



4 November 2021

Department of Planning, Industry & Environment
4 Parramatta Square
PARRAMATTA NSW 2150

Attention: Alexander Galea – alexander.galea@innerwest.nsw.gov.au

Inner West Council response to rezoning review (PPAP/2021/0001)
122–130 Pyrmont Bridge Road and 206 Parramatta Road, Annandale

Dear Ms Stanbury,

This letter is Council's response to the rezoning review letter for 122 Pyrmont Bridge Road and 206 Parramatta Road, Annandale issued by the Department of Planning Infrastructure and Environment (DPIE) on 11 October 2021.

The rezoning review request lodged by File Planning and Development Services (FPD) and the supporting letter dated 8 October 2021 seeks to make the following changes to the *Leichhardt Local Environmental Plan 2013 (LLEP)* for the subject site:

- Rezone the site from IN2 Light Industrial to B5 Business Development
- Apply a maximum height control of 35 metre/8 storeys
- Amend the floor space ratio control from 1:1 to 4:1
- Allow up to 1000 sqm of floor space for retail premises on the ground floor as an additional permitted use.

The abovementioned proposed amendments are not entirely the same as the Planning Proposal submitted to Council. FPD's original proposal (Planning Proposal report dated June 25, 2021) sought to make the below changes to the LLEP:

- Rezone the site from IN2 Light Industrial to B5 Business Development
- **Apply a maximum height control of 32m**
- Amend the floor space ratio control from 1:1 to 4:1
- **Allow** retail premises on the ground floor as an additional permitted use.

The proposal sought to facilitate a redevelopment of the site for a **health services facility** of up to eight storeys comprising a total floor space of 10,264sqm with:

- Medical-related uses such as a physio and hydrotherapy pool and ancillary retail uses including a café and pharmacy at the ground level
- Private hospital and associated uses on levels 1 to 7
- Medical related consulting rooms on Level 8.

This application was lodged with Council on 30 June 2021. The applicant has not yet fully paid the associated fees. As of 1 November 2021, an outstanding amount of \$31,800 remains to be paid.

It is acknowledged that the applicant is seeking a rezoning review on the basis that Council has not completed its formal assessment within 90 days of lodgement. Whilst the proposal has not yet been reported to Council, Council officers completed an assessment of the original proposal which was reported to the Inner West Local Planning Panel on 21 September 2021.

The proposal as originally lodged on 30 June 2021, was not supported for the reasons outlined in the Inner West Local Planning Panel report (Attachment 2 Section 2.0).

Whilst the proposal was generally consistent with the overarching State and Council endorsed strategic objectives of health and education precinct in Camperdown, Council's detailed assessment including an external independent urban design peer review (Attachment 4) indicated that the design scheme and proposed land uses through blanket B5 land use zoning could result in unintended consequences. It was noted that refinements to the proposal would deliver improved public domain outcomes and help protect the redevelopment potential of surrounding sites.

Consequently, Council prepared a revised Planning Proposal in collaboration with the applicant to facilitate redevelopment of the site whilst mitigating adverse amenity impacts and providing improved public domain and community outcomes.

On 21 September 2021, the Inner West Local Planning Panel (IWLPP) (IWLPP928/20 Agenda Item 1) resolved:

- 1. That it does not support the Planning Proposal prepared by FPD Pty Ltd dated June 2021.**
- 2. That the Planning Proposal prepared by Council officers dated September 2021 to amend the draft Inner West Local Environmental Plan 2021 (IWLEP) for 122-130 Pyrmont Bridge Road and 206 Parramatta Road, Annandale has sufficient strategic merit to be submitted to Minister for Planning for a Gateway Determination in accordance with Section 3.33 of the Environmental Planning & Assessment Act 1979 subject to the following change:**
 - a) the proposed site-specific LEP provision be amended to ensure that the proposal achieves at least 9000 sqm of floorspace associated with health, education, research, technology, and creative uses.**
 - b) The area within the development to be used for retail purposes should be expressed in the site specific LEP provisions as a percentage rather than as an area in sqm.**

Rezoning Review letters issued to DPIE from FPD dated 28 September and 8 October 2021 have indicated that the applicant wishes to pursue a rezoning review with new amendments to Council's Planning Proposal, including variations to IWLPP recommendations. This would not technically comply with the requirements of the rezoning review as the proposal is then inconsistent with the original submission.

Notwithstanding Council is not supportive of the changes suggested by the applicant as these raise the same concerns as the original Planning Proposal where the proposed amendments to the LLEP do not provide certainty that a genuine health/medical facility with no adverse amenity impacts will be delivered on the site.

If the proposal was to proceed with the applicant's suggested amendments, it would not meet the strategic merit test in relation to the implementation of State and Council policies for Camperdown as in the NSW Government's *Parramatta Road Corridor Urban Transformation Strategy 2016*, Greater Sydney Commission's *Greater Sydney Region Plan 2018*, *Eastern City District Plan 2018*, *Camperdown-Ultimo Collaboration Area Place Strategy 2019*, *Inner West Local Strategic Planning Statement*, *Inner West Employment and Retail Lands Strategy 2020* and *Inner West Camperdown Innovation Precinct Land Use and Strategic Employment Study*.

The following proposed amendments are not supported:

1. **Blanket B5 Business Development Land use zoning** without tying the redevelopment to specific uses for Camperdown precinct.
2. Removing Council's proposed site-specific incentive provisions relating to **improving public domain and built form**.
3. Removing Council's proposed site-specific provision to **prohibit residential, tourist, or visitor accommodation**.

Further details regarding Council's concerns are provided in the Attachment 1.

Inner West Council looks forward to this site being redeveloped and setting a good precedent for future developments in the Camperdown precinct. While we support the essence of the proposal, we express our concerns regarding the proposed approach to redevelopment which varies significantly from what has been put forward by Council officers and subsequently supported by the Inner West Local Planning Panel.

Council requests that this advice be considered in your assessment of the Rezoning Review. The following attachments have been included to support this letter:

- **Attachment 1** – Council Officer's response to Rezoning Review Request
- **Attachment 2** – Inner West Local Planning Panel Meeting Agenda and Minutes (21 September 2021)
- **Attachment 3** – Council Planning Proposal September 2021
- **Attachment 4** – Independent external urban design peer review

Council appreciates the opportunity to comment on the rezoning review and welcomes any further participation in the process. Should you have any queries, please direct these to Gunika Singh, Specialist Planner on 9367 9236 or Gunika.Singh@innerwest.nsw.gov.au.

Sincerely,



Daniel East
Strategic Planning Manager

Attachment 1 – Council Officer Response to Rezoning Review Request

The applicant's Rezoning Review request proposes the following changes to Council's Planning Proposal:

- Permit any uses including unrelated health and education uses under the **proposed B5 Development Zoning** and disregarding the IWLPP's decision to provide minimum 9000sqm for **health, education, research, technology, and creative uses**.
- Removal of **proposed site-specific provisions including FSR and height incentives** which requires the new development to demonstrate that it:
 - Achieves appropriate built form, setbacks and transition.
 - Provides adequate setbacks and active frontages to key streets.
 - Provides walking and cycling connections along Mathieson Street between Cahill Street and Parramatta Road and enhance safety through creation of a "Shared Zone"
 - Provides at least 600sqm of new public open space/ landscaped plaza along Mathieson Street.
 - Contributes towards community infrastructure through public domain improvements along Cahill Street, Pyrmont Bridge Road, Parramatta Road and Mathieson Street including footpath widenings, traffic calming, landscaping and water sensitive urban design.
 - Includes end of journey facilities to support walking and cycling.
 - Ensures that development will not significantly increase the amount of traffic on the adjoining street network.
 - Incorporates mechanisms to reduce urban heat including green infrastructure.
 - Provides an environmentally sustainable 6-Star Green Star rated building.
- Remove the amendment to **prohibit residential accommodation, tourist, or visitor accommodation**.

These changes are not supported for the reasons outlined below:

1. **Blanket B5 Land use zoning** without tying the redevelopment to specific uses for Camperdown precinct.

FPD's original proposal report titled '**Health Services Facility - Camperdown Biomedical and Biotechnology Hub**' (June 25, 2021) was committed to delivering a health use on this site until recently when the applicant has expressed his intentions to pursue any use permitted under the B5 land use zoning.

Following applicant's submission, IWLPP resolved to expand the primary uses on the site to include **health, education, research, technology, and creative uses** – aligned with the vision of Camperdown Innovation precinct. Council officers fully support this approach as it assures that specialist uses would be delivered on the site, aligned with the precinct's vision and not just any B5 uses which can be pursued under the Standard Planning Instrument.

If blanket B5 Business Development zoning was to be pursued without incentivising development for health and education related uses, Camperdown would lose its status as a “**specialist precinct**” in the Collaboration Area and Eastern Sydney’s Innovation Arc. Council intends to pursue this incentives mechanism as part of its future LEP amendment for Camperdown precinct. Since this proposal has jumped the queue and is prior to Council’s Structure Plan and associated LEP amendment, it runs the risk of jeopardising the future potential of the wider area as a specialist health and education precinct and will set the wrong precedent for future development of surrounding sites.

The applicant has also not clarified which specific uses under the B5 zoning are intended to be pursued on this site which do not fall in the health, education, research, technology, and creative sectors (all of which were supported by IWLPP and Council officers).

Council’s view is that the IWLPP’s recommendation with reference to B5 zoning targeted to **health, education, research, technology, and creative sectors** as the primary use of the development will allow for greater flexibility and stronger alignment with strategic planning policies including *PRCUTS*, *Camperdown-Ultimo Collaboration Area Place Strategy* and **Inner West Council’s Local Strategic Planning Statement**. Further, the prescribed specific uses are considered consistent with the objectives of the B5 Business Development zone and the upcoming changes to employment zones under the DPIE’s Employment Zones Reform framework.

2. Proposed Site-Specific Provisions

Council’s Planning Proposal report, September 2021 seeks to amend the land use, built form controls, additional local provisions and maps in the IWLEP 2021. The matter in question relates to the built form controls and additional local provisions that the applicant is seeking to exclude from the proposal as part of the rezoning review.

The site location is subject to the strategic planning objectives associated with the PRCUTS and the Camperdown-Ultimo Health and Education Collaboration Area as set out in the Greater Sydney Commission’s *Eastern City District Plan 2018*, the *Camperdown-Ultimo Collaboration Area Place Strategy 2019* and *Inner West Employment and Retail Lands Strategy*.

Additionally, the Planning Proposal is for a gateway site which has the potential to kickstart **health and education sector** related development in the Camperdown precinct. Council deemed it critical that the Planning Proposal gave careful consideration to the broader context to achieve these strategic objectives while delivering high quality public domain outcomes. The site-specific provisions were carefully crafted by Council so that the proposal can meet all the relevant PRCUTS and Collaboration Area Place Strategy Objectives.

The applicant’s approach to disregard Council’s site-specific provisions in the LEP is not supported as it will not meet the strategic merit test requirements. The applicant’s original Planning Proposal missed the opportunity to reinforce the site’s status in the precinct at local and State level. It also did not provide an optimal built form and public domain response which is critical to successful transition of this area into a world-class health and education precinct.

Council’s detailed assessment included an external independent peer review of the Planning Proposal’s urban design scheme by DesignInc (Attachment 4) that undertook site scale testing to maintain development feasibility, allow transition of the site to a health facility and protect the redevelopment potential of surrounding sites.

Council's Planning Proposal reflects an enhanced and refined proposal that introduces incentive Floor Space Ratio of 4:1 and incentive Height of Building of 35m (equivalent to 8 storeys) conditional to the development satisfying LEP's site-specific local provisions. Including these provisions in the LEP strengthens the requirement to consider environmental, urban design, public domain and traffic impacts prior to granting consent to any additional development capacity above the existing LEP controls.

Whilst the applicant has indicated that some of these local provisions could be negotiated through a Planning Agreement (PA) or incorporated in the site-specific DCP, Council does not support this approach and reiterates that these site-specific provisions are a better fit under the LEP to give it more status given the significance of this site in the Camperdown health and education precinct. This is also consistent with Council's approach for recent Leichhardt LEP amendments such as Chester Street, Annandale.

Notwithstanding if the applicant is committed to delivering these objectives by other means such as PA or DCP, this process will only strengthen these requirements through the LEP incentives mechanism. It does not pose any additional onus on the applicant as these requirements would have to be met regardless through other mechanisms. However, removing these from the proposed LEP amendment does not guarantee Council and the community that the applicant will achieve these at the Development Application stage.

It is also noted that the applicant has not yet submitted a formal letter of offer associated with the PA or revised site-specific DCP to Council to progress any of these matters since the IWLPP meeting on 21 September 2021.

3. Prohibit Residential, Tourist/Visitor Accommodation in the B5 Business Development Zone

Council's approach to prohibit residential accommodation, tourist and visitor accommodation, intends to enable future redevelopment of the site while prohibiting any residential or commercial uses that could limit the availability of employment land and affordable spaces for innovation, research, creative industries and artists and collaborative projects. This approach supports the strategic objectives of the Camperdown-Ultimo Collaboration Area Place Strategy:

Action 26: Retain and manage commercial and business activities, particularly small businesses and tech start-ups, by safeguarding business zoned land from conversion that allows residential development.

This is also consistent with the Inner West Employment and Retail Lands Strategy:

Strategy 2.2: Protect employment lands from being eroded by conflicting and incompatible uses

- *Action 2.2.1: Prohibit residential development in industrial, B5 Business Development and B6 Enterprise Corridor zones*
- *Action 2.2.2: Prohibit tourist and visitor accommodation in industrial and B5 Business Development zone.*

Council has not yet updated the Inner West LEP B5 business development zone to prohibit tourist and visitor accommodation. The proposal's site-specific provisions to restrict these unrelated residential and commercial uses would remove the risk of development occurring which may not be consistent with the policy vision of Camperdown as a health and education precinct.

In consultation, Council continues to support the approach endorsed at the Inner West Local Planning Panel meeting and requests the Department of Planning, Industry and Environment and Sydney Eastern City Planning Panel to also support these requirements when reviewing the applicant's Rezoning Review.

