

Item 5.

Public Exhibition - Planning Proposal - 923-935 Bourke Street Waterloo - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

File No: X083066

Summary

The Green Square urban renewal area is Australia's largest urban renewal area with the Green Square Town Centre (Town Centre) at its heart. The urban renewal area is forecast to grow to around 32,000 dwellings, housing around 60,000 to 70,000 people by 2036. This growth is being supported with substantial investment in local infrastructure including new roads, parks, community facilities such as Gunyama Park and Aquatic Centre and Green Square library and utilities upgrades.

In 2012 the City introduced in its planning controls a hierarchy of centres with the Town Centre being established as the primary commercial, retail and civic centre. The hierarchy is underpinned by planning controls in the Sydney Local Environmental Plan 2012 that only allow larger retail premises in the Town Centre and permits smaller retail tenancies elsewhere. This is to ensure that major retail, specifically supermarkets, continue to locate in the Town Centre and other planned centres, supporting their viability and their role as a place of economic and community focus.

In late 2021 the City commissioned SGS Economics and Planning to undertake the Green Square and Southern Areas Retail Review (the Review). The objective of the review was to understand the changes to demand and supply of retail area since the planning requirements were introduced in 2012, and to recommend any required changes to planning controls to ensure the retail needs of the community were being met. The Review identified a net shortfall of about 9,000 square metres of supermarket floor space in the eastern parts of Waterloo, the Town Centre and North Alexandria areas, close to dense residential communities.

Planning Proposal: Green Square and Southern Areas Retail Review, which is the subject of a report to Council and the Central Sydney Planning Committee (CSPC) being considered concurrently with this report, will create opportunities for supermarkets to meet the growing needs of the Green Square community, including in North Alexandria close to the Green Square Town Centre and in Waterloo.

Planning Proposal: 923-935 Bourke Street, Waterloo (the planning proposal), which is the subject of this report, had been prepared by the City following a request by Fabcot Pty Ltd (Woolworths Property Group) to change the planning controls at 923-935 Bourke Street, Waterloo (the site). The request is to enable the redevelopment of the site for a mixed-use development comprising residential, commercial and retail uses, including a large format supermarket below ground level.

The site is not located in any planned centre in the City's current planning controls, and as such a restriction on the size of retail tenancies applies. The planning proposal is to amend the planning controls to allow for a supermarket of up to 3,200 square metres to be provided on the site. The planning proposal is consistent with the Review, which identified an undersupply of supermarket floor space in Waterloo.

The planning proposal and associate amendment to the Sydney Development Control Plan 2012 will also:

- amend the maximum building heights to facilitate a development of 5 to 7 storeys to allow a built form that does not unreasonably impact on surrounding development, can achieve compliance with the Apartment Design Guide and continues to provides housing as planned under the LEP;
- allow for an additional 0.5:1 of floor space ratio, but only where it is provided as a supermarket below ground level;
- apply a maximum car parking rate to the supermarket to mitigate impacts on the surrounding road network;
- increase affordable housing provision;
- meet high sustainability standards through energy, water and water targets and electric vehicle charging; and
- apply setbacks that ensures the protection of 33 high value and medium value trees forming the existing mature canopy around the site.

The landowner has also made an offer to enter into a planning agreement. The letter of offer includes a commitment to:

- implement in the development sustainability targets and measures consistent with the City's Net Zero Energy provisions;
- onsite rainwater capture and waste recovery measures in the future operation of the development;
- provision of electric vehicle charging facilities in car parking spaces, including upfront provision of 25 per cent of retail spaces with Level 2 charging and two (2) spaces with Level 3 or 4 charging provisions; and
- provision of affordable housing contributions, equating to 12 percent of the new floor space facilitated by this planning proposal (about 5 affordable housing dwellings in addition to those otherwise required by the planning controls).

If approved for public exhibition, the City will work with the landowner to prepare a draft planning agreement to secure the above public benefits on the site

The proposed redevelopment is an opportunity to provide a sustainable mixed-use development, located close to public transport in an area well supported by local infrastructure. A supermarket in this location ensures the community has access to adequate retail and will encourage residents and workers close by to walk or cycle for their day to day retail needs.

This report recommends the Central Sydney Planning Committee approve the planning proposal for submission to the Department of Planning and Environment seeking a Gateway Determination. This report also recommends the Central Sydney Planning Committee note the recommendation to the Transport, Heritage, Environment and Planning Committee that Council approve the draft DCP to be publicly exhibited with the planning proposal.

Recommendation

It is resolved that:

- (A) the Central Sydney Planning Committee approve Planning Proposal - 923-935 Bourke Street, Waterloo, as shown at Attachment A to the subject report, for submission to the Department of Planning and Environment with a request for Gateway Determination;
- (B) the Central Sydney Planning Committee approve Planning Proposal - 923-935 Bourke Street, Waterloo, as shown at Attachment A to the subject report, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) the Central Sydney Planning Committee note the recommendation to Council's Transport, Heritage, Environment and Planning Committee on 14 November 2022 that Council seek authority from the Department of Planning and Environment to exercise the delegation of all the functions under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan and to put into effect Planning Proposal - 923-935 Bourke Street, Waterloo;
- (D) the Central Sydney Planning Committee note the recommendation to Council's Transport, Heritage, Environment and Planning Committee on 14 November 2022 that Council approve draft Development Control Plan - 923-935 Bourke Street, Waterloo Amendment, shown at Attachment B to the subject report, for public authority consultation and public exhibition concurrent with the Planning Proposal;
- (E) authority be delegated to the Chief Executive Officer to make any minor variations to Planning Proposal - 923-935 Bourke Street, Waterloo and Draft Sydney Development Control Plan 2012 - 923-935 Bourke Street, Waterloo Amendment to correct any drafting errors or to ensure consistency with the Gateway Determination; and
- (F) authority be delegated to the Chief Executive Officer to prepare and exhibit a draft planning agreement in accordance with the letter of offer dated 31 August 2020 at Attachment D to the subject report and the requirements of the Environmental Planning and Assessment Act 1979.

Attachments

- Attachment A.** Planning Proposal – 923-935 Bourke Street, Waterloo, and appendices
- Attachment B.** Draft Sydney Development Control Plan 2012 – 923-935 Bourke Street, Waterloo
- Attachment C.** Peer Review Retail Needs Analysis – 923-935 Bourke Street, Waterloo
- Attachment D.** Public Benefit Offer – 923-935 Bourke Street, Waterloo

Background

1. The Green Square urban renewal area, located in the City's south, is approximately 278 hectares in size and includes the suburbs of Zetland and Beaconsfield, and parts of the suburbs of Alexandria, Rosebery and Waterloo.
2. The area has a rich history and a diverse social, cultural, economic mix. With a primarily industrial past, the area is planned to support significant residential and employment growth and is rapidly transitioning towards a high density and mixed-use area.
3. Retail uses are currently permitted on the site as the site is zoned B4-Mixed Use. However, clause 7.23 of Sydney LEP 2012 restricts floor space for 'shops' and 'markets' to a maximum 1,000 square metres of consolidated gross floor area outside of Green Square Town Centre and other planned centres.
4. The site is not located within boundaries of the Green Square Town Centre or any other planned centre, and as such a supermarket with a floor area of 1,000 square metres cannot currently be achieved on the site.
5. Fabcot Pty Ltd (the landowner) submitted a request to amend the planning controls for 923-935 Bourke Street, Waterloo (the site) in November 2021. The initial proposal sought amendment to Sydney Local Environmental Plan 2012 (Sydney LEP 2012) to facilitate a 4,850 square metre supermarket, as part of a mixed-use development on the site.
6. In late 2021 the City commissioned SGS Economics and Planning to undertake the Green Square and Southern Areas Retail Review (the Review). The objective of the Review was to understand the changes to demand and supply of retail in the study area since the planning requirements were introduced in 2012, and to recommend any required changes to planning controls to ensure the retail needs of the community were being met.
7. The Review identified a net shortfall of about 9,000 square metres of supermarket floor space in the eastern parts of Waterloo, the Green Square Town Centre and North Alexandria areas, close to where there are dense residential communities.
8. The planning proposal has been prepared based on the findings of the Review and strategic assessment of the landowner's request to change the planning controls for the site. The proposal directly responds to the undersupply of retail floor space in Waterloo and the City's objectives to deliver affordable housing and higher sustainability standards through the planning framework.
9. The planning proposal to amend to the Sydney LEP 2012 and the accompanying draft DCP, provided at Attachment A and Attachment B respectively, will facilitate a mixed-use development on the site. The proposed changes to the planning controls are consistent with local strategic planning objectives for the urban renewal area.
10. An indicative reference scheme is provided in the appendices of the planning proposal. The reference scheme provides concept level analysis for the proposed future built form to illustrate how the planning controls may be achieved on the site.
11. This report recommends the planning proposal be approved for public exhibition with the draft DCP and draft planning agreement, subject to receiving a Gateway Determination.

Site details

- The legal description of the land affected by this planning proposal is Lot SP 22332, known as 923-935 Bourke Street, Waterloo. The site is irregular in shape and has a total area of approximately 6,534sqm. An aerial image of the subject site is shown in Figure 1 below.



Figure 1: Aerial image of subject site (in red) and immediate vicinity

Site context

- The site is located in the Waterloo locality of the Green Square urban renewal area, approximately 4km south-east of the Sydney Central Business District.
- Green Square train station and Green Square Town Centre are south-west of the site, approximately 900m and 800m respectively. The new Waterloo Metro Station is 1.2km north-west of the site and is scheduled to be completed in 2024. The site context is shown below in Figure 2.



Figure 2: Site context. Source: Bates Smart Urban Design Report.

Existing development

- 15. The site currently contains three strata allotments of industrial units comprised of warehouses with mezzanine offices. Current tenants include a car showroom, light industrial and commercial wholesalers.

Adjoining development

- 16. The area surrounding the site is in transition and is characterised by a variety of uses that includes residential, mixed use and urban services.
- 17. To the east of the site, on Bourke Street, is the Lachlan precinct, the former industrial lands which have been redeveloped into a mixed-use precinct that comprises of 6-12 storey buildings, set on either side of Archibald Avenue, connecting east-west to Bourke Street.

18. To the north of the site is the Danks Street South urban renewal precinct, set within the former Sydney Water site which is surrounded by former light industrial parcels to the north and north-west, which are planned for between 4-7 storeys buildings and 12-23 storeys towers.
19. To the south and south-west of the site are 1-2 storeys light industrial and retail showroom premises along Young and Powell Streets, within older brick and masonry buildings.
20. Directly to the west of the site on Young Street is a contemporary four storey residential flat building, fronting Hunter Street.
21. Street views of the site and the surrounding area is shown below in Figure 3.

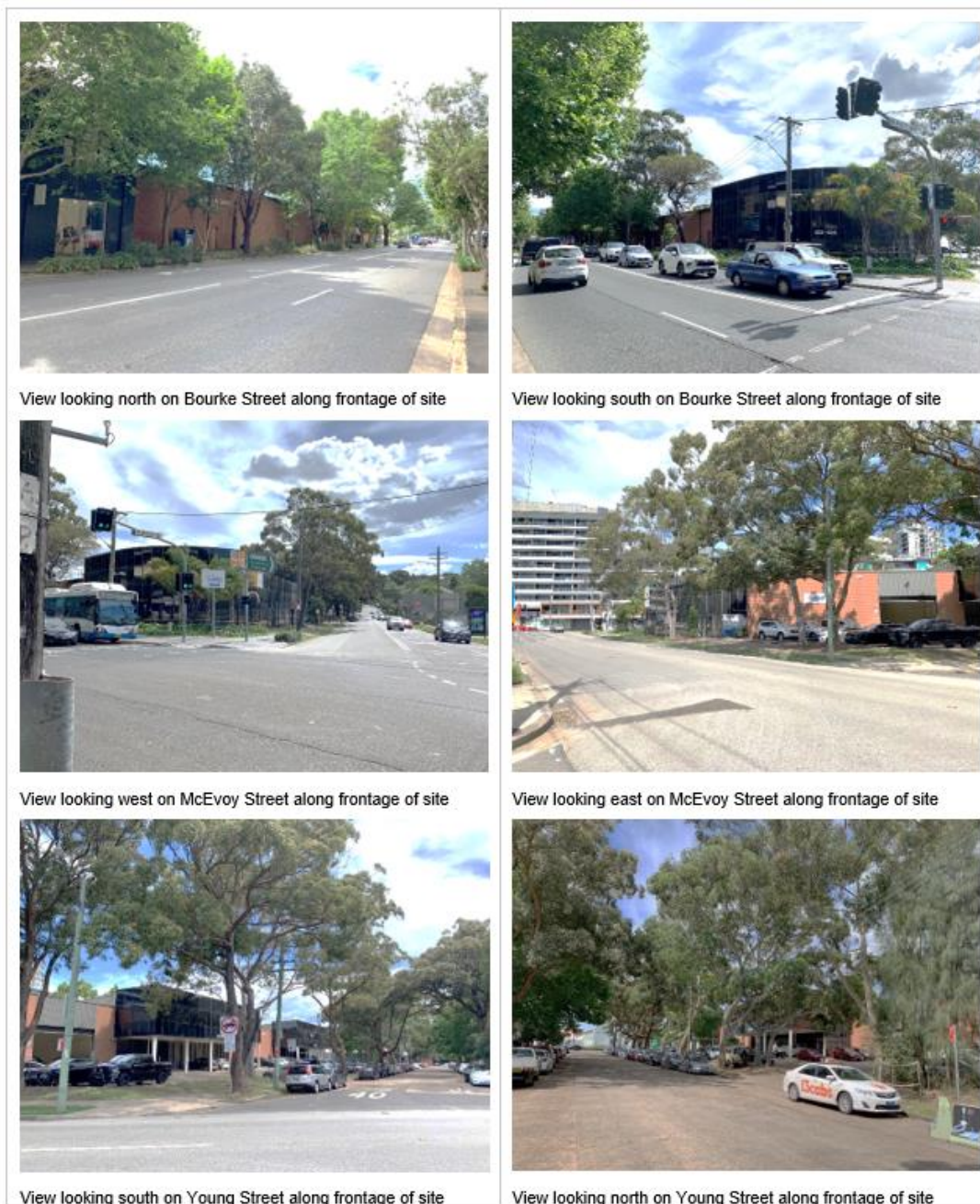


Figure 3: Street views of site and the surrounding area

Existing planning controls

22. The key planning controls that apply to the site in the Sydney LEP 2012 include:
- (a) B4 Mixed Use (M1 Mixed Use) zoning which allows for a range of residential, retail and commercial uses;
 - (b) a maximum building height of 15 metres; and
 - (c) a maximum floor space ratio (FSR) can be achieved is 2.2:1. This includes the base or mapped FSR of 1.5:1, an additional 0.5:1 FSR where community infrastructure floor space is provided, and up to an additional 10 per cent of FSR where the building demonstrates design excellence.
23. The key controls that apply to the site in the Sydney DCP 2012 include:
- (a) a maximum building height of 4 storeys;
 - (b) a publicly accessible through site link on the site's southern boundary connecting Bourke Street to Young Street; and
 - (c) setbacks for public domain:
 - (i) 3 metre for footpath widening on Bourke Street;
 - (ii) 2.4 metre for footpath widening on McEvoy Street; and
 - (iii) 3 metre for landscaping on Young Street.

Indicative reference scheme

24. The planning proposal is at Attachment A of this report includes in the appendices an indicative reference scheme submitted by the proponent. The reference scheme is an example of the mixed use development with a large format below ground supermarket that may result from the changes to the planning controls. The indicative reference scheme is shown in Figures 4 to 11 below.
25. The concept for the proposed redevelopment of site is to provide a high-quality built form that includes a mix of retail, commercial and residential uses. The key elements of the development include:
- (a) integrating a large format supermarket as part of the mix of uses to support the service and retail needs of the surrounding neighbourhoods;
 - (b) providing the supermarket below ground level and the on-site car parking for residential and non residential users in two basement levels to reduce the height and massing of the built form, to minimise the impact on adjoining residential buildings;
 - (c) enhancing the liveability of local area by providing fine grain active uses at the ground level of the development;
 - (d) improving pedestrian permeability by providing footpath widening and through-site links; and

- (e) improving the amenity of the development by providing greater building setbacks that protect the existing tree canopy.



Figure 4: Indicative development concept - view looking south-east from corner Young and McEvoy Streets. Source: Bates Smart Urban Design Report.



Figure 5: Indicative development concept - view looking south from McEvoy Street. Source: Bates Smart Urban Design Report.



Figure 6: Indicative development concept - view looking east from McEvoy Street. Source: Bates Smart Urban Design Report.



Figure 7: Indicative development concept - view looking west from Bourke Street. Source: Bates Smart Urban Design Report.

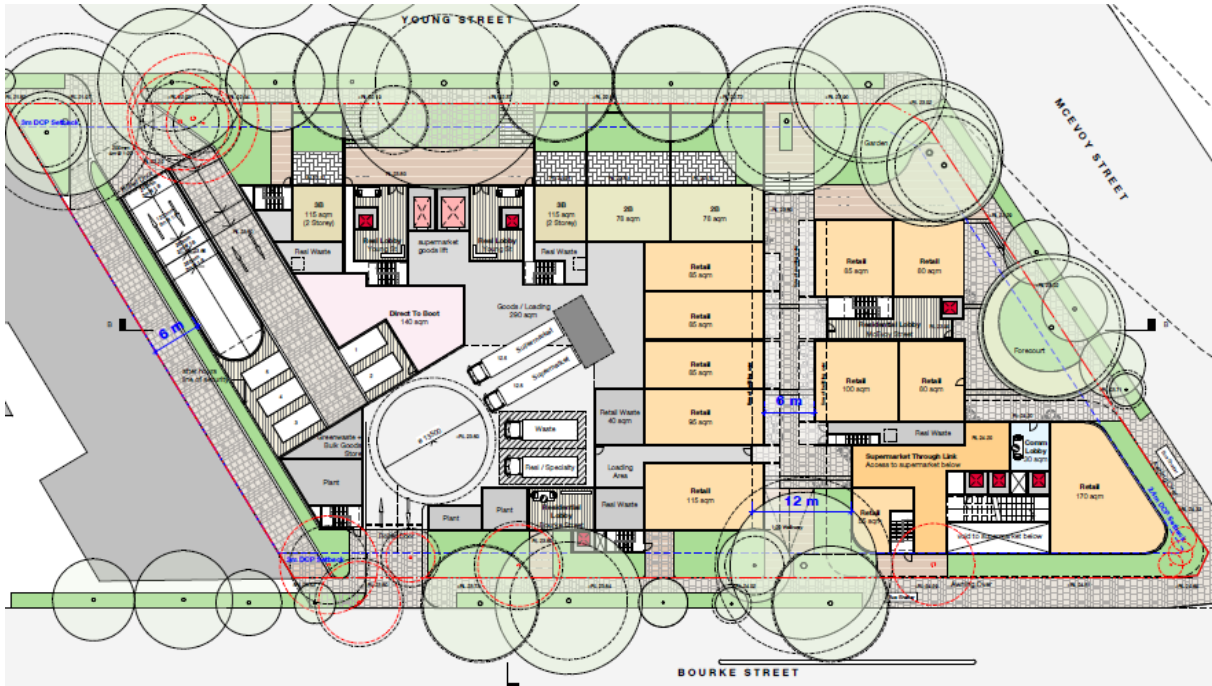


Figure 8: Indicative ground floor plan. Source: Bates Smart Urban Design Report.

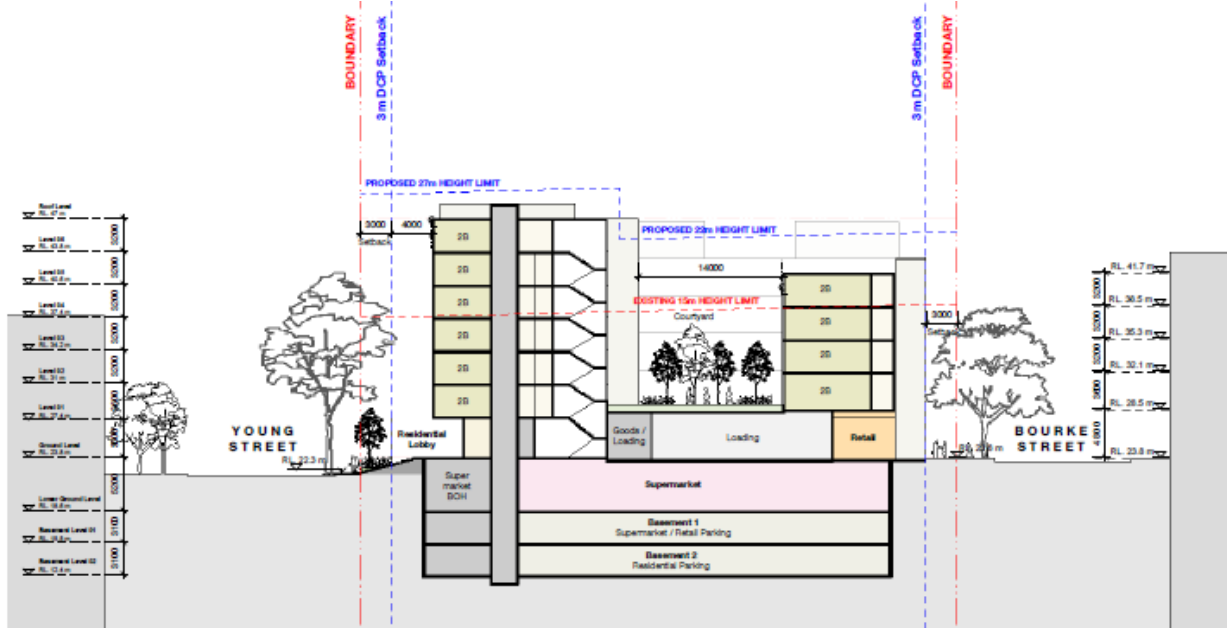


Figure 9: East-west cross section of indicative building envelope. Source: Bates Smart Urban Design Report.

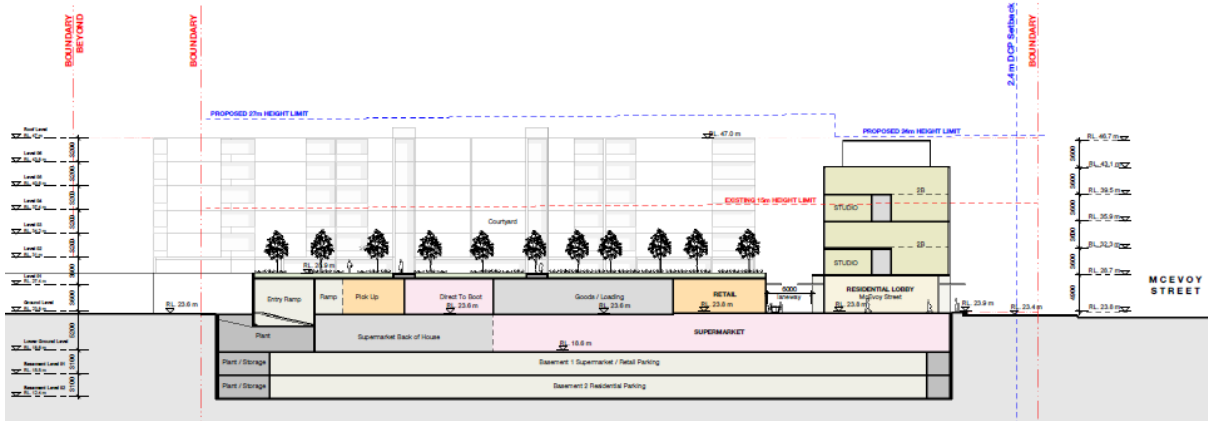


Figure 10: North-south cross section of indicative building envelope. Source: Bates Smart Urban Design Report.

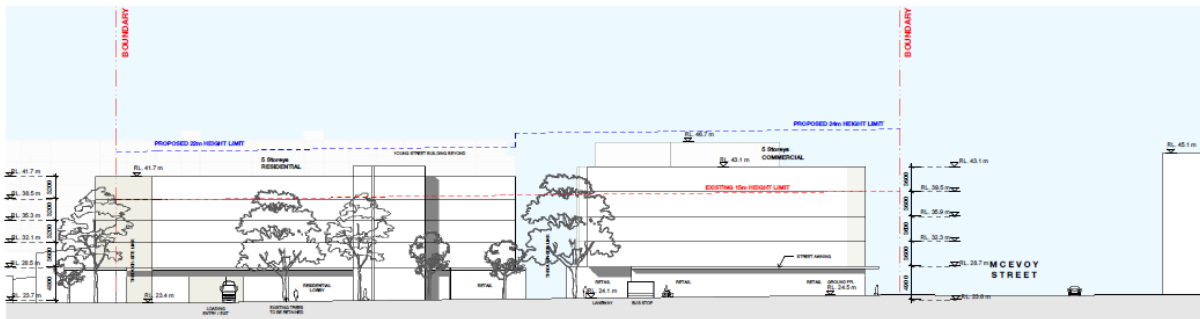


Figure 11: View from Bourke Street of indicative built form. Source: Bates Smart Urban Design Report.



Figure 12: View from Young Street of indicative built form. Source: Bates Smart Urban Design Report.

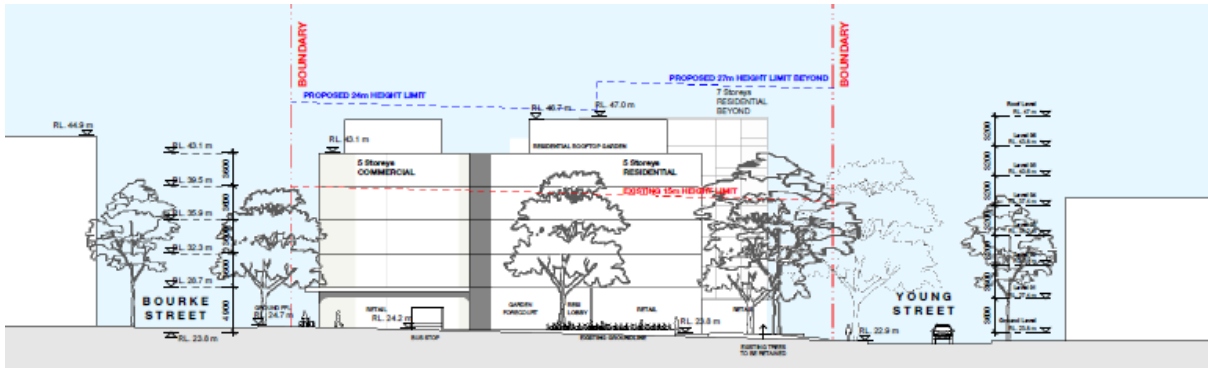


Figure 13: View from McEvoy Street of indicative built form. Source: Bates Smart Urban Design Report.

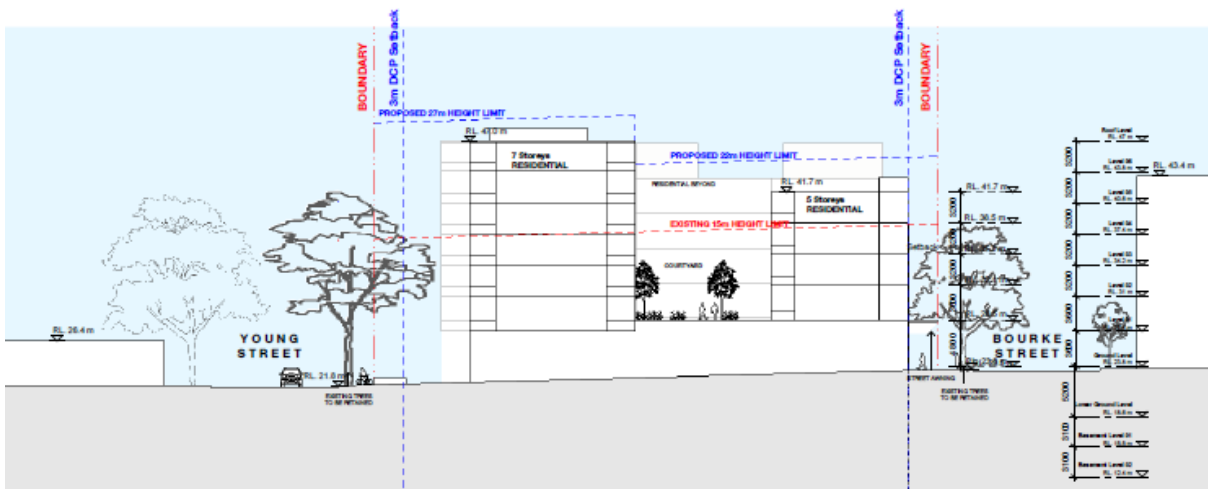


Figure 14: View from south boundary of site of indicative built form. Source: Bates Smart Urban Design Report.

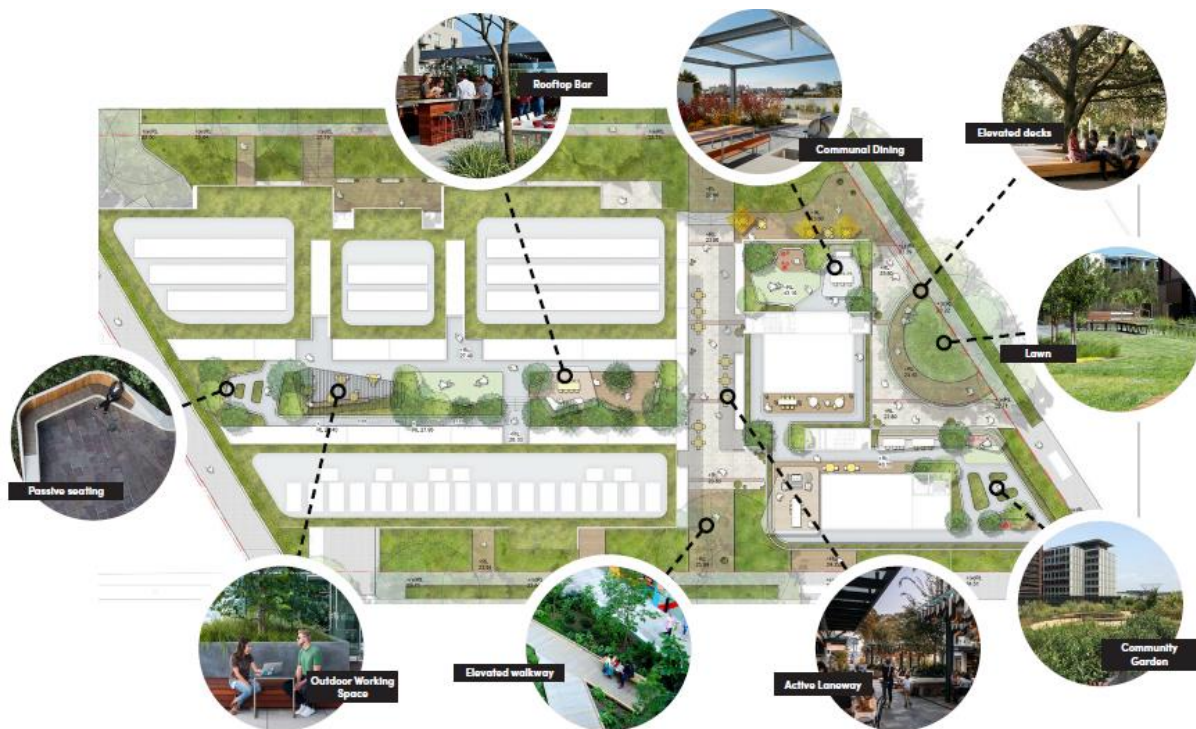


Figure 15: Indicative landscape opportunities. Source: Turf Landscape Report.

26. The indicative reference scheme provides a development outcome that includes:

- (a) a total 17,575 square metres of gross floor area (GFA):
 - (i) 3,200 sqm for a large format supermarket;
 - (ii) 1,670 sqm for speciality retail;
 - (iii) 2,025 sqm for other commercial; and
 - (iv) 10,680 sqm for residential delivering approximately 121 dwellings, including an estimated 12 affordable dwellings provided on site or by way of monetary contribution;
- (b) building heights of:
 - (i) 22 metres (5 storeys) along Bourke Street, with active ground floor uses at and residential uses above;
 - (ii) 27 metres (7 storeys) along Young Street, with primarily residential uses at ground level and above; and
 - (iii) up to 22 metres (5 storeys) and 27 metres (7 storeys) in parts along McEvoy Street, with active ground floor uses, with a mix of commercial and residential uses above;
- (c) communal open space and facilities at podium and roof-top levels;

- (d) car parking made up of:
 - (i) 97 spaces for supermarket and speciality retail (at basement level);
 - (ii) 27 spaces for commercial (at basement level);
 - (iii) 91 spaces for residential (at basement level); and
 - (iv) 6 spaces for supermarket pick up at ground level;
- (e) loading and servicing facilities at ground level to support medium and heavy rigid vehicles from Bourke Street;
- (f) active street frontages along Bourke Street and McEvoy Street;
- (g) a minimum 6m through-site link to the south of the site to facilitate mid-block permeability for pedestrians;
- (h) public domain setbacks for footpath widening and landscaping:
 - (i) setback of 3 metres for footpath widening on Bourke Street;
 - (ii) setback of 2.4 metres for footpath widening on McEvoy Street; and
 - (iii) setback of 3 metres for landscaping; and
- (i) retention existing tree canopy, with additional building setbacks:
 - (i) 3 metres along parts of Bourke Street; and
 - (ii) 7 metres along Young Street.

Planning proposal – proposed amendments to the Sydney LEP 2012

27. The planning proposal is to amend the Sydney LEP 2012 as follows:

- (a) increase the mapped building height control for the site, in parts to 22 metres fronting Bourke Street and 27 metres fronting Young Street;
- (b) include the site on active street frontage map, with active street frontages shown on Bourke Street and McEvoy Street; and
- (c) insert site-specific provisions that:
 - (i) allows development for the purposes of shops with a gross floor area not greater than 3,200 square metres;
 - (ii) allows an additional 0.5:1 FSR (above what is shown on the FSR map, and any FSR available under clause 6.13 - End of journey floor space, clause 6.14 - Community infrastructure floor space at Green Square, and clause 6.21D(3)(b) - Design excellence floor space), but only where:
 - a. the additional FSR is provided as a single consolidated floor area for the purpose of a 'shop'; and

- b. no less than 90 per cent of the additional floor area is provided below existing ground level;
- (iii) for any development on the site that is BASIX affected development (residential development), that development exceed the BASIX commitment for Energy and Water by not less than 5 points;
- (iv) any development for retail or commercial uses will have net-zero emissions from energy use;
- (v) any bonus floor space provisions in the Sydney LEP 2012 cannot be not applied to the additional FSR;
- (vi) retail car parking is limited to one space for each 50 square metres of gross floor area; and
- (vii) any development on the site demonstrating design excellence in accordance with clause 6.21 of the Sydney LEP 2012 is only eligible for additional FSR, and not additional height.

Draft Development Control Plan

28. The site-specific draft DCP is at Attachment B to this report and provides further guidance for development of the site consistent with the proposed amendments to Sydney LEP 2012. The key components of the draft DCP include:
- (a) amending DCP maps as they apply to the site, including:
 - (i) the height in storeys map to 5 storeys fronting Bourke Street and 7 storeys fronting Young Street;
 - (ii) the active frontages map with active frontages shown on Bourke Street and McEvoy Street;
 - (iii) the building setback alignment with landscape setbacks of 3 metres to Bourke Street and 7 metres to Young Street; and
 - (b) including site specific provisions that:
 - (i) encourage compatible land uses with active fine grain retail and commercial uses at the ground level of the development, non-residential uses towards the busy roads, and limiting habitable rooms fronting busy roads;
 - (ii) support a quality public domain to encourage walking and cycling with sufficient setbacks for footpath widening and a through site link to improve safety and amenity of users;
 - (iii) ensure sufficient landscape setbacks to protect the trees on and surrounding the site and to support deep soil;
 - (iv) ensure height and massing of the built form minimises impacts on adjoining sites, and provides improved amenity for the residential users;

- (v) ensure vehicular access minimises impacts on local roads and supports the movement and safety for pedestrians across the site;
 - (vi) encourage sustainable transport infrastructure by providing end of trip and bicycle parking facilities;
 - (vii) ensures the through site link is not restricted and is able to convey overland flow;
 - (viii) support ecologically sustainable development and green infrastructure is integrated of the future design;
 - (ix) ensuring a circular economy and waste management strategy is integrated into the future design and operation; and
 - (x) contamination is fully assessed in the redevelopment of the site, including for any dedication of land to the City.
29. The draft DCP will guide the future development of the site. This report recommends the draft DCP be approved for public exhibition with the planning proposal and draft planning agreement.

Public benefit offer

30. Section 7.4(1) of the Environmental Planning and Assessment Act 1979 (Act) enables a proponent to provide a material public benefit by entering into an agreement with a public authority. A planning agreement is the legal instrument for securing public benefits. Planning agreements are voluntary and must be freely entered into by the public authority and a proponent. They are also exhibited publicly and held on a publicly accessible register.
31. Opportunities to enter into planning agreements arise as the City changes and improves planning controls to help meet its strategic aims.
32. The landowner has submitted a letter of offer to enter into a planning agreement, provided at Attachment D to this report. The offer includes commitments to:
- (a) delivering publicly accessible electric vehicle charging facilities, including:
 - (i) all residential car spaces to have infrastructure provision to be electric vehicle ready;
 - (ii) 50 per cent of worker car spaces to have infrastructure provision to be electric vehicle ready; and
 - (iii) 25 per cent of retail customer car spaces are to be fitted from the outset with a three phase Level 2 EV charger at 22 kilowatts or higher) with the addition of two (2) Level 3 or 4 fast chargers accessible within the retail parking provisions; and
 - (b) City's Net Zero Energy 2026 provisions for supermarket, other retail and commercial development;

- (c) BASIX compliance plus 5 points in both Energy (40) and Water (45) for the residential development;
 - (d) incorporating onsite rainwater capture and waste recovery measures in the future operation of the development;
 - (e) development of best practice site-wide resource recovery for operational waste / recycling systems; and
 - (f) provision of affordable housing contributions, equating to 12 per cent of the new floor space facilitated by this planning proposal.
33. Provisions have been included in the proposed planning controls that will require the development to bring forward the City's Net Zero Energy 2026 targets, and that onsite rainwater capture and waste recovery measures are in place. It is therefore not required to secure the outcome in a planning agreement.
34. However, the City will commence the preparation of a draft planning agreement to secure the delivery of affordable housing and electric vehicle charging facilities, consistent with the landowners letter of offer.
35. The draft planning agreement is to be publicly exhibited together with the planning proposal and draft DCP.

Assessment of strategic and site-specific merit

36. The initial request to amend the planning controls for the site was lodged in November 2021. The landowner modified the request in September 2022 to address the issues raised in the City's assessment.
37. This planning proposal, including the supporting indicative reference scheme, and the draft DCP are informed by detailed studies prepared on behalf of the landowner, and assessment of strategic and site-specific merit by the City.
38. The studies are included as appendices to the planning proposal at Attachment A and will be exhibited as supporting documentation. The key findings are discussed below.

Retail floor space for supermarkets

39. Retail uses are currently permitted on the site, that is zoned B4-Mixed Use zone. However, clause 7.23 of Sydney LEP 2013 restricts floor space for 'shops' and 'markets' to a maximum 1,000sqm of consolidated GFA outside of Green Square Town Centre and other planned centres.
40. The intent of this clause is to ensure the economic viability of centres by ensuring substantial retail, in particular supermarkets that act as anchors for other retail, does not locate where it would compete against planned centres, that are the focus on local and state investment. It is also to ensure large scale retail premises locate in areas of community focus, with good public transport accessibility, close to residential populations to encourage walking, and high levels of amenity.
41. The site is not located within boundaries of the Town Centre or any other planned centre, and as such a supermarket with a floor area above 1,000sqm is inconsistent with the current controls for the site.

42. This planning proposal is to allow an additional 0.5:1 FSR (about 3,200 square metres of GFA) to be achieved on the site for consolidated retail space, despite the requirements of clause 7.23. The effect of the change is to facilitate a large format supermarket as part of a mixed-use development.
43. The indicative reference scheme proposes a subterranean supermarket of 3,200 sqm, together with 1,670 sqm of speciality retail on the ground plane supporting active uses.

Green Square and Southern Areas Retail Review

44. In late 2021, the City commissioned SGS Economics and Planning to undertake the Green Square and Southern Areas Retail Review (the Review). The objective of the review was to understand the changes to demand and supply of retail area since the planning requirements were introduced in 2012, and to recommend any required changes to planning controls to ensure the retail needs of the community were being met.
45. The Review identified a net shortfall in retail floor space across the City South area and found that to 2041 an additional 15,000 square metres of retail floorspace is needed close to the Green Square Town Centre to address the undersupply and meet retail demand. It found the greatest undersupply in hospitality and services, supermarkets, and other food retail.
46. Planning for full-line supermarkets will be a significant factor in meeting projected demand with over \$462 million out of \$1.4 billion expected to be supermarket spending by 2041. The Review found that there will be an undersupply of about 9,000 square metres of supermarket floor space. The largest supermarket under-supply will emerge in the eastern parts of Waterloo, the Town Centre and North Alexandria areas.
47. The Review includes a capacity analysis to determine if there is sufficient capacity under existing planning controls to accommodate the identified shortfalls in retail supply. It found more opportunity was needed to address the undersupply of large format retail, in particular supermarkets.
48. The City has prepared Planning Proposal: Green Square and Southern Areas Retail Review. The retail review planning proposal has been recommended to Council and the Central Sydney Planning Committee (CSPC) to be approved for public exhibition. If approved, the retail review planning proposal is intended to be publicly exhibited together with the planning proposal that is the subject of this report.
49. The retail review planning proposal will create opportunities for supermarkets to locate in North Alexandria close to the Green Square Town Centre.
50. The planning proposal that is the subject of this report will facilitate more supermarket floor space in a location that has been identified as having a shortfall of supermarket floor space.

Peer review of proposed supermarket in Waterloo

51. The landowner has provided retail needs and economic impact assessment prepared by Ethos Urban, appended to the planning proposal. The City engaged SGS Planning and Economics to prepare a peer review of the landowners impact assessment, also appended to the planning proposal.
52. The purpose of the impact assessment is to ascertain the proposed supermarket on the site would not impact on the viability of planned centres.

53. The landowners impact analysis was consistent with the Review in that it found there is an existing undersupply of supermarket floor space in the urban renewal area to support the day-to-day needs of the current population, and that this undersupply is significant in Waterloo locality due to the growth in residential developments.
54. The landowners impact analysis found that the provision of a supermarket on this site would have minimal impacts on the viability nearby centres, including Green Square Town Centre.
55. The City's peer review concluded that there was not as much need for supermarket floor space as the landowner's retail need analysis indicated but also concurred with the landowner's assessment that the proposed development would only minimally impact the viability of nearby centres, including Green Square Town Centre. The peer review confirms the impact of the supermarket would be less than 10 per cent on the retail turnover of the nearby centres, which is within an acceptable range when assessing the economic impacts of the proposal.

Building envelope

Building height

56. It is proposed to amend the LEP maximum building height controls for the site from 15 metres to:
 - (a) 22 metres fronting Bourke Street; and
 - (b) 27 metres fronting Young Street.
57. The draft DCP correspondingly amends the building height in storeys map for the site from the current maximum 4 storeys to:
 - (a) 5 storeys fronting Bourke Street; and
 - (b) 7 storeys fronting Young Street.
58. Increasing the building height allows the site to reasonably achieve the maximum FSR currently permitted on the site. The height increase is not needed to accommodate the proposed additional FSR for the supermarket development as this is to be provided below ground level.
59. The proposed increase to the height controls is to allow for a natural transition in height and massing of the development to the adjoining and nearby properties, that include the existing residential apartments along Young Street and the mixed-use developments along Bourke Street. It would also allow the development to respond to the broader surrounding area, where building heights are up to 40 metres within the Danks Street South precinct and up to 68.5 metres within the Lachlan precinct.
60. The additional height allows for the massing of the built form on the site to minimise impact on adjacent residential buildings. It also allows the built form to create a quality public realm that provides for footpath widening, landscaped setbacks, deep soil, tree retention, and space for an additional pedestrian link to support active ground floor uses within the development. The built form also allows single aspect buildings to Bourke Street to protect future residents from vehicle noise.

61. The indicative reference scheme demonstrates the proposed heights can achieve compliance with the Apartment Design Guide, including 70 per cent of the apartments having solar access to habitable rooms for at least two hours or more in the winter solstice.

Floor space ratio (FSR)

62. It is proposed to include a site-specific clause in the LEP to allow an additional 0.5:1 FSR on the site, equivalent to the 3,200 square metre supermarket proposed in the indicative reference scheme. This would bring the total maximum FSR on the site to 2.7:1. The additional 0.5:1 FSR is contingent on at least 90 per cent of the additional floor space being provided as consolidated floor area below ground level for a supermarket. The reference scheme shows a development above ground level that achieves the current maximum FSR permissible on the site (being 2.2:1).
63. The additional FSR is supported because it allows a large supermarket to be provided in a highly accessible location, close to transport and to high density residential populations where there is already an existing demand. The additional FSR for the supermarket being mostly below ground does not contribute to the overall massing of the built form on the site.

Landscape setback

64. The draft DCP proposes 7 metre landscape setbacks to Young Street and 3 metres to Bourke Street in order to protect the majority of the existing tree canopy on and surrounding the site.
65. The landscaped setbacks also improve the amenity of the residential development fronting on Young Street and provide an additional buffer to minimise the impacts of the 7 storey built form on the existing 4 storey residential building across the street. Similarly, the landscape setback on Bourke Street reduces the impact of the 5 storey built form on the exiting residential apartments opposite.

Public domain

66. Currently, the Sydney DCP identifies public domain improvements for the site, as follows:
 - (a) 3 metre setback for footpath widening along Bourke street (in addition to the 3 metre landscape setback);
 - (b) 2.4 metre setback for footpath widening along McEvoy Street; and
 - (c) 3 metre landscape setback along Young Street (in addition to the 7 metre landscape setback); and
 - (d) 6 metre wide through site link along the southern boundary of site.
67. No changes are proposed to these controls. The works will ensure the redevelopment of the site improves the environment for walking and cycling, and the safety, movement and amenity of all users across the site.
68. Where land is to be dedicated to the City, this will be undertaken when the site is developed at the DA stage. The dedication of land is facilitated by clause 6.14 of the LEP which allows a landowner access to community infrastructure floor space where community infrastructure, such as land for footpath widening is provided as part of the development.

69. The site-specific provision in the draft DCP ensure the through site link on the southern boundary will be free of any development and will be accessible at all times to the public.

Active frontages

70. It is proposed to include LEP and DCP controls for the site to provide active street frontages to Bourke Street and McEvoy Street. This will ensure the future development supports fine grain active uses that improve the safety and amenity of pedestrians along these street frontages.

Traffic, car parking and vehicle access

Traffic

71. An assessment of traffic impacts is included in the appendices to the planning proposal at Attachment A. The assessment demonstrates the proposed development will have acceptable level of impact on existing local roads. In addition, the access arrangements for the site and limits on the number of parking spaces for supermarket and other retail uses will manage traffic impacts.
72. The site is also within a walkable catchment close to existing residential populations. The pedestrian environment includes footpaths on both sides of all surrounding streets, and controlled pedestrian crossings at the intersections of Bourke Street with Danks Street, Potter Street, Lachlan Street and McEvoy Street.

Public transport

73. The site is also accessible by public transport, located in proximity a number of bus services (M20, 301, 302, 303, 304, 343, and 355) and within walking distance of Green Square railway station (900m), and the new Waterloo Metro station (1.2 kilometres).

Car parking

74. It is proposed to include a site-specific provision in the LEP that limits the car parking allowed for any retail use on the site to not exceed one space for each 50 square metre of retail gross floor area. Without this clause the car parking is not capped and determined by a study. The proposed rate is the same currently applied for retail development less than 2,000 square metres. This ensures the supermarket proposal does not provide convenience car parking that attracts unnecessary car trips from outside the local catchment area.

Vehicle access

75. The draft DCP includes provisions for vehicular access to create a high-quality and safe interface at ground level between vehicles, pedestrians and the public domain and to minimise impacts of vehicular traffic on the adjoining streets.
76. It is proposed to limit access for residential, retail and other commercial car users to one vehicle access point on Young Street with no more than one lane in each direction. Access for service and loading for the development will be from Bourke Street, subject to a detail assessment of the impacts on Bourke Street, including pedestrian safety.
77. Figure 16 below shows the proposed site access arrangement for vehicles and other users.

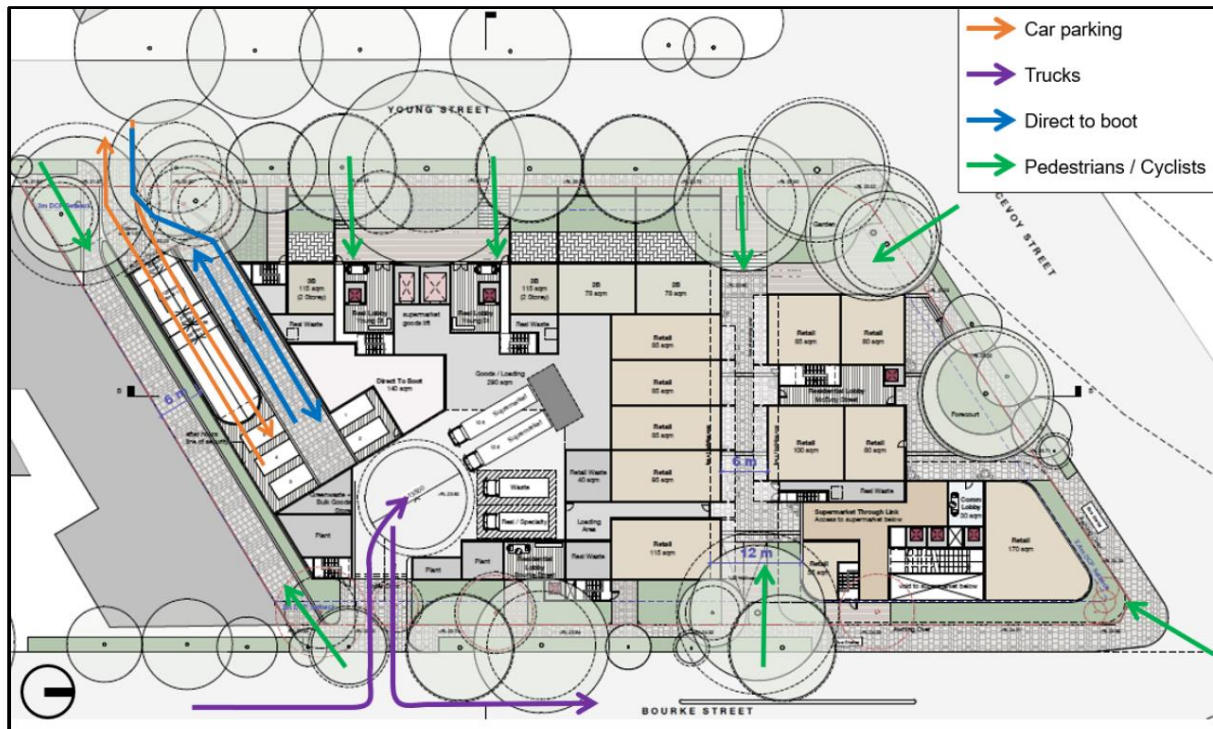


Figure 16: Site access. Source: JMT Consulting Transport Assessment Report.

Tree retention

78. The draft DCP includes provisions to retain and protect the existing and surrounding trees to provide amenity and shade for users. It is proposed the future development includes sufficient landscape setbacks as noted above to minimise the impacts of the built form (height and massing) and to ensure that there is sufficient deep soil for the protection of trees.
79. There are 39 trees currently on the site and in adjacent public domain. An arborist assessment determined that of these, 36 were medium and high values trees. The draft DCP ensures all of the high value trees and majority of medium value trees are protected. The six trees that may be removed include three low value trees and three medium value trees that are impacted by development.

Sustainability

80. It is proposed to include site specific provisions for the future development to minimise energy and water use, waste generation and the effects from urban heat.
81. The site specific LEP provisions identify sustainability targets for where the additional FSR is to be achieved. This includes targets for BASIX affected development for Energy and Water to be not less than five points, and for retail or other commercial development to achieve the City's net zero 2026 targets regardless of when the DA is submitted.
82. The draft DCP further ensures the development achieves efficiencies for water minimises waste in the building design and operation.
83. The development is also required to provide electric vehicle charging facilities. The landowner has committed to providing charging facilities in a planning agreement.

Strategic Alignment

Regional and Local Planning

84. The Greater Sydney Region Plan and Eastern City District Plan prepared by the Greater Sydney Commission shape strategic planning and infrastructure across metropolitan Sydney and align planning at the broad regional scale, down to the local area. The City's Local Strategic Planning Statement sets the overall land use planning strategy for the city which is required to align with the Region and District Plans. The City's planning controls are then required to give effect to the strategic plans.
85. The Region and District Plans and the Local Strategic Planning Statement adopt planning priorities of similar themes, being productivity, liveability, infrastructure, sustainability and governance. How this planning proposal gives effect to these priorities is summarised below:
- (a) **Infrastructure** - the future development benefits from the existing and future transport infrastructure. The site is in proximity to high frequency bus services, Green Square train station, and the new Waterloo metro station. Local access and connections for pedestrians and cyclists are improved by footpath widening and creating through site links. In addition to meeting the infrastructure objective of the Greater Sydney Region Plan, the proposal gives effect to the following infrastructure strategic planning priorities:
- (i) Eastern City District Plan priorities:
- a. E1 - Planning for a city support by infrastructure
- (ii) Local Strategic Planning Statement priorities:
- a. I1 - Movement for walkable neighbourhoods and a connected city
- b. I2 - Align development with growth and supporting infrastructure
- (b) **Liveability** - the future development improves the surrounding neighbourhood providing greater convenience to supermarket and fine-grain retail, other commercial services, a diverse housing mix, new pedestrian connections, activate street frontages, and retention of the tree canopy. In addition to meeting this objective for the Greater Sydney Region Plan, the proposal gives effect to the following liveability strategic planning priorities:
- (i) Eastern City District Plan priorities:
- a. E3 - Providing services and social infrastructure to meet people's changing needs
- b. E4 - Fostering healthy, creative, culturally rich and socially connected communities
- c. E5 - Providing housing supply, choice and affordability with access to jobs, services and public transport
- (ii) Local Strategic Planning Statement priorities:
- a. L1 - A creative and socially connected city
- b. L2 - Creating great places
- c. L3 - New homes for a diverse community

- (c) **Productivity** - the future development serves the daily and weekly shopping needs of the surrounding neighbourhood without the need for residents to make longer car-based trips to other centres and creates local jobs by providing additional employment floor space in close proximity transport infrastructure. In addition to meeting the Productivity objective of the Greater Sydney Region Plan, the proposal gives effect to the following productivity strategic planning priorities:
- (i) Eastern City District Plan priorities:
 - a. E10 - Delivering integrated land use and transport planning and a 30-minute city
 - b. E11 - Growing investment, business opportunities and jobs in strategic centres
 - (ii) Local Strategic Planning Statement priorities:
 - a. P3 - Protecting industrial and urban services in the Southern Enterprise Area and evolving businesses in the Green Square-Mascot Strategic Centre
- (d) **Sustainability** - the future development retains most of the tree canopy on and surrounding the site. The future development also includes measures to reduce carbon emissions in line with the City's 2026 targets, efficiencies for energy, water and waste, and provisions for electric vehicle charging. In addition to meeting this objective of the Greater Sydney Region Plan, the proposal gives effect to the following sustainability strategic planning priorities:
- (i) Eastern City District Plan priorities:
 - a. E17 - Increasing urban tree canopy cover and delivering Green Grid connections
 - b. E19 - Reducing carbon emissions and managing energy, water and waste efficiently
 - (ii) Local Strategic Planning Statement priorities:
 - a. S1 - Protecting and enhancing the natural environment for a resilient city
 - b. S2 - Creating better buildings and places to reduce emissions and water and use water more efficiently

Sustainable Sydney 2030-2050 Continuing the Vision

86. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This planning proposal and draft DCP align with the following strategic directions and objectives:
- (a) Direction 2 - A Leading Environmental Performer – the future development is committed to the reduction of greenhouse gas emissions through improved energy efficiency and low carbon energy in line with the City's 2026 targets for net zero emissions.

- (b) Direction 3 - Public places for all - the future development will accommodate all users by creating through the site links and footpath widening. The public domain will be improved by activate fine grain retail uses and a pedestrian plaza at the ground level to improve user amenity. Protecting the tree and canopy structure both on and surrounding the site will also add to the attractiveness and amenity of the public domain.
- (c) Direction 4 - Design excellence and sustainable development - the future development will provide design excellence by creating a high quality, comfortable, safe and inclusive built environment. The design will also integrate the retention of the tree and canopy structure both on and surrounding the site adding to the attractiveness and amenity of the development. The built form will be designed to operate with high environmental performance standards for water, energy and waste which include efficient stormwater management design for on-site retention and reuse, provisions for electric vehicle charging, and reducing and recycling supermarket food and material waste.
- (d) Direction 5 - A city for walking, cycling and public transport - the future development will encourage walking and active transport and minimise private car trips by locating retail close to residents and limiting the number of car parking spaces for retail users.
- (e) Direction 7 - Resilient and diverse communities - the future development will support innovation by accommodating economic trends in the retail sector and will improve the retail amenity, including the need for supermarket floor space in the local area. The development responds to the changing needs of the community by providing a more diverse range of retail services in one location.
- (f) Direction 10 - Housing for all - the future development will contribute to the City's housing targets and provide a variety of residential living options, with apartment sizes that can accommodate all abilities and facilities to support the diverse needs of future residents. This will support varying household structures including people ageing in place. The future development will also make an additional contribution to the provision of affordable housing. This will support the growth and sustainability of the affordable housing sector and enable low to moderate income households to rent close to places of employment.

Relevant Legislation

- 87. Environmental Planning and Assessment Act 1979.
- 88. Environmental Planning and Assessment Regulation 2000.

Critical Dates / Time Frames

- 89. Should Council and the Central Sydney Planning Committee endorse the attached planning proposal for public exhibition, it will be forwarded to the Department of Planning and Environment in accordance with section 3.34 of the Act requesting a Gateway Determination.

90. If Gateway Determination is received, the typical timeframe is 21 days for public authority consultation and 20 working days for public exhibition. The Gateway Determination will also provide the general date for the completion for the amendment to the LEP.
91. Section 7.5(1) of the Act requires a draft planning agreement be publicly exhibited for at least 28 days and where possible, the agreement be exhibited with any other related publicly notifiable matters.
92. Following public authority consultation and public exhibition, the outcomes will be reported back to Council and the Central Sydney Planning Committee.

Public Consultation

93. It is proposed that the public exhibition of the planning proposal, draft DCP and notification of the planning agreement will run concurrently. The consultation will be in accordance with the requirements of:
 - (a) the Gateway Determination issued by the Department of Planning, and Environment under section 3.34 of the Act;
 - (b) the Environmental Planning and Assessment Regulation 2000;
 - (c) in relation to the Planning Agreement, section 7.5(2) of the Act; and
 - (d) the City of Sydney Community Engagement Strategy and Community Participation Plan 2022.
94. It is likely that the public exhibition for the planning proposal would be a minimum of 20 working days, with notification in accordance with the Gateway Determination and the City's Community Participation Plan.
95. If supported, the planning proposal, draft DCP and draft planning agreement will be publicly exhibited online on the City of Sydney website and in accordance with the Environmental Planning and Assessment Regulation 2000.

GRAHAM JAHN AM

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