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**DRAFT CITY OF SYDNEY
EMPLOYMENT LANDS STRATEGY**

Draft City of Sydney Employment Lands Strategy

City of Sydney
Town Hall House
456 Kent Street
Sydney NSW 2000

April 2013



Status of this draft strategy

This draft Employment Lands Strategy (draft strategy) provides a consolidated package of land use recommendations for the employment lands to the south of the City of Sydney local government area.

The purpose of this draft strategy is to facilitate and promote public comment on the proposed land use and planning recommendations via a formal public exhibition process. Following public exhibition, the draft strategy will be reported to Council for their consideration for endorsement. If adopted, the strategy will inform the preparation of a draft planning proposal/s and/or draft development control plan/s.

In reading the recommendations of this draft strategy, the reader should remain mindful that recommendations do not constitute draft planning controls (draft local environmental plan or draft development control plan). The recommendations in this draft strategy will not be considered in the assessment of development applications, nor will they be considered as justification for planning proposals for spot rezonings in the strategy area.

For clarity, the land use zones that are proposed by this draft strategy do not necessarily align with the zone objectives, land use tables and development standards of the current planning instruments and development control plans that apply to the strategy area. If adopted, future controls will respond directly to the zoning statements and actions in this strategy.

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1 Introduction

1.1 Introduction

The City of Sydney Employment Lands Strategy (strategy) provides a consolidated package of land use and planning recommendations for the employment lands to the south of the City of Sydney local government area (LGA). The strategy area comprises three precincts in the LGA, including:

- the main strategy area – this area is about 265 hectares in size and stretches from the southwest corner of the Green Square Town Centre to the south west corner of the LGA. Generally the area is bordered by Gardeners Road to the south, McEvoy Street on the west and Mentmore Avenue and Botany Road on the east;
- the South Dowling Street precinct – this area is about 3.6 hectares in size and includes a single large lot of land on which the Moore Park Supa Centa is currently located; and
- the Parramatta Road precinct – this area is about 2.1 hectares in size and includes several small lots. The area is located in Glebe, bordered by Arundel Street and Parramatta Road and divided by Ross Street.

The strategy area is shown at Figure 1.

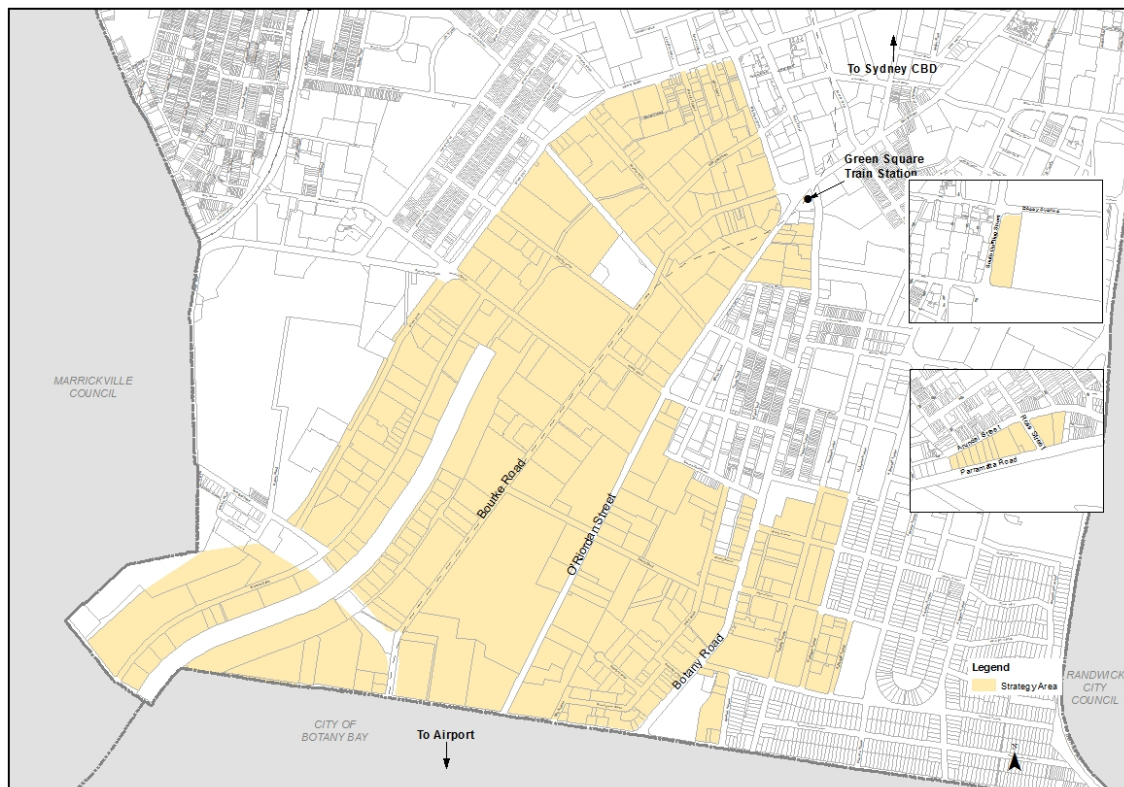


Figure 1 - Strategy Area

This strategy articulates the primary role of the strategy area, being to facilitate new business and industry opportunities, provide employment across a range of sectors, and provide land for strategic industrial activity and essential urban services. This strategy contains a suite of land use and planning recommendations that work towards that primary role while remaining responsive to the broader objectives of the NSW Government and the City of Sydney's *Sustainable Sydney 2030 Plan*.

The implementation of this strategy will occur by planning proposal/s for a draft Local Environmental Plan, as well as accompanying controls in a development control plan (DCP). These will be subject to stakeholder consultation and will also be formally exhibited in accordance with planning legislation.

The recommendations of this strategy will not be considered in the assessment of development applications, nor will they be considered as justification for planning proposals for spot rezonings in the strategy area.

1.2 The Employment Lands Study

This strategy is closely informed by the recommendations of the *City of Sydney Employment Lands Study*, which was undertaken by SGS Economics in 2013. The rationale and justification for this strategy is provided by the study which can be accessed at www.cityofsydney.nsw.gov.au

The purpose of the Employment Lands Study was to make land use recommendations for the strategy area to inform future amendments to the City Plan, which includes the *Sydney Local Environmental Plan 2012* (Sydney LEP 2012) and the *Sydney Development Control Plan 2012* (Sydney DCP 2012).

In November 2012, SGS prepared a background report that provides an appraisal of the current situation for the strategy area, in terms of economic and land use profile, strategy and policy framework, assets and infrastructure and broad economic trends and drivers. The background report also incorporates the views of a range of stakeholders, including those who had made submissions to the City Plan and participated in face-to-face meetings with City officers and SGS Economics, or who participated in a phone survey of operators in the strategy area.

The background report was made available for public comment in November 2012 and submissions made were considered in the preparation of the Employment Lands Study and its recommendations.

The Employment Lands Study goes beyond the 'existing situation' presented in the background report and establishes the strategy area's regional and global connections and its role in the local, metropolitan, state and national economies. It includes an assessment of the existing constraints, extensive consultation with key organisations with a stake in the strategic direction of the area, demand and supply analysis of various land uses, and builds a logical rationale for land use and planning recommendations for the strategy area, which are represented in this strategy.

1.3 Policy Framework

While a range of strategic policy documents relate to the strategy area and recognise its importance in providing for employment and economic growth, the strategic policies most relevant are the draft Metropolitan Strategy for Sydney to 2031 (the draft Metropolitan Strategy) and the City of Sydney's Sustainable Sydney 2030 Plan.

Draft Metropolitan Strategy for Sydney to 2031

The draft Metropolitan Strategy was released by the Department of Planning and Infrastructure in early 2013. The draft Metropolitan Strategy, like the Metropolitan Plan for Sydney 2036 (2010) and the Sydney Metropolitan Strategy: City of Cities (2005)

before it, continues to locate the strategy area within the 'Global Economic Corridor'. This is the collection of assets and centres that runs between Parramatta and Castle Hill, through Chatswood and North Sydney, through the CBD and on to Sydney Airport and Port Botany.

These strategies and plans have all placed an emphasis on the retention of significant strategic industrial lands and contain strategies and policies that effectively prevent the reduction of industrial land where its removal cannot be justified.

The draft Metropolitan Strategy provides housing and employment targets for new subregions and strategic centres within metropolitan Sydney. Sydney LGA, together with 17 other LGAs, is located within the Central Subregion, which has a target of 230,000 additional jobs to 2031. Within the City of Sydney, the draft Metropolitan Strategy identifies two 'strategic centres', being Central Sydney¹ and Green Square² with a minimum target of 102,000 and 7,000 additional jobs respectively between 2011 and 2031.

It is notable that despite the Global Financial Crisis (GFC), the City has experienced substantial employment growth over the last census period. Should growth continue at this rate, and it is conceivable that as the impacts of the GFC slow it will, it is likely the targets contained in the draft Metropolitan Strategy are achievable, in the City of Sydney at least. Notwithstanding this, it is important to recognise that constraints will, at some point, act to limit growth in strategic centres.

A key constraint is land availability within the LGA. While densities may increase to accommodate jobs growth, both in terms of the built form as well as how many jobs are accommodated within a given area, at some point, new locations will need to be found to accommodate job growth.

A further key constraint is the capacity of the road and public transport networks to accommodate employment growth. The City's strategic transport strategy 'Connecting Our City' (2012) identifies that there are serious limitations within the current networks, particularly within Sydney's CBD, with both Wynyard and Town Hall train stations unable to accommodate projected jobs growth.

According to the Employment Lands Study, the strategy area currently holds around 19,000 jobs, which is approximately five percent of the total jobs in the LGA. The draft Metropolitan Strategy does not specifically identify targets for the employment lands strategy area. A simple analysis shows that if it is assumed the 19,000 jobs within the strategy area will increase in line with job growth within the strategic centres required to meet targets (which requires a total of 29 percent job growth across the strategic centres to 2031), then at least 5,500 new jobs will need to be accommodated in the strategy area.

Recognising that demand for job growth might increase in response to a range of factors, not the least in response to shrinking land available and constrained transport capacity closer to the Sydney CBD, then the number of jobs that the employment lands strategy area will need to accommodate may be considerably higher.

¹ 'Central Sydney consists of the Sydney CBD, Pyrmont-Ultimo, Sydney Education and Health (Broadway and Camperdown), City East and Central to Eveleigh

² 'Green Square' is not readily defined, however it is assumed it remains broadly the same as the area identified in the Draft Sydney City Subregional Strategy, which includes the Green Square Town Centre and some land to the east of the Town Centre, including the Epsom Park and Victoria Park precincts.

This employment lands strategy seeks to improve the capacity of the strategy area to contribute towards employment targets in the draft Metropolitan Strategy while balancing the need to maintain appropriately zoned land to accommodate traditional industrial uses that service the local population and key state infrastructure.

Sustainable Sydney 2030

Sustainable Sydney 2030 is the City of Sydney's overarching strategic plan which guides growth and change in the LGA to 2030 and beyond. It includes ten strategic directions as well as ten targets against which to measure progress. This strategy aligns with a number of these strategic directions, including:

- Direction 1 - A Globally Competitive and Innovative City – The strategy area plays an important role both in supporting the growth of new economic activities in Sydney (creative uses, knowledge industry, flexible office space) as well as providing for strategic activities associated with the airport and port and essential services for the City's growing population. The draft strategy provides a proposed framework for changes to planning controls in the strategy area to facilitate this growth.
- Direction 3 - Integrated Transport for a Connected City – The strategy area is a main transport corridor between the airport and port and the City. This strategy proposes the City work with the NSW Government to find solutions to these issues.
- Direction 8 - Housing for a Diverse Population – while providing housing is not the primary focus of the strategy area, the proposed mixed use areas will create opportunities for the provision of affordable housing.

1.4 Strategy area in context

The strategy area is one of the most strategically located areas of employment lands in Australia, being of local, metropolitan, state and national economic significance and hosts regional and global roles and connections.

The strategy area is located just three kilometres south of Sydney CBD. This is Australia's premier commercial hub. It contains in the order of 300,000 jobs across a range of high value sectors including finance, insurance, business and technical services, education, technology, media, retail, arts, entertainment and tourism services. It is the engine room of the business services economy of Australia and the gateway for international capital.

Sydney Airport is two kilometres south of the main strategy area. It handles around 36 million domestic and international passengers per annum and is the gateway for most international visitors visiting Australia. The Sydney Airport Master Plan 2009 - 2014 envisages Sydney Airport remaining as the sole international and domestic airport for Sydney to 2029. It will accommodate an average annual growth rate of 4.2 percent for passengers and two percent for passenger aircraft



Concrete plant in Alexandria

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movements. It is the main gateway for international air freight to and from Australia, handling more than 470,000 tonnes per year. Sydney Airport directly provides or generates more than 75,000 jobs and approximately 131,000 jobs indirectly, making a total of around 206,000 full-time equivalent jobs. It is estimated that 100,000 additional jobs will be generated by Sydney Airport over the next ten years. Many of these jobs and economic benefits will be generated locally in the areas around the airport. The Sydney Airport Masterplan is currently under review with a draft expected in the second half of 2013.

Port Botany is just three kilometres to the south east of the main strategy area. It is Australia's second largest port in terms of freight volumes (behind Melbourne) with about 1.3 million Twenty-foot Equivalent Units (TEUs)³, expected to grow to around six million by 2030-31.

Green Square is a Planned Major Centre in the draft Metropolitan Strategy for Sydney to 2031. The Green Square Urban Renewal Area, with the Green Square Town Centre at its centre, overlaps with the northern section of the main strategy area. This is Australia's largest urban renewal area and will ultimately host 40,000 additional residents and 22,000 additional workers by 2030 (from 2008 numbers). The Green Square rail station is just outside the strategy area to the north.



Container facility in St Peters

To the south of the main strategy area is the Mascot Station Town Centre Precinct. In April 2012 a Masterplan of the precinct was completed to accommodate a future population of up to 11,000 people and 35,000 jobs. The precinct has since been identified by the NSW Government as an Urban Activation Precinct (UAP). While investigations are preliminary, its identification as a UAP signals the precinct has been earmarked by the NSW Government as playing a major role in providing housing and jobs in Sydney.



Commercial development in Alexandria

The main strategy contains the main corridor between the Sydney CBD and Sydney Airport and Port Botany, which the recently released *NSW Government Long Term Transport Master Plan (2012)* identifies as highly constrained. The Master Plan also identifies much higher traffic volumes are expected as the airport and port both expand operations and Green Square and Mascot

³ The twenty-foot equivalent unit (TEU) is a broadly accepted term for a unit of cargo capacity of container ships and container terminals.

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Station precinct grow. In addition, the strategy area itself is an origin for significant business to business (freight and small commercial vehicle), heavy truck movements that service heavier industries towards the south west, and commuter traffic and workers (residents nearby leaving or workers in the precinct arriving).



Commercial development with ancillary food and drink premises in Alexandria

The principal north-south roads near or through the main study area include the Princes Highway (to the west), the Eastern Distributor (to the east), Botany Road (on the east) and O'Riordan Street (through the centre of the main strategy area) connecting the airport to Green Square. Bourke Road is a local but major distributor road which also runs north-south through the main strategy area. Botany Road, O'Riordan Street, Bourke Road and Bourke Street (running to the north) form a five

way junction at Green Square train station just on the north east edge of the main strategy area.

Between the main strategy area and the Sydney CBD is the Redfern-Waterloo renewal area. This area is gradually being redeveloped, and is a focus for significant new investment in housing (including the redevelopment of public housing areas), employment (it contains the Australian Technology Park) and community and cultural services (Redfern is the principal focus of the urban Aboriginal community in Australia).

The subregion contains major educational and health assets. Less than three kilometres to the east of the main strategy area is the University of New South Wales in Kensington, which with the Prince of Wales hospital and other medical facilities, forms part of the Randwick Education and Health Precinct, as defined in the draft Metropolitan Strategy. To the north-west of the main strategy area and to the south-west of the Sydney CBD is the University of Sydney, the University of Technology of Sydney and the Royal Prince Alfred hospital.

Elsewhere within the inner Sydney area, in the Botany Bay and Marrickville LGAs nearby, are additional significant and strategic industrial areas.

2 Vision Statement

The primary role of the strategy area is to facilitate new business and industry opportunities, provide employment across a range of sectors, and provide land for strategic industrial activity and essential urban services. The strategy area will continue to play a crucial role in supporting growth of the local, metropolitan, state and national economies whilst facilitating regional and global network connections.

In the main, a more flexible approach to land use in the strategy area will facilitate higher density employment and new economic activities such as new industrial uses, creative uses, knowledge industry development and flexible commercial, industrial and community spaces.

Other parts of the strategy area will accommodate land uses that are essential to the efficient functioning of the City. This ensures activities associated with key state infrastructure, including the airport and port, and other activities that need access to the CBD, can locate in the area. It will also ensure the rapidly growing residential and worker population in the inner city subregion can access essential services.

Given the primary role of the strategy area, market residential development will be relatively limited. However, some affordable rental housing that allows key workers to locate close to employment will be encouraged.

Small scale retail activities will be generally encouraged, particularly where they support another activity or use. Large retail activities will continue to be located within nominated centres and nodes.

3 Strategy

This section contains land use and planning recommendations for the strategy area. Recommendations are informed by the Employment Lands Study, the Draft Metropolitan Strategy and the City of Sydney's overarching strategic plan *Sustainable Sydney 2030*.

3.1 Principal actions to guide the strategy area

| | |
|---|---|
| <p>Advocate a subregional approach</p> | <p>Issue</p> <p>In the recent past there has been a loss of industrial lands in neighbouring local government areas (LGAs). A regional approach needs to be taken to determine the extent of employment lands (with industrial lands being an important subset) required to service the port and airport and ensure these lands are protected. This in turn will ensure the industrial lands in the main strategy area are not overburdened and remain viable for lower value uses.</p> <p>Action</p> <p>Lobby the NSW Government to consider the provision and protection of strategic industrial and employment lands at a subregional level. The objective should be to develop a state planning instrument that protects and maintains inner Sydney employment lands for strategic and other uses consistent with their attributes and location.</p> |
| <p>Recognise and address traffic and transport issues in the strategy area</p> | <p>Issue</p> <p>The traffic and transport network will continue to come under considerable pressure from growth at the airport and port, as well as population growth in Green Square and Mascot, and other surrounding areas. It is noted that the land use recommendations in this strategy will also create some additional pressure on the road and transport networks in and around the strategy area.</p> <p>Actions</p> <ul style="list-style-type: none"> • Undertake a local high level traffic and transport study to inform the preparation of planning proposals which will implement the recommendations of this strategy. • Work with Transport NSW to develop a Transport Management Accessibility Plan for the strategy area that is responsive to the land use recommendations and ensures sufficient levels of public transport are provided to and through the strategy area. Some considerations for this study should be: <ul style="list-style-type: none"> ○ whether Botany Road could be 'calmed' to support the development of the proposed mixed use precinct, including providing for on-street parking, and elevating its role as a public transport corridor over heavy slow traffic; ○ the potential to establish Bourke Road and O'Riordan Street as the principal arterial roads through the strategy area; ○ prospects for a rail station in the longer term on the Airport line at the intersection of Doody Street and Bourke Road; ○ continuing to plan for and invest in pedestrian and cycle paths (safe for all users), as well as the general improved amenity of the strategy area, to promote walking and cycling as an alternative to car usage; and ○ opportunities to introduce measures that address potential conflicts between cyclists and heavy vehicles. |

| | |
|---|--|
| <p>Recognise and address flooding issues</p> | <p>Issue</p> <p>Flooding will continue to be an issue in parts of the strategy area. There is a need to manage flooding in the strategy area and ensure new development is responsive to flooding constraints.</p> <p>Actions</p> <ul style="list-style-type: none"> • Ensure planning controls promote the City of Sydney’s Liveable Green Network Strategy (2011) to provide a corridor along the alignment of the trunk drainage channel from Alexandra Canal northwards to Bourke Road, and along the canal’s tributaries and channels. • Integrate the outcomes of the Alexandra Canal Floodplain Risk Management Study and Plan (once completed) into future planning controls. |
| <p>Harness opportunities to improve the public domain</p> | <p>Issue</p> <p>Improvements to the public domain are required in the strategy area in order to satisfy demand created by growing numbers of employees and residents locally, to attract new firms (particularly those in higher value and creative industries) which will encourage development and renewal, and in general to provide a higher level of amenity for workers, residents and visitors.</p> <p>Action</p> <p>Prepare a public domain strategy to consider new streets, pedestrian amenity, potential for green corridors, minor land dedications for community uses, recreational needs, longer term prospects for redevelopment of the Alexandra Canal and Shea’s Creek, cycle paths and so on. The focus should be on functionality, accessibility and environmental gains. It is important these elements of the public domain are recognised in new planning controls.</p> |
| <p>Explore innovative planning solutions that work towards the targets provided by Sustainable Sydney 2030</p> | <p>Issue</p> <p>The new development opportunities created by this strategy will in turn create opportunities for the provision of new community infrastructure and other public benefits. The range of community infrastructure and other public benefits sought are articulated in Sustainable Sydney 2030, the City’s overarching strategic plan for the next 25 years, and include, but are not limited to:</p> <ul style="list-style-type: none"> • affordable housing; • transport infrastructure, new roads or enabling work; • provision of open space and public domain improvements; • childcare facilities and creating child friendly places; • green infrastructure, such as tri-generation and water re-use facilities, and other contributions to improved environmental outcomes or flood management for the broader community; • additions and/or improvements to the pedestrian and cycling network; and • public facilities and community spaces. <p>Action</p> <p>Ensure the planning controls which implement the vision for the strategy area are aligned with the directions of Sustainable Sydney 2030 and actively work toward achieving its targets.</p> |

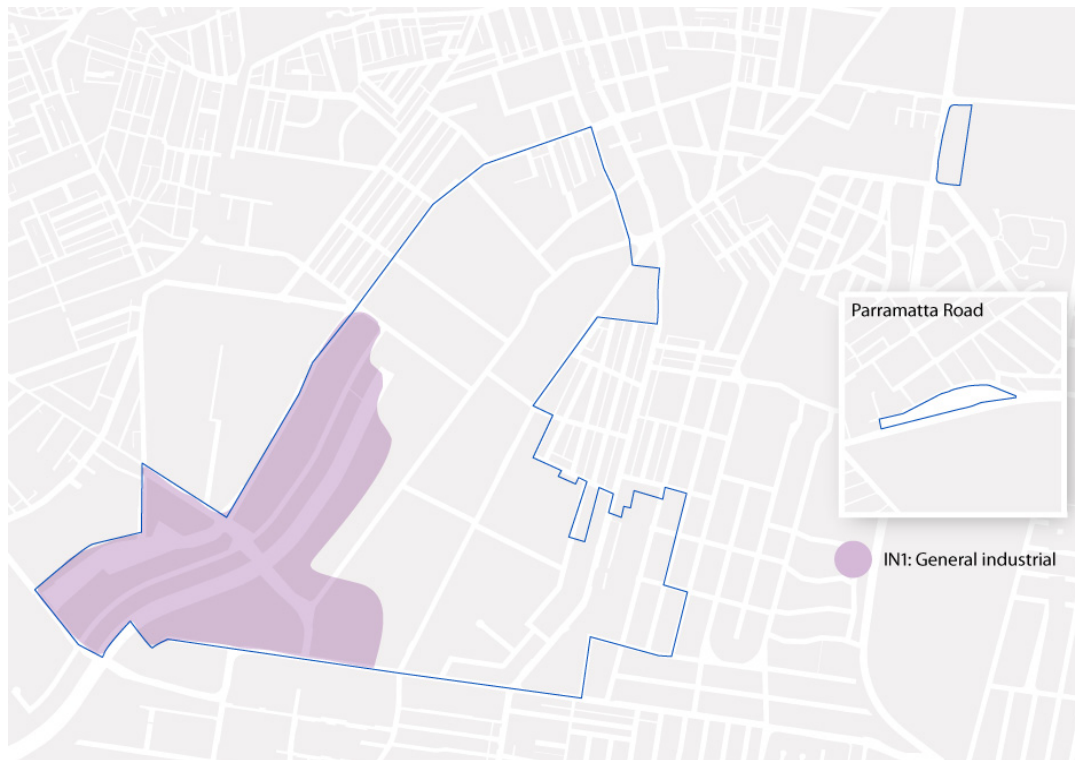
3.2 Industrial area

Zoning Statement

Zoning in the south-western corner of the main strategy area should accommodate both heavy and light industry. The zone is to allow for uses serving the population (local light industrial and urban services uses required to service the current and projected population of the LGA) and strategic industrial uses (for example, airport related uses).

The long term aspiration for the zone is for 'pure industrial' with only minimal 'ancillary' uses to support the industrial uses and employment in the zone.

Map



Actions

- Retain the IN1 - General industrial zone for the industrial area in the south west of the main strategy area.
- Rezone land along the Alexandria Canal to IN1 - General industrial.
- Liaise with government agencies to determine the need to retain the SP2 – Special Uses zoning. If no longer necessary, rezone to IN1 – General Industrial.
- Consider new objectives for the zone. Objectives should reflect the zoning statement and provide appropriate guidance for landowners and other stakeholders about Council's aspirations for the zone.
- Ensure the land use table facilitates flexibility to accommodate a variety of heavy and light industrial uses⁴.

⁴ Note: An indicative land-use table is provided at Appendix 1.

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- Allow for ancillary uses that support the working population of the zone, for example kiosks and so on. However, ensure that the scale of those uses does not compete with the purpose or efficient functioning of the zone.
- Review built form controls to ensure they are appropriate for the zone.

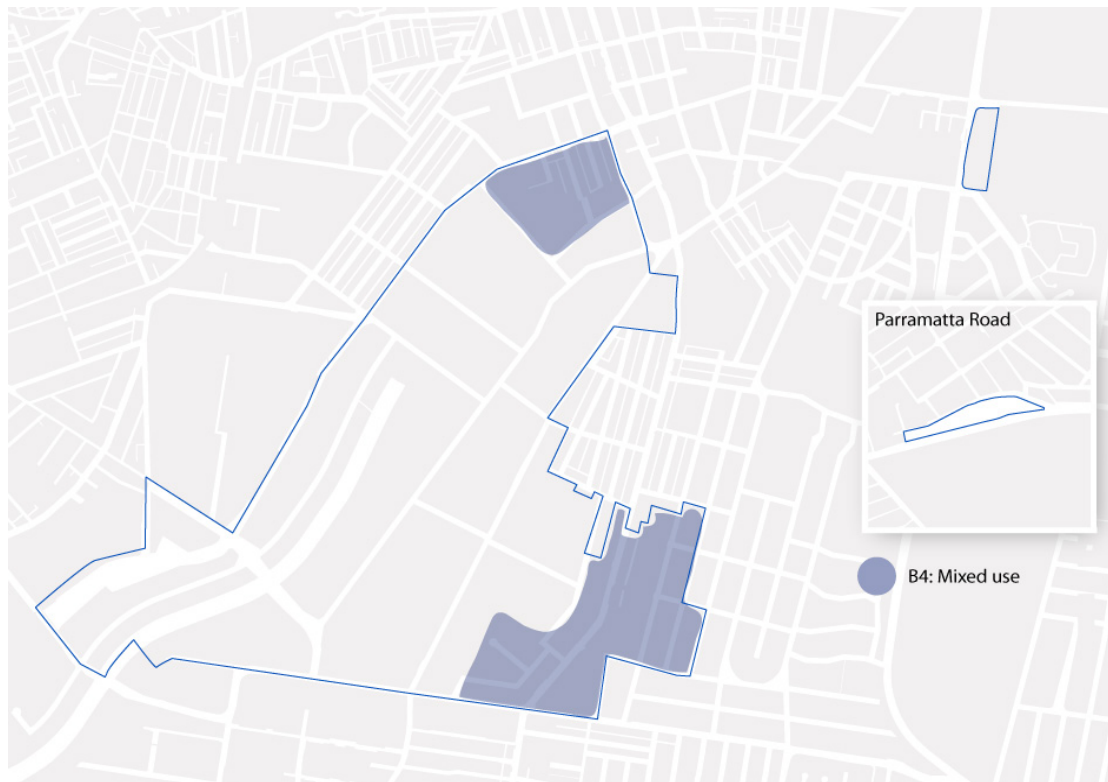
3.3 Mixed use areas

Zoning Statement

Zoning in the northern and eastern precincts should accommodate a mix of employment and residential uses.

The long term aspiration for the zone is a genuine mixed use precinct supporting a relatively even mix of employment-generating uses and affordable residential development.

Map



Actions

- Rezone the northern and eastern precincts of the main strategy area B4 – Mixed use⁵
- Consider new objectives that apply specifically to these areas. Objectives should reflect the zoning statement and provide appropriate guidance for landowners and other stakeholders about Council's aspirations for the zone.
- Ensure the land use table facilitates flexibility to support a range of employment uses and affordable residential uses.⁶
- Undertake additional analysis of the built environment, including a review height and floor space ratio controls and character and heritage assessment, to inform new planning controls.

⁵ Note: The B4 – Mixed use zone exists elsewhere in the City of Sydney LGA and changes to the land-use table would have a much broader impact than only in the strategy area. As such, no changes are proposed to the land-use table that currently exists in the Sydney LEP 2012.

⁶ Note: An indicative land-use table is provided at Appendix 1.

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- Establish planning controls that actively promote affordable rental housing in the zone.
- Establish planning controls that provide for no or low parking associated with the housing in these mixed use precincts.
- Establish development controls that minimise the barriers to innovate housing conversions for 'work-live' outcomes
- Explore opportunities to encourage child care and other local infrastructure needed to support the growing population in the region.

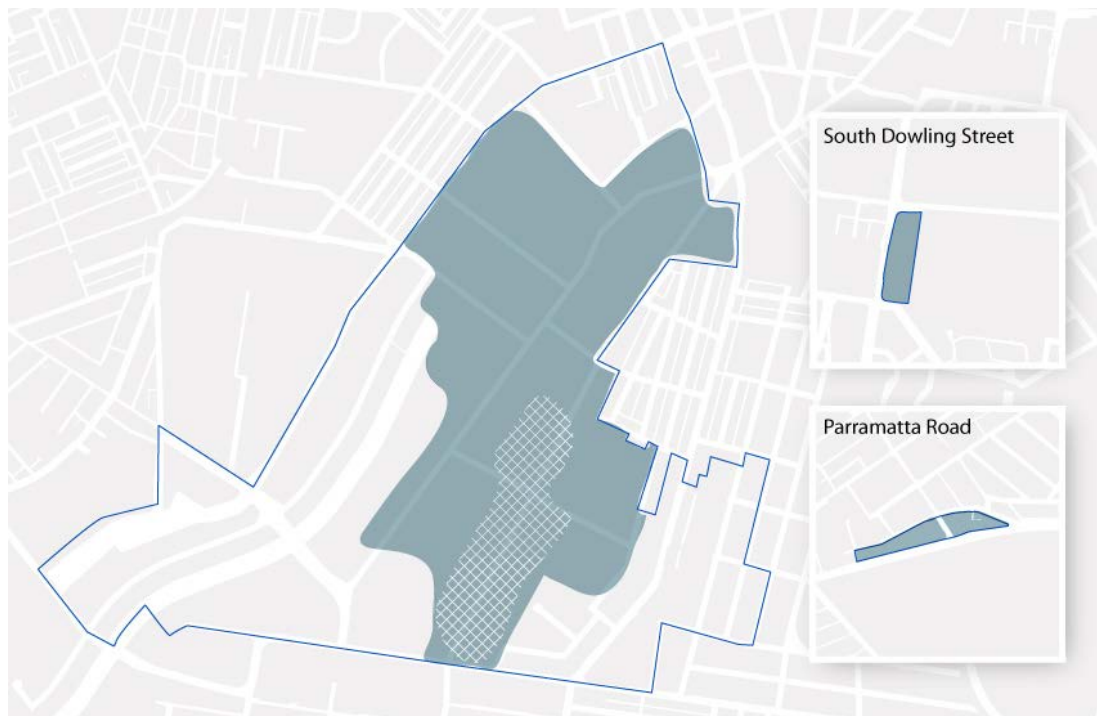
3.4 Mixed business areas

Zoning Statement

Zoning in the central portion of the main strategy area, and in South Dowling Street and Parramatta Road areas, should be sufficiently flexible to encourage and accommodate a wide variety of economic activities, as well as 'other' uses likely to attract and support higher value activities and promote better amenity.

The long term aspiration for the zone is a mixed business precinct facilitated by a flexible approach to land use. The zone should continue to support warehouse and light industrial uses but also facilitate higher value employment such as offices where appropriate. Retail should be limited in scale and should complement the Green Square Town Centre and other defined centres. The zone should continue to support bulky goods uses in limited areas.

Map



Actions

- Zone the central portion of the main strategy area and the Parramatta and South Dowling Street precincts B6 – Enterprise Corridor.

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- Consider new objectives for the zone. Objectives should reflect the zoning statement and provide appropriate guidance for landowners and other stakeholders about Council's aspirations for the zone.
- Ensure the land use table facilitates a broad range of employment generating uses.⁷
- Allow for other non-residential uses, such as entertainment facilities, churches and markets, which support employment activity and/or service the local population. However, these uses should be limited in scale so they do not detract from the long-term aspiration of the zone to provide for employment generating uses.
- Limit the scale of individual retail activities so that they complement retail in the Green Square Town Centre and do not have a detrimental impact on other employment generating uses in the zone.
- Permit bulky goods premises on South Dowling Street.
- Permit bulky goods premises and vehicle sales or hire premises in the main strategy area along O'Riordan Street. Generally the extent of the area should remain consistent with the area currently identified in Schedule 1 of the Sydney LEP 2012, however only premises whose public access is from O'Riordan Street should continue to be identified.
- Undertake additional analysis of the built environment, including a review of built form controls and character and heritage assessment to inform new planning controls.
- Encourage sustainable transport choices in new planning controls and where possible introduce measures to minimise parking associated with new development.
- Explore opportunities to encourage child care and other local infrastructure needed to support the growing population in the region.

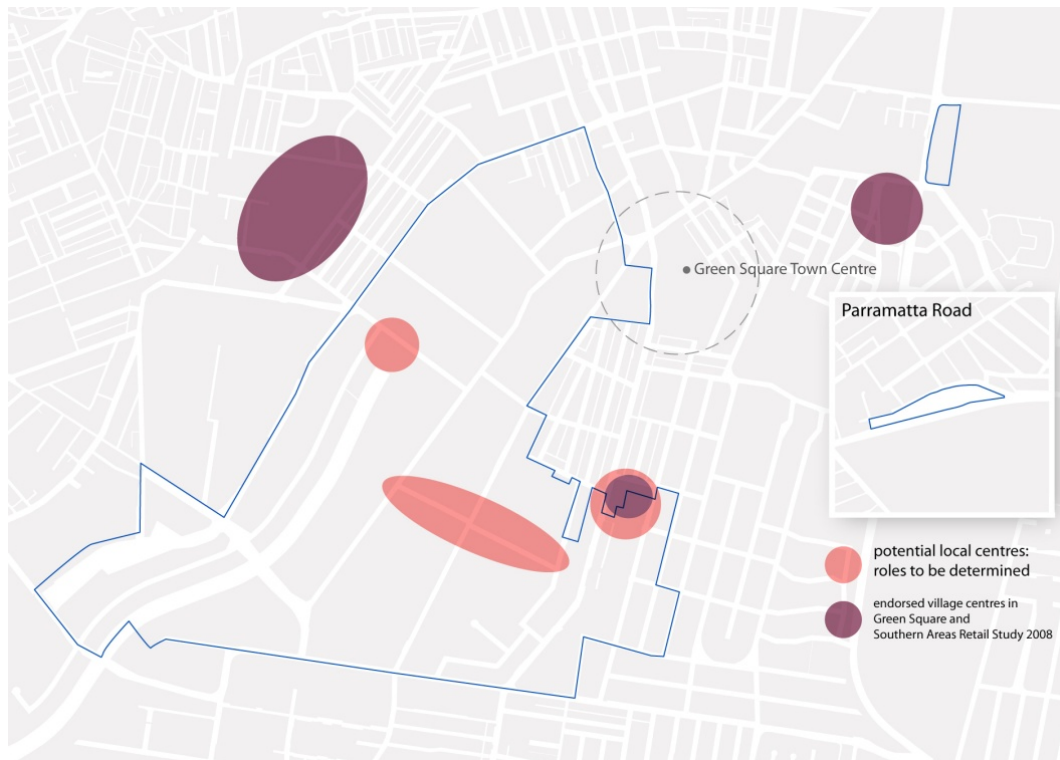
⁷ Note: An indicative land-use table is provided at Appendix 1.

3.5 Retail precincts

Zoning Statement

Planned retail precincts of an appropriate size and location will support the effective functioning of the commercial and mixed use precincts of the strategy area, as well as the wider area.

Map



Actions

- Concentrate anchor retailers (such as supermarkets) in nominated centres.
- Develop a hierarchy of small retail centres in the main strategy area and surrounding suburbs, considering possible locations at Rosebery, close to the Grounds of Alexandria cafe at the northern end of the canal and Doody Street. This would consider the best locations for these centres, the need for amenities to service businesses and new residents in the area, the projected increase in the local population, the projected redevelopment of Green Square Town Centre and Ashmore precinct, and structure planning issues, transport accessibility, linkages to other centres and so on.
- Explore planning controls that encourage walking and cycling to these locations.

Appendix 1: Indicative Land Use Tables

This section provides indicative land use tables for the various zones proposed within this strategy.

The land use zones that are proposed by this draft strategy do not necessarily align with the zone objectives, land use tables and development standards of the current planning instruments and development control plans that apply to the strategy area.

Land-use tables must be read in conjunction with the definitions provided by the *Standard Instrument – Principal Local Environmental Plan* (Standard Instrument) which is available at www.legislation.nsw.gov.au.

Land-use tables must also be read in conjunction with the actions proposed by this strategy which may propose other planning controls that will impact on the permissibility of various uses (despite their permissibility in the land use table). For example, the City will explore planning controls to limit the scale of certain uses which are permitted in the land use table.

Land-uses shown in black text are those mandated in the Standard Instrument. Land-uses shown in red text are at the discretion of Council.

| IN1 – General Industrial | |
|---|---|
| Permitted | Prohibited |
| <p>Agricultural produce industries; Boat building and repair facilities; Depots; Food and drink premises; Freight transport facilities; General industries; Hardware and building supplies; Horticulture; Industrial training facilities; Kiosks; Light industries; Neighbourhood shops; Roads; Roadside stalls; Timber yards; Warehouse or distribution centres; Any other development not specifically prohibited</p> | <p>Agriculture; Air transport facilities; Airstrips; Amusement centres; animal boarding or training establishments; Boat launching ramps; Boat sheds; Camping grounds; Car parks; Caravan parks; Cemeteries; Charter and tourism boating facilities; Childcare centre; Commercial premises; community facilities; Correctional centres; Eco-tourist facilities; Educational establishments; Entertainment facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Function centres; Health services facilities; Heavy industries; Helipads; Highway service centres; Home-based child care; Home businesses; Home occupations; Home occupations (sex services); information and education facilities; Jetties; Marinas; Mooring pens; Moorings; Passenger transport facility; Places of public worship; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs; Residential accommodation; respite day care centre; Restricted premises; Rural industries; self-storage units; Sex services premises; Tourist and visitor accommodation; Veterinary hospitals; Wholesale supplies</p> |

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B4 – Mixed Use

| Permitted ⁸ | Prohibited |
|--|---|
| Boarding houses; Child care centres; Commercial premises; Community facilities; Educational establishments; Entertainment facilities; Function centres; Home occupations (without consent) ; Hotel or motel accommodation; Information and education facilities; Medical centres; Passenger transport facilities; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Roads; Seniors housing; Shop top housing; Any development not prohibited | Extractive industries; Heavy industrial storage establishments; Heavy industries |

B6 – Enterprise Corridor

| Permitted ⁹ | Prohibited |
|--|---|
| Agricultural produce industries ; Business premises; Community facilities; Entertainment facility; Food and drink premises ; Garden centres; Hardware and building supplies; Horticulture ; Hotel or motel accommodation; Kiosks ; Landscaping material supplies; Light industries; Markets ; Passenger transport facilities; Plant nurseries; Roads; Shops ; Warehouse or distribution centres; Any other development not specifically prohibited | Agriculture; Air transport facilities; Amusement centres; Camping grounds; Caravan parks; Cemeteries; Correctional centres; Depots; Eco-tourist facilities; Exhibition homes; Exhibition villages; Extractive industries; Heavy industrial storage establishments; Helipads; Industries; Recreation facilities (major); Residential accommodation; Retail premises; Rural industries; Tourist and visitor accommodation; Transport depots; Truck depots; Vehicle body repair workshops |

⁸ Note: The City will explore planning controls that promote affordable rental housing in the mixed use zones in the strategy area to the exclusion of other residential accommodation.

⁹ Note: 'Bulky good premises' or 'vehicle sales or hire premises' are to be permitted in the hatches areas at O'Riordan Street. 'Bulky goods premises' are to be permitted at the South Dowling Street site.

Appendix 2: Industrial Lands Strategic Assessment Checklist

The 'Productivity and Prosperity' chapter of the *Draft Metropolitan Strategy for Sydney 2031* (2013) provides the strategic context for the rezoning of employment lands. The Table below provides a high level response to the Industrial Lands Strategic Assessment Checklist provided in Criteria Table 1 of the draft Metropolitan Strategy.

The draft Metropolitan Strategy requires that proposals to rezone industrial land are to be consistent with the checklist.

| Criteria | Assessment |
|---|---|
| Is the proposed rezoning consistent with State and/or council strategies on the future role of industrial lands? | <p>Yes. The Employment Lands Study (the study) establishes the future role of the strategy area as an area to facilitate new business and industry opportunities, provide employment across a range of sectors, and provide land for strategic industrial activity and essential urban services. While this strategy protects a quantum of land for strategic activities to support key state infrastructure, including the airport and port, and the growing population of Sydney CBD, it will also facilitate increased capacity for employment growth to help meet the minimum employment targets contained in the draft Metropolitan Strategy.</p> <p>The strategy is consistent with the objectives, directions and targets of <i>Sustainable Sydney 2030</i> which seek balanced growth to support a globally competitive City.</p> |
| Is the site near or within direct access to key economic infrastructure? | <p>Yes. The main strategy area is located within the Global Economic Corridor, situated within 3km of Sydney CBD and 2km and 3km of the airport and port respectively. The strategy provides land for a range of commercial and industrial uses, including freight and logistics, urban services, light manufacturing and office uses, which will continue to support the area's key economic infrastructure, whilst creating an environment in which further economic growth can occur.</p> |
| Is the site contributing to a significant industry cluster? | <p>The study shows manufacturing was the largest industry sector in the main study area, employing around 3700 people (or 20 percent of total jobs), followed by wholesale trade (19 percent), and transport and warehousing (17 percent). The dominance of these sectors in the main strategy area is evident when compared against the Sydney Statistical Division.</p> <p>Going forward, the strategy area will continue to play an important role both in supporting the growth of these sectors as well as new economic activities, such as creative uses, knowledge industry, and flexible office space. It will also continue to provide sites for strategic activities associated with the airport and port.</p> |
| How would the proposed rezoning impact the industrial land stocks in the subregion or region and the ability to meet future | <p>The strategy retains sufficient industrial land to meet future demand for industrial land activity. The study shows the quantum of land that has been identified for the IN1 – General Industrial zone is sufficient to accommodate population serving industrial uses to service the current and projected population of the LGA to 2036, which is estimated to be around 339,000</p> |

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| <p>demand for industrial land activity?</p> | <p>square metres of floorspace in 2036. This area also provides additional land of approximately 150,000 square metres to accommodate strategic industrial uses, for example those related to the airport. While the study shows a need for approximately 440,000 square metres of land for airport-related freight and logistics uses, some of this will continue to be accommodated in other locations in the strategy area that will continue to be zoned for employment uses, but will be subject to a more flexible land use table.</p> |
| <p>How would the proposed rezoning impact on the achievement of the subregion/region and LGA employment capacity targets and employment objectives?</p> | <p>In safeguarding critical strategic industrial uses, it is recognised that the value of the retained industrial lands is not in their employment generation. There is an economic justification for having some low density employment uses in this area, where the economic benefits they bring to the city and the wider metropolitan Sydney region as a whole exceed the benefits of using the land for higher value and density uses such as commercial.</p> <p>However, the study has found there is capacity within the strategy area to support and generate growth of Sydney's knowledge economies, which are likely to face capacity shortages under current planning controls within the next 25 years. In facilitating a higher density, mixed business economy, through more flexible use and development controls, the strategy increases the long term employment potential of this area, increasing land availability and alleviating capacity constraints for both the City and the Global Economic Corridor.</p> <p>The strategy also proposes some residential activity in defined areas to facilitate enhanced access to employment and address housing supply constraints.</p> |
| <p>Is there a compelling argument that the industrial land cannot be used for an industrial purpose now or in the foreseeable future and what opportunities may exist to redevelop the land to support new forms of industrial land uses such as high-tech or creative industries</p> | <p>The study found a high vacancy rate within the current extent of industrial land (19 percent). The study identifies this may be the result of a range of factors, including, but not limited to:</p> <ul style="list-style-type: none"> • where possible and practical, business will locate in the cheaper employment lands in western Sydney; • those businesses that need to locate in the area will generally seek cheaper industrial land within adjoining local government area; • even for those industries connected with the airport and port, traffic constraints in the area and travel times from the port have seen businesses relocating at least part of their operations to cheaper, well-serviced land within neighbouring LGA's and western Sydney, with modern buildings and good transport accessibility; • businesses face high land values and rates (relative to other industrial lands within the subregion) and this has made the area uncompetitive for many firms; • the predominant built form in the strategy area is no longer suited to modern industrial activity; • many industrial businesses are now more likely to be cleaner, quieter, smaller, and more geared towards high-tech than in the past. These businesses seek mixed use locations with greater amenity than industrial zoned lands. The strategy will continue to enable these activities to locate in the strategy area, while protecting industrial land for industrial uses; and |

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| | <ul style="list-style-type: none">the industrial feasibility modelling undertaken for the study examined two warehouse development scenarios and found neither were viable. This implies that in order to reduce vacancies in the main study area and facilitate renewal, zoning changes are required that will improve feasibility and encourage development. <p>The strategy provides sufficient capacity for industrial activities in a 'typical' industrial zone. The industrial zoning will continue to limit land values in that location and will enable essential and strategic industrial uses have sufficient access to suitable land.</p> |
| <p>Is the site critical to meeting the need for land for an alternative purpose identified in other NSW Government or endorsed council planning strategies?</p> | <p>The strategy area plays a critical role in the local, metropolitan, state and national economies whilst facilitating regional and global network connections. It remains critical to supporting the airport and the port. The lands are also located close to emerging Major Centres at Green Square and Mascot.</p> <p>The proposed zoning strategy will increase viability for a greater variety of business uses, which will support the area's population, the operation of the airport and port, and the growth of Sydney's knowledge economy. The strategy will also provide additional employment capacity, helping to deliver employment targets and providing employment opportunities close to major population centres.</p> |

Appendix 3: Zoning Considerations

This section provides a rationale for the land use zones recommended by this strategy.

Land use zones are defined by the NSW Government's Standard Instrument, which supplies a template for all Local Environmental Plans in NSW. The Standard instrument provides mandated zone objectives and also mandates various land uses that must be permitted within various zones.

The Standard Instrument provides a range of employment zones that might be considered as applicable to the different areas described in this draft strategy. To establish the most applicable zone, the long term aspirations for each area have been weighed against the mandated objectives and uses of each zone as described in the Standard Instrument.

Land use zone objectives

Land-use zones that have been considered for the different areas described in this draft strategy include:

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| B4 – Mixed Uses | <p>The mandated objectives of the B4 – Mixed Uses zone are:</p> <ul style="list-style-type: none"> • To provide a mix of compatible land uses; and • To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling. |
| B5 – Business Development | <p>The mandated objective of the B5 – Business Development zone is:</p> <ul style="list-style-type: none"> • To enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres. |
| B6 – Enterprise Corridor | <p>The mandated objectives of the B6 – Enterprise Corridor zone are:</p> <ul style="list-style-type: none"> • To promote businesses along main roads and to encourage a mix of compatible uses; • To provide a range of employment uses (including business, office, retail and light industrial); and • To maintain the economic strength of centres by limiting retailing activity. |
| B7 – Business Park | <p>The mandated objectives of the B7 – Business Park zone are:</p> <ul style="list-style-type: none"> • To provide a range of office and light industrial uses; • To encourage employment opportunities; and • To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area. |
| IN1 – General Industrial | <p>The mandated objectives of the IN1 – General Industrial zone are:</p> <ul style="list-style-type: none"> • To provide a wide range of industrial and warehouse land uses; • To encourage employment opportunities; • To minimise any adverse effect of industry on other land uses; |

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| | <p>and</p> <ul style="list-style-type: none"> To support and protect industrial land for industrial uses. |
| IN2 – Light Industrial | <p>The mandated objectives of the IN2 – Light Industrial zone are:</p> <ul style="list-style-type: none"> To provide a wide range of light industrial, warehouse and related land uses; To encourage employment opportunities and to support the viability of centres; To minimise any adverse effect of industry on other land uses; To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area; and To support and protect industrial land for industrial uses. |

Comparative Analysis

| Industrial Area | |
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| Zoning Statement | <p><i>Zoning in the south western corner of the main strategy area should accommodate both heavy and light industry. The zone is to allow for population-serving industrial uses (local light industrial uses and urban services required to service the current and projected population of the LGA) and strategic industrial uses (for example, airport related uses).</i></p> <p><i>The long term aspiration for the zone is for ‘pure industrial’ with only minimal ‘ancillary’ uses to support the industrial uses and employment in the zone.</i></p> |
| Zoning Considerations | <p>The recommended zone for this area is IN1 – General industrial because:</p> <ul style="list-style-type: none"> the mandated zone objectives are the best fit for the area. They identify that the zone caters specifically for industrial uses only and recognise the need to protect these areas and keep them separate from other uses; the mandated zone objectives offer highest protection for industrial uses against encroachment from other uses; and the mandated uses align with the long term aspiration for this area which is to support industrial uses. <p>The only other zone that was considered as being potentially applicable to this part of the strategy area was the IN2 – Light Industrial zone. This zone is not considered appropriate because it takes a broader approach to ‘other’ uses which may overtime undermine the pure industrial uses envisaged for this area.</p> <p>Some consideration was given to identifying both an IN1 – General Industrial and an IN2 – Light Industrial zone, however, there is little evidence to support the need for this approach. Moreover it would reduce flexibility and potentially restrict the land available for strategically important heavy industry.</p> |

| Mixed Uses Area | |
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| Zoning Statement | <p><i>Zoning in the northern and eastern precincts should accommodate a mix of employment and residential uses.</i></p> <p><i>The long term aspiration for the zone is a genuine mixed use</i></p> |

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| | <i>precinct supporting a relatively even mix of employment-generating uses and affordable residential development.</i> |
| Zoning Considerations | <p>The recommended zone for this area is B4 – Mixed Uses because:</p> <ul style="list-style-type: none"> the mandated zone objectives support the vision for this area. The mandated uses will facilitate development of appropriate mixed uses; whilst light industrial uses are not envisaged for the area in the long term, the B4 zone will allow for their continued operation whilst the area transitions. The market/land values in a B4 zone are likely to exclude these lower-order economic uses over time; and this area currently operates as a mixed use area, containing substantial residential development as well as mixed employment opportunities. <p>No other zones are considered as appropriate for this area given their focus on solely employment activities.</p> |

| Mixed Business Area | |
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| Zoning Statement | <p><i>Zoning in the central portion of the main strategy area, and in South Dowling Street and Parramatta Road areas, should be sufficiently flexible to encourage and accommodate a wide variety of economic activities, as well as ‘other’ uses likely to attract and support higher value activities in these areas and promote better amenity.</i></p> <p><i>The long term aspiration for the zone is a mixed business precinct facilitated by a flexible approach to land use. The zone should continue to support warehouse and light industrial uses but also facilitate higher value employment such as offices where appropriate. Retail should be limited in scale and should complement the Green Square Town Centre and other defined centres. The zone should continue to support bulky goods uses in limited areas.</i></p> |
| Zoning Considerations | <p>The recommended zone for this area is B6 – Enterprise Corridor because:</p> <ul style="list-style-type: none"> the mandated zone objectives are the best fit for the area, promoting a mix of employment uses (including business, office, retail and light industrial), while recognising the need to limit retail activity so that it plays a supporting role for nominated centres. This is consistent with key state and local policy objectives; and bulky goods retailing will remain prohibited throughout the zone, while being facilitated by Schedule 1 of the Sydney LEP 2012 in key locations within the zone. <p>Whilst the name of the B6 zone suggests its application should be restricted to road corridors, this area is intersected by several major roads such that the zoning could be extended over this wider area.</p> <p>Other zones were considered to achieve the long term aspirations for the mixed business area, but were found to be</p> |

inappropriate.

The mandated zone objectives and permitted uses of the B5 – Business Development zone would allow unrestricted bulky goods retailing. This may undermine the realisation of higher value commercial uses, create traffic and transport issues, and may undermine the realisation of the Green Square Town Centre as a major retail centre. This zoning is therefore not recommended.

The B7 – Business Park zone name suggests a discrete, self-contained business park, rather than a large area whose character will be varied, informed by its surroundings and likely to change over time. The mandated objectives and permitted/prohibited uses also have an office focus, with tight restrictions on retail, in further departure from the vision for this area. The B7 zone is therefore not recommended.

The IN2 – Light Industrial zone was also considered, as there is potential to add further permitted uses to provide for the office and retail envisaged in this area. The mandated objectives in the IN2 – Light Industrial zone are largely focused on providing for industrial uses that are lighter in nature. However, the long term aspiration for this area is more focused on facilitating a range of employment activities, not only those that are industrial in nature. Moreover, the mandated zone objective to 'protect industrial land for industrial purposes' will work directly against the long term objective for the area.

If higher order uses are permitted in the IN2 – Light Industrial zone despite the mandated zone objective to 'protect industrial land for industrial purposes', it will erode the strength of that objective, which is also mandated in the IN1 – General Industrial zone, where it is of vital importance. The IN2 zone is therefore not recommended.