

08 October 2021

Mr Jim Betts
Secretary
Department of Planning, Industry and Environment
4 Parramatta Square
Parramatta NSW 2150

Rezoning Review Request

122-130 Pyrmont Bridge Road and 206 Parramatta Road, Annandale

Dear Mr Betts,

This letter seeks a Rezoning Review by the Sydney Eastern City Planning Panel in relation to the Planning Proposal for 122-130 Pyrmont Bridge Road and 206 Parramatta Road, Annandale which was lodged with the Inner West Council on 30 June 2021.

1. Summary

The Planning Proposal seeks to amend the *Leichhardt Local Environmental Plan 2013* (Leichhardt LEP) to facilitate a redevelopment of the 2,570sqm site as a health services facility of up to eight storeys comprising a total floor space of 10,264sqm.

The rezoning review seeks consideration of the following proposed amendments to the Leichhardt LEP:

- **Rezone the site from IN2 Light Industrial to B5 Business Development**
- **Apply a maximum height control of 35m / 8 storeys**
- **Amend the floor space ratio control from 1:1 to 4:1**
- **Allow up to 1,000sqm of floor space for retail premises on the ground floor as an additional permitted use**

Council officers and the Inner West Planning Panel determined that the proposal has strategic and site-specific merit. As part of the consultation process with Council Officers and the Panel, the Planning Proposal has undergone a number of amendments all of which are agreed except for the unnecessary restriction on land uses in the B5 zone and the unnecessarily complicated proposed incentive bonus height and FSR provisions.

A number of public benefits were agreed with Council which we consider can be delivered in a VPA, ensuring the project will:

- Provide walking and cycling connections along Mathieson Street between Cahill Street and Parramatta Road and enhance safety through creation of a "Shared Zone"
- Provide a new public open space/ landscaped plaza along Mathieson Street.
- Contribute towards community infrastructure through public domain improvements along Cahill Street, Pyrmont Bridge Road, Parramatta Road and Mathieson Street including foot path widenings, traffic calming, landscaping and water sensitive urban design.
- Include end of journey facilities to support walking and cycling.
- Ensure the development will not significantly increase the amount of traffic on the adjoining street network.
- Incorporate mechanisms to reduce urban heat including green infrastructure.

- Provide an environmentally sustainable Green Star rated building that is 'best in market'.

We have worked closely with the Inner West Council in progressing the Planning Proposal and have agreed the key public benefits suggested by Council to be incorporated as part of the Proposal. Both Council officers and the Inner West Local Planning Panel have supported the proposal being progressed to Gateway for Ministerial decision, subject to a number of minor changes which are considered and addressed in this letter.

While we have received great support and engagement from both Council staff and the IWLPP, Council has indicated that it is not able to report the Planning Proposal to Council until at least February next year. Accordingly, we are pursuing a Rezoning Review on the basis that that Council has failed to indicate its formal support within 90 days of lodgement. We remain committed to continuing a good working relationship with Council on the delivery of their proposed public and community benefits.

This letter provides a summary of the following:

- Site and context
- Planning Proposal lodged with Council
- Consideration by Council and the Inner West Local Planning Panel, and
- Strategic and Site-Specific merit tests.

The rezoning review application is supported by the following documents:

- Council report to the Planning Panel (Attachment A)
- Inner West Planning Panel Recommendation (Attachment B)
- Planning Proposal and appendices (Attachment C)
- Preliminary Planning Proposal meeting minutes from Inner West Council (Attachment D), and
- Preliminary Planning Proposal advice from Inner West Council (Attachment E)



Figure 1 - Indicative concept of proposed health facility, view from Parramatta Rd

2. Strategic Context

The Planning Proposal is consistent with the State and Local Government endorsed strategic objectives for the Camperdown-Ultimo Health and Education Collaboration Area as set out in the Eastern City District Plan, the Camperdown-Ultimo Place Strategy and the Inner West Employment and Retail Lands Strategy including the protection of employment generating lands to support the transition of Camperdown into a health, education and innovation precinct including a biomedical and biotechnology hub.

The Planning Proposal is also consistent with the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) which recommends the following controls for the site:

- Zone: B5 Business Development Zone
- Height of buildings: 32 metres (inferring 8 storeys)
- Floor space ratio: 4:1.

Further, it is noted the PRCUTS Implementation Update (July 2021) outlined that Planning Proposals can proceed to gateway and exhibition stages prior to completion of the PRCUTS precinct wide traffic studies (currently being finalised by DPIE).

The proposal is located within a priority area for which the Minister established the Project Delivery Unit in July 2020 with the intent to fast track the delivery of the PRCUTS: progressing planning proposals and development applications that will contribute to the delivery of up to 27,000 new homes and 50,000 jobs along Parramatta Road. The Proposal itself is accompanied by an economic impact assessment that concludes the subject Proposal will create over 500 combined construction and permanent jobs and generate over \$250m in direct and indirect economic value.

The project intends to ultimately offer world class health, education, and innovation users a place to collaborate, work, innovate and service the community. It is noted that the prospective tenant for the proposal specializes in physical and medical rehabilitation, and it is therefore anticipated that services offered on site will be of this nature.

The site is unique in that it is a relatively large land holding that will allow large, flexible floorplates suited to servicing world class health, education, and innovation user groups. The urban design concept has been informed by a large health user group, who (subject to the approval of the rezoning and subsequent development application) will occupy the building, thus acting as a catalyst to realise genuine activation of the precinct.

The delivery of a health services facility on the site meets the criteria in schedule 1, clause 14 of the State and Regional Development SEPP for hospitals, medical centres and health research facilities, therefore making the next stage of the planning application a State Significant Development.

3. The site and its context

The subject site comprises 2,570sqm of land located at 122 to 130 Pyrmont Bridge Road and 206 Parramatta Road, Annandale.

The site is located at the intersection of Parramatta Road and Pyrmont Bridge Road and has its main frontage to these roads. It also has street frontages to Cahill Street to the north and Mathieson Street to the west. The site is currently occupied by three adjoining double storey commercial buildings which are largely built to their site boundaries, except for a small at grade car park. To eastern most portion of the site is currently being used as an at grade customer car park with security fencing.

The site is entirely cleared of trees and vegetation and is either covered in building or hard stand surfaces.

The site is opposite a 7-Eleven Petrol Station located to the southeast across Pyrmont Bridge Road. To the south of Parramatta Road are recent developments including:

- 139-143 Parramatta Road – Six storey mixed use development with ground floor retail and residential apartments above

- 185 Parramatta Road – Four and six storey residential flat building

The areas to the north and west along Cahill Street and Mathieson Street comprise a mix of single and two storey terraces, two and three storey commercial and light industrial warehouse buildings and a three storey residential live-work warehouse conversion.

To the east the existing car park adjoins a three storey retail / commercial building.



Figure 2: Subject site (Source: Mecone Mosaic)

4. Planning Proposal submitted to Council

The Planning Proposal lodged with Council on 30 June 2021 sought to amend the planning controls for the site under the Leichhardt LEP as follows:

- Rezone the site from IN2 Light Industrial to B5 Business Development
- Apply a maximum height control of 32m / 8 storeys
- 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 Urban Design Concept demonstrates a redevelopment of the site for a health services facility of up to eight storeys comprising a total floor space of 10,264sqm (4:1 FSR) with:

- Medical 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.

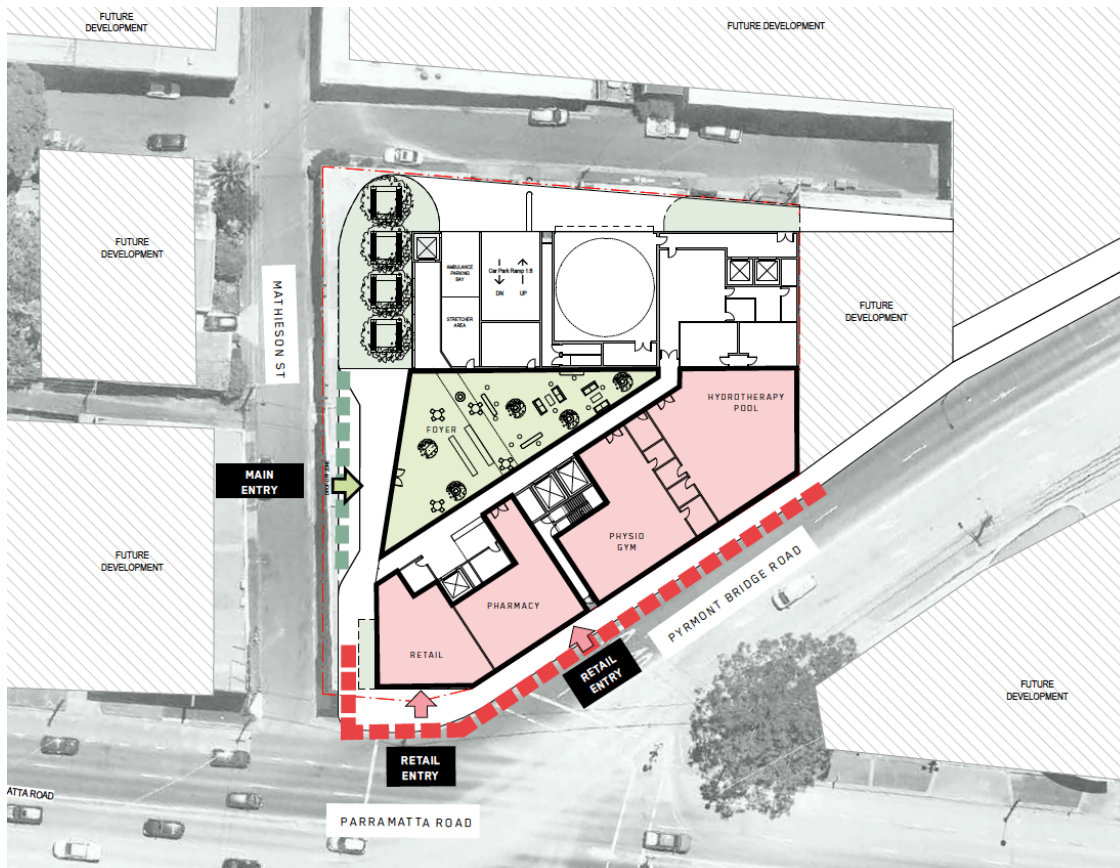


Figure 3: Urban Design Concept – Ground floor layout

5. Consideration by Inner West Council officers and Inner West Local Planning Panel

Council prepared an amended Planning Proposal which was referred to the Inner West Planning Panel on the 21 September 2021 recommending it be supported. Council's amended Planning Proposal is largely consistent with the original Proposal's intended B5 Zoning, health concept, building envelope, 8 storey height, overall bulk and scale, and community benefits. However, deviations include a restriction on land uses, minimum GFA for health facilities, and incentive provisions for FSR and height, which we believe need reconsideration, as outlined further below.

Council's version of the Proposal seeks to:

- Rezone the site from IN2 Light Industrial to B5 Business Development.
- Introduce an incentive Floor Space Ratio (FSR) of 4:1 and incentive Height of Building (HOB) of 35m equivalent to 8 storeys for a development with at least 9,000 sqm of health service facility
- Allow ancillary retail uses up to a maximum of 1,000 sqm
- Prohibit residential accommodation, tourist, or visitor accommodation (Note: Residential is prohibited within the B5 Zone)
- Introduce new site-specific provisions to ensure that the development relying on FSR and height incentives:
 - 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 foot path 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.

The Inner West Planning Panel determined that the Planning Proposal submitted by the Inner West Council had sufficient strategic and site specific merit to progress to a Gateway determination subject to the following changes:

- The proposed site-specific LEP provision be amended to ensure that the proposal achieves at least 9,000sqm of floorspace associated with health, education, research, technology, and creative uses
- 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 square meters.

While the endorsement from the Council officers and Inner West Planning Panel is welcomed, as it aligns the overall intent of the original Proposal, it must be noted that the proposed incentive provisions create unnecessary ambiguity and complications (e.g. Technology and creative uses are not defined under the Act).

The condition requiring a minimum floorspace of 9,000sqm of prescribed land uses is not practical and we believe that the restrictive nature of Council's proposed incentive FSR/Height and minimum size use controls are inconsistent with Ministerial Direction 9.1(2) cl 6.3 which "discourages unnecessarily restrictive site specific planning controls" when preparing Planning Proposals. The approach is also inconsistent with the State Government endorsed strategic plans, in particular the PRCUTS (which specifies B5 and 4:1).

The public benefits outlined in the site specific clause have been agreed with Council and are supported, however it is considered these would be more appropriate to be delivered through a VPA with Council.

On this basis the rezoning review seeks consideration of the following proposed amendments to the Leichhardt LEP:

Rezone the site from IN2 Light Industrial to B5 Business Development

- Apply a maximum height control of 35m / 8 storeys
- Amend the floor space ratio control from 1:1 to 4:1
- Allow up to 1,000sqm of floor space for retail premises on the ground floor as an additional permitted use.

6. Strategic and site-specific merit

The Inner West Council Officers and the Inner West Local Planning Panel have determined that the Planning Proposal has strategic and site-specific merit.

The strategic merit test sets out the proposal must be consistent with one of three criteria for assessing the strategic merit of a planning proposal. The proposal considered to be consistent with two of the three criteria as outlined in the table below.

Having met the strategic merit test a proposal must demonstrate that it has site-specific merit, having regard to three criteria. The proposal is considered to have site specific merit against all the three criteria as outlined in the table below.

Further detail on the strategic and site-specific merit is provided within the Planning Proposal at Attachment A to this letter.

Criteria	Response
STRATEGIC MERIT	
<i>Is it consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment.</i>	The Planning Proposal is consistent with the strategic objectives for the Camperdown-Ultimo Health and Education Collaboration Area as set out in the Eastern City District Plan and the Camperdown-Ultimo Place Strategy It will also implement the Parramatta Road Corridor Urban Transformation Strategy (PRCUTS) as it relates to the site. Under the Camperdown Ultimo Place Strategy (February 2019) the site is within an area identified as a health, education and research anchor node that stretches from Camperdown to Haymarket. The proposal supports a number of actions of the Place Strategy including. • Action 23: Enhance medical innovation, research and health services by supporting future growth of RPA Hospital to service increased population growth. • 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. • Action 27: Establish a biotechnology hub in Camperdown activity node (Parramatta Road, Mallet Street and Pyrmont Bridge Road area), and safeguard innovative, incubator and research activities from unrelated commercial land uses through planning controls. The proposal will directly support the implementation of the Place Strategy by providing a health services facility which will complement and support the RPA Hospital, support the establishment of a Camperdown biotechnology hub, and secure the retention of employment land through appropriate LEP controls. This proposal is also consistent with the PRCUTS recommendations which envisages the following planning controls for the site: • Zone: B5 Business Development Zone • Height of buildings: 32 metres (inferring 8 storeys) • Floor space ratio: 4:1. Further, the PRCUTS Implementation Update (July 2021) outlined that Planning Proposals can proceed to gateway and exhibition stages prior to completion of a precinct wide traffic study. The proposal is consistent with all other aspects of the update.
<i>Is it consistent with a relevant local council strategy that has been endorsed by the Department?</i>	The Planning Proposal is consistent with the Inner West Local Strategic Planning Statement (LSPS) 2020 and the Inner West Employment and Retail Lands Strategy 2020. The LSPS includes actions relating to the Camperdown-Ultimo Collaboration Area and the Parramatta Road Corridor including: • Action 13.2: Ensure place based planning guides the zoning and development of the Camperdown-Ultimo Collaboration Area by undertaking the necessary studies and preparing a master plan supporting employment uses as the major focus, enabling the entire precinct to be a Low Carbon-High Performance precinct and establishing a biotechnology hub in Camperdown. This should include provision of public mass transit on dedicated lanes on Parramatta Road. • Action 13.6 Implement the finalised housing, employment and transport strategies, and the Parramatta Road Corridor Transport Study, and prepare urban design / place based / open space studies to inform planning proposals to implement the Parramatta Road Corridor Urban Transformation Strategy: Implementation Plan 2016-2023 and Urban Amenity Improvement Plan,

Criteria	Response
	subject to the provision of public mass transit being provided on dedicated lanes on Parramatta Road. It is understood that Council is currently preparing a master plan for Camperdown to inform a planning proposal for the area. However, given the Planning Proposal being put forward for the site is consistent with the strategic direction to establish a biotechnology hub in Camperdown and is consistent with the recommendations of PRCUTS it is appropriate that the proposal proceed ahead of the master plan The proposal also directly aligns with the Employment and Retail Lands Strategy by securing the retention of employment land and through the proposed delivery of a major health services facility to support the Camperdown-Ultimo Collaboration Area. In this regard the document includes the following strategies of key relevance to the site: • Strategy 2.2: Protect employment lands from being eroded by conflicting and incompatible uses • Strategy 3.3: Support the transition of Camperdown into a health, education and innovation precinct including a biomedical and biotechnology hub.
<i>Is it responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls?</i>	Not applicable.
SITE SPECIFIC MERIT	
<i>The natural environment (including known significant environmental values, resources or hazards).</i>	The proposal is not considered to have any significant natural ecological or landscape constraints being entirely cleared of vegetation. Whilst the site is not subject of a heritage listing or within a heritage conservation area it is located within the vicinity of a number of local heritage items. A heritage assessment has been prepared which notes that all of the items are located some distance from the site and are either screened by buildings or other features of the landscape. Accordingly it concludes that there is no visual connection with these items and therefore no direct heritage impacts. The proposal has been developed to have a high level of ecological sustainability and accordingly to minimise its environmental impacts. On this basis a commitment has been made to deliver a 6-Star Green Star rated building. for any future development. This is reflected in the site specific clause proposed by Council. Assessment have also been undertaken to confirm that the site has no unacceptable environmental hazards including: • A contamination assessment has been prepared that concludes that the site can be made suitable for the proposed uses. • An acoustic assessment has been prepared which confirms that development on the site could achieve the relevant noise criteria including under the Leichhardt DCP and the Infrastructure SEPP • An acid sulphate soils management plan has been prepared which highlights potential for encountering acid sulphate soils on the site is considered extremely low but outlines measures to be applied at construction stage to mitigate any risk.

Criteria	Response
<i>The existing uses, approved uses, and likely future uses of land in the vicinity of the proposal</i>	The proposal has been developed with consideration of the existing and future context surrounding the site and appropriate setbacks have been established to provide for adequate separation distances, particularly from existing residential uses. It is noted that the existing residential uses adjacent to the site across Mathieson Street and Cahill Street include terraces houses which have their back gardens oriented away from the site and a live-work building with internal courtyards which do not directly face the site. The proposed separation distances and the existing built form orientation will minimise visual and overlooking impacts as a result of the proposal. Further it is highlighted that the terrace house uses are within an area which is envisaged to transition to a B5 Business Development zone and may be redeveloped in the short to medium term. The residential apartments located on the southern side of Parramatta Road are located some distance from the site with separation distances well exceeding the requirements under the Apartment Design Guide. This along with the proposed building orientation will mitigate any significant overlooking or privacy issues and reduce visual impacts. The highly modulated and articulated built form will minimise the apparent building bulk and scale and the delivery of a design excellence building will ensure that the development has a positive visual and streetscape impact. A solar access analysis is included in the Urban Design Study which forms part of the Planning Proposal which confirms that: • The proposal does not have any significant overshadowing impact on the residential uses to the north of Parramatta Road. • The proposal would result in some additional shadowing of the facades of the mixed use residential flat buildings to the south of Parramatta Road, however this is considered to maintain an acceptable level of amenity.
<i>The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.</i>	The proposal will deliver new social infrastructure in the area through the provision of a major new health services facility. A traffic study was prepared to support the Planning Proposal which included traffic modelling which concluded that the additional development traffic is not expected to create any material changes to the operation of the nearby intersections. An Infrastructure Delivery Plan was also prepared as part of the Planning Proposal which concluded that the proposal would not generate demand for additional infrastructure, with the exception of utility services upgrades which would be required to be delivered as part of any future development of the site. Notwithstanding, consultation has been carried out as part of the Planning Proposal which resulted in agreement on the public benefits to be delivered as a result of the proposal. This will include the following public domain improvements. • A pedestrian / cycle priority 'shared zone' from Mathieson Street between Cahill Street and Parramatta Road • A minimum 600sqm landscaped plaza along Mathieson Street. • Public domain improvements along Cahill Street, Pyrmont Bridge Road, Parramatta Road and Mathieson Street. Consultation was also carried out with State Government agencies to inform the Infrastructure Delivery Plan who have indicated that they have no infrastructure requirements as a result of the proposal. DPIE have indicated that they will not be seeking a State Infrastructure Contributions for non- residential or non-industrial uses. This will be further addressed in consultation with the Department through the assessment process.

7. Conclusion

This letter clearly outlines that the proposal has sufficient strategic and site specific merit. It is directly in alignment with both the State and Local Government strategic context for the Camperdown precinct. This has been confirmed by both Council and the Inner West Local Planning Panel. However, given the time constraints and delays advised by Council officers in reporting this matter to the Council for formal decision, we seek a Rezoning Review to enable this project to progress to a Gateway decision.

I trust the information provided is sufficient to enable consideration of this Planning Proposal for a Rezoning Review and your assistance with this matter is greatly appreciated. Should you have any queries or wish to discuss this matter further, please do not hesitate to contact me.

Regards,

A handwritten signature in dark ink, appearing to read 'Michael File', is positioned above a light gray rectangular box.

Michael File

Director

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