

ITEM 12. POST EXHIBITION - AMENDMENT TO SYDNEY LOCAL ENVIRONMENTAL PLAN 2012 - REZONING OF SITES IN PYRMONT**FILE NO: X000023****SUMMARY**

The City's planning controls are critical to delivering strong economic, cultural, social and environmental outcomes for the City. The *Sydney Local Environmental Plan 2012* (the LEP) and *Sydney Development Control Plan 2012* are the primary planning controls that guide future development.

The City has exhibited a planning proposal to change the planning controls by rezoning sites in Pyrmont from mixed use to residential or public recreation. The proposed rezoning responds to the public exhibition of the draft *Sydney Local Environmental Plan 2011* during which the City received submissions from the Pyrmont community about the appropriateness of the B4 mixed use zoning. This zoning is a translation of the zoning under the previous controls. In response, the City reviewed the sites and found that the sites had been developed as strata residential buildings. It was recommended the sites be zoned R1 General Residential rather than B4 Mixed Use. Council and the Central Sydney Planning Committee (CSPC) resolved to prepare a planning proposal to rezone the sites to R1 General Residential when they adopted the LEP.

In addition, two parks in Pyrmont were proposed to be zoned Public Recreation in the preparation of the LEP, however, this could not happen until the parks were subdivided from the development sites. The sites have now been subdivided and can be rezoned, ensuring they remain an important part of the local open space network which contributes to the amenity of the Pyrmont area.

In February 2016, Council and the CSPC approved the planning proposal for public exhibition. The Greater Sydney Commission issued a Gateway Determination in April 2016 and the planning proposal was exhibited in May 2016.

The City received one submission in response to the exhibition. The submission was from a local community group and it supported the proposed rezoning. It is recommended the planning proposal is approved and is made into a local environmental plan.

RECOMMENDATION

It is resolved that:

- (A) the Central Sydney Planning Committee note the matters raised in response to the public exhibition of the Planning Proposal: Sydney Local Environmental Plan 2012 - Rezoning of Sites in Pyrmont, as detailed in the subject report;
- (B) the Central Sydney Planning committee approve the Planning Proposal: Sydney Local Environmental Plan 2012 - Rezoning of Sites in Pyrmont, shown at Attachment A to the subject report, to be made as a local environmental plan under section 59 of the Environmental Planning and Assessment Act 1979; and

- (C) the Central Sydney Planning Committee note the recommendation to Council's Planning and Development Committee on 9 August 2016 that authority be delegated to the Chief Executive Officer to make any minor changes to the Planning Proposal: Sydney Local Environmental Plan 2012 - Rezoning of sites in Pyrmont to correct any drafting errors prior to finalisation of the local environmental plan.

ATTACHMENTS

Attachment A: Planning Proposal: Sydney Local Environmental Plan 2012 – Rezoning of Sites in Pyrmont

Attachment B: Gateway Determination, dated 8 April 2016

BACKGROUND

1. The City has prepared and exhibited a planning proposal to rezone sites in Pyrmont from B4 Mixed Use to R1 General Residential and RE1 Public Recreation. This report discusses the outcomes of the public exhibition and recommends the Central Sydney Planning Committee (CSPC) approve the planning proposal and for it to be made into an LEP. The planning proposal is at Attachment A. The planning proposal implements resolutions of Council and the CSPC that came from the public exhibition of Draft Sydney Local Environmental Plan 2011.
2. The planning proposal is to rezone the following sites in Pyrmont from B4 Mixed Use to R1 General Residential: 1 Distillery Drive; 15 Bowman Street; 25 Bowman Street; 35 Bowman Street; 5 Tambua Street; and 66 Bowman Street. These sites, shown in Figure 1, have been developed as residential strata buildings and the mixed use zone no longer reflects the current land use. Given the current development of the sites as strata residential buildings, it is unlikely that employment uses will take advantage of the mixed use zoning. The rezoning of the sites will ensure the land use zoning is consistent with the existing land uses and the expectations of the community. This will provide social and environmental benefits by protecting residential amenity and reducing environmental impacts from other activities that can be developed on the land.



Figure 1: Aerial photograph showing sites proposed to be rezoned from Mixed Use to General Residential outlined in red (source: nearmap)

- The planning proposal is also to rezone the following sites in Pyrmont from B4 Mixed Use to RE1 Public Recreation: 11 Bowman Street; 1A Distillery Drive; and 3 Distillery Drive. The sites were part of a larger development site which has now been developed, subdivided and dedicated to the Minister for Planning for use as public parks under the care and control of the NSW Department of Planning. The subject sites are shown in Figure 2. The rezoning of the sites to public recreation is consistent with their existing use.

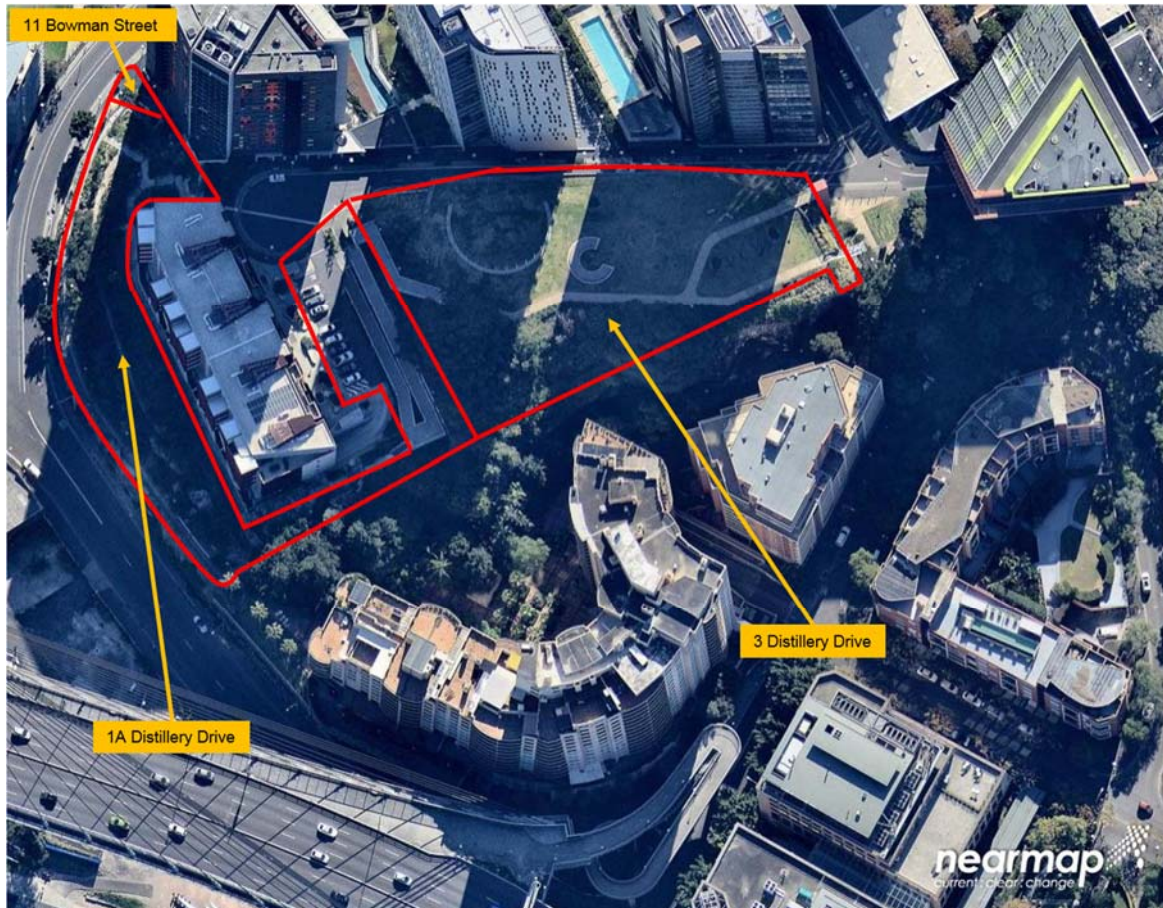


Figure 2: Aerial photograph showing the location of 11 Bowman Street, 1A and 3 Distillery Drive, Pyrmont (source: nearmap)

- Under the previous planning controls, the mixed use sites were zoned as Residential-Business under the *Sydney Regional Environmental Plan 26 (SREP 26)* and *Sydney Local Environmental Plan 2005 (LEP 2005)*. The intent was to promote a mixture of residential and employment generating development of the land. The zoning was translated to the *Sydney Local Environmental Plan 2012*.
- During public exhibition of the draft Sydney LEP 2011, the City received submissions from the community about the appropriateness of the B4 Mixed Use zoning. In response, the City conducted a review of the land use. The findings indicate the sites had been developed as strata residential buildings and it was recommended that the sites be zoned R1 General Residential rather than B4 Mixed Use. This would ensure the zoning reflects the existing uses that have been developed and the resulting character.

6. In addition, two parks located at the western end of Bowman Street and Distillery Drive Pyrmont were also intended to be zoned for public recreation in the LEP, as they were zoned for that use under the previous planning controls, Sydney LEP 2005. However, the parks were part of a larger development lot and, due to the mapping requirements of the NSW Government's Standard Local Environmental Plan, only one zone could be applied to a single lot. The Department of Planning advised that the sites should be zoned mixed use and could be rezoned after subdivision.
7. These sites have now been subdivided and it is the intention of the planning proposal to rezone the parks to RE1 Public Recreation. The proposed RE1 Public Recreation zone will reflect the previous planning controls and the existing parks. These parks are an important part of the local open space network which contributes to the amenity of the Pyrmont area.
8. The parks were dedicated to the Minister for Planning by the developer and are in the process of being handed over to the City after the termination of the Ultimo Pyrmont Public Services Agreement. Termination of the agreement has progressed and is awaiting NSW Government sign off. Once terminated, the City will begin the process to transfer the lands.

Exhibition and Submission

9. The planning proposal was exhibited in May 2016 and one submission was received from the Pyrmont Action Group. The submission supports the rezoning changes and proposes an additional change to the zoning. The submission requests that 21 Harris Street be changed from B3 Commercial Core to B4 Mixed Use, which would enable development entirely for residential uses.
10. The urban renewal of Pyrmont was originally planned as a mixed use precinct. This strategic approach is appropriate and continues in current State and local plans. This part of Pyrmont was the former CSR sugar refinery until the mid-1990s. Its urban renewal from an industrial site to the Jacksons Landing mixed use precinct was guided by SREP 26 and a masterplan. The Harris Street precinct, generally, and 21 Harris Street, in particular, are identified in the Jacksons Landing Master Plan 2003 as locations for commercial office buildings with retail activities at street level. This supported *SREP 26* and the 1994 Master Plan, which sought to maximise opportunities for employment and the capacity to live and work in the same locality. The Jacksons Landing Master Plan 2003 recommends the development of up to 38,000 square metres of business floor space located along the northern end of Harris Street, including 21 Harris Street. Under the LEP, 21 Harris Street is zoned B3 Commercial Core, reflecting the intentions of the Jacksons Landing Master Plan 2003, *SREP 26* and the subsequent Sydney LEP 2005. *Sydney Development Control Plan 2012* also identifies the area as a living and working precinct where large scale commercial use is to provide employment opportunities. The NSW Government's *A Plan for Growing Sydney* identifies priorities for the Central Subregion. Two of these priorities are to retain a commercial core in Pyrmont for long-term employment growth and support the land use requirement of the creative digital technology knowledge hub in Ultimo Pyrmont.

11. A large number of sites in Pyrmont were zoned mixed use, anticipating development of both business and residential uses and to achieve the mixed use character identified in State and local plans. However, the majority of these sites have been developed exclusively for residential. Maintaining the commercial core zoning of 21 Harris Street will help achieve the aims of longstanding State and local planning aims for Pyrmont. It is recommended that the zoning of 21 Harris Street remain B3 Commercial Core. This also allows for hotels and retail.
12. This report recommends that the planning proposal at Attachment A is approved and is made into a local environmental plan.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

13. *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 report is aligned with the following SS2030 strategic directions and objectives:
 - (a) Direction 6 - Vibrant Local Communities and Economies - The planning proposal responds to objective 6.1 maintain and enhance the role and character of the Villages. The zoning of the sites to Residential or Public Recreation will have positive social and environmental impacts, including consistency with community expectations for amenity in residential areas and protection of open space.
 - (b) 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 planning proposal seeks to improve the operation of the controls. It reflects the intended use of the land from previous planning controls and the land uses developed. It will also provide certainty for the community, proponent and the City.

Social / Cultural / Community

14. The proposed changes will result in social benefits, including protecting existing open space, and provide certainty for the community of the future uses of the land. The parks are a crucial part of the open space network which contributes to the amenity of the Pyrmont area.

Economic

15. There are no negative effects from changing the zoning. It is unlikely that employment uses will be able to take advantage of the mixed use zone on the subject sites due to market demand for residential use and the constraints of strata.

RELEVANT LEGISLATION

16. *Environmental Planning and Assessment Act 1979 and Environmental Planning and Assessment Regulation 2000.*

CRITICAL DATES / TIME FRAMES

17. The Gateway Determination sets the completion date for the planning proposal as 15 January 2017.

PUBLIC CONSULTATION

18. In February 2016, the CSPC resolved to seek a Gateway Determination from the Greater Sydney Commission to allow exhibition of the planning proposal.
19. The Gateway Determination was issued in April 2016 and required the planning proposal be exhibited for 14 days. The exhibition was notified in local papers on 9 May 2016. The City sent letters to owners and occupants of both properties proposed to be rezoned and neighbouring properties. A number of notification letters were addressed incorrectly, so the exhibition period was extended and letters were resent. The planning proposal was publicly exhibited between 9 May and 1 June 2016. The planning proposal was available for viewing at the One Stop Shop in Town Hall, Glebe Neighbourhood Service Centre and on the City's website.
20. One submission was received, which is discussed previously in the report. No changes to the Planning Proposal are proposed as a result of matters raised in submissions.

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