ITEM 4. **PROPOSED COMMUNITY CONSULTATION FOR THE PLANNING PROPOSAL: SYDNEY LOCAL ENVIRONMENTAL PLAN-HAROLD PARK-2010 - DRAFT SYDNEY DEVELOPMENT CONTROL PLAN-HAROLD PARK-2010 AND PLANNING AGREEMENT FOR THE HAROLD PARK PACEWAY AND FORMER ROZELLE TRAM DEPOT-FOREST LODGE**

FILE NO: **S073215**

SUMMARY

On 29 June 2009 and 2 July 2009, Council and the Central Sydney Planning Committee (CSPC) respectively resolved to commence the process to rezone the Harold Park Paceway and Former Rozelle Tram Depot Site (the Site) and prepare a new Local Environmental Plan (LEP) and Development Control Plan (DCP) to allow for and guide the urban renewal of the site.

The City has prepared draft planning controls consisting of the *Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010* (Attachment A) and the *Draft Sydney Development Control Plan (Harold Park) 2010* (Attachment B). The draft planning controls have been informed by a series of Technical Studies (included as attachments to the Planning Proposal) and a program of non-statutory community consultation.

This report balances the needs of the community with the City's need to contribute to the dwelling and jobs targets set by the State Government. Renewal sites such as Harold Park are an important opportunity to make a sustainable contribution to the targets without adversely affecting inner-city heritage areas.

The Site is zoned 'open space' but privately owned and not publicly accessible. As the owner intends to relocate harness racing activities from the Site, continuing to restrict future uses would, in all likelihood, cause it to become vacant and disused. The rezoning and new planning controls enable a range of uses across the Site that will ensure a more effective use of the land and promote the social and economic welfare of the community and a better environment in accordance with the City's and the State's strategic directions. It also creates opportunities to address housing and job supply, public open space provision, promotion of sustainable transport and the conservation of local heritage. In summary, the planning controls remove an existing restriction on uses and permit development that will contribute to state and local planning objectives and provide public benefits with minimal environmental and social impact.

The Planning Proposal explains the intended effect of, and justification for, the proposed LEP. The key planning controls in the Planning Proposal include zoning the Site for 'Mixed Use'; setting a height limit equivalent to 8 storeys; a maximum floor space ratio of 1.2:1, inclusive of potential bonuses for sustainability; and identifying the Tram Depot and its historic curtilage as a heritage item.

The Draft DCP provides more detailed planning controls and guidance for the renewal of the Site. The Draft DCP includes detailed provisions related to built form, conservation and interpretation of heritage items and the design and use of public open space, including the provision of a pedestrian and bicycle network. The planning controls do not prescribe a specific urban design approach but allow flexibility where improved public benefit and design excellence can be demonstrated. The Draft DCP has controls that require the provision of a public park, set principles for its preferred location, which ensure it is well connected, continuous and a predominantly consolidated area in which divisions by roads are minimised, and nominate desirable uses, such as active sports fields and community gardens. The plan for open space that was developed in the Urban Design Study is the City's preferred location for open space, however, this can be varied only if improved public benefit and design excellence is demonstrated. Regardless of the location of open space, the quantum would be locked in through a Planning Agreement.

The Planning Proposal provides for about 1,200 dwellings and 10,000 square metres of commercial floor space that could not otherwise be developed. This will significantly increase the land value to the benefit of the site owner, with few if any negative effects for that owner. In principle, part of that benefit should then be shared with the local community to offset any adverse effects from the rezoning. The best mechanism for capturing significant public benefits from a change to an LEP is a planning agreement. A planning agreement is a contractual agreement between the planning authority and a developer for obtaining contributions for a public purpose with obligations enforceable under the *Environmental Planning and Assessment Act 1979*. A planning agreement must be publicly exhibited before endorsement and can be linked to the land title to ensure obligations are transferred with ownership.

The draft planning controls balance the provision of public open space, impacts to the character of the area, the need to increase housing supply and the opportunities afforded by the light rail. The controls are consistent with the objectives of *Sustainable Sydney 2030*, the State Government's *Sydney Metropolitan Strategy* and the *Draft Sydney City Subregional Strategy*. The renewal of the site will deliver:

- 3.9 hectares of continuous new public parkland sufficient to accommodate a range of active and passive uses, including a sports field;
- approximately 1,200 new dwellings and 520 jobs, making a 2.5% and 0.8% contribution to the City's dwelling and jobs targets respectively;
- 805 linear metres of new dedicated cycleway and 1.9km of pedestrian paths throughout the new public park;
- water sensitive urban design throughout streets and the park to improve the quality of water flowing to Rozelle Bay;
- improved access to the Glebe foreshore parklands and the Jubilee Park Light Rail Station from surrounding residential areas;
- extended public view corridors through the Site;
- conservation and interpretation of the Former Rozelle Tram Depot, including its significant curtilage and four trams that operated from the Depot;
- up to 10% reduction above current BASIX standards for greenhouse gas emissions and potable water use reductions;

- land to enable the development of at least 50 affordable housing units, equivalent to a 4% levy as provided in the City's *Affordable Housing Strategy*; and

- floor space for community uses within the Tram Sheds.

This report recommends that the Central Sydney Planning Committee only proceed with and approve the planning proposal for public exhibition if the site owner agrees to provide a suite of public benefits through a Planning Agreement, including the dedication of land for public open space and affordable housing and floor space within the Tram Sheds for community facilities. Without the Planning Agreement, benefits from the up-zoning will be heavily weighed towards the site owner with costs borne by the local community.

The draft planning controls have been informed by a program of non-statutory community consultation, involving a series of workshops and the opportunity to make online submissions, as well as consultation with government authorities and the site owner. Statutory community consultation will involve the public exhibition of the draft planning controls and the Planning Agreement for a period of 28 days. Stakeholders will be able to make written submissions to Council during the consultation period.

Subject to the offer of a Planning Agreement and approval of the Planning Proposal by the Department of Planning, the Planning Proposal, Draft DCP and Draft Planning Agreement will be placed on public exhibition.

RECOMMENDATION

It is resolved that:

(A) the Central Sydney Planning Committee note the recommendation to Council's Planning Development and Transport Committee on 19 July 2010 to authorise the Chief Executive Officer to prepare a Draft Planning Agreement with the site owner in accordance with the *Environmental Planning and Assessment Act 1979*, to be exhibited concurrently with any Planning Proposal or Draft Development Control Plan for the site, within the following terms:

(i) a maximum floor space ratio of 1.2:1 across the entire site;

(ii) dedication of 3.9 ha of public open space, free of cost to Council, and ensure that the open space is consistent with the provisions in *Draft Sydney Development Control Plan (Harold Park) 2010*, including the following*:*

(a) it is well connected,

(b) it is continuous and a predominantly consolidated area in which divisions by roads are minimised, and

(c) it is laid out such that it could accommodate a range of active and passive uses, including a sports field;

(iii) dedication of land for affordable housing that is sufficient to construct a 5,000 square metre residential flat building, free of cost to Council; and

(iv) dedication of 500 square metres of floor space within the Tram Sheds for community uses, free of cost to Council;

(B) subject to the site owner making an offer in writing to enter into a Planning Agreement in accordance with the terms identified in clause (A):

(i) the Central Sydney Planning Committee approve the *Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010*, as shown at Attachment A to the subject report, for Community Consultation and that this be made publicly available for 28 days in accordance with section 57 of the *Environmental Planning and Assessment Act 1979* and the Gateway Determination, as shown at Attachment C to the subject report, and request that the Director-General, Department of Planning, approve the form of the Planning Proposal under section 57(2) of the *Environmental Planning and Assessment Act 1979*;

(ii) the Central Sydney Planning Committee note the recommendation to Council's Planning Development and Transport Committee on 19 July 2010 for Council to prepare and publicly exhibit the *Draft Sydney Development Control Plan (Harold Park) 2010*, as shown at Attachment B to the subject report, concurrently with the *Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010* for a minimum period of 28 days following the Director-General's approval of the form of the Planning Proposal under section 57(2) of the *Environmental Planning and Assessment Act 1979*;

(iii) the Central Sydney Planning Committee delegate authority to the Chief Executive Officer to make minor amendments and corrections to *Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010*, and

(iv) the Central Sydney Planning Committee note the recommendation to Council's Planning Development and Transport Committee on 19 July 2010 that authority be delegated to the Chief Executive Officer to make minor amendments and corrections to *Draft Sydney Development Control Plan (Harold Park) 2010*, or any changes necessary to ensure its consistency with the Planning Proposal when public exhibited.

ATTACHMENTS

Attachment A: Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010.

(Note - This attachment will be circulated separately from the Agenda Paper and to Central Sydney Planning Committee members and relevant senior staff only. A copy will be available for viewing on Council's website and at the One Stop Shop and Neighbourhood Service Centres).

Attachment B: Draft Sydney Development Control Plan (Harold Park) 2010.

Attachment C: Gateway Determination, Department of Planning, 1 September 2009.

Attachment D: 'A Summary of Community Feedback on Future Planning Controls for The Harold Park Site - Phase 2 Community Consultation', Straight Talk Pty Ltd, April 2010.

(Note - This attachment will be circulated separately from the Agenda Paper and to Central Sydney Planning Committee members and relevant senior staff only. A copy will be available for viewing on Council's website and at the One Stop Shop and Neighbourhood Service Centres).

BACKGROUND

1. On 29 June 2009 and 2 July 2009, Council and the Central Sydney Planning Committee (CSPC) respectively resolved to commence the process to rezone the Harold Park Paceway and Former Rozelle Tram Depot, Forest Lodge (the Site) and prepare a new Local Environmental Plan (LEP) to allow for and guide the urban renewal of the Site. On 1 September 2009, the Department of Planning issued the 'Gateway Determination', shown at Attachment C, in accordance with section 56 of the *Environmental Planning and Assessment Act 1979* (the Act), to proceed with the rezoning of Harold Park for a range of uses, including residential, open space and retail/commercial.

2. The Site is located in the suburb of Forest Lodge, approximately 2.5km from Central Sydney, and is privately owned by the NSW Harness Racing Club (the Site owner). It is approximately 10.63 ha in size. The site consists of an 800m paceway for harness racing with associated grandstand, administration and stabling facilities, as well as the heritage listed Former Rozelle Tram Depot (c.1904-1909).

3. The Site is currently zoned 'open space' under the *Leichhardt LEP 2000*. The zoning does not distinguish between private and public uses of open space; therefore, although the site is zoned 'open space', it is privately owned, meaning it is not public land and not publicly accessible.

4. The rezoning and preparation of new planning controls arose from the Site owner's request to the Minister for Planning under s.8 of *State Environmental Planning Policy (Major Development) 2005* (the SEPP) for inclusion of the Site on Schedule 3 of the SEPP as a State Significant Site. This would have enabled consideration under Part 3A of the Act. Following the Council and CSPC resolutions to rezone the Site, the Minister for Planning declined the request, meaning the planning responsibilities for the Site remained with Council and the CSPC.

5. The purpose of the rezoning and new planning controls is to enable the urban renewal of the Site so that it will contribute to the City and State's strategic objectives and provide public benefits. The Site owner intends to relocate its harness racing activities from the Site. As the Site is privately owned, continuing to restrict future uses would in all likelihood cause it to become vacant and disused. The draft planning controls enable a range of uses across the Site that will ensure a more effective use of the land and promote the social and economic welfare of the community and a better environment in accordance with the City's strategic directions. It also addresses housing and job supply, public open space provision, promotion of sustainable transport and the conservation of local heritage.

6. Since the previous resolutions of Council and the CSPC, the City has prepared the *Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010*, which is included at Attachment A, and the *Draft Sydney Development Control Plan (Harold Park) 2010*, which is included at Attachment B, based on a series of technical studies and a program of non-statutory community and stakeholder consultation. This report recommends that the CSPC approve the Planning Proposal and note the Draft DCP for formal 'community consultation' and public exhibition. The report also recommends proceeding with public exhibition only if the Site owner offers a planning agreement that will ensure the benefits of the up-zoning are reasonably shared between the Site owner and the community.

DRAFT PLANNING CONTROLS

7. The Planning Proposal and Draft DCP have been informed by a series of Technical Studies, which are included as attachments to the Planning Proposal, and a program of non-statutory community consultation, which is addressed in the 'Public Consultation' section of this report. The draft planning controls are based on the Urban Design Study, prepared by the Government Architect's Office. The Urban Design Study, along with the other Technical Studies, shows one way in which the Site can be developed to meet the planning objectives for the Site and within the preferred planning controls - it is not the only way in which the Site can be developed. A future proponent will undertake even more detailed investigations and may arrive at a different proposal that meets the objectives and is within the planning controls. For this reason, the Planning Proposal and Draft DCP do not prescribe a single approach.

8. The Study summarises the urban renewal as an extension of the surrounding parkland network and urban fabric and describes the main components as follows:

   (a) parkland will occupy around one third of the Site and contribute 3.9 hectares of public open space to the neighbouring parklands network. The new park will incorporate a forecourt for the historic Tram Depot and extend along the eastern side of the Site beside the sandstone cliff, enhancing the local habitat. It will create a new pedestrian and cycle connection to the Johnston's Creek open space network and the extensive foreshore parklands to the north that extend around the bay. The parkland will provide active and passive recreation opportunities including a new playing field, barbeque areas, playgrounds, a community garden, a formal garden and heritage interpretation, play areas, habitat and water quality treatment;

   (b) the existing Tram Depot building, which occupies more than 7,600 square metres, will be retained and adaptively reused for community, retail and commercial uses. A landscaped forecourt and interpretive formal gardens will also be established to enhance appreciation of this significant heritage asset;

   (c) the street network will provide leafy tree lined streets and a high quality pedestrian and bicycle priority access network with significant water sensitive urban design elements. The street layout will maximise view lines both within the precinct and from neighbouring streets; and

   (d) the residential precinct will occupy just over half of the Site (55%) and will provide approximately 1,200 new dwellings, including a proportion of adaptable and affordable apartments in buildings ranging from 3 to 8 storeys in height. The building height strategy will keep new buildings generally at or below the level of the surrounding cliff top buildings. Taller buildings are located at the centre of the Site to minimise impact on neighbouring areas.

Planning Proposal: Sydney Local Environmental Plan (Harold Park) 2010

9. The Planning Proposal, included at Attachment A, explains the intended effect of, and justification for, the proposed *Sydney Local Environmental Plan (Harold Park) 2010*. It outlines the objectives of the proposed LEP, explains the provision to be included in the LEP and provides justification for the LEP and its provisions.

10. Part 1 of the Planning Proposal identifies the objectives of the planning proposal, which are to enable the redevelopment of the Site for appropriate residential, public open space and non-residential uses, improve the amenity and environment of the local area and maximise public transport use, walking and cycling.

11. Part 2 of the Planning Proposal explains the means by which the objectives will be achieved through the controls on development. LEP Provision Drafting Advice and proposed LEP Maps are included at Attachments 1 and 2 to the Planning Proposal respectively. Primarily, the objectives will be achieved by the following key provisions:

    (a) Land Use Zone: The 'mixed use' zone is applied to the whole Site which allows for a range of uses, including residential, open space, commercial, retail, community and educational uses. The mixed use zone provides flexibility for future development proponents in the types and quantum of uses that will best contribute to the planning objectives for the Site and also in the location of those uses on site. Residential uses will be prioritised by limiting FSR for non-residential uses, including commercial development. Public open space will be delivered through the Planning Agreement rather than zoning;

    (b) Height of Buildings: The Planning Proposal sets the maximum height of buildings using reduced levels (RLs) to accommodate site regrading. This allows for buildings ranging from 3 to 8 storeys with higher buildings located toward the centre of the Site to reduce impacts;

    (c) Maximum Floor Space Ratio: The Planning Proposal sets a maximum floor space ratio of 1.1:1 across the whole site, with a potential 0.1:1 floor space bonus for achieving higher BASIX standards. The floor space ratio provision will also limit the floor space of non-residential uses to 0.2:1 to ensure compatibility with the surrounding area and contribution to the City's dwelling targets. This will also limit the amount of commercial development on the site, and ensures that the site remains predominantly residential. The total maximum floor space ratio is 1.2:1. This provides flexibility for a proponent in the distribution and location of buildings throughout the Site, subject to more detailed investigations in the development application process and compliance with the height and DCP controls. The table below compares the density of the Planning Proposal with that of the surrounding area and the Draft Urban Design Option (presented in stakeholder consultation in February 2010). The density of the developable part of the Site (excluding the heritage item and curtilage) is 1.4:1, which is in the order of other renewal sites in the City and two and a half times the density of the surrounding residential area;

	Site Area (m^2)	GFA (m^2)	FSR
Current Situation			
LEP Control (only in residential zone)	-	-	0.7
Surrounding Area Plus Roads (20%)	-	-	0.56
Tram Sheds	22,250	7,707	0.35
Draft Option (Feb 2010)			
Indicative Developable Area (Paceway)	84,084	90,000	1.1
Heritage Item	22,250	11,000	0.5
Total	106,334	101,000	0.9
Planning Proposal			
Indicative Developable Area (Paceway)	84,084	116,800	1.4
Heritage Item	22,250	11,000	0.5
Total	106,334	127,800	1.2

(d) Heritage: The Former Rozelle Tram Depot, including its historic curtilage, four trams and the water tower, the Avenue of Fig Trees and the Paceway Sandstone Cutting are identified as heritage items; and

(e) Other provisions: These provisions are included to manage environmental, social and economic impacts from the renewal of the Site and encourage desirable outcomes. They relate to flooding, car parking, design excellence and floor area incentives for sustainable development.

12. Part 3 of the Planning Proposal provides justification for the Planning Proposal by describing the reasons for the proposed outcomes and development controls. In summary, the Planning Proposal removes an existing restriction on uses and permits uses and development that will contribute to state and local planning objectives and provide public benefits with minimal environmental and social impact. The Planning Proposal is considered to balance the provision of public open space, impacts to the character of the area, the need to increase housing supply and the opportunities afforded by the light rail. The renewal of the Site will deliver:

(a) 3.9 hectares of continuous new public parkland sufficient to accommodate a range of active and passive uses including a sports field;

(b) approximately 1,200 new dwellings and 520 jobs, making a 2.5% and 0.8% contribution to the City's dwelling and jobs targets respectively;

(c) 805 linear metres of new dedicated cycleway and 1.9km of pedestrian paths throughout the new public park;

(d) water sensitive urban design throughout streets and the park to improve the quality of water flowing to Rozelle Bay;

(e) improved access to the Glebe foreshore parklands and the Jubilee Park Light Rail Station from surrounding residential areas;

(f) extended public view corridors through the Site;

(g) conservation and interpretation of the Former Rozelle Tram Depot, including its significant curtilage and four trams that operated from the Depot;

(h) up to 10% reduction above current BASIX standards for greenhouse gas emissions and potable water use reductions;

(i) land to enable the development of at least 50 affordable housing units, equivalent a 4% levy as provided in the City's *Affordable Housing Strategy*; and

(j) 500 square metres of floor space for community uses within the Tram Sheds.

13. Part 4 of the Planning Proposal sets out the statutory 'community consultation' that will be undertaken in the next stage of the plan making process and describes the non-statutory consultation activities undertaken to date. This is also described in the 'Public Consultation' section of this report.

14. The Technical Studies that have informed the Planning Proposal are summarised in Part 3 of the Planning Proposal. As noted, they demonstrate one way in which the Site can be developed to meet the planning objectives for the Site, however, this is not the only approach and therefore the planning controls do not prescribe the proposal in the Studies. The Studies are included as the following attachments of the Planning Proposal:

(a) Planning Proposal Attachment 4: *Harold Park Urban Design Study*, Government Architect's Office;

(b) Planning Proposal Attachment 5: Harold Park Transport, Traffic and Access Study, Arup Pty Ltd;

(c) Planning Proposal Attachment 6: *Harold Park WSUD and Flood Risk Management Study*, Cardno Pty Ltd;

(d) Planning Proposal Attachment 7: *Harold Park Heritage Study,* Paul Davies & Associates;

(e) Planning Proposal Attachment 8: *Harold Park Social Sustainability Study*, Heather Nesbitt Planning; and

(f) Planning Proposal Attachment 9: *Harold Park Economic Study*, Pracsys Pty Ltd.

15. The Draft DCP provides more detailed controls and guidance on the City's expectations for the development of the Site in accordance with the LEP. Again, the Draft DCP provisions are informed by the Technical Studies but do not prescribe a particular approach to provide flexibility for a future proponent who will undertake further investigations into the Site. Key sections of the Draft DCP are as follows:

(a) Section 2 Desired Future Character sets out the City's vision for the renewal of the Site;

(b) Section 3 Local Infrastructure features controls to deliver site infrastructure, such as public open space, the street network and access. Controls relate to the design and layout of pedestrian and cycle paths, parks, street locations, widths and designs and vehicular access for development;

(c) Section 4 Heritage provides specific controls for conservation and interpretation of the Tram Depot and Paceway. It includes the statements of significance as well as controls for the insertion of a mezzanine level into the Tram Depot and detailed conservation and interpretation plans.

(d) Section 5 Building Form and Design provides controls for the layout and form of new buildings on the Site. Key controls include setbacks, height of buildings in storeys, building typologies and design excellence requirements for architectural diversity, public domain interface and private open space.

(e) Section 6 Environmental Management includes controls to encourage sustainable development and the management of waste, as well as provisions for flooding, drainage and water sensitive urban design.

(f) Section 7 Vehicle and Bicycle Facilities provides controls related to car parking and reducing private vehicle use. It includes requirements for car share, bicycle facilities and Green Travel Plans.

(g) Section 8 Social Sustainability requires the submission of a social sustainability plan that addresses issues raised in the *Harold Park Social Sustainability Study*.

Planning Agreement

16. The Planning Proposal provides for about 1,200 dwellings and 10,000 square metres of commercial floor space that could not otherwise be developed. This will significantly increase the land value to the benefit of the Site owner, with few, if any, negative effects for that owner. In principle, part of that benefit should then be shared with the local community. The Planning Proposal will affect the local area as well as the site and, therefore, benefits from the changes should be reasonably apportioned throughout the local area - partly to off set any adverse effects from the planning proposal and ensure a 'net community benefit'. Without a planning agreement the benefits arising from the rezoning would be heavily in favour of the Site owner, with almost all costs borne by the local community.

17. A planning agreement is the legal mechanism for securing public benefits associated with a change to a local environmental plan and ensures a net community benefit and an equitable distribution of benefits arising from a Planning Proposal. The planning agreement is a contractual agreement between the planning authority and a developer for obtaining contributions for a public purpose, such as public amenities and services, affordable housing, transport and other infrastructure. Under a planning agreement a developer may be required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them. Council may also agree to offset some or all development contributions in lieu of the public purpose provided under the agreement. A planning agreement must be publicly exhibited for 28 days before it is entered into and may be registered in relation to the land to which it applies so that any successors in title are affected by the agreement and its statutory obligations. A planning agreement is voluntary and a planning authority cannot require the Site owner to enter into an agreement; conversely, a planning authority is not obligated to proceed with the rezoning.

18. Offering and entering into a planning agreement is voluntary. If no such offer is made by the Site owner, or the offer is unacceptable to Council or the CSPC, the Planning Proposal and rezoning will not proceed.

19. This report recommends that the CSPC only proceed with the public exhibition of the Planning Proposal and Draft DCP if the Site owner offers a draft Planning Agreement. This draft Planning Agreement will be publicly exhibited alongside the Planning Proposal and Draft DCP. The report recommends that the CSPC consider an offer for a draft planning agreement to be acceptable where it dedicates to Council free of cost:

    (a) 3.9 hectares of land for the purpose of public open space; but only if that open space is consistent with the provisions in *Draft Sydney Development Control Plan (Harold Park) 2010*, including the following:

        (i) It is well connected,

        (ii) It is continuous and a predominantly consolidated area in which divisions by roads are minimised, and

        (iii) It is laid out such that it could accommodate a range of active and passive uses, including a sports field;

    (b) Land for affordable housing that is sufficient to construct a 5,000 square metre residential flat building; and

    (c) 500 square metres of floor space in the Tram Sheds for community uses.

20. The planning purpose of the Planning Agreement is to improve the social and economic welfare of the community consistent with State and local planning strategies. The Planning Agreement will maintain the per capita provision of public open space in the local area into the future, address the need for affordable housing created by increased land values from the urban renewal of the Site and provide public access and community use of a significant heritage item. The Planning Agreement is in the public interest and a reasonable means of achieving the planning purpose. The Planning Proposal and the up-zoning will result in significant benefits to the land owner, costs to the local community and some benefits to the regional community. The Planning Agreement will ensure a more equitable distribution of the benefits to balance the costs borne by the local community. Alternative means for achieving the planning purpose, such as zoning for open space and compulsory acquisition, would impose significant financial costs on the community and result in an inequitable distribution of costs and benefits from the up-zoning.

Open Space

21. The quantum of open space proposed to be dedicated through the Planning Agreement is justified as there is currently a need for open space in the area, which will further deteriorate with projected population increases over the next decade. Harold Park is effectively the only significant opportunity to expand open space in a meaningful and useful way, consistent with the metropolitan, subregional and local strategies.

22. The table below is adapted from the City of Sydney *Development Contributions Plan 2006* and shows the provision of local open space to 2021 in the Western Precinct. Per capita provision of public open space in the local area is expected to decrease from 5.3 square metres in 2006 to 4.9 square metres in 2021, due to growth in the resident and worker populations. The Planning Proposal will ensure a slight increase in the per capita provision of public open space to 5.5 square metres, which is consistent with the State Government's Metropolitan Strategy (Action F2.1) and the Draft Sydney City Subregional Strategy (Action F2.1.1), which states "City to maintain or increase the provision of local open space particularly in centres and along transport corridors where urban, and particularly residential, growth is being located." The *Harold Park Social Sustainability Study* also notes that the provision of local and regional open space in the Glebe/Annandale area is about 14 square metres per resident, which is significantly less than the local government planning benchmark of 28 square metres per resident.

	Local Open Space (m^2)	Resident Population	Per capita rate (m^2)	Equivalent Residents	Per capita rate (m^2)
2006	196,542	32,459	6.1	36,845	5.3
Harold Park	39,000	2,400	16.3	2,500	15.6
2021	220,351*	40,431	5.5	45,054	4.9
2021 w/HP	259,351	42,831	6.1	47,554	5.5

*Local open space includes 23,809m^2 of additional open space currently identified in the 2006 Development Contributions Plan.

23. There are limited opportunities to expand open space in the local area. Without the provision of consolidated open space at Harold Park any expansion would likely involve the piecemeal and disparate acquisition of residential and employment lands. Such open space would provide a low level of amenity.

24. The *Harold Park Social Sustainability Study* recommends that 1.5 hectares of open space is needed to satisfy the demand from new development at Harold Park. Open space over and above that is the public benefit arising to the community from the rezoning. The quantum of open space to be dedicated through the Planning Agreement will provide a very high level of amenity for new and existing residents, extend the existing open space network, provide new pedestrian and cycle and connections, be well connected to public transport and services and be able to accommodate a range of active and passive recreational uses.

25. The Planning Agreement is the preferred planning mechanism for obtaining land for open space. The Planning Agreement provides flexibility for the location of open space (subject to further investigation), has less financial risk for Council and provides a better balance of costs and benefits between the community and site owner. The alternative approach is to zone part of the land for public open space. While this locks in the quantum and location of open space it also significantly increases the potential financial risk for Council. Council is compelled to acquire land zoned for a public purpose under the owner initiated acquisition provisions of the *Land Acquisition (Just Terms Compensation) Act 1991*. If Council was required to purchase the land the benefits flowing to the community from the up zoning would be lost as Council would effectively be paying for those benefits.

26. The Planning Proposal and Draft DCP support the provision of open space. The zoning in the LEP will permit 'recreation areas' and the development standards will encourage its provision. The FSR limits the floor area that can be developed - building to the maximum height will ensure the remaining site area is available for open space. The Draft DCP has controls that require the provision of a public park, set principles for its preferred location, which ensure it is well connected, continuous and a predominantly consolidated area in which divisions by roads are minimised, and nominate desirable uses, such as active sports fields and community gardens. The plan for open space that was developed in the Urban Design Study is the City's preferred location for open space, however, this can be varied only if improved public benefit and design excellence is demonstrated. Regardless of the location of open space, the quantum is locked in through the Planning Agreement.

Affordable Housing

27. The *State Environmental Planning Policy 70 - Affordable Housing* (SEPP 70) identifies a need for affordable housing in the City of Sydney local government area. A key target of *Sustainable Sydney 2030* is to ensure 7.5 per cent of all housing in 2030 is social/public housing and 7.5 per cent is affordable housing. This target aims to maintain the proportion of social and affordable housing in the City of Sydney as our population grows.

28. The Harold Park Economic Study (the Economic Study) analysed the impact of delivering affordable housing in Harold Park via various affordable housing mechanisms, including the potential for a levy, land dedication, and the *State Environmental Planning Policy (Affordable Rental Housing) 2009* (the Affordable Housing SEPP). The Economic Study found that should the Affordable Housing SEPP be relied on to deliver affordable housing in Harold Park, that the options available for developers would be less feasible and highly unlikely to result in the provision of affordable housing. It concluded that simply requiring the dedication of land and gross floor area to the City for the purpose of providing affordable housing would have a lesser economic impact on the viability of development when compared with the SEPP.

29. In discussions with some community housing providers it is clear that it is the prohibitive cost of land that is the main barrier to affordable housing being developed in the LGA. Following the dedication of the land to the City, the City will partner with a community housing provider to deliver affordable housing in Harold Park.

30. The dedication of land and gross floor space to ensure four percent of new dwellings are affordable housing is consistent with other urban renewal areas in the City and the City's *Affordable Rental Housing Strategy*, which envisaged a similar amount of affordable housing be dedicated via local planning controls across the entire LGA.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030

31. *Sustainable Sydney 2030* is Council's strategy for the sustainable development of the City to 2030 and beyond. The draft planning controls address the environmental, transport, housing and urban renewal directions of *Sustainable Sydney 2030*. The draft planning controls contribute to these directions through sustainability incentives, locating new dwellings in close proximity to public transport, new pedestrian and bicycle paths, the provision of open space, community facilities and neighbourhood services, facilitating the supply of private and affordable housing and requiring design excellence in new development. Consistency with *Sustainable Sydney 2030* is addressed in Part 3 of the Planning Proposal.

Strategic Alignment - Metropolitan Strategy and Subregional Strategy

32. The Planning Proposal is consistent with the relevant intended outcomes and actions of the State Government's Sydney Metropolitan Strategy - *City of Cities: A Plan for Sydney's Future* (Metro Strategy) and *Sydney City Draft Subregional Strategy*. The draft planning controls will make a significant contribution to the City's dwelling and jobs targets, being 2.5% and 0.8% respectively. This represents about 20% of the floor space needed to meet the targets. The draft planning controls are also consistent with other objectives and actions, in particular those relating to open space, housing and the environment. The consistency with State planning strategies is described in greater detail in Part 3 of the Planning Proposal.

Organisational Impact

33. At this time there will be no significant organisational impact resulting from the Planning Proposal and Draft DCP. However, through the Planning Agreement the City will be provided with 3.9 hectares of open space, which will have to be developed as a public park, floor space within the Tram Sheds, which will have to be put to a community use, and land for affordable housing, which will need to be developed.

Social / Cultural / Community

34. The Planning Proposal, Draft DCP and Planning Agreement will result in significant benefits for the local community. Approximately 3.9 hectares of new public park, delivered through the Planning Agreement, will be provided on site, connecting existing residential areas to Jubilee Park, the light rail station and new neighbourhood services in the Tram depot. The quantum of open space is sufficient to provide for a range of uses, including a sports field. The conservation of the Tram Depot, its curtilage and four trams will be facilitated through the adaptive reuse of the building. Community uses will also be permitted in the Tram Depot and the provision of some community uses in the Tram Depot will be delivered through the Planning Agreement. The *Social Sustainability Study* recommended the provision of small secondary Council-owned and managed community spaces within the Tram Sheds and that development contributions could fund expansion of Council's existing off-site community facilities, such as the Glebe Library and St Helen's Community Centre.

Environmental

35. **Traffic:** The *Harold Park Transport, Traffic and Access Study* has assessed the potential traffic impacts that may arise from the development and has concluded that the traffic analysis shows only relatively minor external traffic impacts to major roads. The Study recommended travel demand measures that should be implemented to reduce traffic impacts and which will generally be implemented through the planning controls. The study also notes that reduced private vehicle use is only achieved in areas within about 5km of Central Sydney and, therefore, locating dwellings elsewhere will have greater traffic impacts. The Study is at Planning Proposal Attachment 5 and traffic impacts are discussed in more detail in Part 3 and Part 4 (in response to issues raised by Leichhardt Council) of the Planning Proposal.

36. **Flooding:** The *Harold Park WSUD and Flood Risk Management Study* has been prepared in accordance with the *NSW Floodplain Development Manual* (2005) and addresses potential flooding issues related to the renewal of the Site. The purpose of the Study is to demonstrate that development can adequately manage the relevant flooding issues. Based on the Urban Design Study, the Study proposes a flood management strategy, comprising drainage and regrading measures, which demonstrates that flooding issues can be addressed and therefore do not restrict future redevelopment of the Site. The Study notes that "proposed drainage and grading would appear to adequately control flood risk according to the NSW Guidelines (DECCW, 2005)." The LEP and DCP provisions require a thorough assessment of flooding issues, consistent with the NSW Floodplain Development Manual, for any future development proposal to demonstrate that a different arrangement of open space, roads and buildings will not create adverse flooding impacts.

37. **Overshadowing and Privacy:** The *Harold Park Urban Design Study* has prepared shadow studies of the preferred built form layout to demonstrate potential impacts. The shadow studies show that there will be negligible impacts on neighbouring dwellings in mid winter and the park will have excellent solar access. The draft building height and overshadowing controls are consistent with the Study and will ensure that there are negligible impacts on neighbouring dwellings. The renewal of the Site will have negligible impacts on the privacy of nearby dwellings, as higher new development will be separated from existing development by between 30 and 70 metres. These impacts have been assessed on the layout proposed in the Urban Design Study, however, the Draft DCP allows for alternative building forms and layouts. Therefore, the impacts will also be assessed in more detail through the development approval process and any proposals will need to comply with the relevant controls in the DCP.

38. **Views:** The draft Planning Controls will extend view corridors from the public domain. The east-west view corridors from the streets in the Toxteth Estate will be extended along the new east-west streets, while the north-south view corridor from the Harold Park Hotel to the Tram Depot will be improved. The new public park will be visible from the public streets to the south, east and west of the Site, as well as from existing parks to the north. The renewal may result in the loss of a small number of private views but also improve the private views from a small number of other dwellings. These impacts have been assessed on the layout proposed in the Urban Design Study, however, the Draft DCP allows for alternative building forms and layouts. Therefore, the impacts will also be assessed in more detail through the development approval process and any proposals will need to comply with the relevant controls in the DCP.

Economic

39. As a requirement of the Department of Planning's *Guidelines for Preparing a Planning Proposal,* the *Harold Park Economic Study* has prepared a net community benefit test which identified considerable economic benefits to the local community potentially arising from the renewal of the Site. These benefits potentially include a net increase of 450 jobs, generating approximately $66 million per annum in additional business output, $42 million in retail expenditure from new residents and property value uplift for surrounding properties.

40. The Study has also considered the impact on the economic wellbeing of nearby local centres, including Glebe Point Road, Glebe, and Booth Street, Annandale. The Study concluded that the Site could "accommodate at least 7,500 square metres of retail floor space to service the convenience needs of the local residents, workers and commuters, without impacting upon other retail centres within the catchment. In addition, the growing catchment means that there will be future demand for retail space within the locality (beyond 2011), which is likely to boost the productivity of Harold Park tenancies."

Development Contributions

41. Any redevelopment of Harold Park is subject to the *City of Sydney Development Contributions Plan 2006* (the 2006 Plan), as it is located within the Western Precinct of that Plan. The 2006 Plan requires new development that generates additional demands for community infrastructure (such as open space, community facilities and recreation facilities) to contribute towards the costs of providing that infrastructure.

42. The redevelopment at Harold Park will generate demands for infrastructure and a liability to pay contributions under the 2006 Plan, because of the additional dwellings and employment resulting from the proposal. The 2006 Plan addresses demands from new development by imposing financial contributions to fund, wholly or partly, public infrastructure, such as open space and community facilities. A developer can offer to provide works in-kind or dedicate land at no cost to Council as an alternative to paying the monetary contribution, which is negotiated through a Planning Agreement. The tables below show the anticipated contributions for the Site under the 2006 Plan as of the March Quarter 2010 and assuming development of 1,200 dwellings and 10,000 square metres of commercial retail floor space. The contributions will change if the quantum and mix of dwellings and commercial/retail floor space changes.

Contribution component	Studio / 1 bedroom	2 bedroom	3 bedroom	Worker
Community Facilities	$ 556.17	$ 812.87	$ 1,047.85	$ 85.57
Public Domain	$ 1,072.35	$ 1,567.29	$ 2,020.37	$ 164.98
New Open Space	$ 8,803.71	$ 12,866.96	$ 16,586.65	$ 1,354.41
Accessibility	$ 88.02	$ 128.64	$ 165.83	$ 13.55
Management	$ 95.17	$ 139.09	$ 179.30	$ 14.64
Total	**$10,615.42**	**$15,514.85**	**$20,000.00***	**$1,633.15**

* Capped at $20,000 due to Ministerial Direction.

Development	Proportion*	Quantity	Contributions per Dwelling or Worker	Total
Studio / 1 bedroom	45%	490	$ 10,615.42	$5,201,555.80
2 bedroom	45%	540	$ 15,514.85	$8,378,019.00
3 bedroom	10%	120	$ 20,000.00	$2,400,000.00
Subtotal		*1,150*		*$15,979,574.80*
Workers		520	$ 1,633.15	$849,238.00
Grand Total				**$16,828,812.80**

* Assumed mix of dwellings. These proportions can vary.

BUDGET IMPLICATIONS

43. The redevelopment at Harold Park is currently estimated to provide a Section 94 Contribution of around $16.83 million. The open space component, including land and embellishment, is $13.96 million. Changes in the dwelling mix and workforce numbers will vary this estimate. A developer can offer to provide works in-kind or dedicate land at no cost to Council as an alternative to paying the monetary contribution. Any proposal for works in-kind or dedication of land will be negotiated through a voluntary planning agreement which must be publicly exhibited.

44. Subject to the offer of a draft Planning Agreement from the Site owner, 3.9 hectares of open space and 500 square meters of floor space in the Tram Sheds for community uses will be dedicated to Council. These dedications will have no immediate budget implications, however, they will in time require embellishment and ongoing funding for maintenance and operations. The section 94 plan provides an average cost of $400 per square metre for the embellishment of open space. Embellishment of the 3.9 hectares of open space to be obtained under the Planning Agreement would amount to $15.6 million.

RELEVANT LEGISLATION

45. Part 3 'Environmental Planning Instruments' and Part 4, Division 6, Subdivision 2 'Planning Agreements' of the *Environmental Planning and Assessment Act 1979*.

46. Part 2 Environmental Planning Instruments, Part 3 Development Control Plans and Part 4, Division 1A Planning Agreements of the *Environmental Planning and Assessment Regulation 2000.*

CRITICAL DATES / TIME FRAMES

47. The Department of Planning issued a Gateway Determination under section 56 of the Act for the Planning Proposal on 1 September 2009. The Gateway Determination specified that Community Consultation is required in which the Planning Proposal must be made publicly available for 28 days. The Gateway also specified that the timeframe for completing the LEP is to be 12 months from the week following the date of the Gateway Determination – 8 September 2010. The City also received a letter from the Director General of the Department of Planning relaying a request from the Minister for Planning to submit the Planning Proposal to the Department for endorsement prior to public exhibition by 13 July 2010.

PUBLIC CONSULTATION

48. The draft planning controls have been informed by public authority consultation, as required by the Gateway Determination, and a program of non-statutory community consultation. The community consultation issues are addressed in greater detail in Part D of the Planning Proposal.

49. Public authority consultation is described in Section D of Part 3 of the Planning Proposal. In general, the authorities noted that there was sufficient public infrastructure available for the renewal of the Site or that they would assess the need for infrastructure at the appropriate time. Sydney Water also noted that they maintain two assets related to the Site: Johnston's Creek and the Lillie Bridge channel. The draft planning controls propose realigning the Lillie Bridge channel around future development, which is consistent with further advice from Sydney Water. The Roads and Traffic Authority noted that they would object to the proposed new signalised intersection at The Crescent/Minogue Crescent because it is a classified road. This issue has been considered in the *Transport, Traffic and Access Study*, which concludes that the intersection is necessary and will not have adverse impact on the function of the classified road. It is proposed to undertake further public authority consultation concurrently with the community consultation period now that a more detailed Planning Proposal has been developed (with supporting studies).

50. The non-statutory community consultation program involved workshops in September 2009 and February 2010, with an opportunity to make separate submissions each time. In total, about 500 people attended the three workshops and about 210 submissions were received. The Summary of Community Feedback at Attachment D describes the consultation process and summarises the main issues arising from the second phase of consultation, at which a draft urban design option was presented to the community. Issues in response to the draft option generally related to height and density, the provision, use and location of open space and traffic impacts. In response, the size of the park has been increased from about 2.5 hectares to about 3.9 hectares – seven times the size of Foley Park – which allows for a sports field and a range of other uses, building heights were redistributed with higher buildings located to the centre of the Site and traffic impacts have been assessed and shown to be relatively minor. To balance a range of important planning issues and achieve the desired public benefits, the maximum 8 storey height limit has been retained.

51. The Glebe Society submitted a public resolution to reject the draft option proposed during non-statutory consultation and request a complete review in accordance with a set of planning principles. The draft planning controls are for the most part consistent with the Glebe Society's planning principles. The first inconsistency relates to the principle for building heights to be limited to the height of the cliff at any point. The proposed height control allows for buildings higher than the cliff, but only up to a height that is generally equivalent to existing development along the cliff. This is considered reasonable and balances the provision of open space, impacts to the character of the area, the need to increase housing supply and the opportunities afforded by the light rail. The second inconsistency relates to the recommendation for the Tram Depot to be restored to a public use by 'reimbursing' the Site owner for money paid by them for its acquisition. The Tram Depot is not appropriate for a Council community facility and its purchase by Council would not be consistent with Council's community facilities analysis and needs study, due to its size and location. The *Social Sustainability Study* recommended the provision of small secondary Council-owned and managed community spaces within the Tram Sheds and that development contributions could fund expansion of Council's existing off-site community facilities which are more centrally located. It is considered that renewal of the Site, consisting of the adaptation of the Tram Depot and residential development, may well offer the best opportunity for the conservation of this important heritage building.

52. The City also received submissions from the Site owner, who argued that because the density of the draft urban design option is low (0.85:1) the City failed to meet the objectives of State planning strategies and Sustainable Sydney 2030. It also argued that the draft option was inconsistent with other renewal sites, which had floor space ratios upwards of 1.6:1. In response, the draft planning controls increased the FSR to 1.2:1 by allowing for higher buildings towards the centre of the Site. Further increases are moderated by the Site's location at the base of a river valley, the character and form of the surrounding low-medium density residential areas and proximity to heavy rail and regional bus corridors. The Planning Proposal has also demonstrated consistency with the relevant strategies and the significant contribution the renewal of the Site will make to dwelling and jobs targets.

53. The Gateway Determination requires that the Planning Proposal be forwarded to the Department of Planning for the Director-General to approve the form of the Proposal for Community Consultation under Section 57(2) of the Act. Once Council receives an offer for a Planning Agreement from the site owner, the Planning Proposal will be forwarded to the Department for approval. Once the form is approved, the Planning Proposal will be made publicly available for 28 days as part of the Community Consultation, in accordance with the Gateway Determination and Section 57 of the Act. The Draft DCP and Draft Planning Agreement will be placed on public exhibition, alongside the Planning Proposal.

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