

Planning and Assessment

IRF20/831

Gateway determination report

LGA	Woollahra
PPA	Woollahra Municipal Council
NAME	Introduction of non-residential floor space ratio control and new zoning objectives for the Double Bay Centre.
NUMBER	PP_2018_WOOLL_004_00
LEP TO BE AMENDED	Woollahra Local Environmental Plan 2014
ADDRESS	Double Bay Centre
DESCRIPTION	B2 Local Centre zoned land in the Double Bay Centre
RECEIVED	15/11/2018
FILE NO.	IRF18/6291
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required.
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal.

1. INTRODUCTION

1.1 Description of planning proposal

The planning proposal seeks to amend the Woollahra Local Environmental Plan (LEP) 2014 to protect the capacity for employment generating and commercial uses in the Double Bay Centre (the Centre) by introducing the following:

- A new provision setting a minimum non-residential floor space ratio (FSR) of 1.3:1; this does not increase or otherwise affect the application of other relevant controls, such as maximum building height or overall FSR; and
- New objectives for the B2 Local Centre Zone to reinforce the proposed amendments and ensure consistency.

It is Council's intention to have non-residential land uses on the ground and first floor across the Centre per the Woollahra Development Control Plan 2015.

1.2 Site description

The land to which this planning proposal relates is the Centre, which is zoned B2 Local Centre under the Woollahra LEP 2014. The Centre focuses on land around Cross Street to the north, Kiaora Road to the east, Patterson Street to the south, and Bay Street to the west. New South Head Road bisects the Centre and is the main thoroughfare connecting with the adjoining suburbs (Refer to **Figure 1** below.)

The Centre is the commercial and employment hub of the local area, comprising a variety of office, business, retail, and food and drink premises, as well as residential uses primarily in the form of shop top housing.

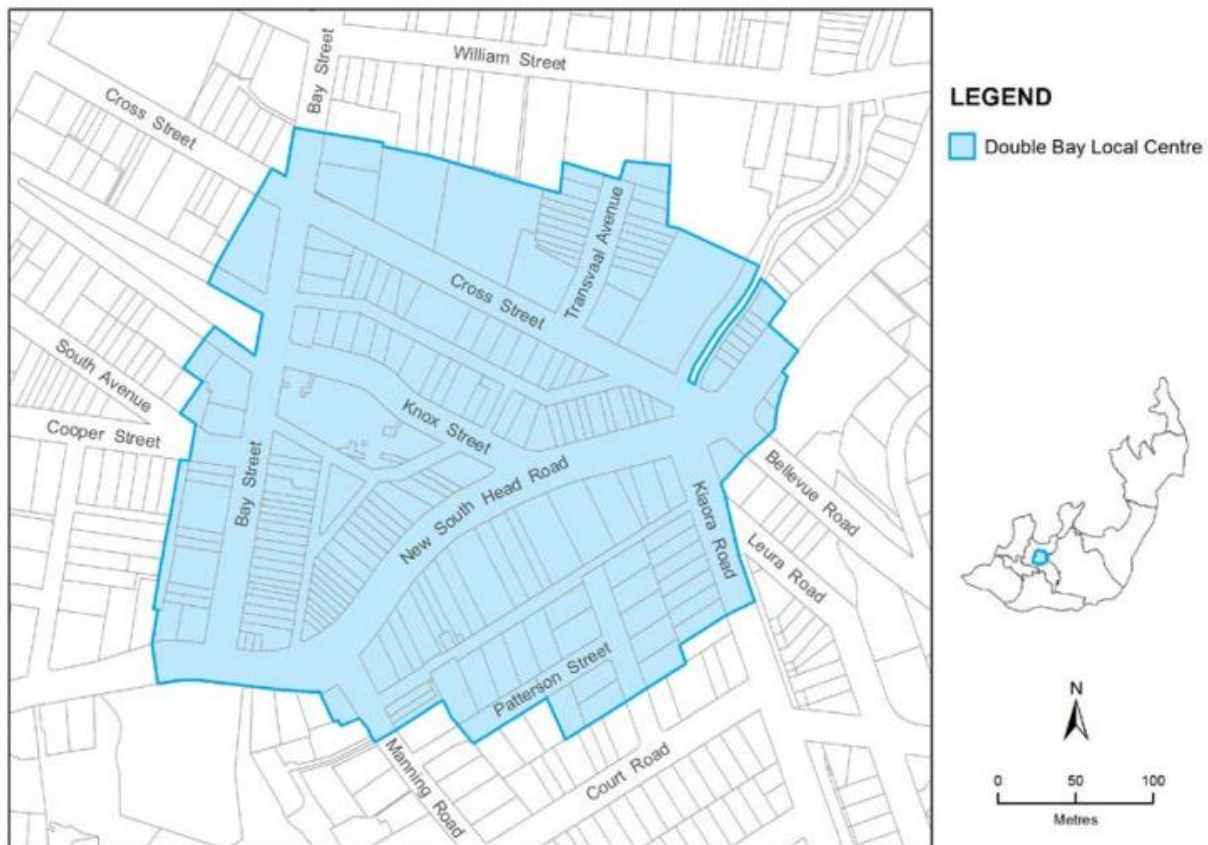


Figure 1: A map of the Double Bay Centre (source: Woollahra Municipal Council)

1.3 Existing planning controls

The Double Bay Centre is subject to the following controls under the Woollahra LEP 2014:

Zoning:

B2 Local Centre (Error! Reference source not found.2).

Height of Buildings:

The predominant maximum building heights are either 14.7m (4 storeys) or 18.1m (5 storeys). The maximum height of the site at the corner of Knox Street and New South Head Road (374-382 New South Head Road) is 23.5m (6 storeys). A small area at the northern end of Transvaal Avenue has a height limit of 6.5m to 7.5m. (Error! Reference source not found.3)

Floor Space Ratio:

The predominant FSR is 2.5:1. Pursuant to clause 4.4A *Exceptions to floor space ratio (Areas 1 and 1A – Double Bay)* in the Woollahra LEP 2014, on 17 corner sites a FSR of 3:1 applies (Area 1), and at 374-382 New South Head Road an FSR of 4.5:1 applies (Area 1A). (Error! Reference source not found.4)

Heritage:

A number of heritage items are identified in the Woollahra LEP 2014 (**Figure 5**), including:

- Item 208 – *The Golden Sheaf Hotel and interiors*, 423-431 New South Head Road

- Item 227 – Moreton Bay Fig, 51 William Street
- Item 681 – Gaden House including interiors, 2A Cooper Street
- Item C7 – Transvaal Avenue conservation area
- Item A2 – Archaeological site – Double Bay Compressed Air Ejector Station, Cross Street, corner Jamberoo Lane

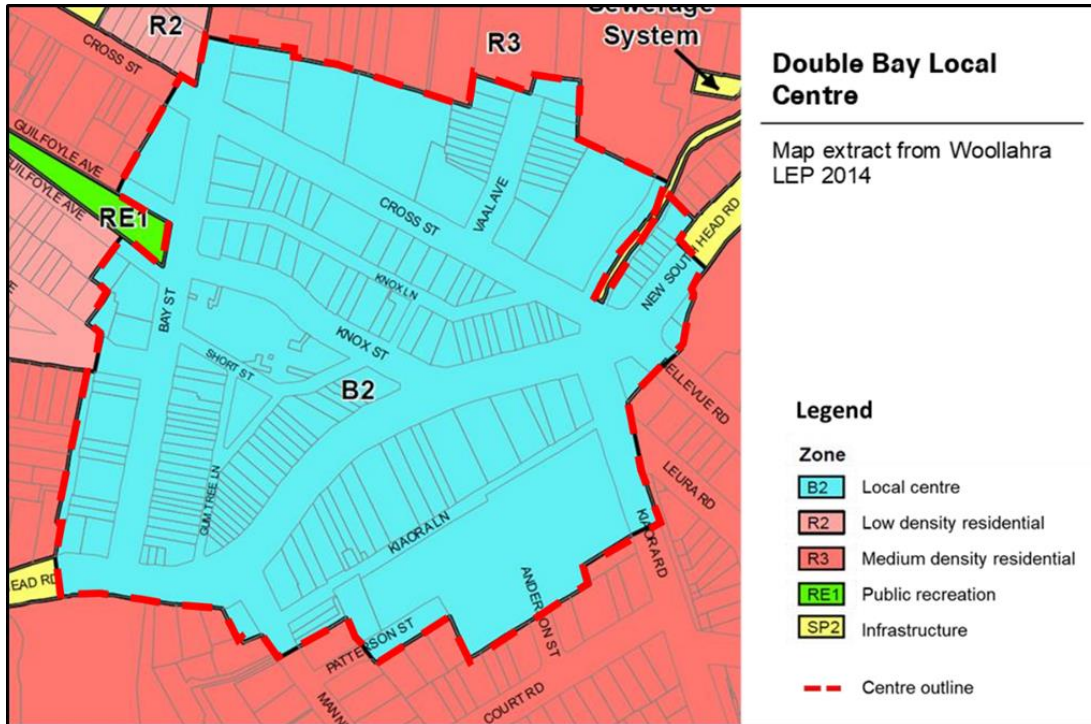


Figure 2: Woollahra LEP Land Zoning Map, with the Double Bay Centre outlined in red.

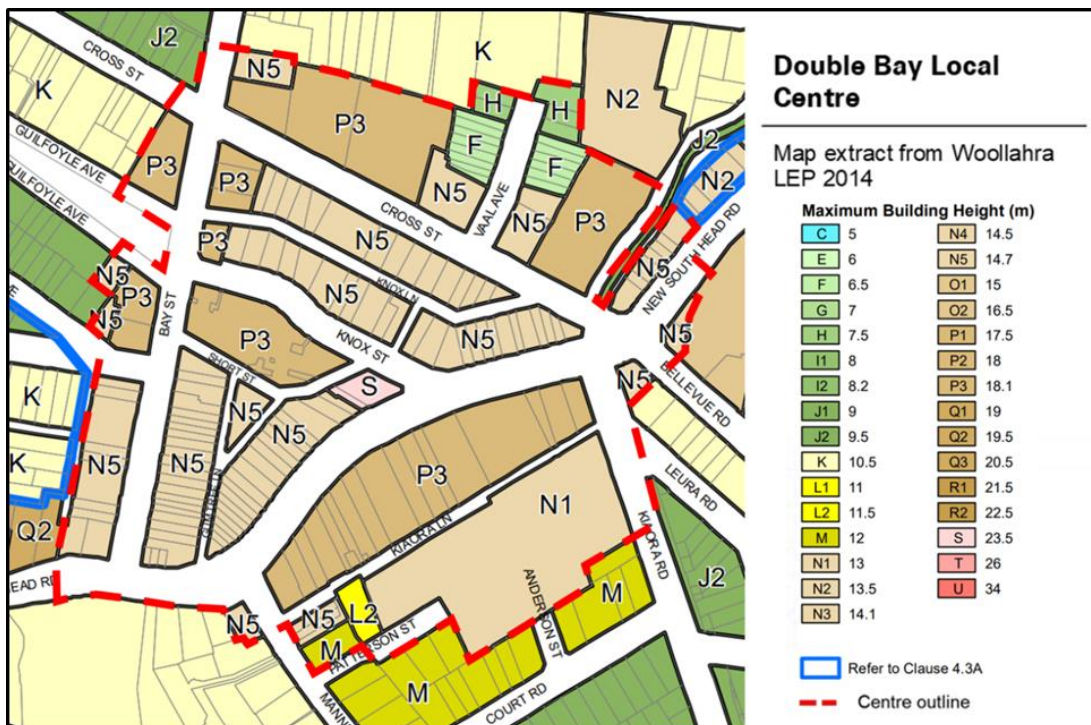


Figure 3: Woollahra LEP Height of Buildings Map, with the Double Bay Centre outlined in red.

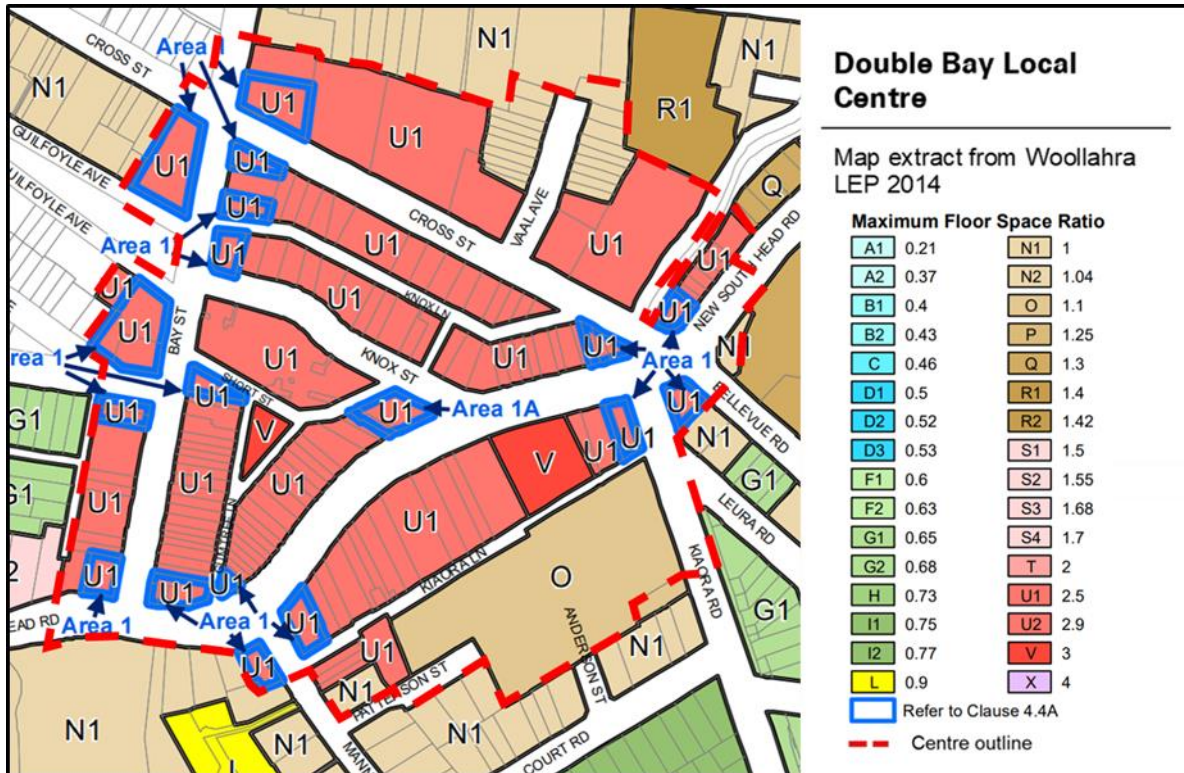


Figure 4: Woollahra LEP Floor Space Ratio Map, with the Double Bay Centre outlined in red.

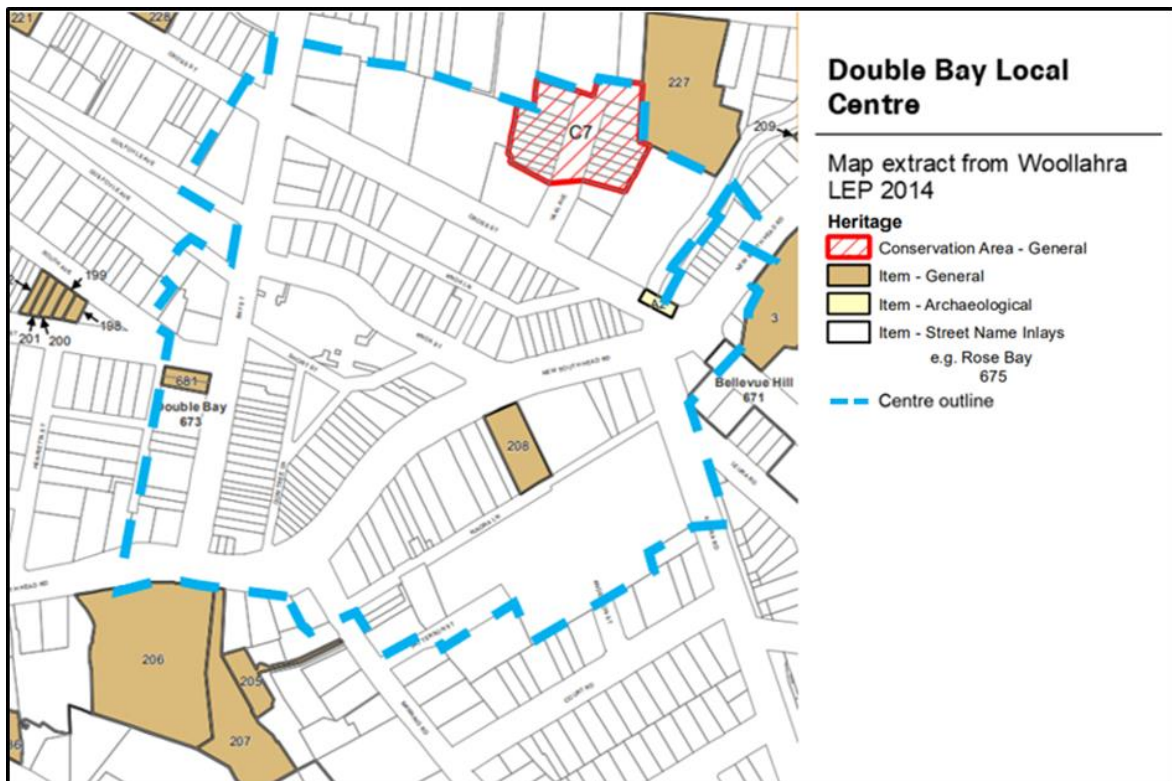


Figure 5: Woollahra LEP Heritage Map, with the Double Bay Centre outlined in blue.

1.4 Surrounding area

The surrounding area is primarily zoned R3 Medium Density Residential, and consists of a range of residential flat buildings and attached and semi-detached dwellings. There are two pockets of R2 Low Density Residential zoned land that adjoin the Centre to the west and north west that are characterised by lower scaled dwelling houses.

The key open spaces near the Centre include Guilfoyle Park, Steyne Park and Double Bay Beach.

New South Head Road is a main arterial road providing access from Sydney Central Business District through the eastern suburbs to Vaucluse. It is well serviced by public buses, including bus routes 323, 324, 325, 326 and 327, which connect with the surrounding suburbs. Bus services are available seven days a week and are typically available every 10 minutes during peak hour and every half hour off-peak.

The Double Bay Wharf is approximately 600m from the southern edge of the centre. The Edgecliff train station and interchange are approximately 900m from the eastern extremity of the centre.

Refer to **Figure 6** below.



Figure 6: The subject site in context (source: Nearmap)

1.5 Background

29 October 2018

Council at its Ordinary Meeting of 29 October 2018 resolved to forward the planning proposal to the Greater Sydney Commission for a Gateway determination.

15 November 2018

Council submitted the planning proposal to the Department.

November to December 2018

The Department undertook a preliminary assessment of the planning proposal, which found that further evidence was required for a Gateway determination and this was verbally communicated to Council. Specifically, additional information is required to determine whether a non-residential FSR of 1.3:1 is the most appropriate means to achieve the aims of the proposal.

In response to the discussions, on 14 December 2018 Council provided additional information outlining the proposed developments in the Double Bay Centre over the past two years (2016-2018). The additional information demonstrated a perceived loss of non-residential tenancies; however, it did not indicate the net loss of commercial floor space, nor did it provide the needed evidence to support the non-residential FSR of 1:3:1.

6 March 2019

The Department sent a letter to Council requesting additional information to confirm whether a non-residential FSR of 1.3:1 is the most appropriate means to achieve the aims of the planning proposal, as well as evidence to demonstrate the potential impact on achieving relevant housing supply target in the Eastern City District Plan.

The letter also noted that the economic study supporting the proposal was prepared in 2015 and was for a different purpose with no specific assessment of the appropriateness of the proposed non-residential FSR of 1.3:1.

The Department advised Council that the assessment of the planning proposal would be placed on hold until the requested information was provided.

The assessment of the planning proposal could not progress further as council did not submit further information.

7 February 2020

The Department wrote to Council again, this time recommending the proposal be withdrawn. Council was encouraged to submit a new proposal, which is informed by a strategic study for Double Bay Centre as well as the evidence base previously identified by the Department as being necessary to support the proposal.

17 February 2020

Council responded by email that it did not agree with the Department's request to withdraw the planning proposal.

The Department also discussed the planning proposal with Council staff at each regular meetings regarding the need for a further evidence base to enable the proposal to progress. To date, there has been no further information provided by Council.

1.6 Summary of recommendation

It is recommended that the delegate of the Minister determine that the planning proposal should not proceed for the following reasons:

- There is insufficient justification for the proposed non-residential FSR of 1.3:1. The supporting economic study was prepared for a different purpose to that of the planning proposal and there was no specific analysis of the adequacy and viability of the proposed non-residential FSR. Additionally, the economic study supporting the proposal was prepared in 2015 (being more than 3 years before the planning proposal was prepared and 5 years from now) and does not reflect the current market conditions.
- The proposed non-residential FSR control would result in a decreased housing capacity in the Double Bay Centre. The potential reduction in residential population could have implications on the long term economic performance of the local centre due to decreased service demand. The results may be contrary to the aim of this proposal.
- There is no analysis of the potential impact on housing delivery as a result of the proposal. The consistency with Section 9.1 Ministerial Direction 3.1 Residential Zones has not been adequately addressed.

Council should be advised to consider the protection of non-residential floor space more holistically against the following factors:

- The demand for and supply of commercial and employment floor space in the the Centre having regard to market factors;
- The implications on mixed-use development feasibility as a result of the proposed non-residential FSR;
- The role of local residential population in supporting the economic performance of the centre;
- Ability of the municipality in achieving housing supply and diversity having regard to the targets in the District and Region Plans;
- Any alternative means or incentives required to encourage non-residential floor space; and
- The urban design outcomes as a result of the above.

Council has advised it is currently undertaking strategic investigations for the Double Bay Centre to increase development potential for residential dwellings. It is recommended that these investigations should inform any future proposal for protecting employment and commercial floor space. As such if the minimum non-residential floor space is introduced with an increase in overall FSR, the impact on residential development may be off-set.

2. PROPOSAL

2.1 Objectives or intended outcomes

The objective of the planning proposal is to protect the capacity for employment generating uses in the Double Bay Centre, such as retail, business, office, health service and community uses, by requiring a minimum amount of non-residential floor space in new development.

The proposal is to facilitate:

- Active ground floor retail and business uses; and
- First floor non-residential uses, such as business, office, medical service and community uses, but excluding car parking and serviced apartments.

2.2 Explanation of provisions

To achieve the proposal's objectives, the following amendments to the Woollahra LEP 2014 are proposed:

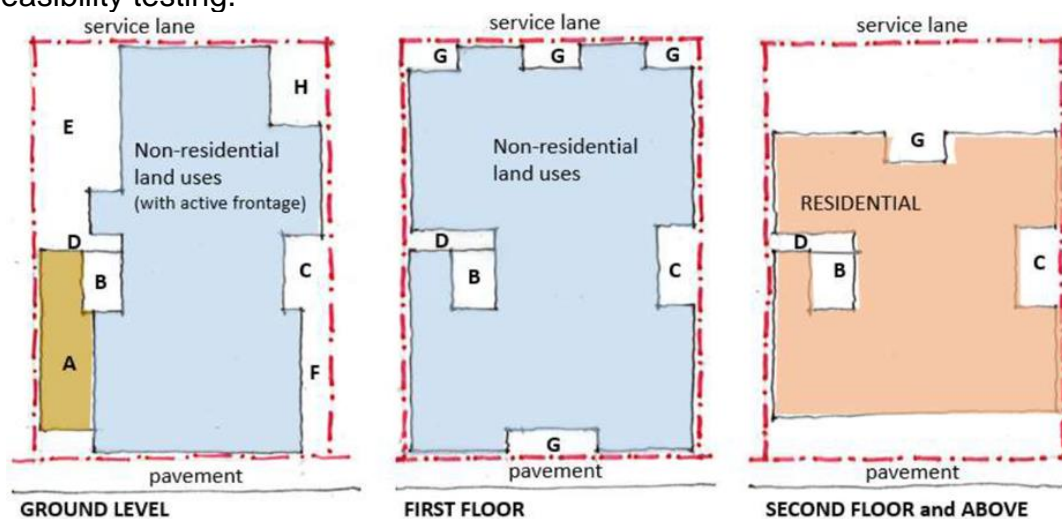
Minimum non-residential FSR

Insert a new provision setting a minimum non-residential FSR of 1.3:1 in the Centre. There would be no increase or change to the existing maximum building height or maximum FSR provisions in the Centre.

The provision is to include a definition of non-residential land uses, which would include permissible employment generating land uses, such as commercial premises and medical centres. It should not include car parking or serviced apartments.

The planning proposal states that a non-residential FSR of 1.3:1 would allow a mixed-use development to include ground floor retail and first floor commercial uses, such as offices, businesses, health services or community uses. It further states that this has considered floor area required for back-of-house and ancillary facilities, including fire stairs, lift cores, building services and driveways.

However, as will be discussed below, the control has not been subject to economic feasibility testing.



LEGEND	
A	Lobby
B	Lifts
C	Fire Stairs
D	Service ducts
E	Garbage and loading
F	Fire escape
G	Articulation /balconies
H	Driveway to parking

Figure 7 Indicative floor plans for a mixed use building containing non-residential uses at the ground and first levels, with an approximate non-residential FSR of 1.3:1. (Source: Woollahra Municipal Council)

Zone B2 Local Centre objectives

Amend the objectives for the B2 Local Centre Zone to reinforce the proposed amendments and ensure consistency.

2.3 Mapping

The planning proposal applies to land in Double Bay zoned B2 Local Centre under the Woollahra LEP 2014. No mapping changes are proposed.

3. NEED FOR THE PLANNING PROPOSAL

The planning proposal forms part of Council's on-going program to revitalise the Double Bay Centre. Among other documents, it draws on the *Double Bay Economic Feasibility Study* prepared by Hill PDA (2015), the *Double Bay Place Plan 2014* (note: this has since been replaced by *Double Bay Place Plan 2019-2023*) and the *Double Bay Public Domain Strategy*.

The planning proposal was initiated to address a recent development trend where new housing development has been displacing existing employment generating uses in the Centre. Council stated that this undermines the long-term viability of the Centre and its continuation as the primary business centre serving the surrounding residential areas.

According to Council, the trend indicates that the current Woollahra LEP 2014 provisions are not reflecting or delivering the desired future outcome for the Centre. While this matter is identified in the Woollahra Development Control Plan (DCP) 2015, it is not fully articulated across Council's current suite of planning controls.

The proposal aims to reinforce the objectives for the B2 Local Centre zone and to promote development that creates a vibrant Double Bay Centre, which would align with Council's strategic plans to revitalise the centre.

Without further evidence, it is considered that the planning proposal is premature and may make redevelopment of land in the Centre unviable.

Economic study supporting the planning proposal

While the proposal states that it has been informed by the economic report, titled *Double Bay Economic Feasibility Study*, prepared by Hill PDA (2015) and commissioned by Council, the purpose of this study was for a very different purpose.

The purpose of the study was to investigate the economic feasibility of increasing the number of residents living in the Double Bay Centre through an increase in the amount of shop top housing, as a means of enhancing the vitality and viability of the Centre.

The study had a focus on examining the demand, supply and financial viability of smaller sized apartments, driven by Council's intent to deliver a more diverse housing mix and to make housing more affordable for younger people, and to increase the residential population.

The study found that the existing planning controls were not sufficient to facilitate viable redevelopment; it recommended Council review its existing planning controls,

particularly the maximum building height and FSR. To ensure viable redevelopment the study recommended an uplift in FSR to between 3:1 and 3.5:1, subject to urban design testing. It also found that if an additional floor of commercial uses is provided, a greater FSR and hence building height would be required to provide the necessary incentive.

The study did not analyse the adequacy of a non-residential FSR control of 1.3:1 (while capping the overall FSR at the existing level) having regard to the demand and supply of commercial floor space in Double Bay Centre and its feasibility against the prevailing market conditions.

It is considered that a new economic assessment specific to the aims of this planning proposal is required. This assessment should provide the evidence base and detailed analysis to determine the optimum threshold for a non-residential FSR (which may or may not be the currently proposed 1.3:1) as well as the appropriate balance between residential and non-residential uses, to support the on-going viability of the Centre.

4. STRATEGIC ASSESSMENT

4.1 Region

Greater Sydney Region Plan - A Metropolis of Three Cities

In March 2018, the Greater Sydney Commission released *The Greater Sydney Region Plan – A Metropolis of Three Cities* (the Region Plan) which aims to coordinate and manage the growth of Sydney. The Region Plan contains specific objectives for the region over the next 40 years and informs the actions and directions of the District Plans.

The planning proposal is considered generally consistent with the objectives of the Region Plan, except where discussed below.

4.2 District

Eastern City District Plan

The Woollahra Local Government Area is situated within the Eastern City District of Greater Sydney. The Eastern City District Plan sets out strategic directions for the District and operates to give effect to the Region Plan.

Double Bay is identified as a Local Centre under the Eastern City District Plan. The District Plan recognises the important role that local centres play in delivering a 30-minute city, local employment opportunities, and for providing the community with essential access to day-to-day goods and services close to homes.

The consistency of the planning proposal with the priorities and actions of the District Plan is considered below:

Planning Priority	Particulars	Comments
E1	Planning for a city supported by infrastructure	The proposal seeks to retain the capacity to provide employment generating uses within the Double Bay Centre. No uplift is proposed. The proposal is unlikely to result in significant increase in infrastructure demand or require major infrastructure upgrades.

Planning Priority	Particulars	Comments
E3	Providing services and social infrastructure to meet people's changing needs	<p>The proposal seeks to provide an adequate amount of floor space for a variety of non-residential uses in future development, including community service, business, retail or medical premises. The proposal would maintain the role of the Double Bay Centre as a community hub that services the surrounding suburbs.</p>
E4	Fostering healthy, creative, culturally rich and socially connected communities	<p>The proposal seeks to retain floor space for a variety of commercial and employment generating uses, which would contribute to the vitality and vibrancy of Double Bay as a local centre.</p> <p>Where the threshold of non-residential FSR is appropriately determined, the proposal could contribute to a balance of business, retail, community and residential uses in the centre that enhances the area's liveability.</p> <p>At a more local level, the proposal would facilitate active street frontages and encourage pedestrian activities and active transport.</p>
E5	Providing housing supply, choice and affordability, with access to jobs, services and public transport	<p>The proposal seeks to ensure the Double Bay Centre would have adequate floor space capacity to support local employment opportunities and provide services to the community.</p> <p>However, the proposed non-residential FSR control is not supported by a detailed economic analysis regarding its viability and feasibility.</p> <p>In addition, the introduction of a minimum non-residential FSR control without any increase in the overall FSR could have an impact on housing supply and delivery within the Centre. This would have the opposite effect of Council's strategic review if is currently undertaking for the Centre.</p> <p>Based on the current information, the Department is not satisfied that Planning Priority E5 has been satisfied.</p>
E6	Creating and renewing great places and local centres, and respecting the District's heritage	<p>The Plan identifies the need to protect or expand retail and/or commercial floor space in local centres. It also notes that "<i>housing should not compromise a centre's primary role to provide goods and services, and the opportunities for the centre's employment function to grow and change over time.</i>" (page 49)</p> <p>The proposal seeks to protect the long term viability of the Centre by facilitating mixed-use developments that contain an adequate amount of</p>

Planning Priority	Particulars	Comments
		<p>non-residential floor space to support local employment and services.</p> <p>However, the proposed non-residential FSR control is not supported by any detailed economic analysis regarding its viability and feasibility. Based on the current information, it cannot be ascertained if the proposed control could achieve the intended purpose of the proposal.</p> <p>It is considered that further economic analysis is required to determine the optimum threshold for non-residential floor space and whether additional incentives are needed to facilitate renewal.</p>
E10	Delivering integrated land use and transport planning and a 30-minute city	The Centre is well serviced by public transport, including buses, train and ferry. It is highly accessible to the Sydney CBD as well as from the surrounding suburbs. The retention of commercial and employment uses in the centre would ensure jobs and services are easily accessible, and would facilitate the achievement of the 30-minute city.
E13	Supporting growth of targeted industry sectors	<p>Double Bay is an established commercial hub in the Eastern suburbs that attracts visitors and tourists. It is acknowledged that the retention of the capacity for commercial and employment generating floor space is crucial to sustain the visitor economy.</p> <p>As discussed above, a detailed economic study is required to determine whether the proposed non-residential FSR control would be viable over the longer term.</p>

4.3 Local

Woollahra Local Strategic Planning Statement

The Woollahra Local Strategic Planning Statement (LSPS) was made by Council in February 2020 following assurance by the Greater Sydney Commission. The planning proposal was lodged prior to the release and making of the LSPS.

The Woollahra LSPS sets out a 20-year vision and planning priorities for managing future land use and preserving the community's values and special characteristics of the Woollahra LGA.

The planning proposal is consistent with the Woollahra LSPS, particularly with the following action under Productivity Planning Priority 7 *Supporting access to a range of employment opportunities and partnerships*:

41. *Introduce planning controls into the Woollahra Local Environmental Plan 2014 and Woollahra Development Control Plan 2015 to protect and enhance floor space for commercial, retail, business, health and community uses in centres, particularly in Double Bay and Edgecliff.*

The proposal seeks to maintain the capacity for commercial and employment generating floor space in the Double Bay Centre and is consistent with the above action.

The LSPS also identifies an action (Action 37) to prepare and undertake community consultation on the *Double Bay Centre Planning and Urban Design Study*, which includes provisions to promote “*fine-grain, human-scale place driven outcomes*”. The planning study is currently under preparation. It is considered that this strategic investigation should inform planning controls to protect employment and commercial floor space to ensure a holistic review of the planning outcomes for Double Bay.

Community Strategic Plan - Woollahra 2030: *Our community, our place, our plan*

The planning proposal is consistent with the Council’s Community Strategic Plan titled *Woollahra 2030 – our community, our place, our plan*. In particular, it meets the following strategy under Goal 4 - *Well planned neighbourhoods*, Theme - *Quality places and spaces*:

4.5 Enhance the form and function of the local business centres

The proposal seeks to protect the capacity for non-residential floor space within the Double Bay Centre, which would accommodate services for the community, maintain vibrancy and provide local employment. The proposal is consistent with the above strategy.

Double Bay Place Plan 2019 to 2023

The *Double Bay Place Plan* sets out strategies, priorities and actions that provide a place-making approach to the management, planning and development of Double Bay. The latest version of the Plan was adopted by Council in March 2019. It is noted that the planning proposal makes reference to an earlier version of the Plan which has since been superseded.

The planning proposal is consistent with this Plan, particularly the following action under Theme 3 – *Planning and Place*:

3.1.1 Ensure that planning controls encourage retail, commercial and residential mixed use development. Subject to gateway determination, exhibit Planning Proposal which aims to retain employment space in Double Bay.

The proposal seeks to ensure the Double Bay Centre’s long term economic viability and its capacity to provide local employment, businesses, social activities and services for the surrounding residents. The proposal is consistent with the above action.

4.4 Section 9.1 Ministerial Directions

The following Section 9.1 Ministerial Directions are relevant to the planning proposal

1.1 Business and Industrial Zones

The objectives of this Direction are to encourage employment growth in suitable locations, protection of employment land in business and industrial zones, and support the viability of identified centres.

Clause (4) of the Direction provides that a planning proposal must, among other requirements:

- (a) *give effect to the objectives of this direction,*
- (b) *retain the areas and locations of existing business and industrial zones,*
- (c) *not reduce the total potential floor space area for employment uses and related public services in business zones,*

The planning proposal seeks to protect the capacity for commercial and employment floor space in the Double Bay Centre. The introduction of a minimum non-residential FSR control will ensure future developments maintain employment floor space in the B2 Local Centre zone. The proposal is considered to be consistent with the Direction.

3.1 Residential Zones

The objectives of this Direction are to encourage a variety and choice of housing types to provide for existing and future housing needs, make efficient use of existing infrastructure, and minimise the impacts of residential development on the environment.

Clause (3) provides that the Direction applies to any zone in which significant residential development is permitted or proposed to be permitted.

The planning proposal states that *“The planning proposal does not apply to residential zoned land and while shop top housing is permitted in the zone it is not considered to be a dominant use. The dominant non-residential uses of the Double Bay Centre are commercial, community, tourist and medical services.”* (p. 27)

Despite the above statement, the supporting economic study focuses specifically on strategies to increase the diversity and quantum of residential accommodation as a means to support the vitality of the Double Bay Centre.

Shop top housing is a permissible use within the B2 Local Centre zone, and is likely to continue to be a major component in future redevelopment due to its value. The planning proposal was also initiated due to the current trend of development with residential uses displacing existing commercial floor space.

Based on the above, Direction 3.1 is considered to be directly relevant to the proposal.

Clause 5(b) of the Direction states that a planning proposal must *“not contain provisions which will reduce the permissible residential density of land”*.

The introduction of a minimum non-residential FSR without increasing the overall maximum FSR will have an impact on the capacity of Double Bay Centre to deliver housing which is accessible to local services and public transport. While the significance of the commercial and employment function of the Centre is acknowledged, the potential impact on housing supply and diversity has not been examined in detail. The proposal has not included any analysis to quantify the reduction in the capacity of housing supply in the Centre.

Based on the available information, the proposal is not considered to have adequately justified its inconsistency with Clause 5(b) of the Direction.

4.5 State environmental planning policies (SEPPs)

The proposal is considered to be consistent with the relevant State Environmental Planning Policies.

As the planning proposal was prepared in late 2018, a number of SEPPs have since been repealed or replaced and new ones introduced. Should the proposal progress through Gateway, a revision needs to be made to ensure the information regarding consistency with the SEPPs is updated and relevant. However, the proposal is not recommended to proceed for the reasons outlined in this report.

5. SITE-SPECIFIC ASSESSMENT

5.1 Social

The following aspects of the planning proposal are considered to result in a positive social impact:

- The recognition of Double Bay as a key employment and commercial hub and protection of its ability to provide jobs, services and businesses that meet the needs of the local community; and
- The support for a diversity of uses which will foster a vibrant and activated local centre.

However, the proposal could also reduce the potential number of dwellings which could be delivered in the Double Bay Centre. Despite issues with its relevance to the proposal, the supporting economic study by Hill PDA indicates that a more diverse dwelling mix and increase in residential population are important to ensure the long term vitality of the centre.

Without examining in detail the economic role of residential population in the Centre and implications of the non-residential FSR on development feasibility, it cannot be determined if the proposal may result in an adverse effect on the vitality and functioning of the Centre. There is a concern that the proposal may contradict its very aim of promoting the vibrancy of the local centre.

5.2 Environmental

The planning proposal is unlikely to result in any adverse environmental impacts. The Double Bay Centre is not identified to contain any critical habitat or threatened species, populations or ecological communities or their habitats.

5.3 Economic

The intent of the planning proposal to protect the employment generating and commercial capacity in Double Bay and to ensure its long term economic viability is noted.

However, the supporting economic study by Hill PDA did not analyse the adequacy of the non-residential FSR control of 1.3:1 having regard to the demand and supply of commercial floor space in Double Bay Centre and its feasibility against the market conditions.

It is considered that a new economic assessment specific to the aims of this planning proposal is required. This assessment should provide the evidence base and detailed analysis to determine the optimum threshold for a non-residential FSR (which may or may not be the currently proposed 1.3:1) as well as the appropriate

balance between residential and non-residential uses, in order to support the on-going viability of the Double Bay Centre.

As discussed, above, the economic role of residential population within the Double Bay Centre needs to be examined in detail.

The analysis should also consider whether additional incentives are required to achieve the aim of the proposal.

5.4 Infrastructure

The planning proposal does not include any uplift and is unlikely to increase the infrastructure demand or require major utility or service upgrade for the Double Bay Centre.

6. CONSULTATION

6.1 Community

The planning proposal is not recommended to proceed to public exhibition.

6.2 Agencies

The planning proposal is not recommended to proceed to agency consultation.

7. TIME FRAME

The planning proposal is not recommended to proceed.

8. LOCAL PLAN-MAKING AUTHORITY

The planning proposal is not recommended to proceed.

9. CONCLUSION

The planning proposal in its current form should not proceed, as there is inadequate analysis and evidence to demonstrate that the proposed amendments to the Woollahra LEP 2014 are appropriate and would achieve the aim of the proposal. The key issues of the proposal are:

- There is insufficient justification for the proposed non-residential FSR of 1.3:1. The supporting economic study contains no specific analysis of the adequacy of the above control in terms of development feasibility and demand and supply of non-residential floor space in the Double Bay Centre. The data in the above study are also likely to be outdated as it was prepared in 2015.
- The proposal would result in a decreased housing capacity in the Double Bay Centre, which in turn may impact on the long term economic performance of the Centre due to reduced service demand.
- There is no analysis of the potential impact on housing delivery and diversity.
- There is a need to consider the broader strategic planning outcomes of the Double Bay Centre having regard to: the future demand and supply of non-residential floor space, feasibility for redevelopment, further incentives to encourage commercial and employment uses, the role of the local residential population in supporting the economic performance of the centre, housing delivery and diversity, and the urban design and place outcomes.

10. RECOMMENDATION

It is recommended that the delegate of the Minister determine that the planning proposal should not proceed for the following reasons:

1. The planning proposal has not adequately demonstrated its strategic merit as:
 - (a) There is insufficient justification for the proposed non-residential FSR of 1.3:1 for the Double Bay Centre, as the supporting economic study does not contain specific analysis of the adequacy of the above control in terms of development feasibility and demand and supply of non-residential floor space in the Centre;
 - (b) The proposed non-residential FSR could decrease housing capacity in the Double Bay Centre; further analysis is required to examine its impact on the long term economic performance of the Centre;
 - (c) There is no analysis of the potential impact of the proposed non-residential FSR on housing delivery and diversity; the consistency with Section 9.1 Ministerial Direction 3.1 Residential Zones remains unresolved and will require justification; and
 - (d) The consistency with the following Planning Priorities in the Eastern City District Plan remains unresolved due to the potential impact on housing supply and diversity, and inadequate economic analysis of the proposed non-residential FSR control; further justifications would be required:
 - (i) *E5 Providing housing supply, choice and affordability, with access to jobs, services and public transport;*
 - (ii) *E6 Creating and renewing great places and local centres, and respecting the District's heritage; and*
 - (iii) *E13 Supporting growth of targeted industry sectors.*
2. The planning proposal has not adequately demonstrated its site-specific merit as there is insufficient analysis of the following aspects:
 - (a) Potential impacts on the local economy; and
 - (b) The role of local residential population in supporting the economic and social function of the Double Bay Centre, and the balance between residential and non-residential uses in contributing to the vitality, diversity and urban design outcomes of the Centre.



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21 Sept 2020

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