

**Report to the Secretary on an application for a site compatibility certificate  
State Environmental Planning Policy (Affordable Rental Housing) 2009**

**SITE**

Lot 2 DP 434069, 5-7 White Street, Lilyfield (**Figure 1**).



*Figure 1: Site location (Source: Google Earth 2017)*

**LOCAL GOVERNMENT AREA**

Inner West Council.

**APPLICANT**

St Vincent de Paul Housing (trading as Amélie Housing, a registered community housing provider).

**PROPOSAL**

The proposal seeks to develop a three-storey apartment building that will be made available for affordable rental housing. The proposed building will contain 14 x one-bedroom units, 8 x two-bedroom units and basement car, motorbike and bicycle parking and have a height of 18.9 metres.

The applicant has committed to providing the development as affordable rental housing for a minimum period of 30 years, or longer if required by the Department.

## PERMISSIBILITY STATEMENT

The site is currently zoned IN2 Light Industrial under the Leichhardt Local Environmental Plan 2013 (LEP) (**Figure 2**). Residential accommodation is a prohibited use in the IN2 zone.



**Figure 2:** Land Zoning Map (Leichhardt LEP 2013)

Development for the purposes of an apartment building may be permissible under Division 5 of the AHSEPP, if a site compatibility certificate (SCC) is issued. The provisions under Division 5 of the AHSEPP provide that a SCC can be issued for the site as:

- the site is within 800m of Lilyfield Light Rail Station (**Figure 3**) (clause 34(a)(i)); and
- the SCC application was lodged by St Vincent de Paul Housing who is a registered Class 1 Community Housing Provider under the *Housing Act 2001* (clause 35(1)(a)).



**Figure 3:** Walking distance from the site to Lilyfield Light Rail Station (Google Maps 2017)

## **CLAUSE 37(6) – SECRETARY’S CONSIDERATIONS**

*The Secretary must not issue a certificate unless the Secretary:*

- (a) has taken into account any comments received from the council within 14 days after the application for the certificate was made, and*
- (b) is of the opinion that the development concerned is compatible with the surrounding land uses having regard to the following matters:*
  - (i) the existing uses and approved uses of land in the vicinity of the development,*
  - (ii) the impact that the development (including its bulk and scale) is likely to have on the existing uses, approved uses and uses that, in the opinion of the Director-General, are likely to be the preferred future uses of that land,*
  - (iii) the services and infrastructure that are or will be available to meet the demands arising from the development, and*
- (c) is of the opinion that the development concerned is not likely to have an adverse effect on the environment and does not cause any unacceptable environmental risks to the land.*

## **COMMENTS FROM COUNCIL**

Inner West Council provided comments about the proposal on 1 September 2016 (Tab B). Council raised the following concerns:

- the Moore Street South precinct, in which the site is located, is one of the key industrial precincts in the Leichhardt area due to its size, mix of uses and its important population-serving function within the broader subregion;
- Leichhardt has a relatively small stock of industrial land remaining which is under increasing pressure to develop for residential uses;
- the proposed loss of industrial land will be intensified by the likely future loss of other industrial land in the LGA, at Lords Road and under UrbanGrowth NSW’s strategies for Parramatta Road and the Bays Precinct;
- residential development, including affordable housing, has a degree of flexibility in where it locates. Industrial uses are less flexible and require strategically-located land that is suitable for and allocated to such purposes and capable of accommodating growth and intensification. The importance of the land’s industrial function outweighs the suitability of the site’s location for residential development, in terms of proximity to transport and services; and
- residential use at the subject site could lead to land use conflicts with the industrial uses, both current and future.

The assessment below regarding the proposal’s compatibility with surrounding land uses and loss of employment land demonstrates that the matters raised by Council should not preclude the issuing the of a SCC.



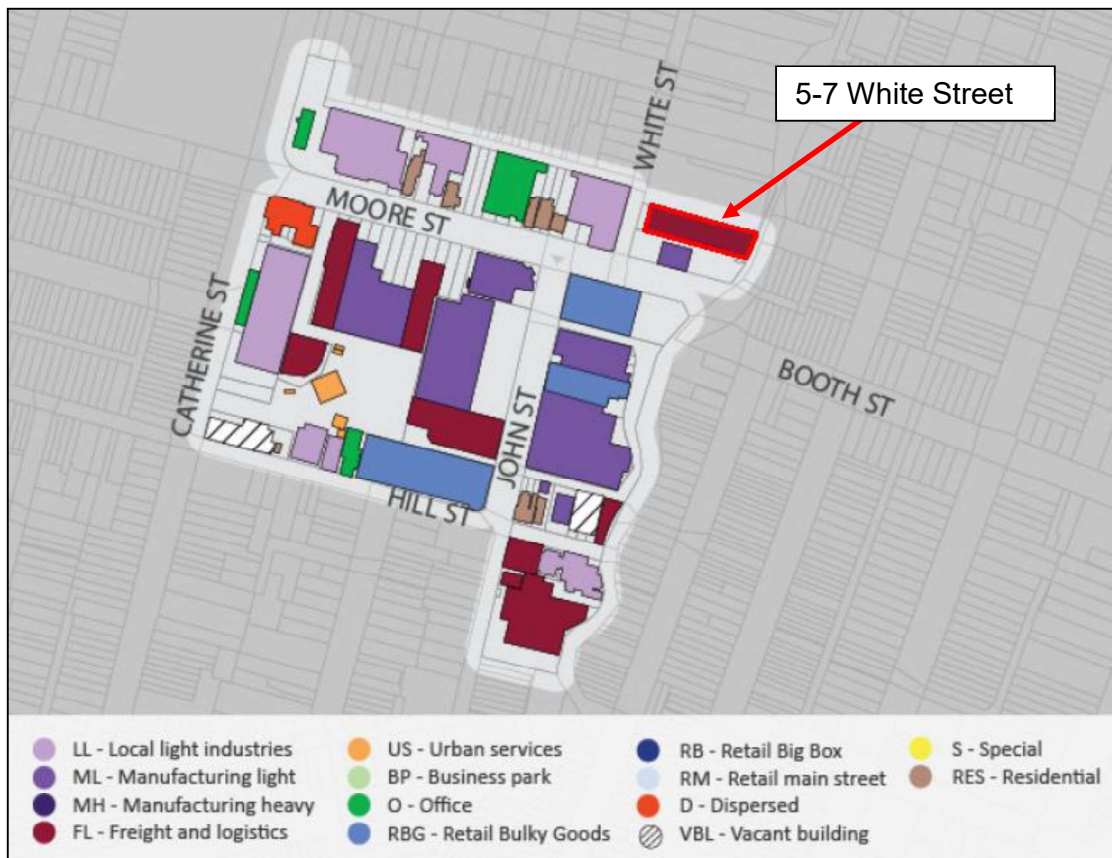
## COMPATIBILITY WITH SURROUNDING LAND USES

The Secretary must not issue a certificate unless the Secretary is of the opinion that the development concerned is compatible with the surrounding land uses having regard to the following matters (clause 37(6)(b)):

### 1. The existing uses and approved uses of land in the vicinity of the development

The site is located on the north-eastern periphery of the Moore Street light industrial precinct and is predominantly separated from this employment area (**Figure 4**). The immediate adjoining land uses include residential land to the north, White Street to the west, Arguimbau Street and open space/drainage land to the east. The only immediately adjoining industrial land is located to the south and is developed and used as a light boat and mechanical workshop.

Land uses in this Moore Street light industrial precinct range from manufacturing activities, retailing, professional, technical and maintenance services and residential properties (**Figure 4**).



**Figure 4:** Moore Street South industrial precinct land uses (Leichhardt Industrial Lands Study 2014).

Land surrounding this industrial precinct and immediately adjoining the site to the north, north west and east is used for general residential and open space purposes (this is shown in **Figure 2** above). Development throughout this residential area ranges from single storey dwellings up to three storey residential flat buildings.

It is considered that despite the land being in an industrial precinct, it is located on the periphery of this industrial precinct and is generally separated from other

employment uses. The site in this regard is unique and its use for residential purposes would not set a precedent for rezoning other industrial land in the area.

The loss of 1,400m<sup>2</sup> of industrial land (or 2.7% of industrial land in the Moore Street precinct) is negligible when considering the location of this land. On balance, it is considered that the provision of affordable housing outweighs the retention of 2.7% of employment land in the industrial precinct. The existing development scenario in this area, where industrial land adjoins residential land, also indicates compatibility between the different land use types can be achieved / managed.

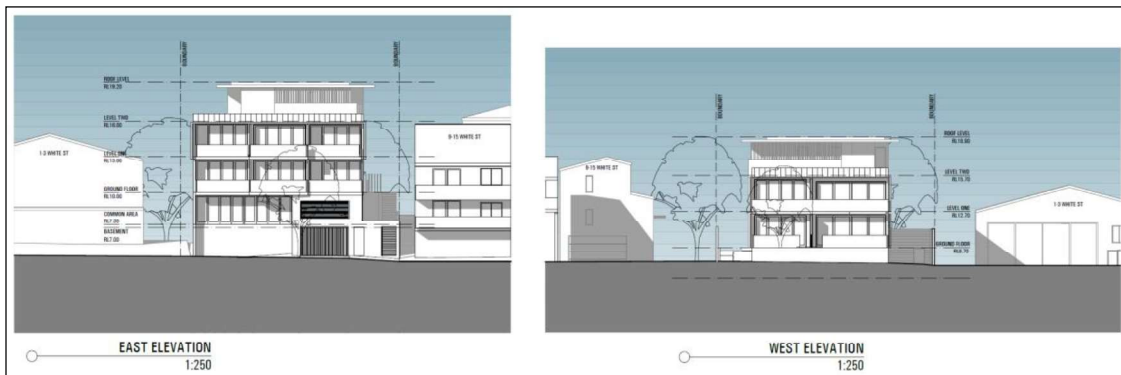
Council's concerns regarding the protection of industrial land and activities are recognised; however, it is considered that residential uses on the site would be appropriate and consistent with the existing and approved land uses in the vicinity.

**2. The impact that the development (including its bulk and scale) is likely to have on the existing uses, approved uses and uses that, in the opinion of the Secretary, are likely to be preferred future uses of that land**

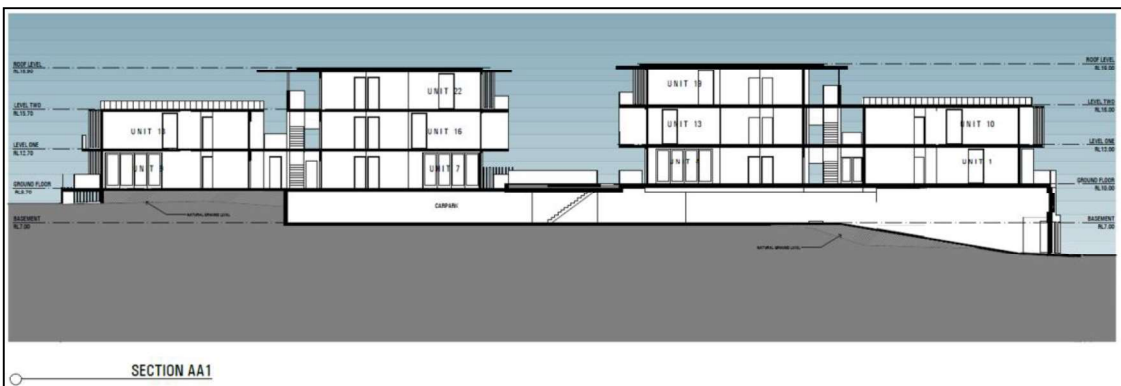
Existing Uses & Bulk & Scale

The 1,400m<sup>2</sup> site contains a 3 storey building. It is owned and has historically been used by St Vincent's for storing food and other goods. St Vincent's has indicated that it does not need this storage area any more and is seeking to develop the site for another social service, affordable housing.

The proposal seeks to replace the existing 3 storey building with an apartment building comprising 22 units over 2 to 3 storeys and basement carparking. The Leichhardt LEP 2013 permits a maximum floor space ratio (FSR) of 1:1 for the site. The proposed development (**Figure 5** and **Figure 6**), provides a 1:1 FSR and a built form consistent with the existing streetscape and surrounding land.



*Figure 5: East and west elevations*



**Figure 6: East-west section**

The land to the south, west and east is zoned and used for light industrial and open space purposes, respectively. This means that shadow from the apartment building will not be cast over residential land. The proponent has illustrated the shadow impacts of the proposed apartment building over the adjoining land during the Winter solstice (**Figure 7**).



**Figure 7: Shadow diagrams**

Clause 39 of the AHSEPP confirms that *State Environmental Planning Policy No 65—Design Quality of Residential Flat Development* will apply to any proposed apartment building on the land. This means that compliance with privacy, noise,

streetscape and setback standards under the Department's Apartment Design Guide will need to be demonstrated under any future development application.

A Sydney Water drainage main aligns the southern boundary of the site. The proposal seeks a driveway crossing over this main and a building envelope within 1m of the main (Tab H, page 3). Sydney Water has confirmed it is supportive of the proposed development and has provided owner's consent subject to conditions. Sydney Water requires specific design requirements for the driveway crossing and that no buildings or permanent structures be within 1m of the main. These design matters can be reviewed through the development application phase and should be included as a condition of approval to any SCC, if issued.

### Potential Future Uses

The land is not identified under any local or regional strategy as land which should be rezoned for residential purposes and the Leichhardt LEP 2013 limits uses on the land to light industrial purposes. A SCC is therefore required to permit affordable housing on the site.

The Draft Central District Plan does include principles regarding the retention of employment land and recommends a precautionary approach for considering new proposals that could result in land use conflict and/or loss of employment land. This Draft Plan also includes principles that encourage affordable housing provision in appropriate locations.

As discussed above, the site is unique, given its size, surrounding land uses and location. Allowing its use for affordable housing purposes would be consistent with the principles of the Draft District Plan, providing new housing opportunity on land that is not constrained, is serviced by all required infrastructure and community services and close to jobs.

### **3. The services and infrastructure that are or will be available to meet the demands arising from the development (clause 37(6)(b)(iii))**

#### Retail, Commercial and Community Services

The site is located approximately 1.3km from the Leichhardt town centre. The town centre offers a range of services and facilities including:

- retail and commercial uses including a shopping centre, speciality shops, and food and drink premises;
- services including banks, a post office, medical services and government service offices;
- community facilities including a library and public open space;
- schools; and
- places of public worship.

#### Transport services

The site is located within 800m walking distance of Lilyfield light rail station, which provides regular services between Dulwich Hill and the Sydney CBD. There is also a bus stop 120m from the site which is serviced by the 370 bus route connecting the site with Leichhardt town centre and the Sydney CBD, and the 470 bus route connecting the site directly with Lilyfield light rail station and the Sydney CBD.

### Utility Services

The site is serviced by all required public infrastructure including sewer, water, power, gas and telecommunications.

Within pre-lodgement advice provided to the applicant by Council (Tab R), Council advised that Ausgrid is likely to require a substation for a development of the proposed scale. Council has not raised any additional issues in relation to utility service capacities.

## **EFFECT ON THE ENVIRONMENT**

The Secretary must not issue a certificate unless they are of the opinion that the development concerned is not likely to have an adverse effect on the environment and does not cause any unacceptable environmental risks to the land (clause 37(6)(c)):

### **1. Effects on the environment and environmental risks to the land (clause 37(6)(c))**

The site is not heritage listed or within a heritage curtilage area, is not bushfire prone and does not contain any trees. The land is under a flight path and mapped as being in the ANEF 20-25 zone. Australian Standard *AS 20:21 Acoustics Aircraft Noise Intrusion* indicates that residential development within the ANEF 20-25 zone is suitable subject to appropriate building design response.

Technical studies have confirmed that some contamination remediation works may be required, given the site has historically been used for light industrial purposes and that building design responses will be required to address poorly compacted fill on the site. The studies have confirmed that these are not matters that should preclude development on the site for residential purposes.

Key site considerations are discussed below.

### Access

The development proposes vehicular access and waste removal via Arguimbau Street at the rear of the site. This includes traversing land owned by Sydney Water (Lot 1 DP 434069 and Lot A DP 363351). There is no registered right of way across the Sydney Water land, which contains a stormwater drainage main. As noted above, Sydney Water is supportive of the proposed development however requires modification to the design to ensure drainage services are not impacted. These design modifications can be reviewed at DA stage and should not preclude the issuing of a SCC.

### Flooding

The site is identified as being subject to flooding and in a precinct that has a high susceptibility to flooding (**Figure 8**)

The applicant has sought advice from a flood engineer (Tab L) to confirm what design responses are required onsite to ensure minimal flood risk to property and residents. The advice has confirmed that residential development on the land would be suitable provided floor levels are above the 1 in 100 flood line and that the driveway is designed to direct flows away from the basement parking area. These design responses can be reviewed further at DA stage.





**Figure 10:** Leichhardt DCP 2013, Appendix E – Water Guidelines, Flood Control Lot Map 3

## CONCLUSION

Assessment of the application for a SCC has confirmed that the site is appropriate for affordable housing. The site is located on the edge of the Moore Street industrial precinct, is generally separated from employment uses, is serviced by all essential utility infrastructure and is close to a range of public transport services

Furthermore, residential development on the land is unlikely to have a significant adverse impact on the surrounding environment or land uses, considering its location in the Moore Street precinct and surrounding land uses.

The issues raised by Council regarding compatibility with the existing environment and loss of employment land have been addressed above having regard to the criteria set out in clause 37(6) of the AHSEPP.

In this regard, it is recommended that a SCC be issued.

## RECOMMENDATION

It is recommended that the following requirements be placed on the site compatibility certificate:

1. All residential accommodation established on the site is to be made available for affordable rental housing for a minimum of 30 years.
2. The final layout and number of units in the proposed development will be subject to the resolution of issues relating to access, flood risk management, geotechnical stability, soil contamination and aircraft noise and shall be determined through the assessment of the development application under section 79C of the *Environmental Planning and Assessment Act 1979*.

3. Consultation with Sydney Water regarding potential impacts on drainage services is to be undertaken through the development application process.

**Sandy Chappel**  
**Director, Sydney Region East**  
**Planning Services**

Contact Officer: Martin Cooper (RJ)  
Team Leader, Sydney Region East  
Phone: (02) 9274 6582