for the rezoning of 141 and 159 Allen Street, Leichhardt.

The subject site has a total area of 9,920m² over two separate titles being; 141 Allen Street (7,143m²) and 159 Allen Street – (2,777m²). The larger 141 Allen Street site is currently occupied by Matt Blatt Furniture for warehousing, distribution and bulky goods retailing. 159 Allen Street is also used for warehousing and distribution. The site is located in a predominantly residential area of single and double storey detached and semi-detached housing.

The site is currently zoned industrial, with a Floor Space Ratio (FSR) of 1:1 and no maximum height limit under the Leichhardt Local Environmental Plan (LEP) 2000. Council publically exhibited draft Leichhardt LEP 2012 between December 2012 and February 2013. Council has applied the IN2 Light Industrial zone and an FSR of 1:1 to the site. Council has not adopted building heights for the site.

On 17 January 2012, the proponent requested a planning proposal be prepared by Leichhardt Council to amend the Leichhardt LEP 2000 to rezone the site from industrial to residential.

At its meeting on 28 February 2012, Council resolved to defer consideration of the proposal pending the completion and adoption of an Employment and Economic Development study (EED) (originally due mid 2012).

Correspondence was received by the Department of Planning and Infrastructure (Department) on 1 June and 3 July 2012 from SJB Planning requesting a meeting to discuss the merits of the proposal and options available to progress the proposal.

On 4 October 2012, the Department received correspondence from SJB Planning requesting the appointment of a Relevant Planning Authority (RPA) other than Council.

On 3 December 2012, the proponent submitted a Pre-Gateway Review Application. The proponent stated the reason for the review was that Council had failed to indicate support within 90 days.

Following submission of the pre-gateway review, at its meeting on 26 February 2013, Council resolved to unanimously support the principle to rezone the Allen St site from industrial to residential through negotiation of a voluntary planning agreement (VPA).

On the 28 March 2013 the Deputy Director General determined the planning proposal has merit and should be forwarded to the JRPP for consideration.

1.1 The Site

The subject site is located in the Leichhardt Local Government Area at the intersection of Allen and Flood Streets. The site has a combined total area of 9,920m² of land primarily used for warehousing, distribution and bulky goods retailing.

Parramatta Road is 1 kilometre south of the site, Norton Street 600 metres east and the City West Link is located to the north. A local bus route travels along Flood Street past the site. Bus links to strategic centres are available from Norton Street. The site is also located approximately 350m from the future light rail station on the Hawthorne Canal being constructed as one of 9 new stops on the inner west light rail line connecting Lilyfield with Dulwich Hill.

The site is surrounded by a distinct residential character predominantly of single and two storey detached and semi-detached dwellings. Residential flat buildings are present within the locality, particularly to the west of the site.

Figure 1 illustrates the context of the subject site in relation to the suburb of Leichhardt and Figure 2 identifies the subject site.

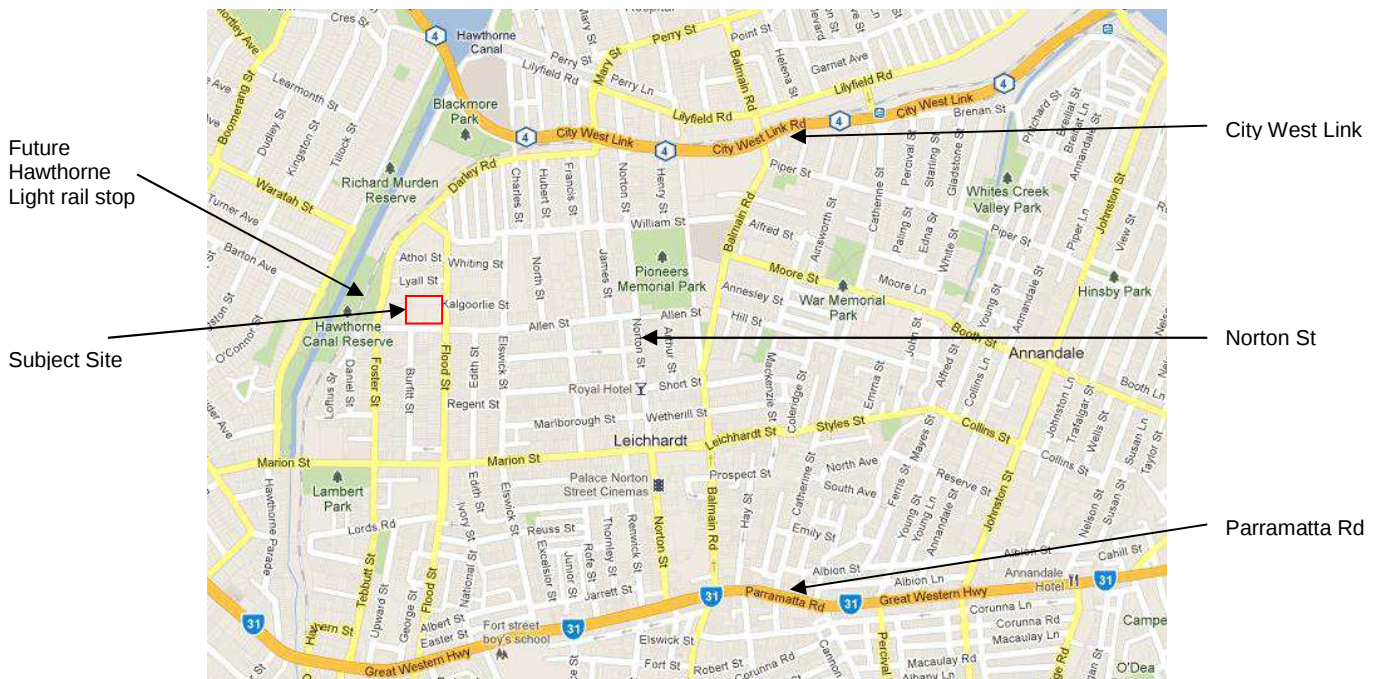


Figure 1: Subject Site and surrounding local context (Source: maps.goggle.com.au)

Both sites are currently occupied by large warehouse buildings, utilised for the purpose of bulky goods retailing and warehousing, along with associated car parking, loading and unloading facilities. Each site has direct road frontage and vehicle entry points from Allen and Flood Streets (see Figure 2).



Figure 2: Subject Site (Source: www.six.nsw.gov.au)

1.2 Planning Proposal

The planning proposal seeks to amend the Leichhardt LEP 2000 or draft Leichhardt LEP 2012 to rezone the site from industrial to residential (refer to Figures 3 and 4).

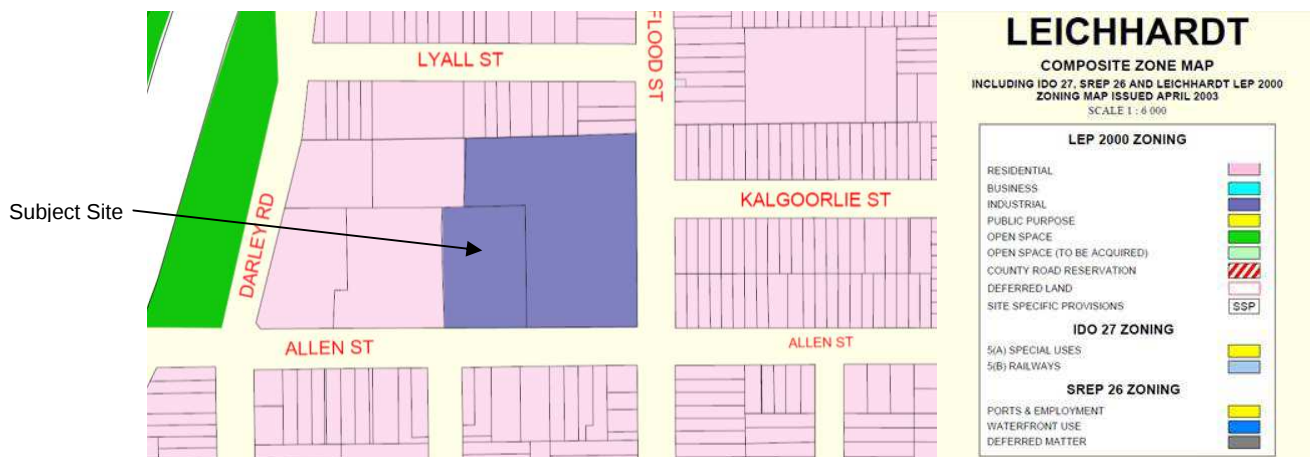


Figure 3: Existing zoning under Leichhardt Local Environmental Plan 2000

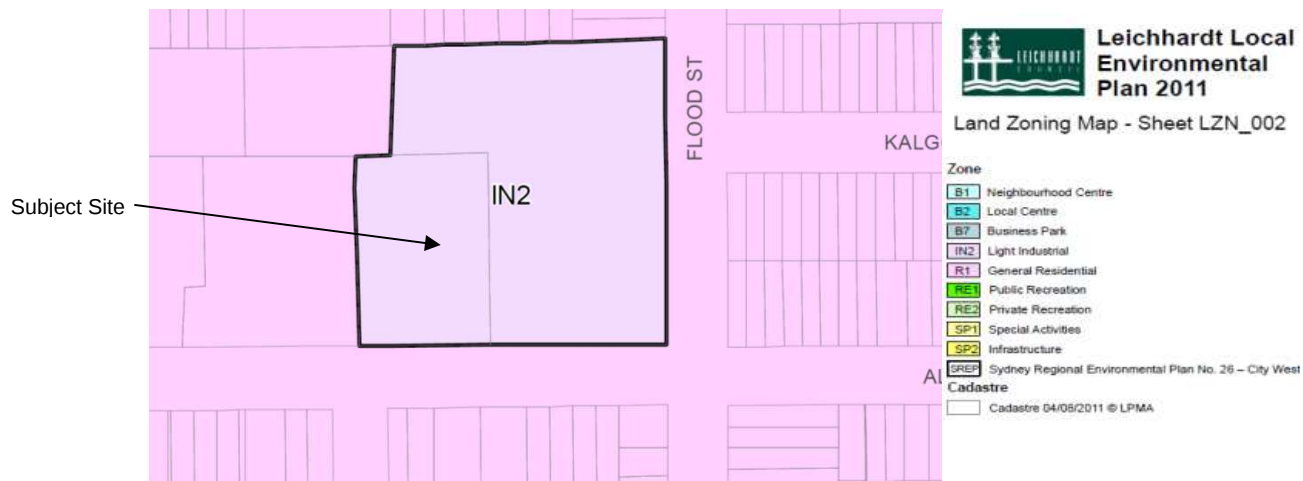


Figure 4: Proposed zoning under the draft Leichhardt Local Environmental Plan 2012

The potential dwelling yield is dependant on the scale and density of development recommended by a future urban design study. Preliminary yield analysis by SJB Planning in the planning proposal suggests an FSR range between 0.7:1 and 1.5:1 would provide a yield between 80 and 150 dwellings. On 15 April 2013, SJB planning submitted a more detailed yield analysis that indicates an FSR of 1.4:1 and height of 14m would yield 143 apartments (**Attachment 1**).

An amendment to the Leichhardt LEP 2000 would require mapping amendments to change the zoning and an amendment to the written instrument in relation to the permitted FSR.

An amendment to the draft Leichhardt LEP 2012 would require mapping amendments to map sheets LZN_002 and FSR_002.

The planning proposal is broadly seeking to rezone the site from industrial to residential. The scale and intensity of the built form would need to be tested through urban design analysis. Similarly given the change from industrial to residential additional controls and amendments will be required. 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 site's 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.

2.0 Pre-Gateway Review

On 3 December 2012, the proponent submitted a Pre-Gateway Review Application with the Department of Planning and Infrastructure. The reason for the review was that Council had failed to indicate support within 90 days.

2.1 Pre-Gateway Review Initial Assessment (Step 1)

An initial assessment determined that there was merit in the planning proposal proceeding through the pre-gateway review process, for the following reasons:

- The proposed residential use of the site is consistent with surrounding land uses.
- The site is serviced by extensive public transport networks and is within walking distance of existing town centres.
- The proposed rezoning is consistent with recommendations of the Leichhardt Employment Lands (LEL) study 2011, prepared by SGS and endorsed by Council on 22 February 2011.
- The LEL study identified the site as fragmented industrial land with limited potential due to its interface with surrounding residential land uses.

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 conflicts arising from heavy vehicle movements. The site is not linked to other industrial precincts or major transport corridors.

The Director General endorsed the planning proposal proceeding to Stage 2 Merit Assessment on the 21 December 2012.

2.2 Pre-Gateway Review Merit Assessment (Step 2)

The Department undertook an assessment to determine the strategic and site specific merit of the proposal (**Attachment 2**).

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).

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.

Further investigation of the site providing affordable housing for key workers, child care facilities, recreation and open space is supported.

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 that the planning proposal relies upon does not give consideration to s.117 Directions, the recommendations of the LEL study provide justifiable inconsistency with direction 1.1.

The Deputy Director General endorsed the planning proposal proceeding to review by the Joint Regional Planning Proposal (JRPP) on the 28 March 2013.

2.3 Council's Response to Pre-Gateway Review Application

On 27 February 2013 Leichhardt Council provided a response to the Department regarding the notification of a pre-gateway review for 141 and 159 Allen Street, Leichhardt (**Attachment 3**).

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:

- a. The site is currently zoned for employment purposes.
- b. Council has developed a methodology for confirming the potential of existing industrial sites to be re-zoned for non-industrial purposes.
- c. Preliminary investigations have identified the site's potential for alternative employment outcomes including affordable housing for key workers.
- d. 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.

- e. Any planning proposal to rezone the site for residential purposes should incorporate a voluntary planning agreement addressing public benefits.

While Council's submission to the stage 2 merit assessment now indicates in principle support for the planning proposal, it does not provide confidence that Council will progress this planning proposal in a timely manner. This is due to a potentially long negotiation period for a voluntary planning agreement before submitting the planning proposal to the LEP Panel for a Gateway determination.

2.4 Conclusion

The Department considers the level of information provided at this stage of the pre-Gateway review is acceptable. However, it is suggested that additional studies on urban design, contamination, traffic access and movement and infrastructure be required by the Gateway determination and completed before public exhibition.

3.0 Recommendation

It is recommended that the Sydney East Joint Planning Panel agree that the planning proposal to rezone the site from industrial to residential be submitted for a gateway determination under section 56 of the *Environmental Planning and Assessment Act 1979*.

Prepared by: Wayne Williamson
Planning Officer, Sydney Region East

David Pitney
A/Regional Director
Sydney Region East

Daniel Keary
A/Executive Director
Metropolitan Planning