

ITEM 14. PUBLIC EXHIBITION - PLANNING PROPOSAL: AMENDMENT TO SYDNEY LOCAL ENVIRONMENTAL PLAN 2012 - SYDNEY FISH MARKET - 56-60 PYRMONT BRIDGE ROAD PYRMONT**FILE NO: S110701****SUMMARY**

The Sydney Fish Market is located at the south western end of the Pyrmont peninsula along Blackwattle Bay. The Fish Market has operated at this site since 1966, when it moved from its previous location in Haymarket. The Market comprises of a number of different buildings and large at-grade car park. It has a site area of approximately 44,000sqm.

The Sydney Fish Market comprises of retail and wholesale operations and a large number of tenants. The various uses of the site include an auction hall, wholesaling, processing and distribution, restaurants, takeaway food outlets, ancillary retail and office, ice manufacturing, refrigeration, and a seafood school.

The planning controls for the Sydney Fish Market have a long history. Under the current planning controls, the consent authority for development on the site is shared between the City of Sydney (for development less than \$10M) and the Minister for Planning and Infrastructure (for development greater than \$10M).

Development on the Sydney Fish Market site is subject to the provisions of a Master Plan and an approved Concept Plan. The Master Plan was prepared in 2005 in accordance with the requirements of *Sydney Regional Environmental Plan No. 26 – City West*. The Concept Plan was approved by the Minister for Planning in May 2011 and provides for the redevelopment of the entire site.

The *Sydney Local Environmental Plan 2005*, which came into effect in December 2005, carried forward the planning controls for the Fish Market from *Sydney Regional Environmental Plan No. 26 – City West*. The key planning controls included a business zoning (with residential uses prohibited), a floor space ratio (FSR) of 2.5:1 and height controls varying from 14m to 21m across the site.

The *Draft Sydney Local Environmental Plan 2011* (the draft Local Environmental Plan) was exhibited from 2 February 2011 to 4 April 2011 together with Draft Sydney Development Control Plan 2010, the draft *Green Square Affordable Housing Program* and the draft *City of Sydney Competitive Design Policy*. The draft Local Environmental Plan is largely a translation of existing controls in the City's previous planning instruments, including those for Pyrmont under *Sydney Local Environmental Plan 2005*. The key planning controls for the Fish Market in the draft Local Environmental Plan are a B3 Commercial Core zoning, an FSR control of 1:1 and height controls varying from 15m to 33m across the site. The application of an FSR of 1:1 was an error and a misreading of the existing controls for the site originally established under the Master Plan in 2005.

Given the likelihood of the draft *Sydney Local Environmental Plan 2011* being made prior to the finalisation of this Planning Proposal process, it has been drafted as an amendment to the future *Sydney Local Environmental Plan 2012* (Sydney LEP 2012).

The Department of Planning and Infrastructure has requested that the City initiate a planning proposal to add “warehouse or distribution centre” to the list of permissible uses in the land use table and to reinstate the site’s FSR from 1:1 to 2.5:1. These matters were only identified in a late submission to the Department of Planning and Infrastructure prior to the making of the Sydney LEP 2012. The Planning Proposal is to rectify any inconsistencies between the LEP and the approved Sydney Fish Market Master Plan and Concept Plan.

It is recommended that Council and the Central Sydney Planning Committee support this Planning Proposal to provide for an amendment to the permissible uses in the B3 Commercial Core zone and to reinstate the FSR control currently applicable to the site, to accommodate the future redevelopment of the Fish Market in line with the Concept Plan approved in May 2011.

It is recommended that the Planning Proposal at **Attachment A** be endorsed by Council and the Central Sydney Planning Committee for submission to the Minister for Planning and Infrastructure for a Gateway determination.

RECOMMENDATION

It is resolved that:

- (A) the Central Sydney Planning Committee approve the *Planning Proposal: Amendment to Sydney Local Environmental Plan 2012 – Sydney Fish Market – 56-60 Pyrmont Bridge Road, Pyrmont* shown at Attachment A to the subject report, for submission to the Minister for Planning and Infrastructure with a request for a Gateway determination;
- (B) the Central Sydney Planning Committee approve the *Planning Proposal: Amendment to Sydney Local Environmental Plan 2012 – Sydney Fish Market – 56-60 Pyrmont Bridge Road, Pyrmont*, for public authority consultation and public exhibition; and
- (C) authority be delegated to the Chief Executive Officer to make any minor variations to the Planning Proposal following receipt of the Gateway determination.

ATTACHMENTS

Attachment A: *Planning Proposal: Amendment to Sydney Local Environmental Plan 2012 – Sydney Fish Market – 56-60 Pyrmont Bridge Road, Pyrmont – November 2012*

BACKGROUND

1. The Sydney Fish Market is located at the south western end of the Pyrmont peninsula along Blackwattle Bay. The Fish Market has operated at this site since 1966, when it moved from its previous location in Haymarket. The Market comprises of a number of different buildings and large at-grade car park. It has a site area of approximately 44,000sqm.
2. The Sydney Fish Market comprises of retail and wholesale operations and a large number of tenants. The various uses of the site include an auction hall, wholesaling, processing and distribution, restaurants, takeaway food outlets, ancillary retail and office, ice manufacturing, refrigeration, and a seafood school.
3. The Sydney Fish Market site is leased from the State Government under a 50 year lease to Sydney Fish Market Pty Ltd, the shareholders of which include a consortium of merchants and tenants who sell at the Market, and the NSW commercial fishers and aquaculturists who supply the market.
4. The Bank Street car park located underneath the Western Distributor ramp forms part of the site. This land is owned by the City of Sydney and leased to Sydney Fish Market Pty Ltd. The site is surrounded by major arterial roads: Pyrmont Bridge Road to the east, Jones Street to the north east and the overhead lanes of the Western Distributor and Bank Street to the north. The access driveway of the adjoining Hymix concrete batching plant adjoins the northern boundary, and the foreshore of Blackwattle Bay forms the south western site boundary. To the east of the site is Wentworth Park. An aerial photo of the site boundary is shown in Figure 1 below.



Figure 1: Aerial photo of the Fish Market site and Concept Plan boundary

5. The Sydney Fish Market is surrounded by a wide variety of land uses. The immediate vicinity is characterised by a mix of residential development, commercial, light industrial, heavy industrial, public recreation and educational facilities.
6. The planning controls for the Sydney Fish Market have a long history. Under the current planning controls, the consent authority for development on the site is shared between the City of Sydney (for development less than \$10M) and the Minister for Planning and Infrastructure (for development greater than \$10M).

7. Development on the Sydney Fish Market site is subject to the provisions of a Master Plan and an approved Concept Plan. The Master Plan was prepared in 2005 in accordance with the requirements of *Sydney Regional Environmental Plan No. 26 – City West*. The Concept Plan was approved by the Minister for Planning in May 2011 and provides for the redevelopment of the entire site. An extensive community and stakeholder involvement program has informed the Master Plan's vision, objectives and outcomes and assisted in the contextual analysis and identification of site opportunities and constraints.
8. The Master Plan sets out requirements for future development in the form of detailed development principles and controls. These aim to encourage development that responds to its context and contributes to the quality of the built environment, the future character of the site and the surrounding Blackwattle Bay locality.
9. The *Sydney Local Environmental Plan 2005*, which came into effect in December 2005, carried forward the planning controls for the Fish Market from *Sydney Regional Environmental Plan No. 26 – City West*. The key planning controls included a business zoning (with residential uses prohibited), a floor space ratio (FSR) of 2.5:1 and height controls varying from 14m to 21m.
10. The Concept Plan – being a project application under the former Part 3A of the *Environmental Planning and Assessment Act, 1979* - for the redevelopment of the Sydney Fish Market was granted consent by the Minister for Planning on 30 May 2011. It allows for the following development within the site boundary as shown in Figure 1 above:
 - (a) demolition of existing buildings and structures;
 - (b) construction of a new four-storey building comprising ground floor retail and wholesale uses and 3 upper levels of car parking spaces with related vehicular ramps (Building A);
 - (c) construction of a new two-storey building comprising retail, tavern, restaurant and roof terrace use;
 - (d) construction of a new foreshore urban plaza, waterfront promenade and boardwalk;
 - (e) parking for 510 patron vehicles and 112 service vehicles across the site;
 - (f) provision of internal vehicle service roads and revised intersection at the Sydney Fish Market entry at Bank Street and Miller Street;
 - (g) restoration and reconstruction of the heritage sea wall; and
 - (h) remediation of land.

11. The draft Local Environmental Plan is largely a translation of existing controls in the City's previous planning instruments including those for Pyrmont under *Sydney Local Environmental Plan 2005*. The key planning controls for the Fish Market in the draft Local Environmental Plan are a B3 Commercial Core zoning, an FSR control of 1:1 and height controls varying from 15m to 33m across the site. The application of an FSR of 1:1 is an error and misreading of the existing controls established under the Master Plan in 2005 and in the approved Concept Plan from May 2011.
12. The Department of Planning and Infrastructure has requested that the City initiate a planning proposal to reinstate the site's FSR from 1:1 to 2.5:1 and to add "warehouse or distribution centre" to the list of permissible uses in the land use table. These matters were only identified in a late submission to the Department of Planning and Infrastructure prior to the making of the Sydney LEP 2012. The Planning Proposal seeks to rectify any inconsistencies between the LEP and the Sydney Fish Market Master Plan.
13. It is recommended that Council and the Central Sydney Planning Committee support this Planning Proposal to provide for an amendment to the permissible uses in the B3 Commercial Core zone and an increase to the FSR control currently applicable to the site, to accommodate the future redevelopment of the Fish Market in line with the Concept Plan approved in May 2011.
14. Following a review of the Department of Planning and Infrastructure's submission, it is recommended that the Planning Proposal at **Attachment A** be endorsed by Council and the Central Sydney Planning Committee for submission to the Minister for Planning and Infrastructure for a Gateway determination.

The Planning Proposal

15. The purpose of this Planning Proposal is to address two matters identified by the Department of Planning and Infrastructure about the planning controls for the Fish Market site. Firstly, in order for the future functions of the Fish Market to continue, the Land Use Table for the B3 Zone needs to be amended to include "warehouse or distribution centre" as a permissible use. Secondly, the FSR of 1:1 in the draft Local Environmental Plan was applied instead of the long-standing control of 2.5:1.
16. The proposed amendments to Sydney LEP 2012 are considered minor and are consistent with the Master Plan, the approved Concept Plan and the previous planning controls for the site.
17. Council has been asked to progress this Planning Proposal by the Department of Planning and Infrastructure to ensure that impacts to future development on the Fish Market site are kept to a minimum.

Land Uses

18. The Sydney Fish Market site is zoned B3 Commercial Core under the draft Local Environmental Plan. The primary objective of the zone is to provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community. The zone permits a wide range of commercial uses and prohibits residential development.

19. The B3 Commercial Core zone was chosen for the Fish Market site and other areas of Pyrmont, as it was the most closely-aligned Standard Instrument zone to the previous zoning under *Sydney Local Environmental Plan 2005*. Under the 2005 LEP, all land uses, with the exception of residential development, are permissible providing that they are consistent with the zone objectives. One of the key zone objectives is to *"promote a wide range of uses, particularly business development including tourist, leisure, commercial, retail and office development consistent with Ultimo-Pyrmont's proximity to the Sydney CBD, harbour locations and transport infrastructure"*.
20. The Standard Instrument LEP requires councils to nominate permissible and prohibited land uses in a land use table. In the draft Local Environmental Plan, *"warehouse or distribution centre"* is currently prohibited in the B3 Commercial Core zone. The current and future operations at the Fish Market involve warehousing and distribution.
21. Some of the inconsistencies between the draft Local Environmental Plan land use table and the land uses envisaged for the site under the Sydney Fish Market Master Plan have occurred due to the application of Zone B3 Commercial Core which has also been applied elsewhere in the Local Government Area. The prohibition of *"warehouse or distribution centre"* was not deliberate on the Fish Market site and, as such, this Planning Proposal recommends making this land use permissible with consent in the B3 Commercial Core zone to ensure that the current and future operations on the site are not compromised.
22. Under the Standard Instrument LEP, *"warehouse or distribution centre"* means:

"a building or place used mainly or exclusively for storing or handling items (whether goods or materials) pending their sale, but from which no retail sales are made".
23. It is recommended that the term *"warehouse or distribution centre"* is moved from the prohibited development list to the permitted with consent list in the Land Use Table for the B3 Commercial Core zone. The addition of this use will not have any adverse impacts on the other areas of our Local Government Area zoned B3 Commercial Core. The same zoning is used for the Star Casino and some of the wharf areas on the eastern side of Pyrmont, primarily as a tool to prohibit residential development on these sites consistent with the previous planning controls.
24. The B3 Commercial Core zone applies to land in the Green Square Town Centre and other areas of Green Square suitable for commercial purposes under the draft local environmental plan for Green Square. Given that the land in the Green Square Town Centre is to anchor the commercial hub of the Green Square Urban Renewal Area, it is unlikely that this land would be used for warehousing or distribution centres.

Floor space ratio

25. Under the draft Local Environmental Plan, the site has an FSR control of 1:1 and varying height controls ranging from 15m at the waterfront to 33m in the south-eastern corner. The development controls were intended to reflect the existing Master Plan, the approved Concept Plan and the previous controls from the *Sydney Regional Environmental Plan No. 26* and *Sydney Local Environmental Plan 2005*.

26. However, in translating the FSR controls in the draft Local Environmental Plan, the long-standing FSR of 2.5:1 was not carried forward and an FSR of 1:1 was mapped. The lower figure may have come from a misreading of the built form provisions in the Master Plan whereby the total gross floor area was compared against the net lettable area. The previous controls in the *Sydney Regional Environmental Plan No. 26* and *Sydney Local Environmental Plan 2005* clearly show an FSR of 2.5:1. The Master Plan and the approved Concept Plan also clearly state a maximum FSR of 2.5:1.
27. As such, this Planning Proposal recommends that the FSR of 2.5:1 be reinstated for the Fish Market site.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

28. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This Planning Proposal is aligned with the following SS2030 strategic directions and objectives:
- (a) Direction 1 - A Globally Competitive and Innovative City – the Fish Market will continue to operate as a working fish market combining wholesale and retail functions.
 - (b) Direction 6 - Vibrant Local Communities and Economies – the Sydney Fish Market makes an important contribution to the local and wider economy of Sydney.
 - (c) Direction 9 - Sustainable Development, Renewal and Design – the development controls on the site of the Fish Market will allow the Concept Plan to be realised and contribute to a sustainable redevelopment of the site.
 - (d) Direction 10 - Implementation through Effective Governance and Partnerships – the City looks forward to working collaboratively with the State Government in the redevelopment of the Fish Market.

RELEVANT LEGISLATION

29. The *Environmental Planning and Assessment Act, 1979* and the *Environmental Planning and Assessment Regulation, 2000*.

CRITICAL DATES / TIME FRAMES

30. The typical timeframes, once a Gateway has recommended proceeding to consultation, are for a minimum of 21 days for public authority consultation and 28 days public exhibition. The Gateway will also determine the timeframe for the completion of the Local Environmental Plan amendment.

PUBLIC CONSULTATION

31. The public exhibition process for the Planning Proposal will be subject to the conditions on the Gateway Determination issued by the Department of Planning and Infrastructure. As such, the consultation will take place in accordance with the Gateway determination made by the Minister for Planning and Infrastructure under s.56 of the *Environmental Planning and Assessment Act 1979* and the relevant provisions of the *Environmental Planning and Assessment Regulation 2000*.
32. This would most likely mean the public exhibition would be a minimum of 28 days, with notification:
 - (a) on the City of Sydney website;
 - (b) in newspapers that circulate widely in the City of Sydney Local Government Area; and
 - (c) in writing to the owners, the adjoining landowners, relevant community groups, and the surrounding community in the immediate vicinity of the site.
33. Following public authority consultation and public exhibition, the outcomes would be reported to Council and the Central Sydney Planning Committee.

GRAHAM JAHN

Director City Planning, Development and Transport

(Francesca O'Brien, Manager, City Plan Review)