

ATTACHMENT 2

DETAILED ASSESSMENT

The Site

The subject site, being 7 Westbourne Avenue (Lot 1, DP 1239553) and 12 Frederick Street, St Leonards (Lot 2, DP 1239553) has an area of 2.6 ha (outlined in red in Figure 1). It is bounded by Frederick Street to the north, Reserve Road to the east and Westbourne Avenue to the south and is within 500m of St Leonards Station. The site has a level change of approximately 16 metres from the south (Westbourne Avenue) down to the north (Frederick Street) and was previously bisected by a steep quarry wall. The property is zoned IN1 General Industrial under WLEP 2012 which permits, among other uses, general industries, light industrial uses, warehouse or distribution centres and related land uses. Health services facilities (including hospitals) are not permitted in the IN1 General Industrial zone.

Existing development on the site includes a two to four storey warehouse buildings used for a mix of uses, including indoor recreation as well as warehouse and distribution facilities. Council has approved the partial demolition of this warehouse building under DA 2016/211. This DA also subdivided the site to create lot 1 (southern part of the site, an area of 6194m²) and lot 2 (northern part of the site, area of 1.859 ha). A previous planning proposal applying to the southern part of the site was gazetted on 23 March 2018. The proposal allows for an additional permitted use of "hospital" in the IN1 General Industrial zone. This allowed for approval on lot 2 of the North Shore Health Hub (Stage 1), which is currently under construction and is due to be completed in late 2020.

The Locality

Royal North Shore Hospital is located to the south and south-west of the site with the multi-storey car park and North Shore Private Hospital to the west. The Kollings Building (part of RNSH) is located opposite the site on the southern side of Westbourne Avenue. Both the public and private hospitals are zoned Special Uses SP2 (Hospital). Properties to the east of the site are zoned IN2 Light Industrial and include a range of warehouse and high technology uses as well as an Australia Post distribution centre. Northside Medical Clinic also located within the IN2 zone to the east of the site has been rezoned to incorporate hospital as a permissible use within the zone.

Properties to the west (of the northern part of the site) and north of the site are zoned IN1 General Industrial consistent with the zoning of the subject site. The street block immediately to the north permits bulky goods retailing and includes Home HQ and Bunnings. A range of traditional industrial uses, including concrete batching plant, waste disposal centre as well as warehousing, car repair and production facilities are located within the IN1 zone.

As well as being in close proximity to St Leonards Station a number of regular bus routes service the area including the Artarmon and Gore Hill Loop bus services. An additional bus stop is proposed for the Gore Hill Loop in Frederick St to service the proposed development.

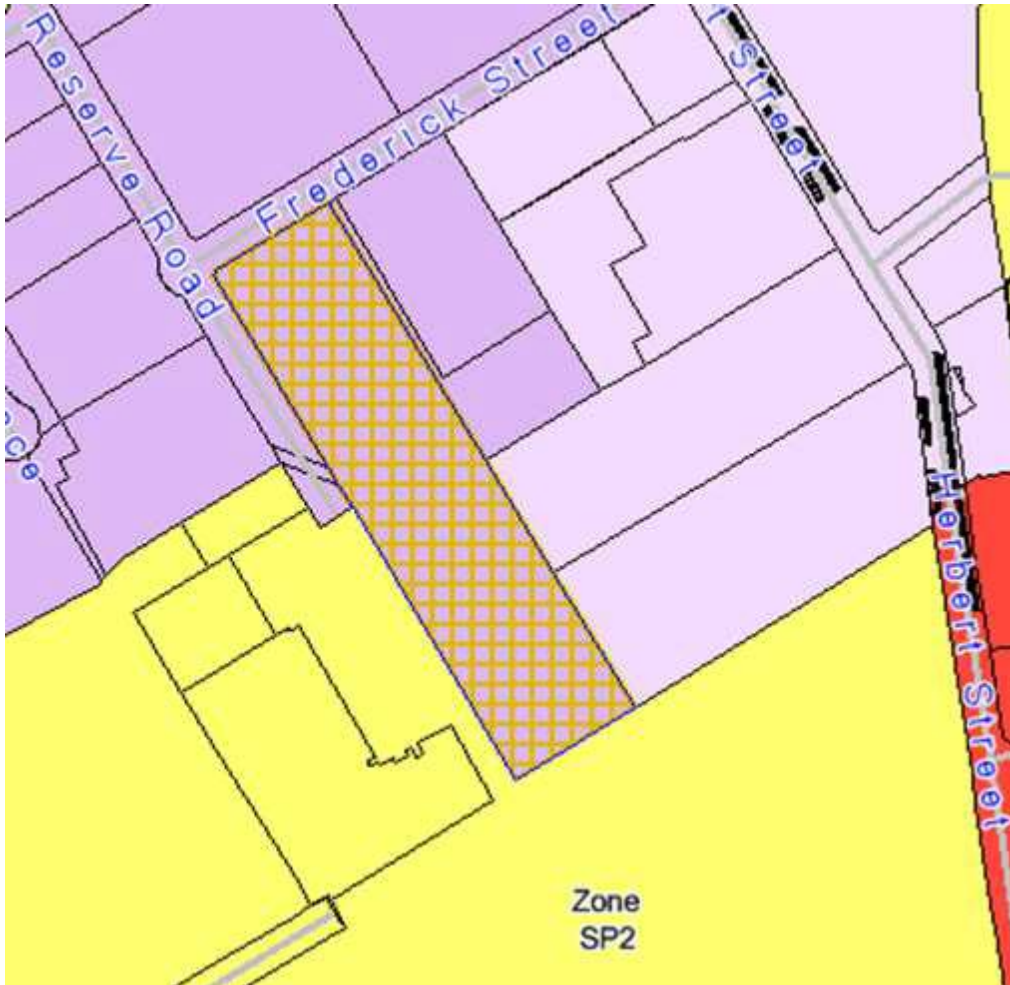


Figure 1: 12 Frederick St Locality Land Use Zoning

BACKGROUND

The subject site is located within the St Leonards boundary identified in the *St Leonards and Crows Nest 2036 Draft Plan*. The *St Leonards and Crows Nest 2036 Draft Plan* is intended to establish a strong framework to guide all future development in the St Leonards and Crows Nest area over the next 20 years. Its purpose is to ensure that the area will be a major centre for workers, residents, students and visitors, including a thriving economy with an abundance of work opportunities in the industrial area of Artarmon, Crows Nest village, the Royal North Shore Hospital and the commercial centre of St Leonards.

Consistent with the *North District Plan* and the *Willoughby Local Strategic Planning Statement (LSPS)*, the site has been recommended to be included as a part of the future health and education precinct associated with the Royal North Shore Hospital. As previously stated, the southern part of the site has already been amended to allow hospital as a permitted use. To enable this to occur for the remainder of the site a similar amendment to the zone would be required.

PLANNING PROPOSAL

The current proposal is seeking to change the IN1 General Industrial zoning of the subject site by amending Schedule 1 of *Willoughby Local Environmental Plan 2012* to allow for higher order and knowledge intensive employment uses and low-cost housing. This proposal also seeks to include the southern part of the site which was subject to the recent Schedule 1 amendment permitting “hospital” as an additional permitted use.

The Planning Proposal seeks to amend the *Willoughby Local Environmental Plan 2012* (WLEP) for 12 Frederick Street and 7 Westbourne Avenue, St Leonards by:

- Amending Schedule 1 WLEP for the subject site to allow for the following additional permitted uses:
 - Health services facility
 - Educational establishment
 - Business premises which support the St Leonards Health and Education Precinct
 - Office premises which support the St Leonards Health and Education Precinct
 - Hotel and motel accommodation, up to a maximum 15,000m² GFA
 - Retail premises to a maximum 5,000m² GFA for all retail premises and no single premises exceeding 2,000m² GFA
 - Boarding house, up to 15,000m² and subject to the consent authority being satisfied that the development is managed as a boarding house use and that the development cannot be strata subdivided to create an allotment for a single dwelling.
- Establishing a maximum height limit ranging from 46.5m (RL 122.00) to 63.3m (RL 140.00) across the site.
- Amending the maximum floor space ratio to 4.5:1 for the northern part of the site (lot 2) while retaining 3:1 on the southern part of the site (lot 1).

The main elements of the conceptual redevelopment of the site include:

- Expansion of the North Shore Health Hub from its approved location on the southern part of the site to the northern part of the site and comprising 7-9 storeys and up to 85,000m² GFA.
- 5000m² to be dedicated to a health services facility in stage 2 of the development (in addition to the hospital uses permitted in the approved Stage 1 Health Hub)
- 2 towers each comprising a hotel and boarding house accommodation and with a combined GFA of up to 30,000m² to provide for workers and other visitors to the health and education precinct.
- Education, research, business and associated office uses in the northern part of the site up to 47,500m² GFA.
- Ancilliary retail of up to 5000m² GFA.
- Buildings are stepped down the site from the high point to the south to the low point to the north.
- Basement parking for up to 795 vehicles. Vehicle rates are lower than RMS rates and Council DCP due to good access to public transport and active transport options.
- Separated vehicle access to be provided from Frederick Street (loading and service vehicles) and Reserve Road (car park entry/exit). A porte cochere would also be provided off Reserve Road.
- The loading area is provided on the basement level.
- Open space landscaped areas incorporating a pathway that will run through the spine of the site and linking Frederick Street to Reserve Road.
- Creation of a small public plaza activating the corner of Frederick Street and Reserve Road, incorporating lighting, mature trees and public art.

The Concept Plans are at Attachment 4. The Planning Proposal is accompanied by a Voluntary Planning Agreement Letter of Offer involving a number of road intersection and streetscape upgrades as well as provision of a publically accessible link through the site. A copy of this letter of offer is at Attachment 5.

For the purposes of this report and planning proposal, site mapping amendments to *Willoughby Local Environmental Plan 2012* have not been prepared as the planning proposal is not recommended to be supported, however maps showing the existing zone (IN1 General Industrial) and FSR (1.5:1) are included in the planning proposal submitted by the applicant. There is currently no height limit on the subject site being in an Industrial Zone.

DISCUSSION

1 Alignment with Strategic Planning Documents

This Planning Proposal involves a site located within the Artarmon industrial area identified in the Council endorsed *Local Strategic Planning Statement (LSPS)*, *Industrial Lands Position Statement* dated 2017 and *draft Industrial Lands Strategy 2020*.

1.1 Willoughby Local Strategic Planning Statement (LSPS) 2019

The proposal submitted does not comply with the aims of the LSPS, which is to support the existing health and education hub with appropriate health, education and ancillary uses. Health and education uses are a minor part of this proposal, with the major components being a range of other uses including offices, a hotel and a boarding house. An alternative proposal to permit “hospital” as an additional permitted use would be consistent with Council’s recently adopted *Local Strategic Planning Statement (LSPS)* which identifies this site to be within the potential expansion area of the St Leonards health and education precinct. It is noted that Council has allowed a hospital as an additional permitted use on part of the site (ie Lot 1 DP 1239553). This same approach would also ensure that any other proposed uses are ancillary to the primary hospital use of the site.

1.2 Willoughby Draft Industrial Lands Strategy 2020

The alternative proposal to permit “hospital” as an additional permitted use is also consistent with Council’s *draft Industrial Lands Strategy*. Consistent with the LSPS, the *draft Industrial Lands Strategy* supports the protection of existing industrial lands for future industrial uses. The draft Strategy also identifies this site to be within the potential expansion area of the St Leonards health and education precinct. To retain the underlying industrial zoning with ‘hospital’ as an additional permissible use would also be consistent with this draft Strategy. To allow the full range of additional permitted uses as proposed would essentially equate to a business zoning and detract from the objectives of the zone and the commercial viability of the nearby St Leonards strategic centre.

1.3 Industrial Lands Position Statement dated 2017

The *Industrial Lands Position Statement* was the base document for the preparation of the *Willoughby Draft Industrial Lands Strategy* and was informed by economic and employment analysis of industrial areas undertaken by Hill PDA in 2015 (on behalf of DPIE/GSC) and SGS Economics in 2016 (on behalf of WCC). Three key principles underpin the Position Statement:

- To ensure a sufficient supply of industrial zoned lands for economic growth in Willoughby City Council area and the wider North District over the next 20 years;
- To recognise the importance of these lands to fulfil the city’s urban service needs, such as concrete batching plants, waste recycling, builders yards, and vehicle repair;
- To recognise the value of these lands in generating local, diverse and skilled jobs for Willoughby.

1.4 St Leonards and Crows Nest 2036 Draft Plan and North District Plan

The Planning Proposal should also be considered in relation to the key elements contained in the *St Leonards and Crows Nest 2036 Draft Plan* dated October 2018 prepared by the Department of Planning, Industry and Environment and the strategic direction set out in the *North District Plan*.

A key element of the *St Leonards and Crows Nest 2036 draft Plan* is that future planning in the area will support the economic growth of the Health and Education Precinct around the Royal North Shore Hospital. A particular land use objective that includes the site in question (and also the adjoining IN2 Light Industrial land to the east) is the statement outlined below:

“Continue to support intensification of employment uses in the light industrial area including high technology and ancillary health uses on a site by site basis”. (P.29 Draft Plan)

It is also noted that the draft Plan proposes to protect essential industrial lands and jobs, consistent with the strategic direction set out in the Greater Sydney Commission’s *North District Plan* to retain and manage industrial and urban services land.

Although the Planning Proposal request responds to some aspects of the *St Leonards and Crows Nest 2036 Draft Plan* such as pedestrian, cycle and road improvements, it does not ensure that the primary purpose for development of the site is for industrial or health uses.

The draft planning proposal proposes to include Schedule 1 Additional Permitted Uses such as a private hospital health hub, education, research and high technology industry, a hotel, boarding house accommodation and office and retail uses. The proposal includes provisions which limit in area certain uses.

Although some of the uses are consistent with the industrial zoning (such as research and high technology industry) or an added permissible use of ‘hospital’ it is inappropriate to permit a number of the other proposed uses, such as hotel or boarding house as permissible in their own right. It is appropriate that the provision of such uses either be consistent with the definition of hospital, being ancillary to the primary function, or provided elsewhere, such as within the nearby business zones. To allow the proposed range of additional uses would enable any one of these uses to be provided without the provision of any hospital or medical related uses being provided on site.

Moreover, the “intensification of employment uses” presented by this proposal is very broad and could be interpreted as encouraging consideration of non-industrial employment uses thus conflicting with the strategic direction set out in the Greater Sydney Commission’s *North District Plan* to ‘Retain and manage industrial and urban services land’.

2 Other Considerations

2.1 Traffic and transport

A Traffic and Parking Assessment prepared by STC Consulting has been submitted as part of the Planning Proposal. A study update has also been prepared to reflect the revised land use mix in the amended proposal.

The concept scheme submitted with the planning proposal includes the following elements relating to traffic and parking:

- Basement parking for up to 795 vehicles. Vehicle rates are lower than RMS rates and Council DCP due to good access to public transport and active transport options.
- Separated vehicle access from Frederick Street and Reserve Avenue. A porte cochere would also be provided off Reserve Road.
- The loading area is provided on the basement level.
- Signalisation of Frederick Street/Reserve Road, including pedestrian crossings on three of the four approaches.
- Signalisation of Westbourne Street/Herbert Street,
- Recommendations for an upgrade of Herbert Street/Frederick Street that arise from background growth for consideration by Council or Transport for NSW,
- Some limited on-street spaces removed for new signals and peak period restrictions in other locations,
- Improved Reserve Road streetscape including potential for cycleway,
- Potential additional stop on the Gore Hill Loop shuttle (subject to approval), and
- Through-site pedestrian links from Frederick Street to Reserve Road and incorporating open plaza and landscaped areas.

It is noted that the site is located on the periphery of the St Leonards commercial centre. The location of the site, immediately adjoining the public / private hospital precinct also provides the opportunity to improve pedestrian and cycling connectivity throughout the hospital site and with links to St Leonards Station.

The proposal was referred to Council's Development Engineer and Transport and Traffic Team Leaders as well as Transport for NSW for comment. Although no fundamental concerns were raised with the proposed changes to the zoning, issues associated with parking provision, and traffic and transport changes including provision of active transport infrastructure in and around the site would require addressing further in the formulation of DCP controls and at DA stage. This also includes impacts associated with the management of construction. Should the application proceed to Gateway and exhibition it is recommended that additional information be sought and draft DCP controls formulated to address concerns raised.

2.2 Heritage

The site is not identified as being within a heritage conservation area and does not contain any item of heritage significance. The site is adjacent to a local heritage item, being the former Council Works Depot, currently used as Home HQ located at 1 Frederick Street (opposite the site to the north). It is considered that any future heritage impact of this development on this heritage item is considered acceptable at this preliminary stage.

It is noted that there is also a tunnel on site that may have formed part of the former brickworks, which is not accessible and is not nominated as a heritage item. Future potential heritage impacts including on the former tunnel will be further assessed if the proposal proceeds to development application stage.

2.3 Flooding and Overland Flow of Stormwater

The site is identified as subject to Flooding – Overland Flow Study (Major) according to the Flat Rock Creek Flood Study. This detailed that flood depths on Reserve Road and Frederick St are less than 100mm and flood depths of 300-400mm within the site occur along the northern and western boundaries.

The flow depths within the site are likely to be due to flows from the site itself and potentially low points due to inaccuracies in the modelling undertaken. As the flow depths in the roads surrounding the site are less than 100mm and will be contained within the road reserve it does not constitute a significant basis for rejecting the proposed zoning changes.

As part of any future development application, a detailed flood report is to be provided, that confirms that appropriate freeboard has been provided for building floor levels and vehicle access points to basement parking areas. The report will also need to address internal overland flow paths.

2.4 Stormwater Drainage

The concept proposal associated with the Planning Proposal details that an 863m³ OSD tank will be provided, with outflow from the site limited to the required PSD of 335L/s. The system will connect to Council's drainage system in Frederick Street.

The proposed volumes meet the requirements of the DCP. Full details, showing compliance with all aspects of the DCP, will be required as part of any development application. This will include confirmation that the outlet of the OSD system is above the 1%AEP flood level at the connection point to the Council stormwater system.

2.5 Contamination

Council's Environmental Health Officer has noted that the applicant has provided a Preliminary Site Investigation prepared by Coffey Services Australia Pty Ltd, dated 6 September 2018, to support the original rezoning planning proposal.

The investigation of the site involved a desktop assessment and a walkover of the site. No soil or groundwater samples were obtained and analysed, but various areas of concern and data gaps were identified. The areas of concern were:

- Former quarrying activities on site and a brick/tile manufacturing works located on adjoining land.
- Storage and use of hydrocarbons on-site and off-site.
- Former printing workshop
- Potential fill material of unknown quality and origin located on site.

The consultant concludes that the site could be made suitable for the proposed land uses anticipated by the rezoning application.

Consistent with the Coffey report it is recommended that should the planning proposal proceed further research be undertaken including inspection of the tunnel within the south-western boundary of the site. Also consistent with the report recommendations, a Detailed Site Investigation should be undertaken prior to any future development application.

2.6 Acoustic assessment

As with the Planning Proposal for the hospital at 10 Herbert Street, Council staff consider that should the planning proposal proceed a DCP provision should require a comprehensive noise assessment to be submitted with any future Development Application considering both the impact of noise generated by the proposed use on the surrounding area and the impacts of noise from surrounding development on the proposed use. This is particularly important given the proximity to IN1 General Industrial zoned land which permit uses such as concrete batching plants. It is important that a new

land use does not sterilise future uses of the IN1 General Industrial land for industrial uses.

2.7 Landscape and Urban Design

The revised Planning Proposal documentation includes an Urban Design Report prepared by McGregor+Coxall which provides an overview of the urban design concepts, approach and significant landscaping proposed on the site.

In general terms, the landscape design concepts presented in the documentation are a good response to the site with a concept of urban forests traversing across and through the site. However, there are concerns about the public access proposed and visibility from the street of these areas. It would be preferable for public spaces to be located at the street edge of the site to ensure improved street activation and direct access from adjacent streets to these areas.

Public access to the internal privately owned/managed space will provide additional amenity for users of the site but does not necessarily achieve the function as a 'through site link'. As the site is narrow and elongated, public circulation and accessibility may be adequately delivered by the appropriate treatment, animation and articulation of the existing public street system. The provision of public art is encouraged noting the prominent location of the site.

Appropriate LEP and DCP controls would need to be developed should the planning proposal be supported for Gateway and exhibition.

A VPA offer has been submitted which proposes public domain improvements, including street trees and upgrade to footpaths as well as a proposed cycleway. Although these improvements are supported in principle further discussion is required if the planning proposal progresses to Gateway.

2.8 Strategic Planning Controls

2.8.1 Zoning

The existing zone is IN1 General Industrial Zone with hospital being an additional permissible use on the southern part of the site (7 Westbourne). The planning proposal seeks to *amend* Schedule 1 of the Willoughby LEP for the subject site to allow for a range of additional uses including office, retail, low-cost housing and hotel accommodation. The proposal applies to the whole of what was originally known as 12 Frederick Street now known as 7 Westbourne (Lot 1) and 12 Frederick Street (lot 2).

The objectives of the existing IN1 General Industrial zone are as follows:

- *To provide a wide range of industrial and warehouse land uses.*
- *To encourage employment opportunities.*
- *To minimise any adverse effect of industry on other land uses.*
- *To support and protect industrial land for industrial uses.*
- *To identify and preserve industrial land to meet the current and future general industrial needs of Willoughby and the wider region.*
- *To accommodate industrial development that provides employment and a range of goods and services without adversely affecting the amenity, health or safety of residents in adjacent areas.*
- *To permit land uses that serve the daily convenience needs of workers employed in the industrial area.*
- *To protect the viability of business zones in Willoughby by enabling*

development for the purpose of offices if they are ancillary to, and used in conjunction with, industrial, manufacturing, warehousing or other permitted uses on the same land.

- *To improve the environmental quality of Willoughby by ensuring that land uses conform to land, air and water quality pollution standards and environmental and hazard reduction guidelines.*
- *To accommodate uses that, because of demonstrated special building or site requirements or operational characteristics, cannot be, or are inappropriate to be, located in other zones.*

Many of the uses proposed, if not genuinely ancillary to industrial or hospital uses, are more appropriately located in alternate nearby zones. Although certain office, business and retail functions may be permissible as ancillary should hospital be identified as a permissible use, enabling their permissibility in their own right would potentially enable large components of the site being provided for these uses irrespective of whether a hospital is provided on the site. This would likely result in detracting from the viability of business zones, including the neighbouring business zones in the St Leonards strategic centre.

2.8.2 Height

Under WLEP 2012, the subject site is not subject to a building height control on the Height of Buildings Map (height controls do not apply in the Industrial zones in Willoughby City). The proposed maximum height limit proposed ranges from 46.5m (RL 122.00) to 63.3m (RL 140.00) across the site. Should the planning proposal proceed there is no objection to the proposed height limits.

2.8.3 Floor Space Ratio

Under WLEP 2012 the floor space ratio for the subject site (Lot 2) is 1:1 and is within Area 5 on the Floor Space Ratio Map which allows an FSR of 1.5:1 for sites in excess of 1000m². Lot 1 has a maximum FSR of 3:1.

The planning proposal requests to increase the maximum FSR to 4.5:1 for the northern part of the site (lot 2) while retaining 3:1 recently approved on the southern part of the site (lot 1).

3 Assessment Against DPIE Planning Requirements

The Planning Proposal is considered to have some inconsistencies in accordance with the requirements under Clause 33.3 of the *Environmental Planning and Assessment Act 1979* and the Department of Planning's requirements set out in "*A guide to preparing planning proposals*" (October 2012). This document establishes six parts for consideration of a Planning Proposal which are addressed below:

PART 1 – OBJECTIVES OR INTENDED OUTCOMES

The Planning Proposal identifies objectives to support the proposal as follows:

- (a) Facilitate the redevelopment of the subject site for additional uses including knowledge Intensive employment industries, a hotel and low cost housing,
- (b) Provide an increased floor space ratio that enables the development of the subject site for the additional uses.

PART 2 – EXPLANATION OF PROVISIONS

The outcome proposed in the Planning Proposal is intended to be achieved by preparing an amendment to WLEP2012, which will include:

- (a) Amend Schedule 1 by allowing additional uses including a hotel and low-cost housing as an additional permitted uses at 12 Frederick Street, St Leonards being lots 1 and 2 DP 1239553.
- (b) Proposed maximum height limit ranging from 46.5m (RL 122.00) to 63.3m (RL 140.00) across the site.
- (c) Maximum 4.5:1 for the northern part of the site while retaining 3:1 on the southern part of the site.

PART 3 – JUSTIFICATION

Section A- Need for the Planning Proposal

1) Is the Planning Proposal a result of any strategic study or report?

NO

The Planning Proposal did not result from a strategic study or report. As previously outlined in this report the inclusion of the proposed range of uses as permissible within their own right is not considered consistent with a number of existing strategic documents including the *North District Plan, St Leonards and Crows Nest 2036 Draft Plan, Willoughby Local Strategic Planning Statement* and the *Willoughby Draft Industrial Lands Strategy*.

2) Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

N/A

The planning proposal facilitates the use of the subject site for a number of uses that are currently not permitted within the zone. A Planning Proposal is the only way to enable the uses.

Section B- Relationship to strategic planning framework

3) Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

NO

The planning proposal as submitted is not considered to be consistent with applicable regional strategies. The strategic planning context of the subject site is established by various State planning documents. “*A Plan for Growing Sydney*” incorporates the following directions:

Direction 1.10 aims to plan for education and health services to meet Sydney’s growing needs.

Direction 1.6

Expand the Global Economic Corridor also applies. The Plan also prioritises for the St Leonards Strategic Centre “work with council to provide capacity for additional mixed-use development including offices, health, retail, services and housing” and “support health-related land uses and infrastructure around Royal North Shore Hospital”.

It is considered that the proposal is not consistent with this Direction as the proposed uses such as offices and hotel should be located in the St Leonards strategic centre and housing in either mixed-use or nearby residential areas.

4) Is the proposal consistent with a council’s local strategy or other local strategic plan?

NO

The proposal for various uses including a hotel and low-cost housing for this site is not considered to be consistent with the *Willoughby Local Strategic Planning Statement* (LSPS). However, the alternative proposal to permit “hospital” as an additional permitted

use would be consistent with Council's recently adopted LSPS. The LSPS supports St Leonards to develop as a commercial centre and health and education precinct. It identifies this site to be within the potential expansion area of the St Leonards health and education precinct. It is also consistent with Council's previous support to allow hospital as an additional permitted use on part of the site (i.e. Lot 2 DP 1239553).

5) Is the proposal consistent with applicable State Environmental Planning Policies?

N/A

The applicant has provided a Table highlighting consistency with relevant SEPPs and can be viewed at Attachment 3. The report notes that the proposal is consistent with the following SEPPs:

SEPP 55 Remediation of Land
SEPP 70 Affordable Housing (Revised Schemes)
SEPP (Building Sustainability Index: BASIX) 2004
SEPP (Infrastructure) 2007
SEPP (Vegetation in Non-Rural Areas) 2017

The most relevant SEPP is SEPP 55- Remediation of Contaminated Lands. The applicant has submitted a Preliminary Site Investigation which identified a number of sources of potential contamination including its use as a former quarry, fuel storage and fill materials of indeterminate origin. Should a planning proposal be supported for the site, the applicant would be requested to submit a Stage 3 Remedial Action Plan prior to the exhibition of the Planning Proposal.

These matters are discussed in the detailed assessment above. Further consideration of the relevant SEPPs may be required should the proposal be supported to be forwarded for gateway determination.

6) Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 directions?)

N/A

The Ministerial Directions issued to councils under s.9.1 of the *EP&A Act 1979* require that a planning proposal does not conflict with the Directions. The following is a summary of the planning proposal against the relevant Section 9.1 Directions.

1. EMPLOYMENT AND RESOURCES

1.1 Business and Industrial Zones

The planning proposal will support employment generation and preserve industrial land, however it will not support the viability of the identified strategic centre of St Leonards as the proposal would allow business, retail and residential uses that are more appropriately located in centres or nearby mixed-use or residential areas. The proposal is therefore not consistent with this Direction.

2. ENVIRONMENT AND HERITAGE

2.3 Heritage Conservation

The planning proposal does not impact adversely on any item of heritage conservation and is not located within a heritage conservation area. It is therefore consistent with this direction.

2.6 Remediation of Contaminated Land

The proposal is considered to be potentially consistent with this direction. Further information on contamination issues is addressed under SEPP 55 assessment above.

3. HOUSING, INFRASTRUCTURE AND URBAN DEVELOPMENT

3.4 Integrating Land Use and Transport

The site is well located close to public transport linkages and is therefore partially consistent with this direction. It is noted that some of the uses proposed, including offices, a hotel and low-cost housing may encourage additional car-related trips rather than by public transport, due to these uses being located away from core commercial, mixed-use and residential areas.

4. HAZARD AND RISK

4.1 Acid Sulfate Soils

The subject site is identified as Class 5 on the Acid Sulfate Soils Map of WLEP 2012 and is consistent with this direction.

5. REGIONAL PLANNING

5.10 Implementation of Regional Plans

It is considered that the Planning Proposal is not consistent with *A Plan for Growing Sydney* and the *North District Plan* due to the proposal to introduce additional uses such as a hotel and housing on industrial land within a nominated health and education precinct.

6. LOCAL PLAN MAKING

6.1 Approval and Referral Requirements

The planning proposal is consistent as it does not contain any provisions which require concurrence, consultation or referral to the Minister.

6.3 Site specific provisions

The planning proposal intends to permit additional uses on the subject site. Some of the proposed uses such as hotel and low-cost housing are not permitted and are not considered suitable in the IN1 General Industrial zone. However the proximity of the site to the Royal North Shore Hospital makes the site potentially suitable for related health uses.

7. METROPOLITAN PLANNING

7.1 Implementation of *A Plan for Growing Sydney*

The planning proposal is not consistent with *A Plan for Growing Sydney* as outlined in the report above.

Section C- Environmental, social and economic impact

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The subject site and adjoining lands have not been identified as containing any areas of critical habitat or threatened species, populations or ecological communities or habitats.

8 Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The following environmental impacts of the proposal and their proposed management are discussed in this report:

- Acoustic impacts
- Traffic and transport
- Heritage
- Contamination
- Flooding and drainage
- Urban design and landscape.
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9 Has the planning proposal adequately addressed any social and economic effects?

It is considered that the Planning Proposal has not adequately addressed social and economic effects and will provide enhanced health services for the community as only a small proportion of the proposal. Proposed uses such as education, industry and research may support the growing health and education precinct, whereas other uses proposed including offices, a hotel and low-cost housing are considered inappropriate for this location as stand-alone uses. Adverse impacts may include detracting from the economic viability of existing business zones including those within the St Leonards strategic centre, as well as high reliance on private transport options.

10 Is there adequate public infrastructure for the planning proposal?

The subject site is located within an established industrial area serviced by existing utilities infrastructure, and within walking distance from St Leonards Railway Station.

The proponent has prepared a draft formal Letter of Offer (Appendix 5) showing an intention to enter into a Voluntary Planning Agreement and any necessary supporting information required by Councils policy, as part of the Gateway Planning Proposal process.

The proponents proposed an initial letter of offer in December 2018, however at this stage discussions regarding a Voluntary Planning Agreement have not been held with Council officers. The letter of offer proposes support for local road upgrades including intersection and streetscape upgrades, in addition to provision of a public access link through the site.

Should Council support the planning proposal, an updated letter of offer will be required as a basis of further consideration by Council. Once such discussions have occurred on the detail of the proposed Agreement, this matter will be separately reported to Council.

11 What are the views of State and Commonwealth public authorities consulted in accordance with the Gateway determination?

As discussed above, the Transport for NSW has been initially consulted on the Planning Proposal and raised no objections or issues at this stage.

PART 4 – MAPPING

Should it be supported, this Planning Proposal involves amending the Floor Space Ratio and Height of Buildings maps.

PART 5 – COMMUNITY CONSULTATION

The Planning Proposal has been referred both internally and to Transport for NSW at this initial stage. A number of issues have been raised in relation to the Planning Proposal, which are outlined in the discussion on the proposal above. These are to be addressed

either at planning proposal or development application stage, should the proposal be supported.

The Proposal has received internal comments from:

- Traffic and Transport
- Engineering (stormwater and flooding)
- Urban Design
- Landscape and Urban design
- Environment (acoustic and contamination)

Should Council support the Planning Proposal for public exhibition, it will proceed to Department of Planning, Industry and Environment (DPIE) to progress the “Gateway” process for the proposal to be placed on public exhibition. Public exhibition will be in accordance with the Gateway Determination requirements specified by DPIE and should include the draft WLEP 2012 Amendment (written instrument and maps), and the draft WDCP Site Specific Requirements in Part F.6. This would involve appropriate notification and receipt of submissions on the documents from relevant state agencies and the general community.

PART 6 – PROJECT TIMELINE

N/A

The planning proposal as currently submitted is not supported and therefore a timeline for the proposal has not been provided at this stage.

Department of Planning and Environment Requirements

The Planning Proposal is considered to not be generally in accordance with the requirements under Section 3.33 of the *Environmental Planning and Assessment Act 1979* and the Department of Planning and Environment (August 2016) *A Guide to Preparing Planning Proposals*. This document establishes six parts for consideration of a Planning Proposal, which are addressed above.

Conclusion

The Planning Proposal is not consistent with the strategic objectives of *A Metropolis of Three Cities Greater Sydney Region Plan* and the *North District Plan*. The proposal to permit a range of uses more suitable for business or residential zones is also inconsistent with the objectives for this area as outlined in Council’s own strategic documents including the *Willoughby Local Strategic Planning Statement and Draft Industrial Lands Strategy*.

It is considered that the relevant requirements of Section 3.33 of the *Environmental Planning and Assessment Act 1979* and the matters identified in the Department of Planning and Environment’s *A Guide to Preparing Planning Proposals* are not adequately addressed and that the environmental impacts are not acceptable for referral to Gateway.

Based on the above, it is recommended that Council not support the Planning Proposal to the Department of Planning, Industry and Environment, seeking a Gateway Determination under Section 3.34 of the *Environmental Planning and Assessment Act 1979*. Should Council support the proposal, it is recommended that Council advise the Department of Planning, Industry and Environment that the Planning Manager, Mr Ian Arnott, be nominated as delegate to process and finalise the Planning Proposal.