

RELEVANT INFORMATION FOR CENTRAL SYDNEY PLANNING COMMITTEE

FILE: S089805 **DATE:** 08 May 2013
TO: Central Sydney Planning Committee Members
FROM: Graham Jahn AM, Director City Planning, Development and Transport
SUBJECT: Information Relevant to Item 10 - Public Exhibition of the Draft
Employment Lands Strategy - at CSPC 09 May 2013

Recommendation

That the Central Sydney Planning Committee Members note the information contained in this memo.

Background

At the briefing of the Central Sydney Planning Committee (CSPC) on 2 May 2013, further information was sought about the strategic impact of the draft City of Sydney Employment Lands Strategy (draft strategy), in particular how it relates to the Draft Metropolitan Strategy and how it responds to the lifting of the container cap at Port Botany. Members also asked about the level of consultation that had been undertaken with the Department of Planning and Infrastructure about the draft strategy.

The following information provides additional advice and clarification on these issues.

Coordination with the Department of Planning and Infrastructure and the draft Metropolitan Strategy

The City of Sydney Employment Lands Study (the Study), which directly informs the land uses proposed by the draft strategy, was jointly funded by the Department of Planning and Infrastructure (Department) and the City.

The Department has had ongoing input into the Study, including:

- providing comment to the study brief to ensure it addressed those matters necessary to support changes to the planning controls;
- providing comment on the content and methodology of the Background Report (Stage 1 of the study) to ensure it addressed key Department requirements, such as an assessment against the 'Strategic Assessment of Employment Lands' checklist;
- an in depth interview with SGS Economics and Planning – as a key stakeholder with a strategic interest in the development of the area, the Department, represented by Juliet Grant, Regional Director - Sydney Region East, and Peter Hamilton, Director -

Development and Demographic Analysis, met with SGS to discuss the key issues and potential directions for the study area; and

- providing comment on the Study's final report, which included the land use recommendations on which the draft strategy is based – the Department's Sydney Region East and Employment Lands teams provided comment to the final report. The study also was referred to the Metropolitan and Regional Strategies team within the Department who provided in principle support for the Study and land use recommendations.

Strategic context of the study area

The NSW Government's *Sydney Metropolitan Strategy: City of Cities* (2005), *Draft Sydney City Subregional Strategy* (2008) and *Metropolitan Plan for Sydney 2036* (2010) all locate the area subject to the draft employment lands strategy (strategy area) within the 'Global Economic Corridor' and identify it as employment lands of strategic importance. The new *Draft Metropolitan Strategy for Sydney to 2031* (draft Metropolitan Strategy) continues to identify the strategic importance of these lands.

The strategy area will come under substantial pressure over the life of the draft Metropolitan Strategy (to 2031), with significant growth expected at Sydney Airport and Port Botany, high residential growth expected in the Green Square Town Centre and the Mascot Station Precinct, as well as growth within the strategy area itself. This growth will in turn impact on demand for both population serving uses, as well as strategic uses in industrial and other employment lands.

To inform its recommendations about the quantum of industrial land that should be retained in the strategy area, the Study undertook a forecasting supply-demand gap analysis. This analysis compared forecast employment and land area requirements to 2031 against the current capacity of the employment lands to accommodate that growth. The gap analysis showed significant overprovision of industrial zoned land under the *Sydney Local Environmental Plan 2012*. The full findings of the forecasting and gap analysis are shown at Appendix 4 and 4A of the study at Attachment B of the CSPC report.

The impact of growth at Port Botany

The Draft NSW Freight and Ports Strategy, released for public comment in March 2013, identified that by 2031 the volume of freight to be moved from the port is forecast to grow from 409 to 794 million tonnes. However, while substantial, the Study concludes this growth is unlikely to have a large impact on demand for industrial land within the employment lands strategy area, because:

- there is sufficient industrial land protected close to the port under the State Environmental Planning Policy (Major Development) 2005 for port related uses;
- a key finding of the background report was that where possible, both port and airport related uses prefer to locate south of Gardeners Road. This is because of the perceived or real issues associated with the higher land values in the area, the eroded industrial nature of the study area, and distance and access issues associated with the study area and the impacts this may have on the efficient operation of business in terms of travel times. With particular regard to port related uses, it is generally only office uses that might choose to locate in the study area, and those can be accommodated in zones proposed by the draft strategy; and
- in the unlikely event that port related uses experience shortages of areas in which they may locate, there is still considerable scope for intensification of uses in the study area.

Importantly, the Study recommends that a subregional approach must be taken within these areas, one that determines the necessary supply of industrial and other employment land, for both population serving uses and strategic uses, and efficiently locates and protects it in the future. This will reduce the likelihood of the industrial lands in the Study area becoming overburdened and consequently unviable for lower value uses. It will also allow for enhanced transport planning and neighbouring residential planning, once the role of the different precincts is made more certain.

The public exhibition of the draft Employment Lands Strategy

Extensive consultation was undertaken to inform the Employment Lands Study, including face to face meetings with those who had made submissions to the exhibition of the draft Sydney LEP 2010, a phone survey of 200 businesses operating in the study area, consultation with real estate agents, and in depth interviews with key stakeholders with a strategic interest in the strategy area.

The exhibition of the draft strategy will allow for additional consultation and provide the community, land owners and other key stakeholders, such as the port and airport, to understand and make comment to the zones and land uses being proposed in the strategy area. The draft strategy also includes recommendations about other planning controls to guide the implementation of and achieve the overall objective of the zones.

Following public exhibition, the draft strategy will be reported back to Council for consideration for adoption. If adopted, the strategy will inform the preparation of new planning controls for the strategy area for the consideration of Council and the Central Sydney Planning Committee.

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Approved



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