

Item 4.

Post Exhibition - Planning Proposal - 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge

File No: X082392

Summary

This report follows the public exhibition of Planning Proposal: 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge to amend the Sydney Local Environmental Plan 2012 (Sydney LEP). The planning proposal was prepared by the City following a request from the University of Sydney (the landowner).

The planning proposal is to rezone 2 Arundel Street to MU1 Mixed Use, and 2A-8 and 6-12 Parramatta Road to R1 General Residential, both from SP2 Infrastructure (Educational). The rezoning is to facilitate disposal of the properties so that funds are available for other student housing projects.

The proposed zones are consistent with the surrounding context. The terrace properties are ordinary residential buildings that have been consistently used for a residential purpose over time. Their return to a residential zoning will not create any impact. The Mackie Building at 2 Arundel Street has a history of light industrial uses. Its rezoning to MU1 Mixed Use will support a range of uses on the property in future, including light industrial, commercial and residential uses. This is consistent with the mix of uses found in the surrounding area, including commercial uses, such as a five-storey commercial-use building at 71-79 Arundel Street, and residential uses along Arundel.

The planning proposal was approved for public exhibition by Council and the Central Sydney Planning Committee on 15 and 11 May 2023, respectively. Following receipt of the Gateway Determination from the Department of Planning and Environment on 23 June, the planning proposal was exhibited from 18 September to 17 October 2023.

Three submissions were received in response to exhibition and are considered in detail in this report. Key matters raised in the submissions are:

- the existing height control should be lowered;
- the Mackie Building at 2 Arundel Street should be rezoned residential rather than mixed use;
- concerns about hazards during construction;
- protection of the terrace buildings' heritage character; and
- the potential traffic congestion and parking impacts.

No changes are recommended to the planning proposal in response to submissions as the proposed zoning, and other controls, are consistent with neighbouring sites and any potential impacts from development will be managed through any development application.

This report recommends that the planning proposal be approved. If it is approved, then a request would be made to the Department of Planning and Environment to draft the amendment to the Land Zoning Map. A request to Parliamentary Counsel is not required because the amendment is only to mapping. The amendment would come into effect when the amended Land Zoning Map is published on the NSW Legislation website.

Recommendation

It is resolved that:

- (A) Council note the three submissions received in response to the public exhibition of the Planning Proposal: 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge as described in this report;
- (B) Council approve the Planning Proposal: 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge, shown at Attachment A to the subject report, to be made as a local environmental plan under section 3.36 of the Environmental Planning and Assessment Act 1979; and
- (C) authority be delegated to the Chief Executive Officer to make minor variations to the Planning Proposal: 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge to correct any minor errors prior to finalisation.

Attachments

- Attachment A.** Planning Proposal - 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge
- Attachment B.** Resolutions of Council and the Central Sydney Planning Committee
- Attachment C.** Gateway Determination

Background

1. This report follows the public exhibition of a planning proposal to amend the Sydney Local Environmental Plan 2012 (Sydney LEP) as it applies to the land at 2, 2A-8 Arundel Street and 6-12 Parramatta Road, Forest Lodge. The subject sites are shown at Figure 1.

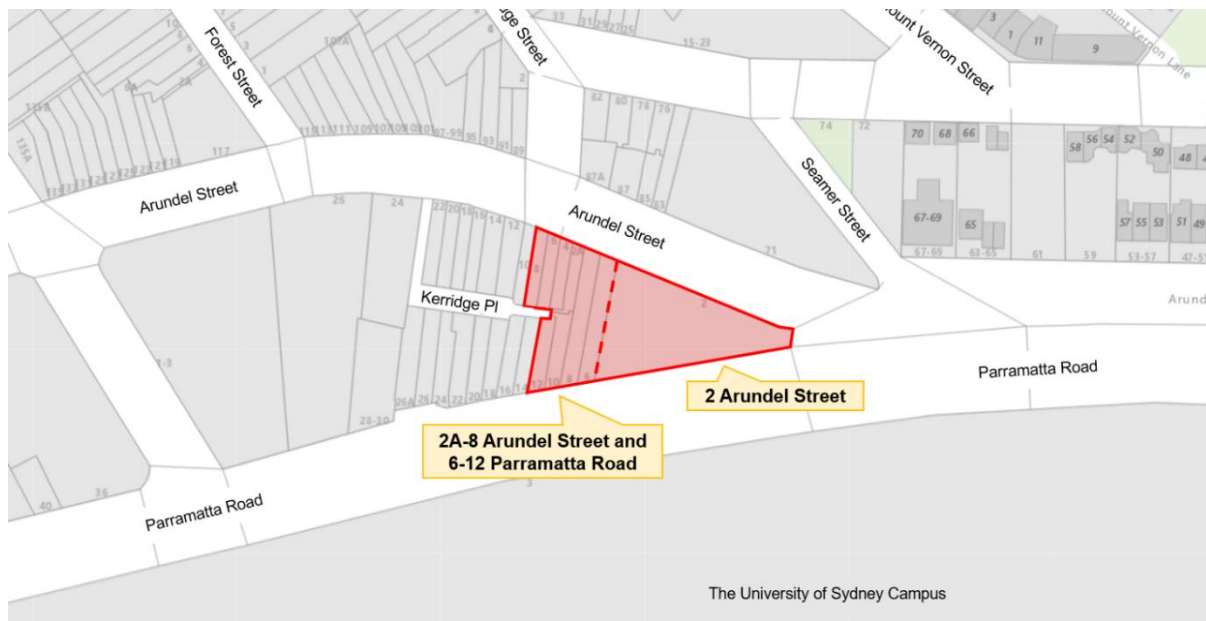


Figure 1. Indicative plan showing the site's location

2. Site details, current planning controls, proposed planning controls are described in the pre-exhibition report to the Transport, Heritage, Environment and Planning Committee and the Central Sydney Planning Committee (CSPC), available at: city.sydney/d4y.
3. The planning proposal was prepared in response to a request from the University of Sydney (the landowner). The planning proposal will rezone 2 Arundel Street (the Mackie Building) to MU1 Mixed Use, and 2A-8 Arundel Street and 6-12 Parramatta Road to R1 General Residential, both from SP2 Infrastructure (Education). The properties are Victorian terraces and a twentieth century commercial building repurposed for university uses. The planning proposal will only affect the site's zoning and makes no other changes to planning controls.
4. The planning proposal will allow a wider range of uses on the properties so their ongoing use is consistent with the surrounding residential neighbourhood and facilitate their sale by the University. Their current zoning, SP2 Infrastructure (Education) limits the land to educational uses and uses ordinarily incidental to education. This is useful for educational landowners as it facilitates development for educational purposes, however it is a significant limitation to the reasonable use of terrace houses and a commercial building by other owners.

5. In response to concerns raised by Council, correspondence from the University of Sydney, provided in an Information Relevant To Memorandum to Council in May 2023, notes that renovating or refurbishing the terraces that were previously used for student accommodation would be prohibitively expensive while providing a very limited amount of housing that would not meet contemporary standards for student accommodation. The rezoning facilitates the University's divestment of the properties in alignment with their Affordable Student Accommodation Strategy.
6. The University of Sydney also reiterated its ongoing commitment to increasing the amount of student accommodation around its main Darlington / Camperdown campus, noting that since 2015 the University has constructed 1,622 new student accommodation beds with rents set at a minimum of 25 per cent below market benchmarks.
7. Council and the Central Sydney Planning Committee (CSPC), at their meetings on 15 May 2023 and 11 May 2023 respectively, approved the planning proposal to be submitted to the Department of Planning and Environment (Department) for a Gateway Determination and for public authority consultation and public exhibition in accordance with any Gateway Determination conditions. Council and CSPC resolutions are shown at Attachment B.
8. This report recommends approval of the planning proposal to amend the Sydney Local Environmental Plan 2012. If approved, then a request would be made to the Department to publish the amendment to the Land Zoning Map. A request to Parliamentary Counsel is not required because the amendment is only to mapping. The amendment would come into effect when the amended Land Zoning Map is published on the NSW Legislation website.

Gateway Determination

9. The Department issued a Gateway Determination for the planning proposal on 23 June 2023. The Gateway Determination is shown at Attachment C. It delegated plan-making authority to Council to prepare the amendment to the Land Zoning Map to be incorporated into the Sydney Local Environmental Plan 2012.
10. The Gateway Determination required the planning proposal be revised prior to exhibition, to include additional commentary on its consistency with section 9.1 Ministerial Direction 4.4 Remediation of Contaminated Land. Following receipt of additional contamination assessment supplied by the proponent, the planning proposal was revised under Chief Executive Officer delegation on 11 September 2023 following approval from the Department on 5 September 2023 for public exhibition. The additional contamination assessment information was included in the exhibition material.
11. The Gateway Determination required the public exhibition start by 23 August 2023. However, because of delays in receiving the proponent's additional contamination assessment, the planning proposal did not begin exhibition until 18 September 2023. Subsequent correspondence between the City and the Department confirmed that this condition would be waived and that a Gateway Alteration was not required.

Public Exhibition

12. The planning proposal was publicly exhibited from 18 September to 17 October 2023, in accordance with the Gateway Determination and the City's Sydney Community Engagement Strategy and Participation Plan 2022.
13. The City sent 273 letters to owners and occupants of properties within 75 metres of the site, notifying them of the planning proposal's exhibition. The planning proposal was also advertised on the City's Sydney Your Say website and the NSW planning portal. The following local interest groups were also advised of the public exhibition and invited to make a submission:
 - (a) Glebe Chamber of Commerce;
 - (b) Coalition of Glebe Groups;
 - (c) The Glebe Society; and
 - (d) Forest Lodge and Glebe Coordination Group (FLAG).
14. One submission from the Glebe Society raised two concerns:
 - (a) that the existing height control applied to the subject land, 12 metres, should be lowered to 9 metres to ensure that future development is in accordance with the objectives of the surrounding heritage conservation area; and
 - (b) that 2 Arundel Street should be rezoned to R1 General Residential instead of MU1 Mixed Use, to reduce conflict with Arundel Street's residential character as well as potential adverse traffic impacts.
15. The existing height controls are consistent with the surrounding height controls. Figure 2 shows that other properties on the block, including west-adjointing terrace dwellings along Arundel Street, are all affected by a 12-metre height control. An exception is 26-30 Parramatta Road, which hosts a four-storey apartment building and has a higher control of 15 metres. Notwithstanding, the heritage controls applied to the land are not changed by this planning proposal and would be applicable considerations at the development application stage.

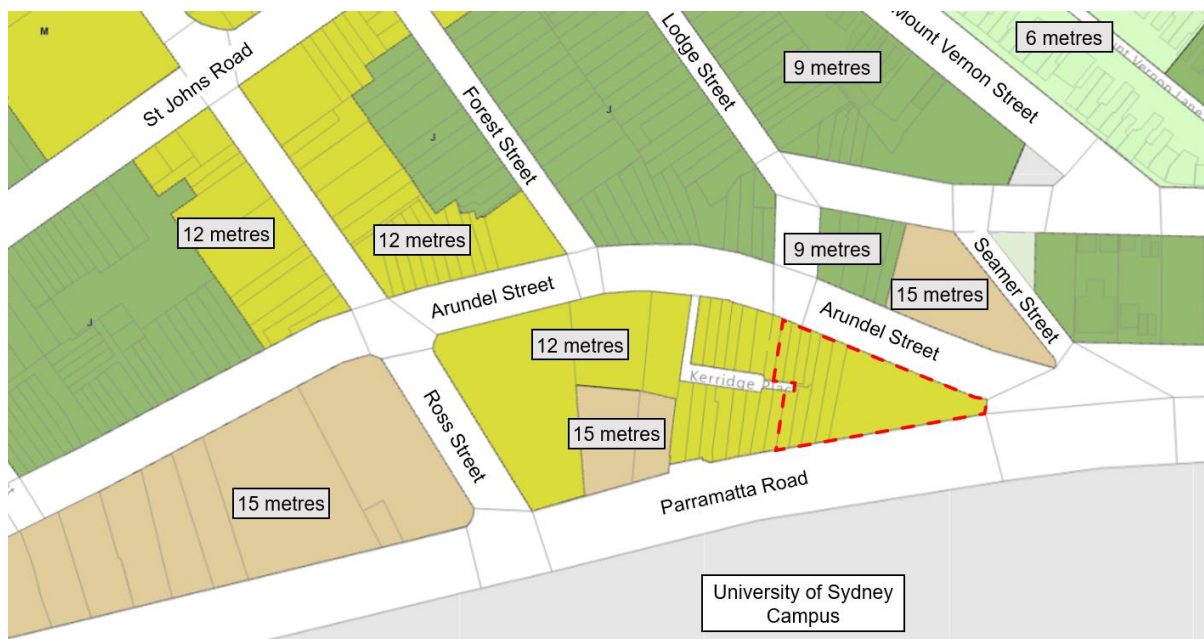


Figure 2. An indicative plan showing the site and surrounding height of building controls

16. The proposed zoning of the Mackie Building at 2 Arundel Street to MU1 Mixed Use is also consistent with the area. The building is currently used for offices by the University and featured other non-residential uses prior to the University occupation. A MU1 zoning will allow non-residential uses to continue and avoid creating exiting use rights. The proposed zoning will also allow residential uses which are currently not permitted. While other commercial uses will become permissible with the rezoning, this is compatible with surrounding uses and supports its integration with other commercial uses along Parramatta Road.
17. Figure 3 below shows a number of non-residential uses on the block, facilitated by the E3 Productivity Support zone that supports light industries, warehouses, and other land uses that meet the needs of businesses and industries. Figure 3 also highlights a number of nearby, non-residential uses within the surrounding R1 zone, indicating that nearby uses are not consistently used for dwellings.

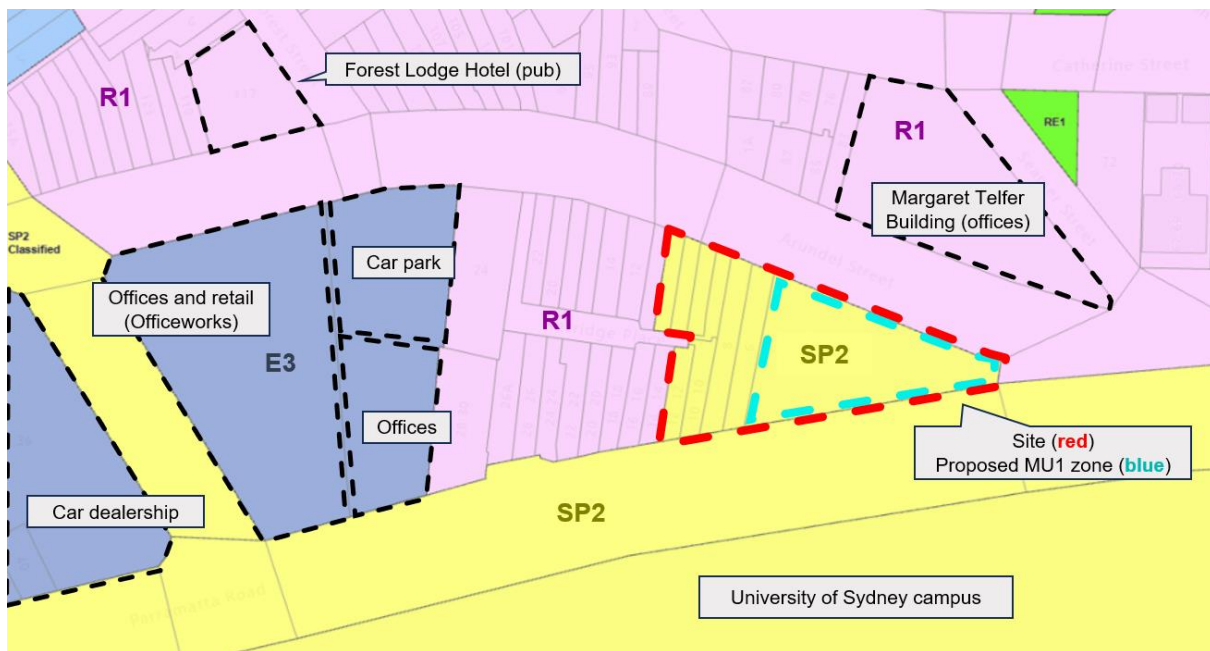


Figure 3. An indicative plan showing the site, surrounding zones, and non-residential uses (shown using black dashed lines)

18. The planning proposal does not increase the development potential of the sites and will therefore not significantly increase traffic or trip generation. Notwithstanding, any future development application will require detailed traffic assessment.
19. In addition to the submission from the Glebe Society, two were received from individuals. One of these supported the planning proposal. The other raised a number of concerns addressed below:

- (a) that lead paint on the terraces may cause hazards and trigger safe work requirements if the terraces are redeveloped or renovated.

Response: Work health and safety legislation sets out the rules for working with a lead process, including removing lead paint.

- (b) that future renovation (in particularly external works such as additions) or redevelopment of the terrace buildings may adversely affect their heritage character and heritage character of the wider area.

Response: This planning proposal does not change the development controls applied to the land. The planning proposal does not allow additional height or density and existing heritage controls which support the conservation of the terraces continue to apply.

- (c) that hazardous materials within the soil may be disturbed by future development.

Response: A preliminary contamination assessment from the proponent concluded that the that the land's current configuration is low risk. Contamination will be assessed at the development stage under State Environmental Planning Policy (Resilience and Hazards) 2021.

- (d) that an increased amount of "high-rise" development in the vicinity may worsen surrounding traffic congestion and overtax street parking supply.

Response: This planning proposal does not increase development densities permitted on the land and will not result in traffic or parking impacts.

- (e) works or construction subsequent to this planning proposal would affect surrounding dwellings, via an increased presence of tradespeople, who would use up on-street parking.

Response: The impacts of construction, if the site is redeveloped, will be considered as part of a detailed development application. Tradespeople are subject to the City's parking policies and restrictions.

- (f) that Kerridge Place, a laneway behind the terrace buildings, should be extended by Council acquiring private land, to form a loop and create a second connection with Arundel Street.

Response: Acquisition private sites in this block and extension of the lane is not identified in the infrastructure works lists of the City's contributions plans. Extension of the lane would have very limited benefit to the wider community.

20. The Gateway Determination required the Department of Education be consulted and given 30 working days to respond. However, the Department of Education confirmed that they would not lodge a submission in response to the planning proposal.
21. No post-exhibition changes to the planning proposal are recommended.

Key Implications

Strategic Alignment

22. 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. The proposed planning controls are aligned with the strategic directions and objectives.
23. The proposed planning controls give effect to the liveability and productivity priorities in the Greater Sydney Commission's Greater Sydney Region Plan and Eastern City District Plan and the City's Local Strategic Planning Statement.

Relevant Legislation

24. Environmental Planning and Assessment Act 1979.
25. Environmental Planning and Assessment Regulation 2021.

Critical Dates / Time Frames

26. The Gateway Determination requires the planning proposal to be made by 23 January 2024.
27. The amendment to the Sydney Local Environmental Plan 2012 will come into effect when the amended Land Zoning Map is published on the NSW Legislation website.

GRAHAM JAHN AM

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