

ITEM 8. PUBLIC EXHIBITION – PLANNING PROPOSAL - AMENDMENT TO SYDNEY LOCAL ENVIRONMENTAL PLAN 2013 - GREEN SQUARE TOWN CENTRE - MIRVAC GREEN SQUARE AND URBANGROWTH NSW

FILE NO: X005215

SUMMARY

This report seeks approval to submit a planning proposal (shown at Attachment A) to the Greater Sydney Commission to begin the process of amending *Sydney Local Environmental Plan (Green Square Town Centre) 2013* (the LEP). The planning proposal was prepared in response to a request by consultants FPD, on behalf of Mirvac Green Square Pty Ltd and UrbanGrowth NSW. The proposed amendment relates to 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland. There are two parts to the amendment:

- Part one seeks to formalise the floor space allocation for the individual development parcels that were created with subdivision of the three original parent lots. The subdivision created parcels for buildings and for public open space and roads to be dedicated to Council. The proposed LEP amendment distributes the total floor space of the three original lots, expressed as floor space ratio (FSR), to the development parcels for buildings.
- Part two seeks to transfer 4,200 square metres of commercial floor space from sites 8A and 8B, fronting Botany Road, to sites 7 and 17, fronting the north side of the Green Square Library and Plaza. The amendment adds a clause to the LEP to permit the transferred floor space to be utilised only for commercial, entertainment complex and child care uses. The amendment is intended to improve the urban design outcome of sites 7 and 17 at the interface between the podium and the plaza, and bring greater activation with the provision of an entertainment complex and a childcare centre.

The Green Square Town Centre (the Town Centre) covers an area of 13.74 hectares, it is located within the Green Square Urban Renewal Area (Green Square), approximately 4.5 kilometres south of Central Sydney and north of Sydney (Kingsford Smith) Airport. The Town Centre will be the lively residential, commercial, retail and cultural centre for Green Square. It will make substantial contribution to the *Sustainable Sydney 2030* targets and directions which foster sustainable urban renewal, sustainable forms of transport and centres with easy-to-get-to services, the arts and recreational activities.

The Town Centre is in multiple ownership, with UrbanGrowth NSW, in partnership with Mirvac Green Square Pty Ltd, and the City of Sydney being the major landowners. Most of it is undergoing significant construction activity to deliver a mixed use precinct defined by fine grain and tree-lined streets, parks and plazas. When fully developed after 2025, the Town Centre is projected to accommodate close to 3,900 dwellings, home to about 7,500 residents, and 8,500 workers.

The proposed amendment to distribute the floor space allocation to the newly created development parcels with specific FSRs will provide an up-to-date plan, offering greater clarity about the achievable floor space. The purpose of this proposal is to reallocate floor space across the sites after the dedicated areas have been transferred to Council. As a result, the new FSRs allocated to the subdivided parcels will be more aligned to the Height of Buildings Map in the LEP.

The proposed amendment to transfer 4,200 square metres of commercial floor space to be used as an entertainment facility and childcare centre will contribute to ensuring the Town Centre is attractive as a destination, providing for local employment and day-time activation, widening the range of local facilities and making the ground floor retail more attractive by increasing foot traffic.

The planning proposal is consistent with the intent of the current development controls with respect to maximum total gross floor area resulting from FSRs and building heights permitted. No increase in total gross floor area or height is proposed.

It is recommended that the Central Sydney Planning Committee approve the planning proposal at Attachment A and request a Gateway Determination to allow the proposal to be publicly exhibited.

RECOMMENDATION

It is resolved that:

- (A) the Central Sydney Planning Committee approve *Planning Proposal: Green Square Town Centre - Sites 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland*, shown at Attachment A to the subject report, for submission to the Greater Sydney Commission with a request for a Gateway Determination;
- (B) the Central Sydney Planning Committee approve *Planning Proposal: Green Square Town Centre - Sites 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland* for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 19 July 2016 that Council seek authority from the Greater Sydney Commission to exercise the delegation of the Greater Sydney Commission of all the functions under section 59 of the *Environmental Planning and Assessment Act 1979* to make the local environmental plan to put into effect *Planning Proposal: Green Square Town Centre - Sites 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland*; and
- (D) authority be delegated to the Chief Executive Officer to make any minor changes and any changes required by the Greater Sydney Commission to *Planning Proposal: Green Square Town Centre - Sites 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland* following receipt of the Gateway Determination prior to the exhibition.

ATTACHMENTS

Attachment A: Planning Proposal: Green Square Town Centre - Sites 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street Zetland

BACKGROUND

1. The Green Square Town Centre (the Town Centre) covers an area of 13.74 hectares; it is located within the Green Square Urban Renewal Area (Green Square), approximately 4.5 kilometres south of Central Sydney and north of Sydney (Kingsford Smith) Airport. The Town Centre will be the lively residential, commercial, retail and cultural centre for Green Square. It will make substantial contribution to the *Sustainable Sydney 2030* targets and directions which foster sustainable urban renewal, sustainable forms of transport and centres with easy-to-get-to services, the arts and recreational activities. The area defined as the Town Centre is shown in Figures 1 and 2.

Figure 1. Green Square Town Centre area (planning proposal sites shown grey with white border)



2. The Town Centre is in multiple ownership, with UrbanGrowth NSW, in partnership with Mirvac Green Square Pty Ltd, and the City of Sydney being the major landowners. Most of it is undergoing significant construction activity to deliver a mixed use precinct defined by fine grain and tree-lined streets, parks and plazas. When fully developed after 2025, the Town Centre is projected to accommodate close to 3,900 dwellings, home to about 7,500 residents, and 8,500 workers.
3. Construction works underway include: soil remediation; construction of new streets (Ebsworth Street, Barker Street and Tweed Place); demolition of the former Waverley depot; construction of the new Green Square Library and Plaza; refurbishment and adaptation of heritage buildings in the former South Sydney Hospital site for the Green Infrastructure Centre, the Joynton Avenue Creative Centre, the Banga Community Shed and the Waranara Early Childhood Centre; and works on the Green Square stormwater drain.

Figure 2. Green Square Town Centre area showing public domain layout



4. Construction is also underway for private buildings north of the Green Square Plaza, including the development on Botany Road by Crown Group which will accommodate 400 dwellings, a multi-purpose function facility and retail, and Mirvac Green Square developments on Ebsworth Street to build 462 apartments, a supermarket and shops. The first residential building completed in the Town Centre is the City West Housing development of 104 affordable housing units occupied early in 2016.
5. The current planning controls for the Town Centre are under *Sydney Local Environmental Plan (Green Square Town Centre) 2013* (the LEP), which covers the sites owned by UrbanGrowth NSW and the subject of this planning proposal: 355 Botany Road, 377-497 Botany Road and 956-960 Bourke Street, Zetland. *Sydney Local Environmental Plan (Green Square Town Centre–Stage 2) 2013* covers the rest of the Town Centre sites. Detailed design controls are under *Green Square Town Centre Development Control Plan 2012* (the DCP).

- This report seeks approval to submit the planning proposal, shown at Attachment A, to the Greater Sydney Commission to begin the process of amending the LEP. The Planning Proposal was prepared in response to a request by consultants FPD, on behalf of Mirvac Green Square Pty Ltd and UrbanGrowth NSW.

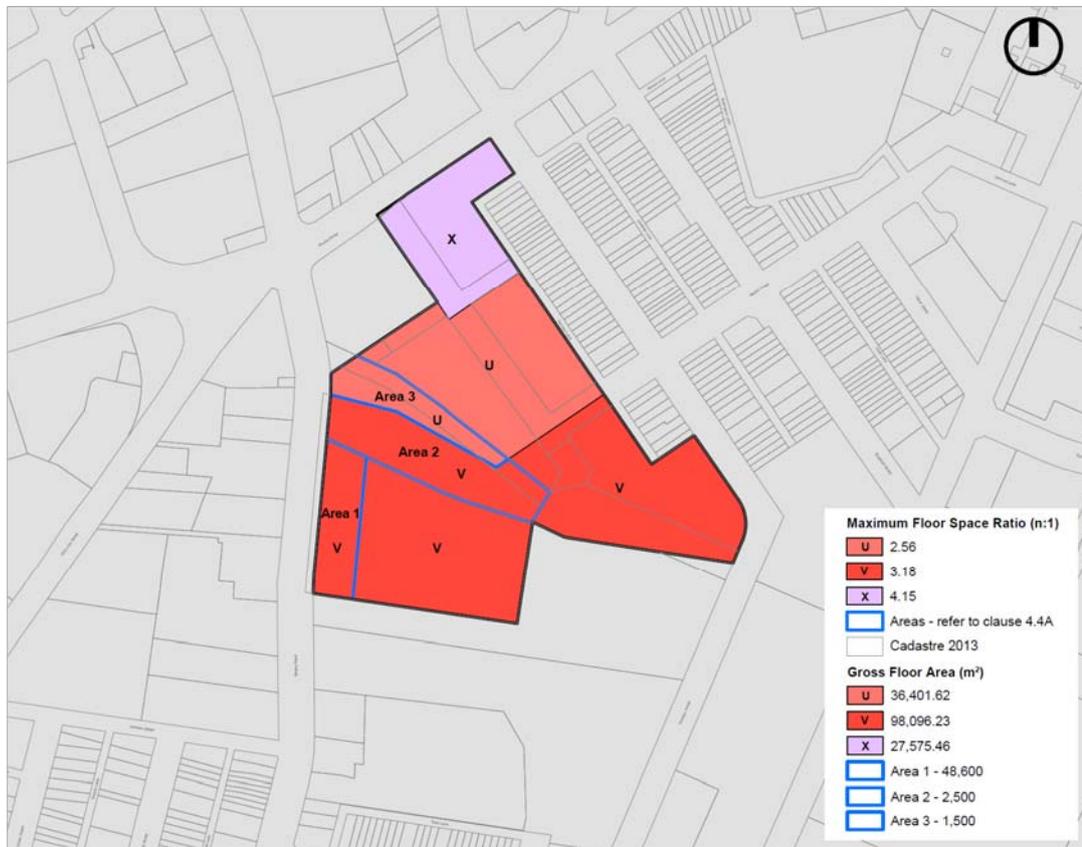
Site development

- The area covered by the subject sites is shown at Figure 3. The sites are the three original parent lots in existence when the LEP came into force in September 2013. They comprise a total area of 51,711 square metres.
- The FSR controls under the LEP are shown at Figure 4. Together with the height controls, they set the building envelopes and a total achievable maximum development capacity of 210,672 square metres of floor space. This development capacity includes the additional 48,600 square metres of commercial floor space permitted for Area 1 (shown in Figure 4). Areas 2 and 3 define the Green Square Plaza within which the LEP permits 4,000 square metres of floor space for Council's library. This floor space is excluded from the total development capacity for private buildings on the subject sites.

Figure 3. Original parent lots



Figure 4. FSR controls under the LEP and resulting gross floor area



9. The DCP defines the public domain network, including parks, plazas and streets and the building lots or 'Development Sites'. These are shown at Figure 5. Indicative height of buildings in storeys set by the planning controls for the Development Sites are shown at Figure 6. The achievable building envelopes set by the LEP and DCP controls are based on detailed urban design analysis the City undertook, that specifically allocated floor space to the Development Sites to derive FSRs for the original parent lots.

Figure 5. ‘Development Sites’ defined in the DCP, subject sites highlighted red



Figure 6. Indicative building envelopes showing height in storeys, looking E, subject sites shown in white



10. The rezoning of the subject sites from industrial to higher order mixed uses in September 2013 was subject to the execution of a voluntary planning agreement (VPA) between Mirvac Green Square/UrbanGrowth NSW and Council. The VPA secures a range of public benefits which will contribute towards delivering the essential infrastructure necessary to support development in the Town Centre:
 - (a) remediation of land, formation of levels and dedication by nominated dates of that land to Council for public roads and the Green Square Plaza;
 - (b) construction of roads;
 - (c) monetary contributions for infrastructure and services within the Town Centre;
 - (d) connection of buildings to Council's Green Infrastructure; and
 - (e) appointment of a Place Manager for four years, commencing three months prior to the occupation of the first residential dwelling.

11. In November 2014, the original parent lots were subdivided to facilitate development on the Development Sites and the dedication of land for roads and open space to Council in line with the dates committed under the VPA. A subsequent subdivision approved in July 2016 split the lot south of the Green Square Plaza into two. The subdivision created a separate lot containing the future commercial towers within Development Sites 8A and 8B, fronting Botany Road. The current subdivision plan is shown at Figure 7.

Figure 7. Current subdivision plan



KEY IMPLICATIONS

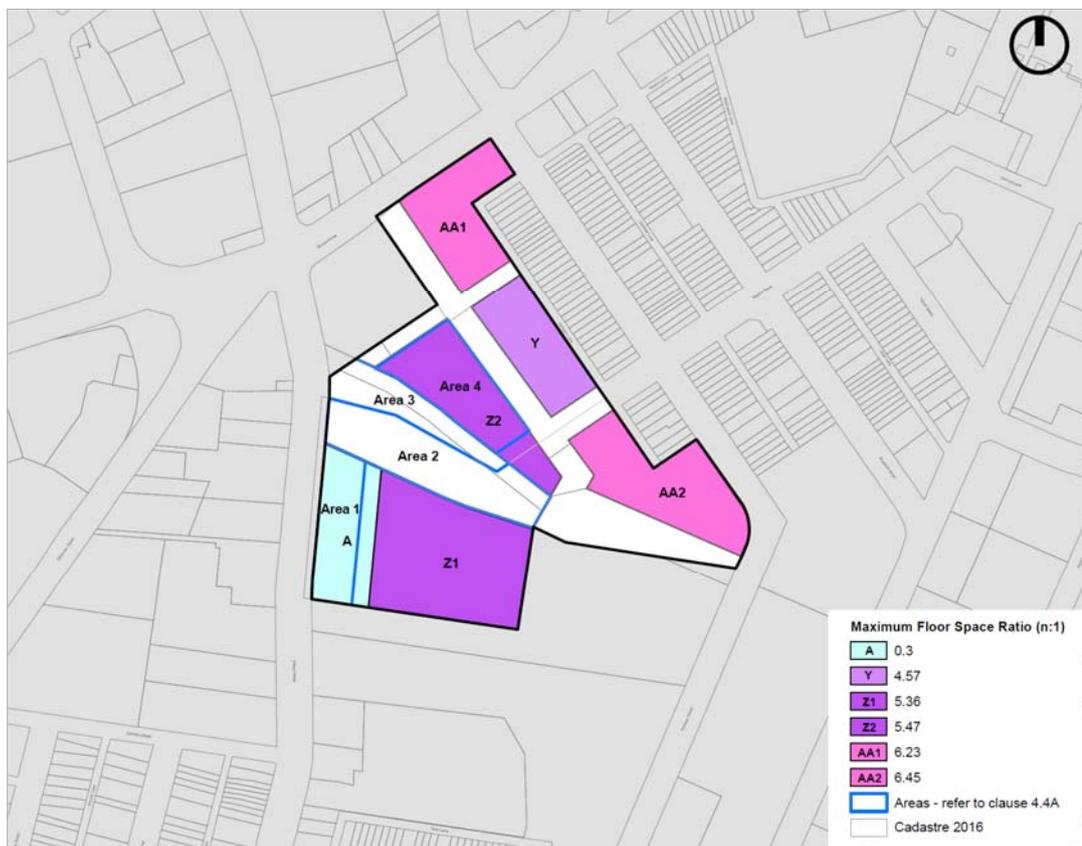
The Planning Proposal

12. The planning proposal, shown at Attachment A, relates to the area of the three original parent lots. The planning proposal seeks to amend the LEP in the following manner.

Reallocation of floor space

13. The subdivision of the original parent lots and subsequent dedication of the land for the plaza and roads requires an amendment to distribute the permissible floor space across to the newly created lots, excluding the public domain lots. The planning proposal seeks to formalise the floor space allocation for the individual development parcels created with the subdivision.
14. The proposed LEP amendment distributes the total floor space derived from the FSR currently permitted on the three original lots. An amended FSR map is proposed, shown in Figure 8 – higher FSRs are allocated to the development lots and no FSR is allocated to the public domain lots. The proposed FSRs are derived from the total floor space that can potentially be achieved within the LEP and DCP height limits.
15. This amendment is primarily an administrative remapping of FSRs. No change is proposed to the total floor space cumulatively achievable for the overall land. No change is proposed to the height of buildings. The indicative building envelopes permitted under the current controls, shown in Figure 6, will not change as a result of this amendment.

Figure 8. Proposed FSR controls



Transfer of commercial floor space

16. The planning proposal request submitted by the proponents also seeks an amendment to transfer 4,200 square metres of commercial floor space from the future towers on Development Sites 8A and 8B, fronting Botany Road, to sites 7 and 17, fronting the Green Square Library and Plaza (refer to Figure 5). The transferred floor space is intended to be for commercial/office uses, entertainment facility and childcare centre. It is envisaged that the additional floor space will be used to develop a cinema complex of about 3,000 square metres on site 7 and a childcare centre of about 1,200 square metres on site 17. The floor space quantum is informed by the proponents' discussions with potential operators.
17. Sites 8A and 8B would retain potential for 44,400 square metres of commercial floor space. Currently, these sites are awaiting development, with no potential commercial tenant. In support of the floor space transfer request, market advice has been provided by Savills which indicates the retained amount is still significant enough to accommodate large commercial users and will not compromise the later commercial development of the sites.
18. The cinema will provide a place of significant public entertainment that will contribute to the cultural life of the Town Centre and activation on the site. The childcare centre will be an important facility to service the growing needs of families and workers in the local area.
19. The additional floor space will be incorporated in the podiums of sites 7 and 17, creating a better urban design outcome. The four story high podium wall will provide a taller and more defined street wall at the interface with the plaza and a stronger urban edge to the library design.
20. The floor space transfer will also improve amenity in the proposed residential towers of sites 7 and 17 fronting Ebsworth Street; it will allow the relocation of south-facing apartments and improve compliance with the NSW Apartment Design Guide. Diagrams showing indicative distribution of the transferred floor space are included in the planning proposal at Attachment A.
21. The proposed LEP amendment to transfer the floor space adds "Area 4" in the FSR map (shown in Figure 7 and in the planning proposal at Attachment A). A subclause is also added to clause 4.4A Exceptions to floor space ratio in the LEP to permit not more than 4,200 square metres floor space within "Area 4" for "office premises or business premises, childcare and entertainment facility". The floor space permitted in "Area 1" in the same subclause is reduced by 4,200 square metres to 44,400 square metres.
22. It is noted no changes are proposed to the maximum building heights as a result of this amendment. The transferred floor space can be fully accommodated within sites 7 and 17. In the case of sites 8A and 8B, it is proposed to retain the current building height in the LEP (despite the floor space reduction) to allow flexibility in accommodating future non-residential uses which may require high floor-to-ceiling heights.

Strategic Alignment - Sustainable Sydney 2030 Vision

23. *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 proposal is aligned with the following Sydney 2030 strategic directions and objectives:
- (a) Direction 2 - A Leading Environmental Performer – with set measurable and accountable targets to drive down the City's environmental footprint, including to reduce greenhouse gas emissions by 70% compared to 1990 levels by 2030. The Town Centre will enable delivery of dual reticulation in all buildings for future connection to a non-potable/recycled water source. Energy efficient LEP street lighting will be incorporated into the public domain.
 - (b) Direction 5 - A Lively and Engaging City Centre. The establishment of an entertainment facility and child care centre will contribute to greater activation of the Town Centre.
 - (c) Direction 7 - A Cultural and Creative City – the inclusion of a cinema complex in the Town Centre will contribute to the promotion of the arts and artistic endeavours.
 - (d) Direction 9 - Sustainable Development, Renewal and Design - The planning proposal is consistent with action 9.4.1 to regularly review and streamline development controls. The proposal seeks to improve the operation of the controls and provide greater certainty as to the development capacity of the site. It also seeks to achieve improved amenity and urban design outcomes.

Social / Cultural / Community

24. The inclusion of a cinema complex in the Town Centre will have a significant positive social benefit, contributing to the promotion of the Town Centre as a destination and offering greater activation of the plaza. The addition of a childcare centre will also have a positive social benefit, servicing the growing needs of families and workers in the area.

Economic

25. The driver for the allocation of 48,600 square metres of office and business floor space on sites 8A and 8B is to foster a mixed use Town Centre, provide for local employment and day-time activation. The transfer of 4,200 square metres of that floor space to be used as an entertainment facility and childcare centre will satisfy similar objectives and make the area more attractive as an employment destination and the ground floor retail more attractive by increasing foot traffic.
26. The reduction of 4,200 square metres of commercial floor space on sites 8A and 8B will not have a negative impact on its future use for office or commercial purposes. The report prepared by Savills in support of the planning proposal request (included in the planning proposal at Attachment A to this report) examines trends in demand for office space by size in South Sydney and surrounding metropolitan office markets. The report finds that the majority of users seek 1,000-1,500 square metres, and all but the very largest user's requirements are below 10,000 square metres. The majority of commercial floor space users' needs can be accommodated on the retained floor space of 44,400 square metres on these sites.

BUDGET IMPLICATIONS

27. In accordance with Council's Fees and Charges Schedule, a fee has been paid for an 'LEP Amendment: Major Application' for the consideration of the planning proposal request to amend the LEP.

RELEVANT LEGISLATION

28. *Environment Planning and Assessment Act 1979* and *Environment Planning and Assessment Regulation 2000*.

CRITICAL DATES / TIME FRAMES

29. If Council and the Central Sydney Planning Committee (CSPC) endorse the planning proposal for exhibition and consultation, the City will forward it to the Greater Sydney Commission in accordance with Section 56 of the *Environmental Planning and Assessment Act 1979*. The Greater Sydney Commission will then provide a Gateway Determination to either proceed to consultation, with or without variation, or to resubmit the planning proposal.
30. The typical timeframes, once a Gateway Determination has been made, are 21 days for public authority consultation and at least 14 days for public exhibition. The Gateway Determination will also specify a date by which the LEP amendment should be finalised.
31. In October 2012, the then Minister for Planning and Infrastructure delegated his plan making functions to councils to improve the local plan-making process. In December 2012, Council resolved to accept the delegation. Existing delegations are preserved by amendments to the *Environmental Planning and Assessment Regulation 2000*, despite the creation of the Greater Sydney Commission.
32. Council needs to receive an authorisation on a case-by-case basis to exercise the delegation. The authorisation is given through the Gateway process and means a faster plan-making process, with less involvement of the Department of Planning and Environment. This report recommends that the CSPC note the recommendation to Council's Planning and Development Committee on 19 July 2016 to seek authority to exercise this delegation.

PUBLIC CONSULTATION

33. The public exhibition process and requirements will be informed by the Gateway Determination. It is proposed to publicly exhibit the planning proposal for a minimum period of 28 days, with the following 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 site owners, adjoining and nearby landowners, relevant community groups, other stakeholders and the community in the immediate vicinity of the site.

34. Exhibition documents will be made available for viewing on the City of Sydney website, at the One Stop Shop at Town Hall House and at the Green Square Neighbourhood Service Centre.

GRAHAM JAHN, AM

Director City Planning, Development and Transport

(Lila Contziu, Manager Green Square and Major Projects)

(Lee Farrell, Strategic Student Planner)