

## Item 5.

### **Post Exhibition – Planning Proposal – 102-106 Dunning Avenue, Rosebery – Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 amendment and Planning Agreement**

**File No.:** X009371

#### **Summary**

The high cost of housing is an important economic and social issue in Sydney, particularly within the City's local government area (LGA) where housing prices are amongst the highest in Australia. Increasing the amount of affordable rental housing available for low income households is an urgent priority for the City.

Sustainable Sydney 2030 establishes an ambitious target that, in 2030, 7.5 percent of housing will be social housing and 7.5 percent will be affordable rental housing. From 2016 numbers, over 9,700 additional affordable housing dwellings are required to be delivered in the city by 2030 to achieve this target.

In 2015, Council adopted the 'Guideline to Preparing Site Specific Planning Proposal Requests in the City of Sydney Employment Lands Investigation Areas' (Guideline) to facilitate the delivery of more affordable housing through the planning system. The public exhibition of *Planning Proposal: 102-106 Dunning Avenue, Rosebery* (planning proposal), shown at Attachment A is the first to be considered under the Guideline.

It will facilitate about 9.5 percent of floor space on the site, or 12 affordable housing dwellings, when the site is developed. This is consistent with the State Government's Eastern City District Plan that requires five to 10 percent of all new residential floor space be provided as affordable housing. The affordable housing is to be provided in perpetuity, and as such represents a long term public benefit arising out of the redevelopment of the site.

This report follows the public exhibition of the planning proposal. It discusses the matters raised in the public exhibition and recommends the Central Sydney Planning Committee (CSPC) approve the planning proposal and exercise its delegation to make the local environmental plan. It also recommends the approval of the *Sydney Development Control Plan 2012: 102-106 Dunning Avenue, Rosebery*.

A key concern raised by the community in the public exhibition was the traffic and transport congestion that may arise from further development in the area. At the time of preparing this report, the City had commissioned a traffic and transport study to establish the performance of the existing transport and traffic network in south Rosebery and consider steps to manage future population growth.

The City is also working with Transport for NSW on a Transport Action Plan (TAP) that aims to identify potential improvements to increase capacity and relieve congestion of public transport services in the Green Square and Rosebery area in the near term (0-5 years).

A planning agreement has been prepared and publicly exhibited to secure public benefits offered by the landowner in conjunction with the planning proposal, including land dedication for footpath widening and the abovementioned affordable housing. The planning proposal, DCP and planning agreement align with the requirements of the Guideline and together facilitate a mixed-use development of approximately 120 dwellings with 10 percent of floor space being for employment uses.

As above, an estimated 6.5 percent of residential floor space on site is to be provided as affordable housing, and a further affordable housing contribution of one percent of commercial and three percent of residential floor space is required pursuant to the southern employment lands affordable housing contribution scheme. While the latter may be provided off-site, when considered together, the total affordable housing contribution equates to about 9.3 percent of the residential floor space on the site, or about 12 dwellings. The number of dwellings may increase depending on their size.

In February 2017, Council and the CSPC resolved to seek Gateway Determination to publicly exhibit the proposed planning controls and planning agreement.

Proposed amendments to the Sydney Local Environmental Plan 2012 include:

- rezoning the site from B7 Business Park to B4 Mixed Use;
- an increased maximum building height from 18 metres to 29 metres;
- an increase in the FSR for the site from 1.5:1 to 2:1;
- a requirement that 10 per cent of any floor area be for non-residential use; and
- an active street frontage along Dunning Avenue.

The Gateway Determination was issued 28 March 2017 and authority delegated to Council to liaise directly with Parliamentary Counsel to legally draft and make the local environmental plan to give effect to the planning proposal. The Gateway Determination is at Attachment E.

The planning proposal, draft DCP and planning agreement were exhibited for 28 days from, 14 March 2018 to 11 April 2018. The City received a total of 31 resident submissions and one online petition with 240 signatures. Issues raised include traffic congestion, parking impacts, public transport congestion, overdevelopment and erosion of local character. A summary of submissions, and the City's response is at Attachment F. Key issues are discussed further in this report.

If approved, the City will request Parliamentary Counsel to commence the preparation of the local environmental plan amendment. The local environmental plan will come into effect when it is published on the NSW Legislation website. The development control plan will come into effect at the same time.

## Recommendation

It is resolved that:

- (A) the Central Sydney Planning Committee note matters raised in response to the public exhibition of *Planning Proposal - 102-106 Dunning Avenue, Rosebery* and *Sydney Development Control Plan 2012: 102-106 Dunning Avenue, Rosebery*, and draft planning agreement as shown at Attachment F to the subject report;
- (B) the Central Sydney Planning Committee approve *Planning Proposal - 102-106 Dunning Avenue, Rosebery* as shown at Attachment A to the subject report, to be made as a local environmental plan only following the execution and registration on title of the Voluntary Planning Agreement shown at Attachment C to the subject report;
- (C) the Central Sydney Planning Committee note the recommendation to Council's Transport, Heritage and Planning Committee on 10 September 2018 that Council approve the *Sydney Development Control Plan 2012: 102-106 Dunning Avenue, Rosebery*, shown at Attachment B to the subject report, noting the approved development control plan will come into effect on the date of publication of the subject local environmental plan;
- (D) authority be delegated to the Chief Executive Officer to make any minor variations to *Planning Proposal - 102-106 Dunning Avenue, Rosebery* and *Sydney Development Control Plan 2012: 102-106 Dunning Avenue, Rosebery*, to correct any minor errors prior to finalisation of the local environmental plan and development control plan; and
- (E) the Central Sydney Planning Committee note a traffic and transport study of Rosebery is being commissioned to establish the performance of the existing transport and traffic network in Rosebery and consider steps to manage future performance growth.

## Attachments

- Attachment A.** Planning Proposal - 102-106 Dunning Avenue, Rosebery
- Attachment B.** Sydney Development Control Plan 2012 - 102-106 Dunning Avenue, Rosebery - Post Exhibition (additions in bold with deletions struck-through)
- Attachment C.** Planning Agreement
- Attachment D.** Resolutions of Council and the Central Sydney Planning Committee
- Attachment E.** Gateway Determination and Gateway Determination Extension
- Attachment F.** Summary of Matters Raised in Submissions.

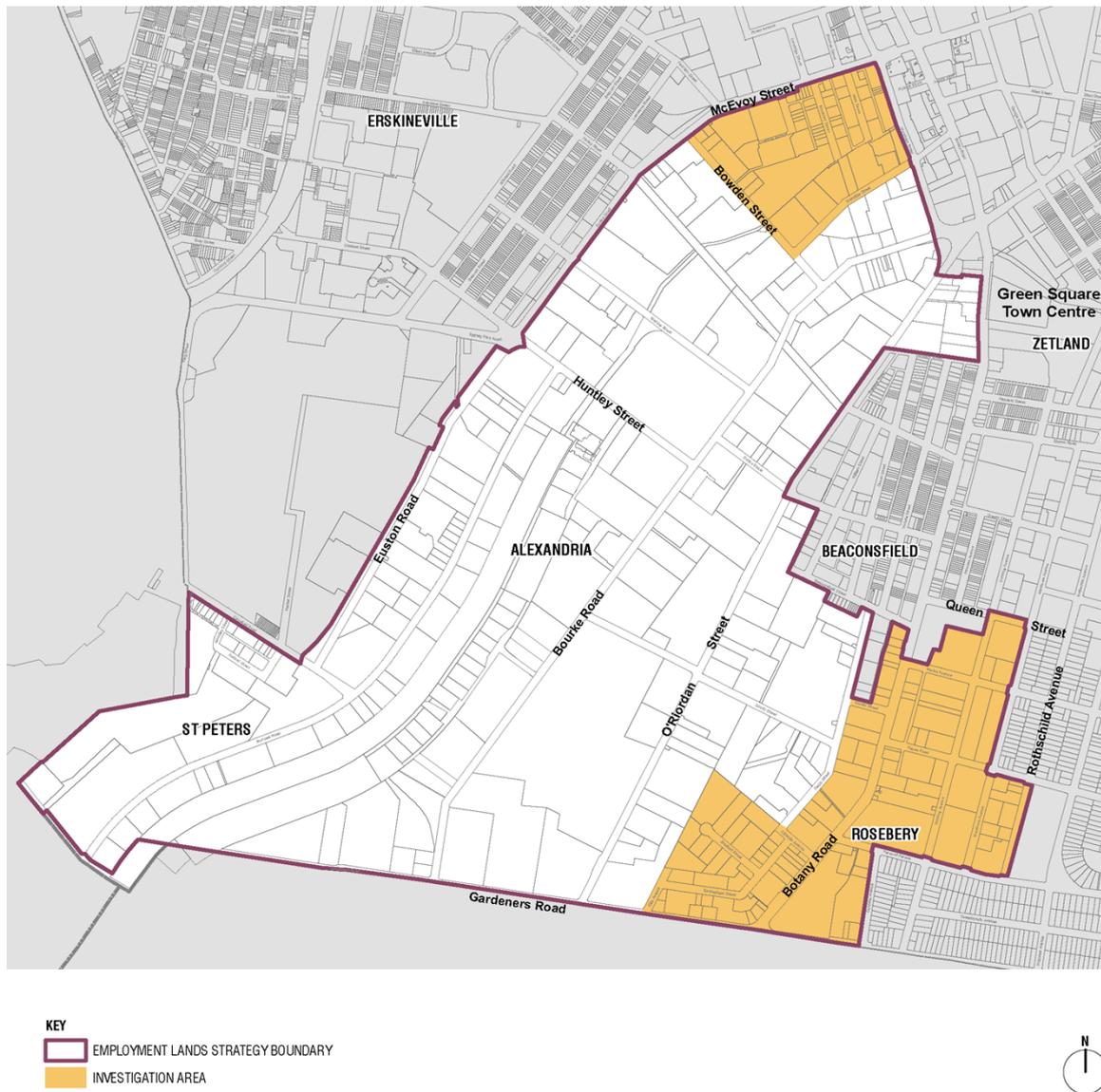
## Background

### Purpose of this report

1. This report recommends Central Sydney Planning Committee (CSPC) approval of Planning Proposal: 102-106 Dunning Avenue, Rosebery (the planning proposal), at Attachment A, following public exhibition and consequent review of the proposal. The planning proposal amends the zoning, floor space ratio (FSR) and height controls that apply to 102-106 Dunning Avenue, Rosebery (the site) under Sydney Local Environmental Plan 2012 (Sydney LEP 2012).
2. This report also seeks the CSPC to note the recommendation to Council's Transport, Heritage and Planning Committee on 10 September 2018 that Council approve Sydney Development Control Plan 2012: 102-106 Dunning Avenue (DCP), at Attachment B. The DCP contains more detailed planning controls for the development of the site.
3. Council and the CSPC approved the planning proposal and draft DCP for public exhibition on 27 February 2017 and 20 February 2017, respectively. The Council and CSPC resolutions are at Attachment D. The Council also authorised the Chief Executive Officer to prepare and publicly exhibit and execute a draft planning agreement based on the land owner's public benefit offer. The draft planning agreement is at Attachment C.
4. The Department of Planning and Environment (Department) issued a Gateway Determination for the planning proposal on 28 March 2017, setting out the requirements for the public exhibition, delegating authority to Council to liaise with Parliamentary Counsel to legally draft and make the local environmental plan. On 23 March 2018, a six month extension to the gateway determination was issued by the Department following the City's request due to delays finalising the planning agreement. The Gateway Determination and Gateway Extension is at Attachment E.
5. The planning proposal, draft DCP and draft planning agreement were publicly exhibited in accordance with the Gateway Determination from 14 March 2018 to 11 April 2018.
6. The City received 31 individual resident submissions and one online petition with 240 signatures. A summary of all submissions, and the City's response, is at Attachment F. Key issues raised in the submissions are discussed later in this report.

### Southern employment lands investigation areas

7. The southern employment lands, located in the suburbs of Alexandria, St Peters and Rosebery, are some of the most strategically located employment lands in Australia. Preserving land for employment purposes is critical to ensure Sydney's global and national competitiveness in the long term.
8. The City of Sydney Employment Lands Strategy (Strategy) was adopted by Council in March 2015, rezoning of much of the City's employment land to facilitate a wider range of business activities.
9. The Strategy identifies two 'investigation areas' at the peripheries of the southern employment lands that are potentially able to accommodate a mix of employment uses, community uses, and market and affordable housing. The southern employment lands and the investigation areas are shown at Figure 1.



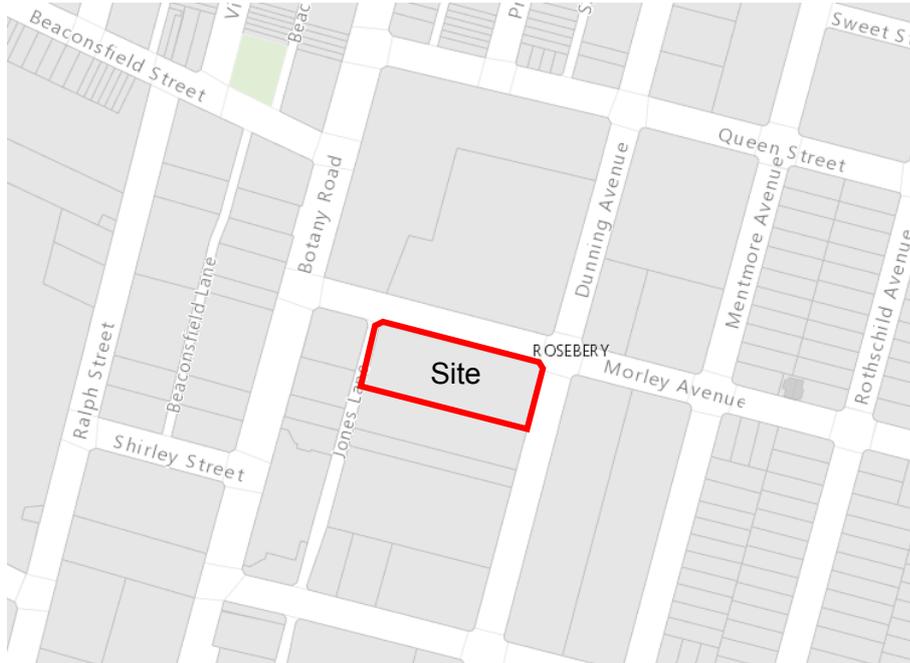
**Figure 1:** Southern employment lands investigation areas.

10. The ongoing focus of the investigation areas is to retain the employment function, however some rezoning for residential development can be supported in appropriate locations.
11. To facilitate a managed transition towards mixed uses, and to ensure sufficient infrastructure is provided to support growth, Council adopted the Guideline to Preparing Site Specific Planning Proposal Requests in the City of Sydney Employment Lands Investigation Areas (Guideline) in October 2015. The Guideline ensures planning proposal requests are considered in the context of the strategic objectives of the southern employment lands and not in isolation.
12. The site-by-site consideration of planning proposals introducing residential uses into the investigation areas is critical to ensure employment floor space is retained. Consideration is also given to manage issues associated with land use conflicts, infrastructure demands and staging resulting from the introduction of residential uses into employment lands.

- The planning proposal is the first being considered in the investigation areas under the Guideline.

#### Site details and context

- 102–106 Dunning Avenue, Rosebery is a single landholding located in an 'investigation area' in the southern employment lands in the City of Sydney local area. The land comprises Lot 50 DP 1171307. The site and surrounding context is shown in Figures 2, 3 and 4.



**Figure 2:** Site affected by this Planning Proposal



Figure 3: Site context.



Figure 4: Aerial image of site context and immediate locality.

15. The site is 4,949 square metres in area, is regular in shape and is generally level. The site has frontages to Dunning Avenue on the east, Jones Lane on the west and Morley Avenue on the north.
16. Existing development consists of four light industrial/warehousing units and ancillary offices with associated car parking at the site's Morley Avenue frontage (Figure 5 and 6). It has a total floor area of 3,336 square metres, comprising 2,066 square metres of warehouse and 1,270 square metres of ancillary office space.
17. The predominant land use on the site is transport and warehousing (about 60 per cent of floor area), however, a range of other industries are represented.
18. Approximately 1.4 kilometres to the north of the site, a short bus ride or 15 minute walk, is the Green Square town centre and train station. About 4.8 kilometres beyond that is Central Sydney, which can be reached by train or by bus from Botany Road.
19. To the east is the Rosebery residential estate and about 400 metres beyond that, Southern Cross Drive / South Dowling Street. To the south is Gardeners Road and to the south-west is Mascot town centre precinct and train station. To the west is Botany Road, a sub-arterial road that links the area to Green Square rail station to the north and to the south, Sydney Airport and Port Botany.
20. The development immediately surrounding the site is typically characterised by industrial uses, however there are a number of commercial, retail and residential uses within close proximity.
21. To the immediate north of the site is Morley Avenue, a two-lane road with on-street parking and established street tree planting. On the other side of Morley Avenue is 33 Morley Avenue, a two-storey light industrial warehouse. To the north-west is an eight-storey mixed use development with ground level retail fronting Botany Road.
22. To the immediate east of the site is Dunning Avenue (Figure 7), a two-lane road with on-street parking. On the other side of Dunning Avenue is the former Rosella Preserving and Manufactory Co. factory which comprises a series of two-storey warehouse buildings, with many converted into creative and restaurant/café uses. This site is the heart of the emerging food and beverage scene in Rosebery. Further to the east comprises low density residential area of Rosebery that typically consists of detached dwellings.
23. Adjoining the site directly to south at 108 Dunning Avenue is a newly completed two storey light industrial building. It comprises 24 high technology industrial units and two food and drink premises with associated offices and retail showroom spaces. To the south of the site development consists of largely warehouse and light industrial uses, consistent with the B7 zoning of the area.
24. To the immediate west of the site is Jones Lane, a two-way service lane with one lane of parking. The laneway services other developments, but not the subject site. On the other side of the laneway is 755-759 Botany Road, a mixed-use development that includes the heritage listed 'Former "Tucker & Co", a single storey Inter-War Art Deco building (Figure 6).



**Figure 5:** Existing development on 102-106 Dunning Avenue, Rosebery.



**Figure 6:** The subject site as viewed from Morley Avenue looking west towards the heritage listed 'Former "Tucker & Co"' mixed use development that fronts Botany Road.



**Figure 7:** Looking south along Dunning Avenue towards the Former Rosella Preserving and Manufacturing buildings.

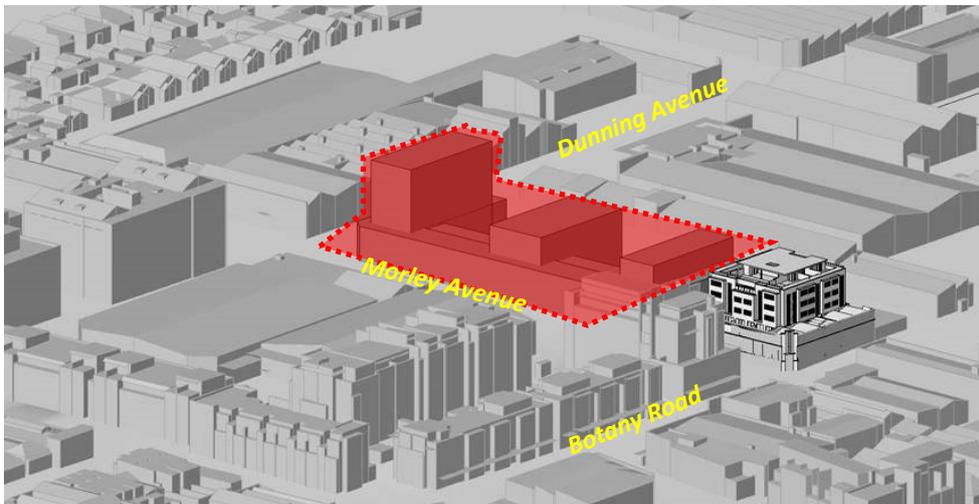
### Exhibited planning controls

25. In April 2015, the landowner approached the City in response to Council's adopted strategy to initiate discussions to change the planning controls to facilitate a mixed-use development, including commercial and residential uses. In December 2016, the City received a request to prepare a planning proposal to change the planning controls in Sydney LEP 2012.
26. The resulting planning proposal, that was approved by Council for public exhibition, is to:
  - (a) rezone the site from B7 Business Park to B4 Mixed Use;
  - (b) increase the maximum building height from 18 metres up to 29 metres;
  - (c) increase the floor space ratio from 1.5:1 to 2:1;
  - (d) require that 10 per cent of any floor area built on the site be for a non-residential use; and
  - (e) include an 'active street frontage' along Dunning Avenue.
27. The publicly exhibited draft DCP at Attachment B, includes more detailed site-specific planning provisions relating to the location of land uses, communal open space, active street frontages, building configuration, street wall heights, setbacks, dedication of land, vehicle access, sustainable design measures and a design excellence strategy. The DCP provisions are to be included in 'Section 6 - Specific Sites' of the Sydney DCP 2012. Associated amendments to maps are also proposed.
28. It is noted that Clause 6.21 of Sydney LEP 2012 specifies that an additional 10 percent height or FSR (not both) is permissible where design excellence is demonstrated through a competitive design process.

29. The Design Excellence Strategy provisions are embedded in the DCP amendment, as shown in Attachment B. If the DCP is adopted, as recommended by this report, the Design Excellence Strategy can be approved by the consent authority as part of the site-specific DCP provisions. Council approval of the Design Excellence Strategy is a requirement of the City of Sydney Competitive Design Policy.
30. Following the public exhibition of the planning proposal, the DCP was amended to correct minor errors in relation to the Design Excellence Strategy provisions. Additions are shown in bold and deletions are struck-through at Attachment B.
31. Where a competitive design process is undertaken, the proposed provisions require that the development meets a BASIX score of five points above the State-mandated minimum for energy and water. This will reduce the energy and water consumption of future development and directly contribute towards the City's target of reducing greenhouse gas emissions by 70 per cent by 2030.

### Proposed Scheme

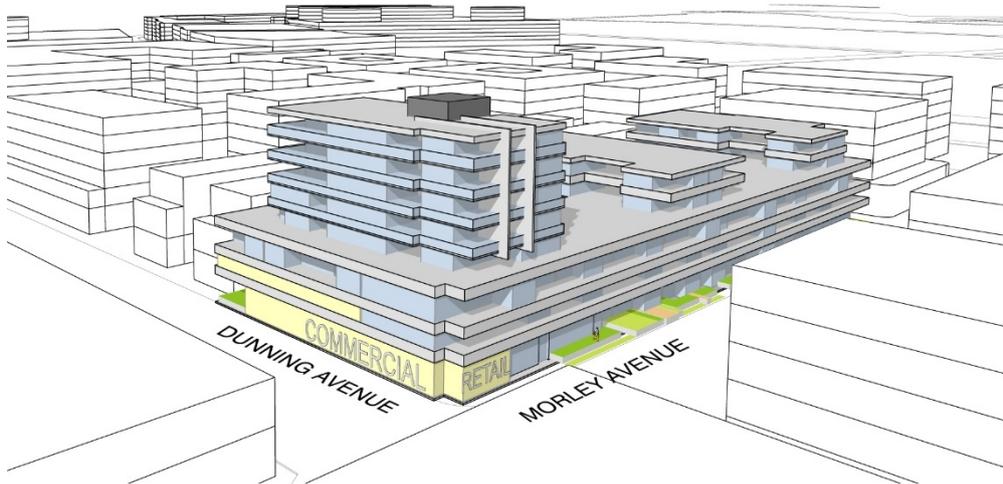
32. An urban design study of the site and built form options has been prepared by Turner Studios and provides a recommended proposed scheme that was prepared in collaboration with the City.
33. The proposed building envelope is shown at Figure 8 and illustrates the maximum volume within which future development may be arranged under the proposed amendments. The envelope extends to a maximum height of 29 metres to the east of the site and reduces to 20 metres to the west.



**Figure 8:** Maximum building envelopes available for future development.

34. The proposed scheme, shown at Figure 9, follows through testing of alternative built form outcomes. Options were tested having regard to the various impacts of alternative building massing on the surrounding area. The proposed scheme includes:
  - (a) a three storey wall height along Dunning and Morley Avenues, with a four-storey street wall height along Jones Lane to respect the interface with the heritage item across Jones Lane and Dunning Avenue;
  - (b) three taller elements ranging from 4-7 storeys (or up to 5-8 storeys where additional floor space is achieved following a competitive design process);

- (c) provision of a large communal open space for residents along the rear of the site; and
- (d) 1,000 square metres of non-residential floor space over two levels providing an active frontage to Dunning Avenue.



**Figure 9:** 3D perspective of the proposed scheme looking south west.

- 35. The proposed scheme is indicative and represents one possible built form outcome. It demonstrates that the proposed building envelope can deliver a feasible development outcome and informs the proposed planning controls. This report does not seek approval of the scheme, which will be subject to a design competition and development application.

#### **Public benefit**

- 36. A fundamental consideration in assessing the merits of the planning proposal has been how it may mitigate the additional infrastructure demand it generates by facilitating residential development in an area otherwise zoned for employment uses. The infrastructure demand in the southern employment lands is detailed in the 'Southern Employment Lands Infrastructure Plan'.
- 37. As discussed earlier in this report, Council adopted the 'Guideline to Preparing Site Specific Planning Proposal Requests in the City of Sydney Employment Lands Investigation Areas' (Guideline) to guide consideration of planning proposal in the investigation areas. It also provides a framework for the consideration of public benefit offers for the delivery of infrastructure made in conjunction with planning proposals.
- 38. This Guideline seeks to capture 50 percent of the increase in land value arising from changes in planning controls, and to direct it to a public benefit, such as affordable housing, open space provision or other community infrastructure.
- 39. A public benefit offer was made by the landowner and the resulting planning agreement, at Attachment C, was publicly exhibited with the planning proposal and draft DCP.

40. The key public benefits the agreement secures are:
- (a) finished affordable housing dwellings are to be provided on site in accordance with the Guideline under either:
    - (i) Option 1 (minimum option) - where the amount of affordable housing floor space is calculated based on the amount of gross floor area building on the site and the agreed market value of the affordable housing floor space. The affordable housing floor space is to be built by the landowner and dedicated or sold to a community housing provider for no more than \$1; or
    - (ii) Option 2 (alternative option) - where affordable housing floor space is provided in addition to that required under Option 1. The landowner can sell the affordable housing floor space to a community housing provider for a capped amount. The capped sale amount is based on recouping the forgone value of the additional floor space on offer for affordable housing plus an incentive amount, to be agreed between the City and the landowner.
  - (b) Dedication to Council of a 1.25 metre deep frontage to Jones Lane (approximately 50 square metres of land) for a footpath, with the value of the land and any associated works in kind offset against the amount calculated under the Guideline; and
  - (c) Provision of car parking spaces for the affordable housing units.
  - (d) A monetary contribution for any excess funds generated from the planning gain but not utilised in the affordable housing units.
41. As a result of the planning agreement an estimated 6.5 percent of residential floor space on the site will be provided as affordable housing. This is about eight dwellings assuming floorspace is maximised and an average unit size of 80 square metres. The number of dwellings may increase depending on their size. All affordable housing is to be provided in perpetuity.
42. In addition, a further affordable housing contribution of one percent of commercial and three percent of residential floorspace is required consistent with Council's 'Southern employment lands affordable housing contribution scheme' (scheme).
43. While the further affordable housing achieved under the scheme may be provided off-site, when considered together, the total affordable housing contribution equates to about 9.3 percent of the residential floorspace, or about 12 dwellings. This is consistent with the State Government's Eastern City District Plan that requires five to 10 percent of all new residential floorspace be provided as affordable housing. This represents a substantial positive outcome in a local government area where the shortage of affordable housing is significant.
44. The amendment to the proposed LEP will not be made until the planning agreement is executed and registered on the title of the land.
45. No submissions specifically regarding the content of the planning agreement were received and no changes are proposed as a result of public exhibition.

**Public exhibition**

46. The planning proposal, draft DCP and planning agreement were exhibited from 14 March 2018 to 11 April 2018.
47. The City sent over 700 letters to landowners and residents to notify them of the public exhibition. Written notification to landowners in the vicinity of the area provided information on how to view the supporting documentation.
48. Relevant documents were made available for viewing at the One Stop Shop, the Green Square and Redfern Neighbourhood Service Centres and on the 'Sydney Your Say' website. The exhibition was also advertised in the Sydney Central Courier, through the City's website and the 'Sydney Your Say' e-newsletter.
49. Roads and Maritime Services (RMS) and the Office of Environment and Heritage (OEH) were also notified as required by the Department's gateway determination.
50. A total of 31 submissions were received in response to the exhibition as well as an online petition with 240 signatures submitted to Council on 25 May 2018. All of the submissions and the petition express concern relating to the subject planning proposal and potential overdevelopment within Rosebery.
51. The City's response to the issues raised in submissions and the petition are summarised and discussed in more detail at Attachment F.

**Traffic and parking impacts**

52. Seventeen submissions raise concerns about increasing traffic congestion in Rosebery as a result of recent development in the area, with congestion forming at key intersections during peak times, increased travel times and traffic spilling onto local roads. The submissions say that a development under this planning proposal would add to this traffic congestion and result in additional pressure for on-street parking.
53. Roads and Maritime Services did not make a formal submission, however in an email it was noted the proposal is likely to have a limited impact. It was also noted that the transport study submitted with the planning proposal predominantly addressed traffic generation from the subject site and as such did not adequately assess the cumulative impacts on the wider transport network and what additional transport infrastructure may be required.
54. The transport study compared current traffic flows from the residential portion of the future development and found the proposal would not result in a considerable increase in traffic generation. Traffic generation during the morning peak hours is anticipated to match current levels and a small increase during the afternoon peak hours is predicted.
55. It is acknowledged that the transport review that accompanied the planning proposal did not consider traffic generation from the commercial portion of the future development and as such a more detailed traffic assessment is required to be undertaken as part of any future development application for the site to determine the traffic implications of the proposal on the surrounding area. The City actively ensures that all proposals limit on-site car parking and include positive initiatives towards greater active and public transport use, including end of trip facilities and bicycle parking for both residential and commercial components.

56. Despite the omission of the future commercial component from the transport review, a future development under this planning proposal would see a reduction in freight movements from the streets of Rosebery due to the replacement of the existing logistic uses with retail and/or commercial uses.
57. The Sydney LEP 2012 sets maximum rates for the provision of off-street car parking within new residential flat buildings and commercial developments based on indicative unit mix and the site's proximity to existing public transport. The number of off-street parking spaces will be determined at the development application stage, however the objective of this approach is to balance on-site car parking spaces that are required to service the particular uses of the land and minimise the amount of traffic generated by the development.
58. Kerbside parking in the City of Sydney is managed in accordance with the City's 'Neighbourhood Parking Policy', which excludes new buildings from eligibility for visitor, resident and business parking permits. As such, workers and residents of any future development would not receive parking permits for on-street parking.
59. Rosebery's central location in close proximity to centres of employment and to regional arterial roads and the Port and Airport means that the area often experiences traffic congestion, particularly at peak periods and at intersections with Epsom and Botany Roads.
60. At the time of preparing this report the City had commissioned a traffic and transport study in south Rosebery. The study will establish the performance of the existing transport and traffic network in Rosebery and consider steps to manage future population growth, considering a number of different travel and demand scenarios, to provide a robust assessment.
61. The study will also consider any potential future residential developments that may take place within the investigation area. This study will complement the Transport Action Plan for the Green Square Urban Renewal Area, being prepared in collaboration with Transport for NSW. The Transport Action Plan aims to identify potential improvements to increase capacity and relieve congestion of public transport services in the Green Square and Rosebery area in the near term (0-5 years).

### **Public transport congestion**

62. Twelve submissions are concerned that bus and train routes through Rosebery have become unacceptably congested as a result of recent population growth in Green Square, Rosebery and Mascot.
63. The transport study prepared for this planning proposal emphasised the site's high accessibility to existing bus routes and the train network. The report however did not consider existing congestion on those public transport services and their ability to absorb any additional capacity generated by a new development under this planning proposal.
64. Rosebery is also located mid-way on a number of bus-routes which are often full or near capacity by the time they reach the area, resulting in commuters being unable to board buses at local stops and increased passenger travel times.

65. As discussed above, as at the time of preparing this report, the City has commissioned a traffic and transport study in Rosebery to ascertain the performance of the existing traffic and transport networks. The study will identify the local and external drivers of congestion in order to predict and effectively manage and mitigate the potential impacts from future residential development in Rosebery.
66. To address public transport congestion in the Green Square Urban Renewal Area, the City is also working with Transport for NSW on a Transport Action Plan (TAP) that has been described above.
67. The TAP and the City will also explore how to expand and promote the use of active transport. Recent footpath improvements and 40km/h speed limit along Dunning Avenue creates a welcoming environment for walking and cycling. The continued promotion of active transport by the City will relieve some of the demand for public transport from new residents and workers.

### **Built form**

68. Ten submissions are concerned the proposed height is in excess of other buildings nearby, will block morning sunlight and views to existing apartments, will cause overshadowing, reduce breezeways, decrease natural light and change the landscape.
69. The DCP building envelope has been designed and situated to minimise impact on the public domain and reduce height impacts from overshadowing or view loss on neighbouring residential properties. This is to be achieved by positioning the tallest building, at 29 metres in height, on the eastern portion of the site, away from the residential buildings that front Botany Road and closer to the adjacent commercial uses that front Dunning Avenue and Morley Avenue.
70. The DCP also specifies that any future development is designed to limit the overall mass and sense of scale from the public domain, achieved by a three metre landscaped setback along the northern frontage and an additional setback to the upper levels above the three storey podium. The taller building elements will therefore be set back a minimum of 4 metres from Dunning Avenue and a minimum of five metres from Morley Avenue and Jones Lane.

### **Lack of infrastructure**

71. Eleven submissions raised concerns that development and population growth in Rosebery is not aligned with the delivery of infrastructure and this development will unacceptably add to existing impacts of growth.
72. In response to the need for more school places in Green Square, the City has entered into a facilities sharing agreement between the City and the Department of Education and Communities, a new primary school at Green Square Town Centre has been recently announced, and an expansion of Alexandria Park Community School has been confirmed. The City will continue to work with the Department of Education and Communities, updating them on dwelling completions and local population increases and mix as a result of new development, and working with them to deliver new school locations and expand capacity at existing schools.

73. New parks and open space have been delivered in Rosebery and Green Square as a result of recent development, and new open space is planned as part of future development sites. The subject site is within close walking distance to the recently opened Sweetacres Park, and the recently upgraded Turruwul Park. Sydney Park is a 30 minute walk or 10 minute cycle from the subject site.
74. The subject site fronts Dunning Avenue, a regional route in the Sydney Bike Network connecting Central Sydney with Eastlakes and Botany. The route is flagged for future upgrade works to a separated cycleway adding to the provision of active transport infrastructure within Rosebery. In the City of Sydney's Draft Cycling Action Plan 2018, which was recently placed on public exhibition, the City identified active transport as critical to reducing traffic and transport congestion and flagged expansion of the cycle network as one of its four key priorities.
75. On-site affordable housing is an important infrastructure contribution to the Rosebery area, providing local housing for key workers.

### **Changing character of Rosebery**

76. The online petition and eight submissions raise concerns that development in Rosebery is changing the character of the area and development will further reduce amenity. The online petition states that by changing the area's character will turn the suburb into a 'potential slum'.
77. Rosebery, located adjacent to the Green Square Urban Renewal area, continues to attract high demand for housing due to its proximity to a diverse range of jobs and education opportunities as well as the services and amenity of the surrounding area with high demand for housing. It is also a popular destination for visitors attracted by the emerging food and beverage precinct.
78. The City's Employment Lands Strategy recognises the potential of the investigation areas to accommodate a genuine mixed use area with some housing given their proximity to public transport, infrastructure and generally high level of amenity. The abovementioned Guideline provided a planning pathway to manage growth.
79. Notwithstanding this, the basic structure of Rosebery, with employment uses towards Botany Road and low density residential in the south-east, is not proposed to change. The low density Rosebery Estate area is not located in the 'investigation areas' and will not see a change in character as a result of this planning proposal.
80. Rezoning in the 'investigation areas' is subject to a detailed site-by-site planning proposal process, which will balance residential development with protecting existing employment uses, whilst ensuring adequate local infrastructure is provided. This approach allows for more controlled management of growth and change in Rosebery, including a nuanced assessment of the built form, its impact on the streetscape and the wider character of the suburb.
81. The proposed built form from this planning proposal is designed to minimise impact on the public domain and complement surrounding development.

### **Loss of employment floorspace**

82. Four submissions raised concerns that the proposal was inconsistent with the City's Employment Lands Strategy and that employment floorspace would be lost with the redevelopment of the site.

83. The Employment Lands Strategy envisaged the investigation areas as locations where some residential development may be considered where planning merit is demonstrated, employment land is retained, and the proposal delivers significant community benefits and contributes towards local infrastructure. The strategy acknowledges some loss of employment floorspace is likely to occur as part of this transition.
84. Notwithstanding this, the proposed scheme is unlikely to compromise the employment generating potential of the investigation area. While a net loss of employment floorspace is acknowledged, the proposed scheme will result in about 1,000 square metres of commercial floorspace over two levels at the intersection of Dunning and Morley Avenues and will have an ongoing employment capacity of 25-30 jobs, when using the average ratios provided in the City of Sydney Development Contributions Plan 2012.

### Heritage

85. The Office of Environment and Heritage advised there were two local heritage items located to the east and west of the subject land. The submitted heritage impact statement concluded that the proposed amendment would not create any heritage issues, and the Office of Environment and Heritage raised no objection to the planning proposal.
86. The DCP ensures that future development on the site is sympathetic to adjacent heritage items by providing a three metre landscape setback to the Morley Street frontage, consistent with the alignment of the retained heritage warehouse building located to the east of the site. The DCP specifies that any future development is to be sympathetic to the inter-war warehouse character of the area through the use of external finishes, colours and materials including a brick façade to the podium.
87. The planning agreement has secured the dedication of a 1.25 metre deep frontage to Jones Street for footpath widening and to create additional separation between the future development and the adjacent heritage item to the west of the site. The DCP also specifies a setback of an additional five metres for the upper levels of the new development and requires use of appropriate external finishes, colours and materials that are sympathetic to the heritage items and the local character, limiting any additional heritage impacts.

### Key Implications

#### Strategic Alignment - Eastern City District Plan

88. The City of Sydney is located in the Eastern City District, along with Bayside, Burwood, Canada Bay, Inner West, Randwick, Strathfield, Waverley and Woollahra Local Government Areas. The Eastern City District Plan includes 20 year targets for housing and jobs, specifically:
  - (a) A short term (5 years) housing target of 18,300 dwellings to be delivered in the City of Sydney;
  - (b) A 2036 target for 157,500 dwellings for the district, with the City of Sydney target to be developed with community and State government contribution;

- (c) A 2036 lower end 'baseline' target for 662,000 jobs and an upper end 'higher' aspirational target of 732,000 jobs, respectively. This figure includes a 2036 'baseline' target of 75,000 job within the Green Square - Mascot area; and
  - (d) A general target in the range of five to 10 percent of new residential floor space is provided as affordable rental housing.
89. The district plan set priorities and actions for 'Liveability', 'Productivity' and 'Sustainability', which will directly inform the planning, growth and development of Sydney over the next 20 years.
90. The planning proposal supports the targets for the Eastern City District. At a local scale, the proposed development makes a positive contribution to the objective of a 30-minute city, as it will include access to local employment opportunities and commercial space. The planning proposal will also provide approximately 120 new residential dwellings, including about 12 affordable housing dwellings to support the vitality of the area. A variety of sustainability benchmarks for the commercial and residential uses is required, together with the dedication of land for footpath widening that improves streetscape amenity.

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

91. 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 strategic directions and objectives:
- (a) Direction 2 - A Leading Environmental Performer - The proposed controls include a requirement that the residential component of any future development on the site meets a BASIX score of 5 points above the NSW mandated minimum score for water and energy. This will reduce the energy and water consumption of future development, and directly contribute towards the City's target of reducing greenhouse gas emissions by 70 per cent by 2030.
  - (b) Direction 3 - Integrated Transport for a Connected City - Redevelopment of the site for a mixed-use development will benefit from current and future transport services. The site is well located within walking distance of Green Square train station, approximately 1.4 kilometres north of the site. Regular bus services also operate along Botany Road, with destinations that include Mascot, Botany, Redfern and Central Sydney.
  - (c) Direction 4 - A City for Walking and Cycling - The planning controls require widening of the Jones Lane footpath which will increase pedestrian amenity. The proposed non-residential use on the ground floor will support greater activation on the corner of Morley and Dunning Avenues and will create an improved interface with the surrounding commercial activities.
  - (d) Direction 6 - Vibrant Local Communities and Economies - The residential component of future redevelopment will deliver dwellings immediately adjacent to a range of goods and services, employment opportunities, transport and social infrastructure. The future residential population will support the employment lands local economy. The commercial floor space at the ground floor will allow retail tenancies, further activating the area, providing an additional focal point for the local community and strengthening the local economy.

- (e) Direction 7 - A Cultural and Creative City - Future development will improve the quality and diversity of commercial spaces, while retaining the same amount of employment opportunities within the Rosebery area. The site is well positioned in close proximity to social infrastructure, including education, child care, cultural and recreational facilities.
- (f) Direction 8 - Housing for a Diverse Population - Redevelopment of the site will deliver approximately 120 market dwellings and about 12 affordable dwellings of different sizes, which cater to a diverse range of future residents.
- (g) Direction 9 - Sustainable Development, Renewal and Design - The proposed planning controls are based on principles for sustainable development, including ensuring that built form delivers high levels of amenity for future residents. The design excellence provisions of Sydney LEP 2012 will continue to apply to the site, ensuring a high quality architectural outcome.

## Legislation

- 92. *Environmental Planning and Assessment Act 1979.*
- 93. *Environmental Planning and Assessment Regulation 2000.*

## Critical Dates / Time Frames

- 94. The Gateway Determination, and subsequent extension requires that the amendment to the Sydney LEP 2012 is completed by 28 September 2018.
- 95. The Gateway Determination authorises Council to exercise this delegation and liaise directly with Parliamentary Counsel to draft and make the local environmental plan. If the planning proposal is approved by Council and the CSPC, the City will commence this process. Once this process is complete and the plan is made, the amendment to Sydney LEP 2012 will come into effect when published on the NSW Legislation website.
- 96. If approved by Council, the revised DCP will come into effect on the same day as the amendment to the LEP.
- 97. The planning agreement is to be completed prior to the finalisation of the amendments to the Sydney LEP 2012 and the revised DCP.

## GRAHAM JAHN, AM

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