

28 October 2013

Mr Chris Wilson
Executive Director – Major Projects
NSW Department of Planning and Infrastructure
23-33 Bridge Street
SYDNEY NSW 2000

Dear Mr Wilson

**78-90 OLD CANTERNBURY ROAD, LEWISHAM
SECTION 75W – AMENDMENT TO CONDITON A3 AND 20 (MP08-0195)**

In accordance with Section 75W of the Environmental Planning and Assessment Act 1979 (as amended from time to time), a modification is sought to amend conditions A3 and 20 of MP08-195 ("Concept Approval") regarding the Voluntary Planning Agreement (VPA).

At the time of the initial assessment to the original Concept Approval, the proponent agreed to pay Section 94 Contributions less the value of the works, and this is contained on Page 39 of the Director Generals Assessment Report to the Planning and Assessment Commission (PAC) – refer to **Annexure 1**. However, Condition 20 of the Concept Approval states "A VPA with Council **may** off-set Section 94 Contributions". The wording "may" in Condition 20 has created an unreasonable expectation from Council to not recognise any offsets against the cost of works that are ordinarily available against Section 94 Contributions when entering into a VPA and as intended under Condition A3.

Meriton has been in negotiations with Marrickville Council since November 2012, and to date we have not been able to come to any form of agreement due to the ambiguity of Condition 20 over what can and cannot be included in the VPA with regard to Condition A3. Despite Meriton's efforts and a number of offers and submissions referred to in this report to seek resolution and compromise, we are yet to receive clear direction from Council (refer to **Annexures 2, 3 and 5** for copies of correspondence). Without resolution, Meriton is unable to get a Development Application from Council and consequently the project cannot move forward. Accordingly, we have no other option but to seek amendments to Condition A3 and 20 to clarify the VPA.

Voluntary Planning Agreement (VPA) – Conditions A3 and 20

Condition A3 of the Concept Approval sets out the parameters and items for inclusion in the VPA to be entered into with Marrickville Council, which is listed below.

"Condition A3

Prior to the submission of any future application under Part 4 of the Act the Proponent shall provide written evidence to the Director-General that it has entered into a Voluntary Planning Agreement with Marrickville Council, in consultation with Transport for NSW, with terms outlined in the EA, PPR and Revised Statement of Commitments including:

- *upgrade of Hudson Street;*

- *embellishment and dedication of public open space to the north of Hudson Street;*
- *upgrade or embellishment of pedestrian and cycle access links to the Lewisham West light rail stop, Lewisham railway station and surrounding residential areas; and*
- *other parts of the site that will be upgraded, embellished, constructed or dedicated to Council.*

As per Section 5.4.3 of the Director General's Report, there is a presumption that these items will be "offset" from future development contributions (**Annexure 1**). At the time of writing this submission, the latest VPA offer dated 17 September 2013 (**Annexure 2**) to Council included offset items and cash contributions as summarised in **Table 1**. The latest offer is consistent with Condition A3 and further information around apportionment is outlined in our previous offer to Council on 19 June 2013 (**Annexure 3**).

Table 1 – Summary of Latest VPA Offer

Land/Work included in VPA Offer	Embellishment Value/Offset Estimate
Upgrade of Hudson Street (50% of full cost - \$1,206,568)	\$603,284
Public Open Space Embellishment	\$1,692,222
Public Art (incl. consultants, design, construction and installation)	\$150,000 allowance included in open space
Cycle and Pedestrian Links to Light Rail Stop	Incl in open space
Cycle and Pedestrian Links to Lewisham Station and Surrounds	\$184,874
Brown Street Closure and Embellishment	\$1
Brown Street Stormwater Works (50% of full cost - \$177,066)	\$88,533
McGill Street Stormwater Works	\$116,766
Footpath and Road Upgrades to William and Brown St (50% of full cost - \$372,469)	\$186,234
Sub-total of items previously included	\$2,871,914
Cash Contribution	\$2,085,320
Sub-total	\$4,957,234 (equivalent to S94)
Dedication of 3,000m2 of land for public open space	\$2,400,000
Major Drainage Works to convey stormwater from Old Canterbury Road to the Rail Corridor (50%)	\$969,810
Sub-total of additional concept-approved items	\$3,369,810
TOTAL VALUE OF VPA OFFER	\$8,327,044
COMPARISON WITH S94 (\$4,957,234 based on Council's 2013/14 Fees and Charges)	168%

The latest VPA Offer was made on the basis of a meeting with Council on 9th September 2013 to discuss our offer in **Annexure 3**. Council indicated that the VPA had to demonstrate value beyond what would ordinarily be levied under Section 94 which is indicated in Council's emails dated 19 March 2013 and 8 July 2013 (**Annexure 4**).

Council's current Section 94 Plan does not include the proposed works listed under Condition A3 of the Concept Plan or provisions for respective offsets. We are offering approximately **168%** of the value of what would ordinarily be levied under Council's S94 Plan (refer to **Table 1**). We believe the VPA Offer is exceptionally reasonable and demonstrates willingness to compromise and meet Council's requirements as well as the Concept Approval. The offer ensures that Council receives all public works required under Condition A3. It also includes other items that will be "*upgraded, embellished, constructed or dedicated to Council*" as per Condition A3 that benefit the broader community as well as providing a substantial "cash" component.

A further meeting with Council on 4 October 2013 to discuss the VPA offer was held. Council maintained that major items including the central open space and upgrade Hudson Street do not generate any public benefit to the

wider community and are directly and exclusively linked solely to the development. Council further implied that this was simply a consequence of developing first in the precinct irrespective of the intent of Condition A3. Council would not recognise any public benefit of these public works irrespective of them being required under the DCP.

Council's position is to unreasonably reduce offsets contrary to Condition A3 of the Concept Approval, notwithstanding that Council will receive the dedication of the open space land with an approximate value of \$2.4M at no cost. This VPA scenario is unreasonable, is not equitable and does not take into account the premise that the existing community will benefit from public domain works that we must pay for. Future residents of the remaining undeveloped portions of the McGill Street Precinct to the south as will the residents of the Allied Mills Development and the broader Lewisham Community benefits from cycleway linkages, footpaths, reductions in flooding through upgrading the stormwater infrastructure, the new park and associated children's playground. Council's own Section 94 Plan outlines the deficiency in adequate public open space in the area, and Section 9.45 of their DCP clearly outlines that the central open space is a public space for passive recreation and to provide a thoroughfare to the future light rail station.

Irrespective of Council's position, there was a suggestion at the meeting on the 4 October 2013 that Council may find acceptable for us to absorb the full costs of the items where a 50% offset was proposed. Accordingly, Meriton lodged a letter with Council on 10 October 2013 seeking clarification of this position (**Annexure 5**). While this position was substantially outside the intent of Condition A3, Meriton was willing to consider any level of acceptance from Council subject to a response in writing. Council provided a brief response (**Annexure 6**) which did not provide any certainty and was not considered agreeable due to the gap with our understanding of Condition A3 (**Annexure 7**).

Given the current situation, we are left with no other option but to seek modification of the respective conditions in the Concept Approval to have offsets allowable against the VPA so a Development Application can be determined on the site and construction commence.

Proposed modifications to VPA Conditions:

We therefore seek the following amendments to Condition A3 in Schedule 2 and Condition 20 in Schedule 3 of the Concept Approval MP-08-0195. This will provide clarity to facilitate a resolution on the VPA as outlined in our letter dated 17 September 2013 (Refer to **Table 1**) which is consistent with the current provisions of Condition A3.

Detailed engineering design plans have been completed for drainage under the central open space, with the cooperation of Council, it has come to our attention that our development will only contribute towards 6% of stormwater flows into these pipe (refer to the Engineer's Report in **Annexure 8**). On this basis alone we should be in a position to seek Council to offset 94% of this cost to build the regional stormwater system. However we are of the opinion that an even share of providing this infrastructure is reasonable for the following reasons:

- The proposed system will improve the existing flood mitigation along Old Canterbury Road from upstream existing properties;
- The proposed development only contributes 6% of flows in the 100 year event and 6% of flows in the 20 year event;
- In a 20 year event, 90% of flows are generated upstream of the site; and
- Accommodates stormwater flow and provides a connection for the southern portion of the McGill Street precinct which currently flows along Hudson Street and discharges into the light Rail Corridor.

The proposed amendments to Conditions A3 and 20 are outlined below and all referenced plans are included in (**Annexure 9**).

"Voluntary Planning Agreement

A3 Prior to the submission of any future application under Part 4 of the Act, negotiations shall be underway with respect to a Voluntary Planning Agreement between the Proponent and Marrickville Council, **in consultation with Transport for NSW**, with terms outlined in the EA, PPR and Revised Statement of Commitments including:

- Upgrade of Hudson Street **generally in accordance with AT&L Drawing SKC23 Issue P5**;
- Embellishment and dedication of public open space to the north of Hudson Street;
- Upgrade or embellishment of pedestrian and cycle access links to the Lewisham West light rail stop, and Lewisham railway station **from the site**; and surrounding residential areas (**generally in accordance with AT&L Plan SKC 10 Issue P1**);
- **Stormwater, footpath and road upgrade works in Brown Street and William Street generally in accordance with plan SKC 22 Issue P4**;
- **Stormwater Works in McGill Street generally in accordance with AT&L Drawing SKC23 Issue P5; and**
- **Upgrade and realignment of the trunk drainage infrastructure generally in accordance with AT&L Drawing SKC 22 Issue P4 and SKC23 Issue P5.**
- ~~Other parts of the site that will be upgraded, embellished, constructed or dedicate to Council.~~

The items and works listed above must be offset against the final payable Section 94 Contributions except for the following:

- **Dedication of a minimum 3000m² Open Space Park;**
- **50% of the value of the upgrade works to Hudson Street;**
- **50% of the value of Brown Street stormwater works; and**
- **50% of the value of the footpath and road upgrades to William and Brown Streets.**
- **50% of the value of the upgrade and realignment of the trunk drainage infrastructure**

The Voluntary Planning Agreement shall be entered into prior to the issue of the Occupation Certificate of the last residential tower.

Actual quotes from an independent Quantity Surveyor shall be obtained from the proponent to establish the final cost of works to be included in the Voluntary Planning Agreement."

"Section 94 Contributions

20. Future applications shall be required to pay developer contributions to the Council towards the provision or improvement of public amenities and services. The amount of the contribution shall be determined by Council in accordance with the requirements of the Contributions Plan current at the time of approval. **A The VPA with Council may must off-set against the final payable Section 94 or cash Contributions the items and works in accordance with Condition A3.**

Conclusion

We have entered into numerous VPAs over the years and all include offsets and works-in-kind in recognition of the broader public benefits gained through the upgrading and delivery of new infrastructure that large scale developments deliver. Unfortunately, we have been unable to get a similar level of engagement with Marrickville Council which is effectively prohibiting the development from progressing.

The proposed amendments to Conditions A3 and 20 are considered reasonable and provide clear direction for both parties to enter into the VPA in accordance with the intent of Condition A3 as outlined within the original Director General's report to the PAC. The amendments to the condition are fundamental to the delivery of this strategically important development that provides necessary housing in close proximity to mass-transit systems as outlined in metropolitan and sub-regional planning policies, as well as delivering high quality open space to an area which has a historical deficiency.

We hope that both matters can be resolved so that we can proceed with preparing and lodging a Development Application with Council.

Should you have any queries, please do not hesitate to contact me in the first instance.

Yours faithfully

MERITON GROUP



Walter Gordon

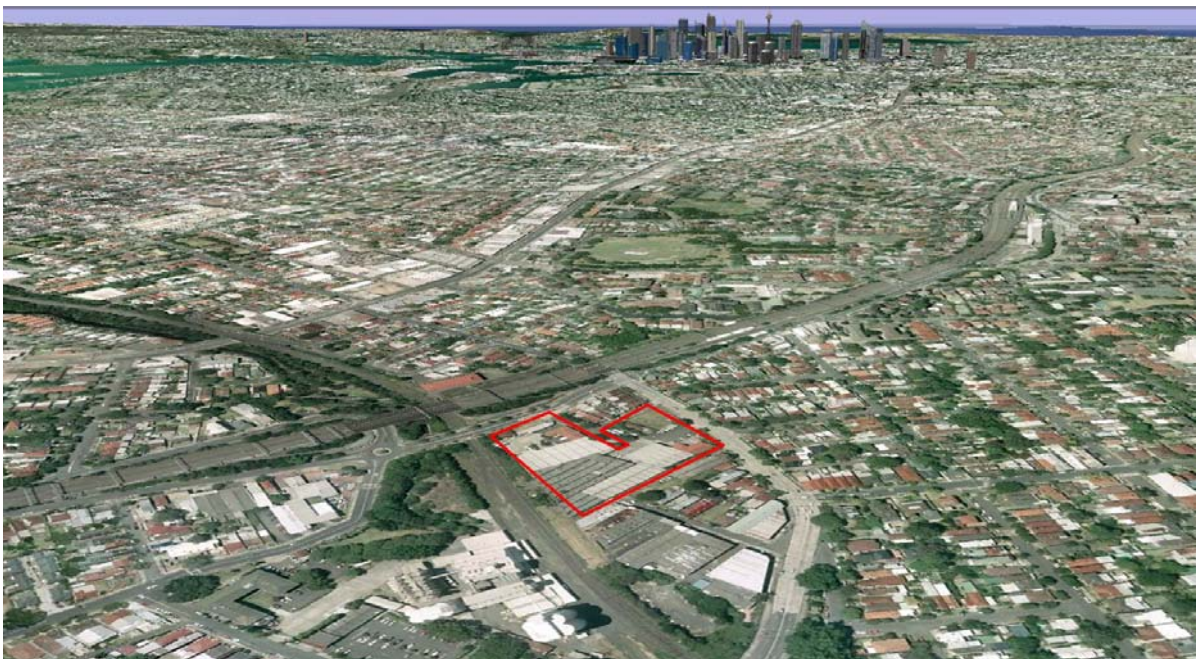
Director of Planning and Development

ANNEXURE 1



**Planning &
Infrastructure**

***MAJOR PROJECT ASSESSMENT:
78-90 Old Canterbury Road, Lewisham
(MP08_0195)***



Director-General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

January 2012

ABBREVIATIONS

CIV	Capital Investment Value
Department	Department of Planning & Infrastructure
DGRs	Director-General's Requirements
Director-General	Director-General of the Department of Planning & Infrastructure
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
Masterplan	McGill Street Precinct Masterplan
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning & Infrastructure
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PEA	Preliminary Environmental Assessment
PFM	Planning Focus Meeting
PPR	Preferred Project Report
Proponent	Lewisham Estate Pty Ltd
RtS	Response to Submissions

Cover Photograph: The site in the context of Sydney CBD (Source: Google Earth, 2011)

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EXECUTIVE SUMMARY

This is a report on a Concept Plan Application seeking approval for a mixed use development at 78-90 Old Canterbury Road, Lewisham within the Marrickville LGA. The site is located adjacent to the planned Lewisham West light rail stop and the former Allied Mills site, which is also the subject of a Concept Plan application for a mixed use development.

The site zoned R4 High Density Residential, B4 Mixed Use, B5 Business Development and IN2 Light Industrial under Marrickville Local Environmental Plan (LEP) 2011 which commenced on 12 December 2011. The proposed uses are generally permissible within the proposed zonings, with the exception of some retail and residential uses within the R4 and IN2 zoned areas. The site was zoned 4B Light Industrial and 9(c) Arterial road widening under the former Marrickville LEP 2001 which was in force at the time of lodgement and exhibition of the application. The proposal was prohibited in the former zones.

The site is also within the boundaries of the adopted McGill Street Precinct Masterplan which envisages the redevelopment of the wider precinct for residential, retail and commercial uses.

The proposal as exhibited sought approval for seven building envelopes ranging in height from 4 to 9 storeys, up to 400 apartments; 6,305.5m² of retail floor space; 290m² of commercial floor space; and 681 car parking spaces.

The Environmental Assessment (EA) was exhibited for 52 days between 17 November 2010 and 7 January 2011. As a result, the department received 8 submissions from public authorities, including Marrickville Council and 167 public submissions.

On 11 August 2011, the proponent submitted a response to submissions and a Preferred Project Report (PPR). The proponent submitted further information including revisions to the PPR on 1 December 2011.

The revised proposal seeks approval for seven building envelopes ranging in height from 4 to 10 storeys, up to 430 apartments; 643m² of retail floor space; 720m² of commercial floor space; and 448 car parking spaces. The revised proposal also provides approximately 3,097m² of publicly accessibly open space.

The department received a further 3 submissions from public authorities and 130 submissions from the public in response to the PPR.

The key issues in respect of the proposal are the cumulative traffic impacts of this proposal combined with the proposed and planned developments on the former Allied Mills site and McGill Street precinct, and the proposed built form and densities. The department obtained independent advice from Halcrow to inform its assessment. The assessment revealed that while the local road network is congested, the proposal is worthy of support, subject to measures to suppress parking and encourage use of public transport.

The department is generally satisfied that the site can accommodate increased height and density given its excellent access to public transport. The department has recommended modifications to the Concept Plan to ensure that the built form outcome achieves high levels of residential amenity and acceptable visual impacts. The recommendations for increased building separation throughout the site are likely to result in a reduction in residential floor area by approximately 12% (53 units) and an FSR of approximately 2.67:1 across the site.

On balance, the department considers that the proposed development will deliver public benefits including the renewal of industrial land, with excellent access to public transport, to provide high density residential development. The proposal will also provide publicly accessible open space and through site links providing access to the planned Lewisham West light rail stop. The proposal is considered to be genuine transit oriented development.

The department has assessed the merits of the application, taking into account the issues raised by the public and relevant public authorities. It is considered that identified impacts have been addressed in the PPR and by way of modifications to the Concept Plan. The Concept Plan is recommended for approval.

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1. BACKGROUND

1.1 Site Description

The site is located at 78-90 Old Canterbury Road, Lewisham, approximately 6 kilometres west of the Sydney CBD. The site is within the Marrickville Local Government Area (LGA), however is near the boundary of Ashfield LGA.

The site is an irregular shape comprising of 3 allotments with a combined area of 13,130m². The site has frontages of approximately 80 metres to Old Canterbury Road, 40 metres to Longport Street, 135 metres to Hudson Street, 70 metres to Brown Street and 55 metres to William Street. The site has a frontage of approximately 145 metres to the existing rail corridor. The site has an uneven topography with a fall of approximately 2 metres from the east to the west of the site and 4 metres from north to south.

The site is situated at the junction of the recently approved light rail corridor and the western suburbs railway line (**Figure 1**). Lewisham railway station is located approximately 250 metres to the east of the site (400 metres walking distance). The property is currently occupied by a number of old existing dwellings and low scale warehouse buildings. Vehicular access is currently obtained from Brown Street.

The project location is shown in **Figures 1 and 2** below.



Figure 1: Local Context Plan (Base Photo Source: Google Maps 2011)

The site forms part of the area identified as McGill Street Precinct (as further discussed in **Section 2.2** of this report)



Figure 2: Aerial photograph of the site (Base Photo Source: Google Maps 2011)

1.2 Surrounding Development

The site is surrounded by a mix of low and medium density residential housing and light industrial uses. Residential development is predominantly in the form of single and two storey dwellings, terraces and occasional three storey walk up flat buildings. To the west of the light rail corridor, light industrial uses are located along Edward Street.

The site is bound to the east by Old Canterbury Road, which is a four lane state road. The land to the east of Old Canterbury Road is predominantly characterised by low scale residential development, with a mix of detached and attached dwellings. A proposed heritage conservation area generally includes properties in Victoria Street and Toothill Street.

To the west, the site adjoins the recently approved light rail corridor. The site immediately adjoins the Lewisham West light rail stop. Further west is the former Allied Mills site. The site was formerly used for flour milling. The buildings on site have been disused for 2 years. The department is currently assessing a Concept Plan for a mixed use proposal on this site which currently involves 280-300 dwellings, 2,500 to 2,800m² of retail floor space and 3,500 to 4,000m² of commercial floor space. The proponent of this Concept Plan is currently preparing a Preferred Project Report and response to submissions.

The site is bound to the north by Longport Street, which is a regional road. On the northern side of Longport Street is the western railway line. To the north of the railway line is further low density residential development and scattered light industrial uses. Parramatta Road is located approximately 400 metres to the north.

Photos of the site are provided in **Figures 3 and 4**.



Figure 3 The site viewed from Old Canterbury Road



Figure 4 The site viewed from Longport Street

2. PROPOSED PROJECT

2.1. Project Description

2.1.1 Environmental Assessment (as exhibited)

The proposal as exhibited in the Environmental Assessment (EA) sought Concept Plan approval for the following:

- seven residential building envelopes ranging in height from 4 to 9 storeys, accommodating up to 400 apartments;
- a basement retail centre providing a total retail gross floor area (GFA) of 6,305.5m², including a 2,800m² supermarket and additional specialty retail;
- commercial floor space of approximately 290m²;
- total floor space ratio of 3.5:1;
- basement car parking for 681 vehicles; and
- public and private open space and associated infrastructure works.

2.1.2 Preferred Project Report (PPR)

Following the public exhibition of the EA, the department advised the proponent of a number of issues which required further consideration, and requested the submission of a PPR.

The main issues raised were in relation to height, built form and density; retail floor space; traffic and open space, public domain and streetscape.

On 11 August 2011, the proponent submitted a response to submissions and a Preferred Project Report (PPR). The proposal as refined within the PPR is detailed in **Table 1**.

Table 1: Key Project Components

Aspect	Description
Project Summary	Concept Plan for a mixed use development
<i>Building envelopes</i>	Seven building envelopes with heights between 4 and 10 storeys <ul style="list-style-type: none">• 4 storey building height at Old Canterbury Road frontage;• 7 storey building height at Longport Street frontage;• 4-7 storey building height at the William Street frontage;• 7-10 storey building heights adjacent to the light rail corridor; and• 5-7 storey building heights to the north of the proposed open space.
<i>Gross floor area (GFA)</i>	Residential: 38,533.11m ² Retail: 643.46m ² Commercial (ground floor of SOHO apartments): 720m ² Storage: 1,110.7m ² Total GFA (excluding storage): 39,896.57m ²
<i>Floor space ratio (FSR)</i>	3.04:1
<i>Residential component</i>	430 residential apartments including an indicative dwelling mix as follows: <ul style="list-style-type: none">• 7 x studio;• 46 x 1 bedroom;• 306 x 2 bedroom;• 52 x 3 bedroom; and• 19 SOHO (small office/home office) apartments (ground floor office, first floor residential)
<i>Retail component</i>	Proposed café adjacent to the future light rail stop and public open space and 10 indicative ground floor retail tenancies within Buildings A and C.
<i>Commercial component</i>	Commercial floor space within the ground floor of 19 SOHO apartments

Aspect	Description
<i>Traffic arrangements and vehicular access</i>	Proposed left in/left out arrangements to the site at Hudson Street, William Street and Brown Street. Retention of existing road network and creation of a private road adjacent to the light rail corridor. Vehicular access to the basement car park from William Street and the proposed private road.
<i>Car parking</i>	Two levels of basement parking for 448 vehicles
<i>Open space</i>	Provision of publicly accessible open space and through site links totalling 3,097m ² .

Key changes by the proponent include:

- 10% reduction in gross floor area from 45,902.5m² to 39,896.57m² (reduction in FSR from 3.5:1 to 3.04:1);
- 90% reduction in retail floor space from 6,305.5m² to 643.46m² including deletion of the previously proposed supermarket and retail plaza;
- 2.7% reduction in residential floor area from 39,596.94m² to 38,533.11m²;
- 7.5% increase in dwelling yield from 400 to 430 (including SOHO apartments);
- 153% increase in commercial floor space (within the ground floor of SOHO apartments) from 287m² to 726m².
- 138% increase in public open space from approximately 1,300m² to 3,097m²
- 34% reduction in on-site car parking from 681 to 448;
- retention of existing road layout with a new road adjacent to the light rail corridor;
- ground floor retail uses fronting the main areas of public open space and the light rail stop;
- ground floor commercial floor space fronting Old Canterbury Road and the main area of public open space; and
- redistribution of building heights, including an increase in height by 1 storey, as a result of provision of a lower ground level in parts of the site (no increase in height in metres).

The revised project layout is shown in **Figures 5, 6 and 7**.



Figure 5: Proposed Concept Plan Layout (Source Proponent's PPR)

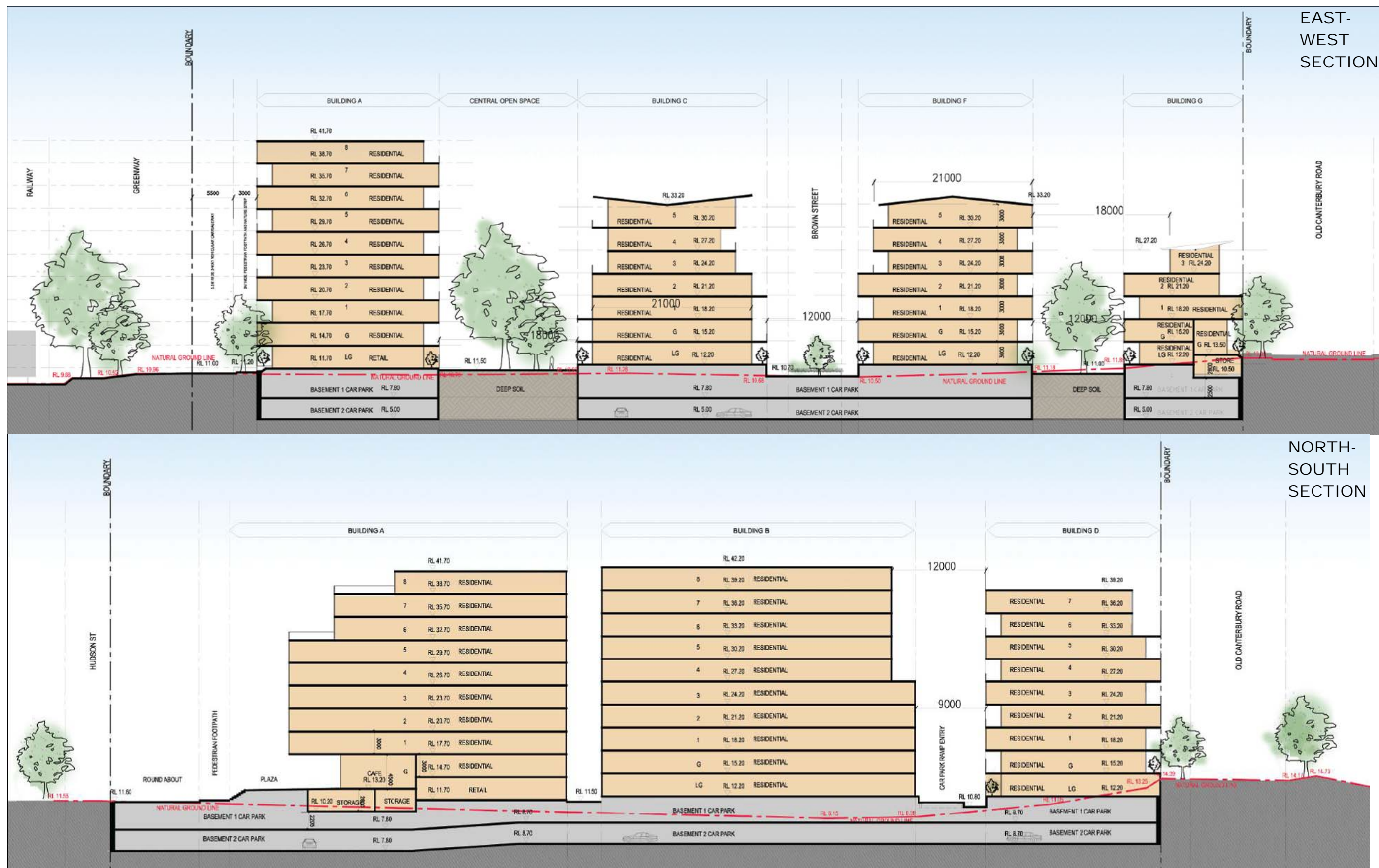


Figure 6: Cross sections showing the building height and separation between Buildings A, C, F and G (top) and A, B and D (bottom)



Figure 7: 3D perspective of the proposal from the north (proposed envelopes outlined in black) (Base image source: Proponent's PPR)

Note: The envelopes shown in orange do not reflect the heights or massing of envelopes in accordance with the McGill Street Masterplan or LEP 2011. The envelopes shown in grey reflect existing surrounding development but may not have been based on survey data in terms of height or massing.

2.2. Project Need and Justification

NSW 2021

NSW 2021 replaces the State Plan as the NSW Government's strategic business plan for setting priorities for action and guiding resource attention. NSW 2021 is a ten year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability and strengthen the local environment and communities.

The proposal's location adjacent to the planned Lewisham West light rail stop and within walking distance of Lewisham railway station will contribute to the Plan's goal of building liveable centres. Further, the introduction of high density residential flat buildings within the suburb of Lewisham will increase the supply and variety of housing stock to help provide more affordable housing in the Inner West.

Metropolitan Plan for Sydney 2036

The Metropolitan Plan aims to sustainably manage growth, enhance Sydney's position in the global economy, achieve greater housing affordability, enhance liveability and ensure equity for future generations.

The Metropolitan Plan forecasts a population increase for Sydney of 1.7 million people by 2036, taking the total population to 6 million. As a result, Sydney will need 770,000 additional dwellings by 2036, a 46% increase on the current housing stock of 1.68 million dwellings.

The proposal will make a significant contribution to the achievement of a number of the Metropolitan Plan targets. Specifically, the proposal will provide a number of new apartments in an area with high accessibility to public transport, resulting in increased housing opportunities located with high accessibility to jobs and retail facilities. A mix of apartment sizes and provision of adaptable dwellings allows for changing household demographic and ageing in place.

The proposal will also contribute to the achievement of the Plan's environmental targets, specifically by providing housing with excellent access to public transport and local services.

Draft South Subregional Strategy

The Metropolitan Plan places the site in the South subregion. The Draft South Subregional Strategy identifies Lewisham as a Neighbourhood Centre comprising a small cluster of shops at the railway station. The site is located approximately 200 metres from the centre.

The Metropolitan Plan provides updated targets for the Draft Subregional Strategy, setting a target of an additional 52,000 jobs and 58,000 dwellings for the subregion by 2036.

The land is currently a light industrial precinct and forms part of employment lands within the South Subregion. The Draft Strategy notes that the land is a former industrial precinct, is relatively isolated from nearby residential uses, located on a busy road and close to public transport. On this basis, the Draft Strategy identifies the site as Category 3 employment lands and considers the site suitable for mixed use development, including retention of a proportion of employment land uses.

The mix of uses is considered appropriate for the site. The site is considered suitable for predominantly residential use given its location outside of the Lewisham centre. It is also noted that the McGill Street Precinct Masterplan seeks to provide up to 6,000m² of commercial land use, predominantly on land to the south of the site. The limited retail and commercial land use on the site is consistent with Council's vision for the site within the Masterplan.

A key action of the Draft Strategy is to provide increased residential densities within the walking radius of smaller local centres and public transport. The provision of high density residential development immediately adjacent to public transport, and with good accessibility to services and employment makes a substantial contribution to the dwelling target for Marrickville LGA and satisfies the key objectives for housing in the Draft Strategy.

The proposal is considered to be consistent with the key directions and will assist in meeting the targets within the Draft South Subregional Strategy.

Marrickville Urban Strategy 2007

The Marrickville Urban Strategy 2007 was prepared by SGS Economics and Planning for the purposes of providing guidance in the preparation of the draft comprehensive Local Environmental Plan (Marrickville LEP 2011).

The Strategy identifies Lewisham as a neighbourhood centre with opportunity for urban renewal. In particular, the Strategy recommends a focus on providing additional housing, local improvements to access, parks and public domain. The site is located within 400 metres of the identified Lewisham centre.

Key objectives of the strategy are to accommodate an additional 3,830 dwellings over the following 25 year period to meet future housing demand and address affordable and target group housing needs. The Strategy aims to focus residential density in and around centres and rezone select industrial sites, including the subject site. The Strategy aims to achieve 80% of new dwellings located in or near centres.

This site provides an excellent opportunity to provide increased dwelling densities given its location immediately adjacent to public transport and within walking distances of Lewisham and Summer Hill centres, consistent with the objectives of the Urban Strategy.

Marrickville Integrated Transport Strategy 2007

The Marrickville Integrated Transport Strategy (2007) was prepared by Marrickville Council and aims to reduce car use and increase use of public transport, walking and cycling in the Marrickville LGA.

The Transport Strategy includes several key actions relevant to the proposal:

- to focus new mixed-use development in appropriate accessible areas;
- to promote sustainable transport in accessible areas targeted for increased development;
- to ensure that development within accessible areas promotes sustainable transport; and
- to improve the management of private car parking in accessible areas by managing supply, improving bicycle parking and encouraging car sharing in private developments.

The Transport Strategy seeks to locate new development in highly accessible locations within walking distance of railway stations, strategic bus corridors and commercial centres. The proposal is located immediately adjacent to the planned Lewisham West light rail stop and within 400 metres of Lewisham Railway Station. The site is also located approximately 800 metres walking distance to Summer Hill Village.

The proposal also includes the following measures to promote sustainable transport:

- restrained on-site car parking in accordance with the draft Marrickville DCP to discourage car ownership and encourage use of public transport;
- designated car share spaces; and
- preparation and implementation of a travel plan for the development.

McGill Street Precinct Masterplan

On 10 November 2009, Marrickville Council adopted the McGill Street Precinct Masterplan (**Figure 8**). The Masterplan was prepared in accordance with the objectives of the Marrickville Urban Strategy which identifies the site as an existing industrial site suitable for redevelopment to meet increased housing demand in the LGA.

Key features of the Masterplan include:

- approximately 46,500m² of residential floor space (500 dwellings), 3,000m² of retail and 6,400m² of commercial floor space;
- the scale of buildings is generally 4 storeys with higher density development (up to 9 storeys) predominantly along the light rail corridor;
- upgrading all existing streets and creation of new streets to enhance permeability throughout the precinct and promote access to the GreenWay and light rail;
- creation of a new centrally located local park providing access and visual connection to the GreenWay;
- Hudson Street and new street (extension of Henry Street) adjacent to the new park to become active and mixed use streets;
- commercial and retail uses at ground level to create activity, safety and character at the street level;
- building envelopes to provide strong definition of the streets and distribute density across the site;
- public domain upgrades such as lighting and footpath widening; and
- best practice ESD across the precinct.



Figure 8: Marrickville Council McGill Street Masterplan (Source: Hassell 2009)

The Masterplan provides an indicative layout to guide the redevelopment of the precinct. The adopted land uses, buildings heights and FSR within the Masterplan have been translated into zoning, height and FSR development standards within the Marrickville LEP 2011. The department's consideration of the LEP 2011 is provided in **Section 3.2**.

Council commissioned ARUP to prepare a traffic assessment for the McGill Street Precinct which makes recommendations on required road improvements associated with the redevelopment. ARUP's key recommendations are summarised as follows:

- new traffic signals at Henry Street and the proposed new street to the north of the open space;
- maintained right turn bans during peak hour in and out of William Street;
- one way traffic flow in the eastern section of the streets to the north and south of the open space;
- right turns ban out of Brown Street into Longport Street;
- McGill Street and Old Canterbury Road intersection remain in its current arrangement (uncontrolled unrestricted movements);
- the existing traffic signals at Toothill Street provide direct access into the development at this intersection; and
- a 10kmph shared zone for the roadway adjacent to the light rail corridor.

The proposal is located on the largest landholding within the precinct. The site, as outlined within the Masterplan, features:

- a mix of land uses including residential (20,344m²), retail (636m²) and commercial (1,257m²) and a new local park;
- a new street to the north of the local park, extension of Brown Street and a new north south street along the GreenWay and light rail corridor;
- maximum FSR of 1.7:1;
- heights ranging from 3 storeys north of the local park up to 9 storeys adjacent to the light rail corridor/GreenWay; and
- indicative building envelopes with a strong perimeter edge, internal private open space and maximum building depths of 20 metres.

Refer to **Figure 9**.

The department has considered the performance of the proposed development against these provisions in detail in **Section 5.3** of this report.

On balance, the department considers that the proposal satisfies the objectives of the Masterplan as it provides:

- a total of 3,097m² of publicly accessible open space and through site links;
- activation of the public open space through ground floor retail and commercial uses;
- a transition on height from 4 storeys adjacent to Old Canterbury Road up to 10 storeys adjacent to the GreenWay and approved light rail station; and
- public domain upgrades throughout the site.



Figure 9: Proposed land uses, building heights and envelopes for the site within the McGill Street Precinct Masterplan (Base Image Source: Hassell, 2009)

2.3. Concept Plan

The proponent has applied for approval of a Concept Plan under section 75M of the Environmental Planning & Assessment Act 1979. The Concept Plan application seeks approval for the building envelopes and land uses described above in the section detailing the Preferred Project Report.

3. STATUTORY CONTEXT

3.1. Continuing operation of Part 3A

Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act), as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the Act, continues to apply to transitional Part 3A projects. Director-General's environmental assessment requirements (DGRs) were issued in respect of this project prior to 8 April 2011, and the project is therefore a transitional Part 3A project.

Consequently, this report has been prepared in accordance with the requirements of Part 3A and associated regulations, and the Minister (or his delegate) may approve or disapprove of the carrying out of the project under section 75O of the EP&A Act.

3.2. Major Project

The proposal is a Major Project under Part 3A of the EP&A Act because it is development for the purpose of residential, commercial or retail project under the former provisions of clause 13 of Schedule 1 of *State Environmental Planning Policy (Major Projects) 2005*. The proposal has a capital investment value over \$50 million and was considered to have State or regional planning significance.

Consequently, the Minister for Planning & Infrastructure is the approval authority for the proposal. The Minister has delegated his functions to determine Part 3A to the Planning Assessment Commission (PAC) where an application has been made by persons other than by or on behalf of a public authority.

The application is being referred to the PAC for determination as the proponent has declared a reportable political donation (**Appendix H**). Marrickville Council has also lodged a submission objecting to the proposal and 178 and 130 submissions were received from the public during exhibition of the EA and PPR respectively.

As the application has been made by a private person it is able to be determined by the PAC under delegation from the Minister.

3.3. Permissibility

Marrickville Local Environmental Plan 2001

The Marrickville Local Environmental Plan (LEP) 2001 was in force at the time of lodgement and exhibition of the proposal. The site was zoned 4B Light Industrial and 9(c) Arterial road widening (a small portion of the north eastern boundary on Old Canterbury Road) under this LEP. The proposed residential, retail and commercial uses are prohibited in these zones.

Marrickville Local Environmental Plan 2011

The Marrickville Local Environmental Plan 2011 commenced on 12 December 2011. The LEP generally implements the recommendations of the McGill Street Masterplan and provides the following zonings for the property:

- R4 High Density Residential (in the central and western portions of the site adjacent to the light rail corridor);
- B4 Mixed Use (primarily along the Old Canterbury Road frontage);
- B5 Business Development (at the intersection of Old Canterbury Road and William Street (residential development is only permitted on this land if it is part of a mixed use development in accordance with the 'key sites map'); and
- IN2 Light Industrial (to the north of Hudson Street - the proposed IN2 zoned area retains the former light industrial zoning under LEP 2001 as this area is to be investigated as future open space by Council).

The proposed uses are generally permissible within the current zonings, with the exception of some retail uses within the R4 zone and residential and retail uses within the IN2 zone. While the proposed land uses are not strictly in accordance with the LEP, the mix of residential, retail and commercial uses is generally consistent with the objectives for the locality. The authorisation of a Concept Plan allows for the proposal to be considered independently of the rezoning of the site under Marrickville LEP 2011.

The current and proposed zoning for the site is outlined in **Figure 10**.

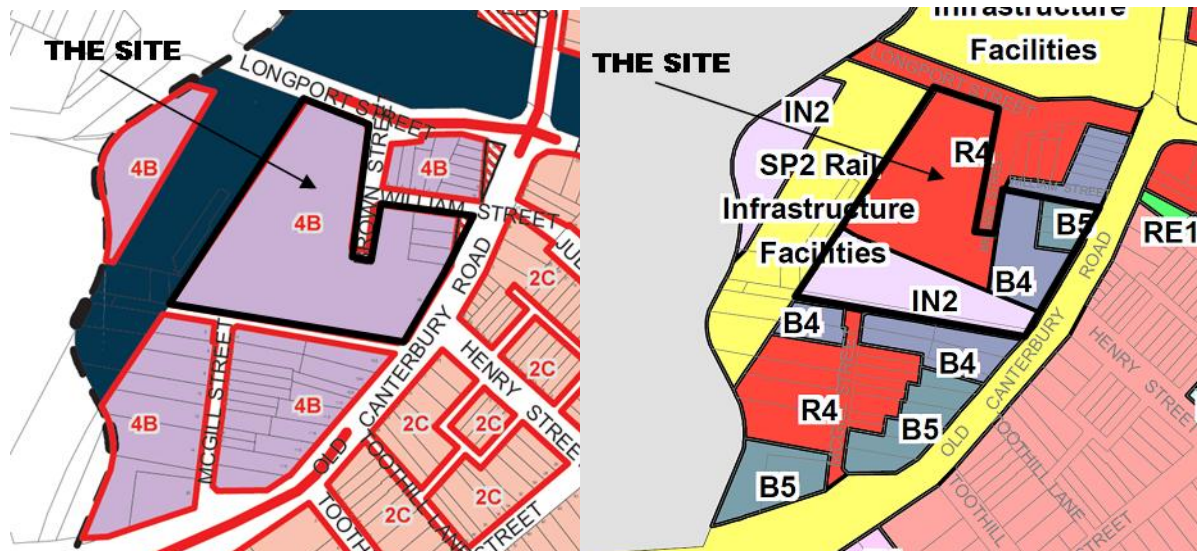


Figure 10: Former zoning under Marrickville LEP 2001 (left) and current zoning under Marrickville LEP 2011 (right) (Source: Marrickville Council, 2011)

3.4. 75R Order

Section 75R of the EP&A Act allows the Minister to permit components of the proposal currently prohibited by making an appropriate Order under section 75R(3A) of the EP&A Act to amend the Marrickville Local Environmental Plan 2011 to authorise the carrying out of development in accordance with this Concept Plan.

If this application is approved, it is considered appropriate to prepare an Order to allow for the development to proceed efficiently and allow future applications, such as fit out/change of use, to be assessed by the Council or Certifying Authority.

3.5. Environmental Planning Instruments

Under Sections 75I(2)(d) and 75I(2)(e) of the EP&A Act, the Director-General's report for a project is required to include a copy of, or reference to, the provisions of any State Environmental Planning Policy (SEPP) that substantially governs the carrying out of the project, and the provisions of any environmental planning instruments (EPI) that would (except for the application of Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the assessment of the project.

The department's consideration of relevant SEPPs and EPIs is provided in **Appendix D**.

3.6. Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the EP&A Act, as set out in Section 5 of the EP&A Act. The relevant objects are:

- (a) to encourage:
 - (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water,

- cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment, and*
- (ii) the promotion and co-ordination of the orderly and economic use and development of land, and*
- (iii) the protection, provision and co-ordination of communication and utility services,*
- (iv) the provision of land for public purposes, and*
- (v) the provision and co-ordination of community services and facilities, and*
- (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
- (vii) ecologically sustainable development, and*
- (viii) the provision and maintenance of affordable housing, and*
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.*

The proposed Concept Plan is considered to be consistent with the relevant objects of the EP&A Act. The submission of the proposal in the form of a Concept Plan allows the broader economic, social and environmental impacts of the development to be assessed independently of the 'fine detail' of the project.

On balance, it is considered that the proposal is consistent with the objects of the EP&A Act in the following respects:

- The benefits provided by the proposal, including the contribution to the housing stock within a highly accessible location, in close proximity to public transport, services, facilities and employment opportunities;
- The renewal of a former industrial precinct for mixed use development achieves orderly and economic use and development of the site;
- Provision of a substantial area of public open space, including connections through the site to the light rail corridor and Lewisham West light rail stop achieves provision of land for public purposes; and
- The proposed mix of apartment sizes and types will provide a range of housing options for future residents of varying income levels and household size.

3.7. Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) the precautionary principle,*
- (b) inter-generational equity,*
- (c) conservation of biological diversity and ecological integrity,*
- (d) improved valuation, pricing and incentive mechanisms.*

The department's consideration of relevant of ESD principles is included at **Appendix D**.

3.8. Statement of Compliance

In accordance with section 75I of the EP&A Act, the department is satisfied that the Director-General's environmental assessment requirements have been complied with.

4. CONSULTATION AND SUBMISSIONS

4.1. Exhibition

Under section 75H(3) of the EP&A Act, the Director-General is required to make the environmental assessment (EA) of an application publicly available for at least 30 days. After accepting the EA, the Department publicly exhibited it from 17 November 2010 until 7 January 2011 (an extended period of 52 days) on the department's website, and at the Department of Planning & Infrastructure Information Centre, Marrickville Council Citizens' Service Centre and Marrickville Library. The department also advertised the public exhibition in the Sydney Morning Herald, The Daily Telegraph and Inner West Courier on 17 November 2010 and notified landholders and relevant State and local government authorities in writing.

The department received 175 submissions during the exhibition of the EA, comprising 8 submissions from public authorities and 167 submissions from the general public and special interest groups. An additional 133 submissions were received in response to the PPR, including 3 submissions from public authorities and 130 submission from the general public and special interest groups.

A summary of the issues raised in submissions is provided below.

4.2. Public Authority Submissions

Eight Submissions were received from public authorities in response to the EA and a further 3 submissions in response to the PPR. Submissions were received from Marrickville Council, Ashfield Council, RailCorp, NSW Office of Water, Sydney Airport Corporation, Roads and Maritime Services, Transport for NSW and Sydney Water. The submissions from public authorities are summarised in **Table 2** below:

Table 2: Summary of Issues Raised in Public Authority Submissions

Marrickville Council objects to the proposal.	
<i>EA</i>	<p>Council requested that the Concept Plan be amended to be consistent with the McGill Street Precinct Masterplan. Council also engaged Colston Budd Hunt & Kafes to undertake a review of the proposal in relation to traffic impacts. Council's key issues can be categorised as follows:</p> <ul style="list-style-type: none">• excessive density/overdevelopment;• amount and type of retail floor space;• amount of open space;• traffic and parking;• local flooding;• urban design;• relationship and connections to the light rail station;• section 94 Contributions;• infrastructure; and• affordable housing.
<i>PPR</i>	<p>Council supports the removal of the supermarket from the proposal, however continues to raise concern that the proposal is an overdevelopment of the site and may restrict the development of and/or set a precedent for overdevelopment of other sites within the McGill Street precinct.</p> <p>Council also raises the following concerns:</p> <ul style="list-style-type: none">• there is no street to the north of the proposed open space meaning that there is no direct address for building entries and no convenient access to the light rail stop;

- the proposed open space is not functional due to the narrowness at the western end and height/bulk of Building A. The open space also includes an area under the south end of Building A;
- Brown Street should be closed and improved by the proponent as a publicly accessible open space link through the site;
- ambiguous private and publicly accessible areas proposed;
- limited opportunities for deep soil planting;
- ground level treatments (hidden entries, location of retail space, privacy for ground floor apartments);
- affordable housing should be provided at a rate of 7.5%;
- survey levels are not to AHD; and
- flooding issues have not been satisfactorily addressed.

Ashfield Council objects to the proposal.

<i>PPR</i>	<p>Council did not make a submission to EA, but made a submission to the PPR. Council raised the following concerns in relation to potential impacts within the Ashfield LGA:</p> <ul style="list-style-type: none"> • excessive density; • open space and community infrastructure for the increased population; • visual impact of 10 storey buildings; • stormwater; • traffic; and • public access to the planned light rail stop and proposed GreenWay.
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Roads and Maritime Services (formerly Roads and Traffic Authority) does not object to the proposal.

<i>EA</i>	<p>RMS raised concern with traffic generation and objected to proposed intersection treatments. Further information, including modelling, was requested in relation to the proposed 4 legged intersection at Old Canterbury Road and Toothill Street. Justification for the trip distribution of traffic was also requested.</p>
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<i>PPR</i>	<p>RMS advised that the PPR generally addressed the previous concerns raised in respect of the EA. RMS requested additional modelling for the intersection of McGill Street and Old Canterbury Road. On assessment of the additional modelling, RMS advised that banning right turns in and out during peak hours would be required on safety grounds. Further it was recommended that an alternate access be provided to accommodate right turns into and out of the site.</p>
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Transport for NSW (TfNSW) does not object to the proposal.

<i>EA</i>	<p>TfNSW raised concerns regarding the proposed car parking provision, particularly the high proportion of visitor car parking, connections between the Lewisham West light rail station and Lewisham railway station, the proposed loading dock adjacent to the light rail station and general accessibility and legibility to and from the light rail station.</p>
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RailCorp does not object to the proposal.

<i>EA</i>	<p>RailCorp has specific requirements in relation to geotechnical and structural reporting and excavation methodology; encroachments into the rail corridor; stormwater design; and landscaping and fencing. These requirements have been incorporated into the recommended future assessment requirements.</p> <p>RailCorp also requested further consideration of linkages between the existing Summer Hill and Lewisham railway stations and the approved "Lewisham West" light rail station as a future assessment requirements.</p>
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The proponent has committed to enter into a voluntary planning agreement with Council and consult with both Council and RailCorp on future linkages. RailCorp also requested that a condition be imposed in relation to further contributions to the upgrade of Lewisham railway station. This is further assessed in **Section 4.4.4**.

NSW Office of Water (NOW) does not object to the proposal.

EA NOW provided advice in relation to groundwater and water licensing requirements. These matters have been included as future assessment requirements as required.

Sydney Airport Corporation Limited (SACL) does not object to the proposal.

EA SACL advised that the site is affected by the Civil Aviation (Buildings Control) Regulations which limit the height of structures to 150 feet (45.72 metres). SACL have raised no objections to structures up to 79 metres AHD. SACL therefore raises no objections to the proposal. SACL has also advised that approval is required for any temporary structures, equipment or cranes exceeding 45.72 metres.

Office of Environment and Heritage (formerly Department of Environment, Climate Change and Water) does not object to the proposal.

EA The Office of Environment and Heritage made a submission stating that they had no comments in relation to the proposal.

Sydney Water does not object to the proposal.

EA Sydney Water outlined the requirements for upsizing of existing drinking water mains, wastewater deviation and adjustment of stormwater services. In addition, as the proposal will connect to Sydney Water's Hawthorne Canal Stormwater System, compliance with Sydney Water's stormwater quality management targets is required. Appropriate future assessment requirements have been recommended to ensure that Sydney Water's requirements are addressed as part of future application/s.

4.3. Public Submissions

Submissions to the EA

178 submissions were received from the public. This included submissions from the following special interest groups:

- Friends of the GreenWay;
- No Lewisham Towers Inc; and
- Summer Hill Action Group.

Of the 178 public submissions, 177 (99.5%) objected to the project and 1 (0.5%) supported the project. The key issues raised in public submissions to the EA are listed in **Table 3**.

Table 3: Summary of Issues Raised in Public Submissions

Issue	Proportion of submissions (%)
Traffic impacts and lack of on-site parking	96
The amount and type of retail floor space	90
Scale and density of the development	88
Height	86
Limited public open space	84

Issue	Proportion of submissions (%)
The proposal is not consistent with the character of the area (including heritage)	76
Preference for compliance with Council's Masterplan for the locality	67
The need to consider impacts of other proposals in the locality	23
Need for improvements to public transport and social infrastructure	20
Concerns regarding the consultation with Council and the community	17

A small number of submissions also raised concerns regarding impacts on the GreenWay, overshadowing, flooding, noise, light rail commuter parking impacts, amalgamation and social impacts including an increase in crime.

Submissions to the PPR

130 submissions were received from the public. This included submissions from the following special interest groups:

- No Lewisham Towers Inc; and
- Summer Hill Action Group.

The key issues raised in public submissions to the PPR are listed in **Table 4**.

Table 4: Summary of Issues Raised in Public Submissions

Issue	Proportion of submissions (%)
Traffic	96
Lack of on-street parking	95
Scale and density of the development	95
Height	89
Residential amenity (privacy and solar access)	80
Preference for compliance with Council's Masterplan for the locality	80
Lack of open space	7

The department has considered the issues raised in submissions in its assessment of the project.

4.4. Proponent's Response to Submissions

The proponent provided a response to the key issues raised by the public submissions in response to the exhibition of the EA and PPR.

The proponent's full response to submissions to the EA and PPR is included at **Appendix C** and **D**. The department is satisfied that the issues raised in submissions have been addressed and can be managed by conditions of approval as required.

5. ASSESSMENT

The department considers the key environmental issues for the project to be:

- traffic;
- density;
- built form;
- public benefits; and
- residential amenity.

5.1. Traffic

5.1.1 Traffic Generation and Local Road Network

The local road network in the vicinity of the site is subject to high volumes of traffic during peak hours. Access to the site is via Old Canterbury Road and Longport Street which experience traffic congestion in the morning and evening peak periods.

Old Canterbury Road is a state controlled road providing a regional connection between Hurlstone Park and Leichhardt. It carries approximately 20,000 vehicles per day. Old Canterbury Road generally provides 2 lanes in each direction. However, north of Longport Street a single northbound lane is provided, requiring vehicles to form a single lane at the railway underpass.

Longport Street is a regional road carrying approximately 20,000 vehicles per day. It forms part of a series of streets, which can be used as an alternate to Parramatta Road, between Ashfield and Camperdown. These streets are generally one lane in each direction, however two eastbound lanes are provided in the approach to Old Canterbury Road. This narrows again to a single lane in each direction immediately after the intersection as the road turns into Railway Terrace past Lewisham railway station.

The local road network in the vicinity of the site is shown in **Figure 11** over page.

The majority of submissions were concerned that the proposal would exacerbate the already poor traffic conditions in the vicinity of the site. The local councils and general public were also concerned about the cumulative traffic impacts of this proposal and other future developments in the area, including the likely development of the McGill Street precinct and the former Allied Mills site. The impact of the proposed traffic generation on the local road network is therefore a key consideration in the department's assessment.

The Proponent's justification

The application was accompanied by a Traffic Management and Accessibility Plan (TMAP) (incorporating a Traffic and Parking Study) prepared by Traffix.

Traffix estimates that the likely traffic generated by the proposal would be some 189 vehicles during peak hour (42 trips per hour greater than the rate calculated using the figures provided by the RTA's Guide to Traffic Generating Development).

Traffix have provided a cumulative assessment of the traffic generation of the proposal, the future development of the McGill Street Precinct in accordance with the Masterplan and the proposed mixed use development at the former Allied Mills site. The results of this assessment are provided in **Table 5**.

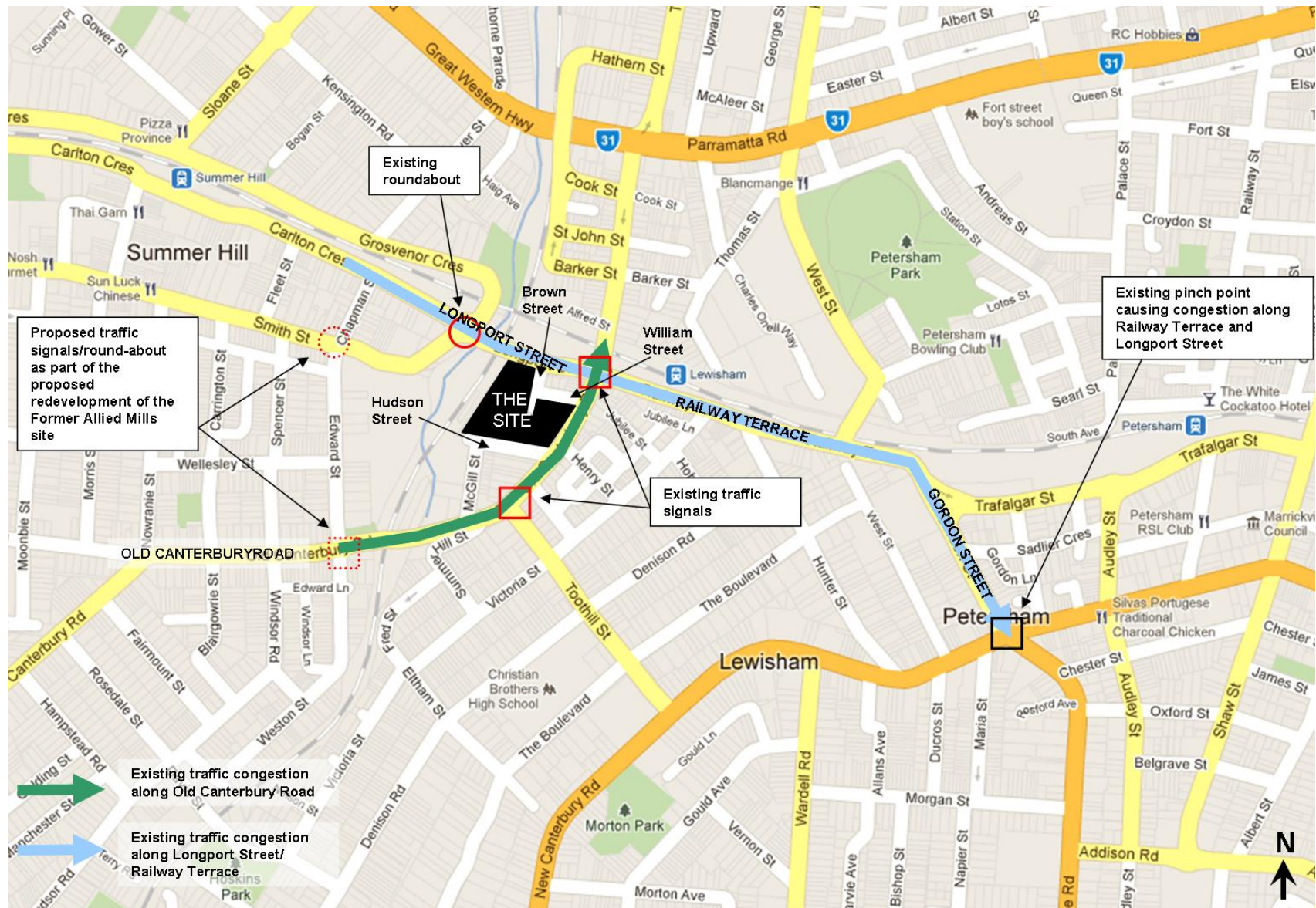


Figure 11: Local road network in the vicinity of the site
 NSW Government
 Department of Planning & Infrastructure

Table 5: Estimated traffic generation (Source Proponent's PPR)

<i>Development site</i>	<i>Development yield</i>	<i>AM peak (vehicle trips per hour)</i>	<i>PM peak (vehicle trips per hour)</i>
Lewisham Estate	430 dwellings	189	189
Remainder of the McGill Street precinct	220 dwellings*	88	88
Allied Mills	280-300 dwellings	226	289
Total	950 dwellings	503	566

* Traffic clarified that the remainder of the McGill Street precinct would generate 186 peak hour trips based on a revised development yield of 280 dwellings, 5,125m² of commercial floor space and 2,306m² of retail floor space

Traffix undertook modelling with the EA and PPR to demonstrate that the above traffic volumes could be accommodated within the local road network subject to left in left out restrictions to Hudson Street, William Street and Brown Street, with all movements permitted at McGill Street.

Traffix had advised that the intersections of Old Canterbury Road and Railway Terrace/Longport Street, Toothill Street and Edward Street will operate at a Level of Service B or better during the morning and evening peak periods, based on the cumulative traffic generation of all three sites.

Council's consideration

As discussed in **Section 2.2**, Marrickville Council commissioned ARUP to prepare a traffic assessment for the McGill Street Precinct Masterplan. To accommodate the additional traffic generation resulting from the likely development of the precinct, ARUP made a number of recommendations for traffic management in the local road network including:

- new 4 way traffic signals at Henry Street;
- right turn bans in and out of William Street and Brown Street;
- one way traffic flow in the streets to the north and south of the open space;
- the existing traffic signals at Toothill Street provide direct access into a basement car park for the development; and
- a 10kmph shared zone adjacent to the light rail corridor.

Marrickville Council also commissioned Colston Budd Hunt and Kafes Pty Ltd (CBHK) to undertake a review of the Traffix TMAP in response to the exhibition of the EA. CBHK provided the following key comments in their review:

- the proposal has excellent access to public transport;
- parking provision should discourage private vehicle use;
- micro simulation modelling should be undertaken;
- agreed with the RTA's comments on the EA in respect to the inadequacy and inappropriateness of proposed traffic management measures;
- a cumulative assessment of the traffic impacts of the proposal, the future development of the remainder of the McGill Street precinct and the proposal on the former Allied Mills site should be undertaken; and
- a pedestrian safety audit should be undertaken.

Independent traffic assessment

The department has reviewed the traffic assessments undertaken by the proponent and on behalf of Council. The proponent's traffic assessment was also referred to the RTA. Although the RTA advised that the PPR has largely addressed the previous concerns, the department considered it appropriate to commission an independent assessment of the cumulative traffic impacts of this proposal, the Allied Mills proposal and future development of the McGill Street precinct to inform its assessment.

The department commissioned Halcrow to undertake an independent review of the TMAPs prepared by the proponents of the Lewisham Estate and Allied Mills proposals and provide an independent assessment of the cumulative impacts of these proposals. The report by Halcrow is provided in **Appendix E**. As part of the review Halcrow consulted with both traffic consultants and Marrickville and Ashfield Council officers.

Halcrow has noted that based on the proximity of the sites to public transport, the likely trip generation would be approximately 27% and 18% less than the TMAP figures for the Lewisham Estate and Allied Mills proposals respectively. This difference caters for both TMAPs adopting a higher rate of 0.4 peak hour trips per dwelling. Halcrow considers that a rate of 0.29 peak hour trips per dwelling (consistent with the RTA's Guide to Traffic Generating Development) is more appropriate, which would equate to 131 and 236 vehicle trips per hour for the Lewisham Estate and Allied Mills proposals, respectively compared to the proponents' estimation of 189 and 290 trips per hour.

Halcrow also provided revised estimated peak hour traffic generation of 196 trips per hour for the remainder of the McGill Street precinct (compared to Traffix estimate of 88 trips per hour), based on an indicative dwelling yield of 280 dwellings, 2,040m² of retail floor space and 4,900m² of commercial floor space.

Notwithstanding, Halcrow have adopted the proponents' higher traffic generation rates, rather than the RTA suggested traffic generation rates, to provide a more conservative assessment. On this basis, the adopted peak hour traffic generation of the three development sites is 571 trips per hour in the morning peak and 675 trips per hour in the evening peak, which includes:

- 189 trips per hour for the Lewisham Estate proposal;
- 290 trips per hour for the Allied Mills proposal; and
- 196 trips per hour for the remainder of the McGill Street precinct.

Halcrow also notes that development of these sites for industrial purposes as allowed under the current planning controls would generate some 600 vehicle trips per hour, which is equivalent to the proposed traffic generation for the three mixed use developments.

Halcrow reviewed the existing traffic conditions and found that the intersections of Old Canterbury Road/Longport Street/Railway Terrace, Old Canterbury Road/Toothill Street, Railway Terrace/West Street and Longport Street/Smith Street all operate unsatisfactorily with extensive average delays and queue lengths. However, in the evening peak these intersections operate at an acceptable level of service.

Halcrow advised that the traffic generated by the proposals would exacerbate the already poor performing road network. This is at odds with the Traffix TMAP that has forecast acceptable levels of service at the intersections of Old Canterbury Road/Longport Street/Railway Terrace and Old Canterbury Road/Toothill Street.

Halcrow notes that the existing traffic congestion arises because of wider network capacity issue, including a "pinch point" at the intersection of New Canterbury Road and Gordon Street (approximately 900 metres to the east of the site as outlined in **Figure 11**). This results in extensive delays on Railway Terrace, Longport Street and Old Canterbury Road. Halcrow have recommended that improvement of this pinch point should be developed and implemented by the roads authority.

In relation to the local road network, Halcrow accepted the proposed access to the development being restricted to left in left out. However, Halcrow raised concern with proposed right turn movements in and out of McGill Street on safety grounds. Halcrow advised that right turns should only be allowed in this location if the lanes on Old Canterbury Road could be widened and realigned to provide a protected right turn bay. This requires

some land dedication. As this falls outside of the boundaries of the Concept Plan, Halcrow have recommended that all right turns be banned at this location until such time as an alternate controlled arrangement is proposed with the future development of the southern portion of the McGill Street precinct.

Notwithstanding the above, Halcrow is supportive of the proposed increased density on the site, in addition to the proposed and planned developments on the former Allied Mills site and the remainder of the McGill Street precinct, on the basis of:

- the continued use of the sites for industrial purposes would generate similar traffic volumes to the proposed developments, but with a higher proportion of heavy vehicles;
- industrial development is no longer compatible with the surrounding residential use and the conversion of the former goods rail line into light rail;
- the proposals can be model transit oriented developments and are consistent with state government objectives of improving access to housing, employment and services using public transport and reducing car dependency;
- suppressed parking rates should be imposed on all three development sites to reduce car dependency, encourage use of public transport and minimise the traffic impacts on the local road network during peak periods;
- in the short term, while congestion will worsen with additional vehicle trips, this has the potential to encourage diversion of traffic to nearby arterial roads resulting in an overall improvement to the traffic conditions in the vicinity of the site; and
- in the long term, the road network could be returned to satisfactory operating conditions with the removal of the pinch point at New Canterbury Road and Gordon Street.

Halcrow have made the following key recommendations in order to mitigate the traffic related impacts of this proposal:

- access to Hudson Street, William Street and Brown Street to be left in left out only at all times;
- no unprotected right turns shall be permitted into McGill Street from Old Canterbury Road;
- suppressed parking rates should be applied consistent with the Marrickville DCP 2011 (refer to **Section 5.1.3**); and
- controlled right turns into the site should be provided as part of the future development of the southern portion of the McGill Street precinct.

These measures are provided within the PPR, with the exception of right turns which are currently proposed in and out of McGill Street at Old Canterbury Road. Halcrow have recommended that the right turns be banned on safety grounds due to the high volumes of traffic on Old Canterbury Road.

Department's consideration

The department has considered the cumulative traffic impacts of the proposal, in addition to the planned redevelopment of the remainder of the McGill Street precinct and the proposed Concept Plan for the former Allied Mills site. It is acknowledged that the roads surrounding the site are congested during peak times, and any additional traffic generation will exacerbate the existing situation.

The independent assessment undertaken by Halcrow found that existing traffic conditions are a result of a congestion problems outside of the local road network and advised that the road network would likely return to acceptable operating conditions with the elimination of the pinch point at the intersection of New Canterbury Road and Gordon Street. Notwithstanding, Halcrow supported the redevelopment of this site and the other planned/proposed mixed use development on surrounding sites.

The department considers that the sites location immediately adjacent to existing and planned public transport provides a unique opportunity for urban renewal and genuine transit

oriented development. Suppressed car parking rates will aid in discouraging vehicle ownership and dependency, particularly during weekday peak periods for journeys to and from work.

The department therefore supports the proposal subject to Halcrow's key recommendations as outlined above.

5.1.2 Internal road layout, basement access and loading

The proposal seeks to retain the existing road layout at the boundaries of the site. A new north-south road is proposed adjacent to the light rail corridor on the western boundary of the site.

Road widths

Council have recommended that all local roads be widened to 14.5 metres, to provide a road carriageway of 8.5 metres (two travel lanes and one parking lane) and 3 metre wide verge on each side (allowing for footpaths and street tree planting). The proposed road widths within the Concept Plan do not satisfy Council's recommendation with widths ranging from 8.5 metres to 9.5 metres.

The department has considered the suitability of the road widths on the basis of the requirements of the Marrickville DCP 2011 and the need for on-street parking and footpaths in these locations. Consideration of each of the local streets is outlined in **Table 6** below:

Table 6: Consideration of proposed street widths

Street	Proposed width	Marrickville DCP 2011 requirement	Department's Consideration
Hudson Street	8.5 metres including 6 metre carriageway and 2.5 metre indented parking bays on the northern side of the street	7.5 metres including: <ul style="list-style-type: none"> 5.5 metre carriageway (3m one way travel lane and 2.5m parking lane) 2 metre footpath 	It is considered that the proposed road width meets Council's requirements for two way traffic and one lane of parking. It is not considered necessary to have a footpath on the northern side of the street given that the proposed public open space area is located immediately adjacent. It is noted that Council would require a footpath to be provided to the south of the street in any future redevelopment of these sites. A turning area is proposed at the end of Hudson Street. This area will need to be designed to meet Council's requirements as a future assessment requirement.
New north-south street	9.5 metres including 5.5 metre carriageway, 3 metre footpath on the eastern side of the street and 1 metre setback on the western side of the street	10 metre shared zone.	It is considered the width of this street is acceptable given that it will be a no through private road serving the development only. It is also recommended that the Concept Plan be modified to provide an appropriate turning area at the end of this street.
William Street	8.5 metres including: <ul style="list-style-type: none"> 5.5 metre carriageway 3 metre footpath on the southern side of the street 	The DCP does not provide any requirements for William Street.	It is considered that the proposed width of this street is appropriate as discussed in detail below.

Brown Street	8.5 to 11 metres including: <ul style="list-style-type: none"> • 5.5 metre carriageway • 3 metre footpath on the western side of the street • 2.5 metre indented parking bays on the eastern side of the street 	The DCP does not provide any requirements for Brown Street.	It is considered that the proposed width of this street is appropriate as discussed in detail below.
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William and Brown Streets

While Council have recommended a minimum road reserve of 14.5 metres, the department notes that the DCP does not specify the minimum road reserve widths of William and Brown Streets. For comparison purposes the department notes that a 9 metre reserve is specified for McGill Street (5.4 metre carriageway and 1.8 metre wide footways on each side).

The department notes William and Brown Streets will serve primarily as access roads to the basement car park entries to the residential development. As all parking for residents and visitors is provided within the basement, there is unlikely to be a high demand for on-street parking.

Further, William and Brown Streets are unlikely to cater for high volumes of pedestrian traffic given the alternate landscaped through site links provided in the proposal. It is therefore, not considered necessary to require 3 metre wide footpaths on both sides of the street in William and Brown Street.

Therefore it is considered that a more appropriate road reserve is 9.6 metres, which provides for a 6 metre wide carriageway and 1.8 metre footpaths on both sides of the street. This carriageway can be accommodated within the existing road reserves.

A future assessment requirement is also recommended to require the proponent to construct a minimum of half width of the roads and associated footpaths at all frontages to the site.

Proposed north-south road

The Masterplan outlines a shareway along the western boundary of the site adjacent to the light rail corridor. The proposal provides a private road in this location to access the basement car park. It is considered that the proposed through site links (as discussed in detail in **Section 5.4.1**) offset the provision of a private road in lieu of a shareway.

The department does not raise any objection to this street being a private road subject to appropriate public access rights being provided over this land to ensure pedestrian access through the site from Longport Street to the light rail stop. A future assessment requirement has been recommended to address this issue.

Brown Street closure

The department recommends that the proponent negotiate with Council in relation to the closure of the portion of Brown Street between Buildings C and F. The proponent notes that the road carriageway will be maintained as a shared vehicular and pedestrian zone. However, the department does not support any vehicular access in this location and recommends that the proponent pursue the closure of this road and its embellishment as a fully landscaped publicly accessible through site link. Council have indicated their support of this outcome in their submission to the PPR. A future assessment requirement is recommended accordingly.

Basement entries and loading

The department is satisfied that the basement entry locations are acceptable and notes that they have been located to ensure flood free access to the basement. The basement should be designed to allow for all loading/unloading to occur within the basement, including all deliveries for the retail and commercial components of the development, waste collection and removalist vehicles. A future assessment requirement has been recommended accordingly. On this basis, the ground level loading area adjacent to Building D is not supported and is recommended to be deleted through a modification to the Concept Plan.

5.1.3 Car Parking

On-site car parking

96% of public submissions to the proposal raised concern in relation to insufficient on-site parking.

Marrickville DCP 2011 Section 2.10 Parking and Access provides car parking requirements based upon land use and proximity to centres and transport nodes. As the site is immediately adjacent to the planned Lewisham West light rail stop, the proponent has applied the following parking requirements:

- 1 space per 4 studio/1 bedroom apartment;
- 1 spaces per 2-3 bedroom apartment;
- 1 visitor space per 10 apartments; and
- 1 space per 45m² of retail GFA.

Based on the indicative dwelling mix provided within the PPR, the DCP requires a total of 445 car parking spaces, including 390 for the 430 residential apartments, 43 for visitors and 12 spaces for the retail floorspace.

It is noted that the *Marrickville Development Control Plan No. 19 Parking Strategy* would require 557 spaces and *RTA Guide to Traffic Generating Development* would require 508 spaces.

It is considered that the provision of car parking in accordance with the DCP control is consistent with Council's future policy direction for car parking on sites within centres or with excellent access to public transport. The DCP car parking control is therefore considered the most appropriate car parking rate given that:

- the site has excellent access to existing and planned public transport;
- the provision of unrestrained car parking would be inconsistent with the strategies to promote use of public transport;
- reduced on-site parking will assist in reducing car dependence and minimise the additional impact of traffic on the already congested local road network during morning and evening peak periods;
- Halcrow have recommended suppressed parking rates for all three development sites in accordance with the DCP;
- Transport for NSW encourages reduced car parking rates; and
- both the RTA and Council has not raised any objection to the use of the DCP rate.

On-street car parking

The proposal involves 13 on-street car parking spaces on the northern side of Hudson Street adjacent to the proposed public open space area.

Council has recommended that all streets be wide enough to provide on-street parking on one side of the street. The department has considered the need for on-street parking in William and Brown Streets in **Section 5.1.2**. The provision of on-street parking in these streets would require widening which is not proposed within the Masterplan or DCP. As previously discussed, these streets provide access to the basement, which provides

sufficient parking for residents and visitors. It is unlikely that there will be a high demand for on-street parking in these streets.

Further, Halcrow have recommended that the required 43 visitor parking spaces for the proposal be provided on the local street network, rather than in the basement. Given that the local streets have limited ability to accommodate on-street parking, it is recommended that the 43 visitor car parking spaces remain as proposed within the basement. This will also reduce demand for on-street parking on the local road network.

Concern has also been raised by the community and local Councils that the on-street parking requirements for this proposal and the planned Lewisham West light rail stop have not been adequately addressed.

The department has previously considered the likely parking demand at each of the light rail stops on the Inner West Light Rail Extension in its assessment of the Environmental Assessment for the light rail project (MP10_0111). The forecast of passengers boarding the light rail at Lewisham West Station revealed that only 2% of passengers (5 of 275 per day) are expected to drive a vehicle to access the light rail stop.

The department considers that the provision of on-street parking in the context of the proposal and the light rail is acceptable for the following reasons:

- the proposal provides all resident, visitor and retail parking spaces within the basement to minimise the demand for on-street parking;
- 13 delineated on-street car parking spaces are proposed on the northern side of Hudson Street adjacent to the proposed public open space;
- the majority of passengers are expected to access the light rail stop by walking, cycling and rail and there will be a low number of vehicles accessing the light rail stop requiring parking;
- the open space and pedestrian connections to the surrounding locality should encourage walking, cycling and use of public transport and minimise car use; and
- the proposed retail floor space is likely to provide a daily convenience for residents and commuters rather than a retail destination accessed by car, thereby reducing the need for on-street parking.

5.2. Density

The proposed density of the development is a key issue raised by Council and the general public in response to the EA and PPR.

The Marrickville LEP 2011 provides a maximum floor space ratio of 1.7:1 for the site (**Figure 12**). The proposal seeks approval for an FSR of 3.04:1 which exceeds the LEP control by approximately 79% (approximately 17,660m² additional GFA).

The FSR control within the LEP was derived from the McGill Street Precinct Masterplan, which provides an indicative maximum GFA for the site of 22,237m². The GFA of the proposal is 39,896m².

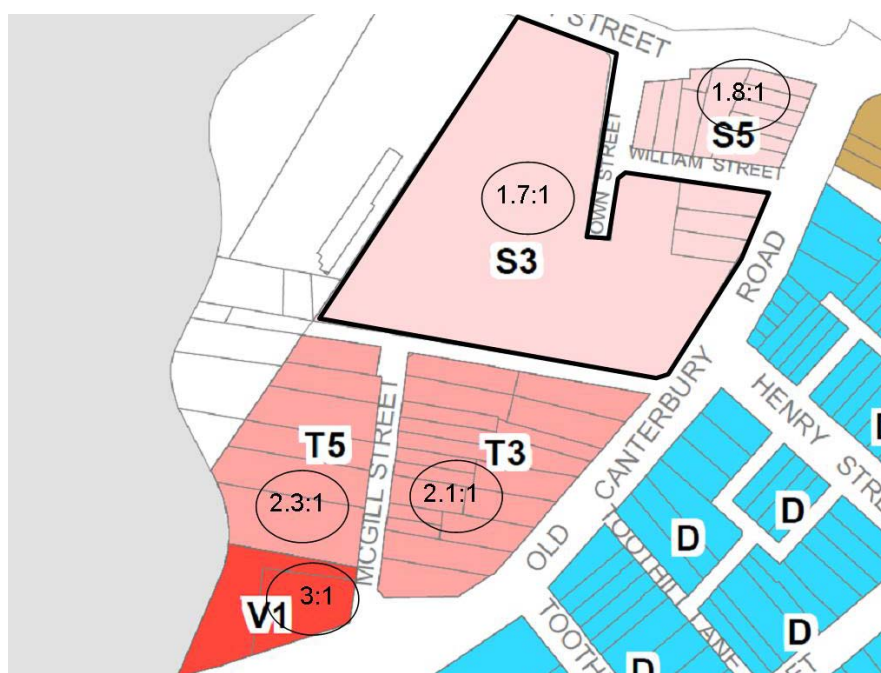


Figure 12: Floor space ratio for the site and adjoining sites within the McGill Street precinct under Marrickville LEP 2011 (Base image source: Marrickville Council, 2011)

A numerical comparison of the density within the Marrickville LEP 2011/Masterplan and the proposal is provided in **Table 7**.

Table 7: Comparison of proposed floor space between the proposal and the LEP 2011/McGill Street Precinct Masterplan

	<i>Masterplan</i>	<i>Proposal</i>
Residential GFA	20,344m ²	38,533.11m ²
FSR	1.7:1	3.04:1
Indicative dwelling yield	220	430
Retail GFA	636m ²	634.46m ²
Commercial GFA	1,257m ²	720m ²
Storage	-	1110.7m ²
Total GFA	22,237m ²	39,896.57m ²
Public open space	3,032m ²	2,748m ² plus an additional 349m ² of publicly accessible through site links (total 3,097m ²)

The Proponent's justification

The proponent considers that the additional density can be accommodated across the site without adverse impacts on amenity given that:

- increased building heights are focused in the central parts of the site and adjacent to the light rail corridor;
- the PPR incorporates floor space at the lower ground level in the central and western portions of the site to accommodate additional floor area without any increase in height;
- the proposal seeks to retain the existing street layout with only one new local street adjacent to the light rail corridor / GreenWay. A greater developable area is available as the street to the north of the public open space and the extension of Brown Street are not proposed, as outlined in the Masterplan; and
- provision of an equivalent amount of publicly accessible open space in a revised configuration to the Masterplan.

Council's consideration

Marrickville Council primarily objects to the proposal on the basis of the proposed density being nearly twice the density planned for the site within the Masterplan. Council notes that the proposed dwelling yield of 430 dwellings represents 85% of the total planned dwelling yield for the entire McGill Street precinct (500 dwellings). Council is concerned that this proposal is an overdevelopment of the site, and hinders the development of other land within the precinct and/or sets a precedent for overdevelopment of other sites.

Ashfield Council also made a submission to the PPR raising concern that the additional population would require additional open space and community facilities.

Department's consideration

The department notes that the FSR for the McGill Street precinct ranges from 1.7:1 to 3:1. Further, the subject site is the largest landholding within the McGill Street precinct and has the lowest allowable FSR within the McGill Street precinct.

The department considers that the subject site presents an opportunity to provide a significant transit oriented development and that the LEP 2011 FSR of 1.7:1 does not maximise the opportunities to significantly increase residential density immediately adjacent to public transport.

In assessing whether the proposed density is appropriate, the department has considered:

- traffic generation and impacts on the local road network, including cumulative assessment of the impacts of the future development of the remainder of the McGill Street precinct in accordance with the LEP controls, and the proposed Concept Plan on the former Allied Mills site (refer to **Section 5.1** of this report);
- the appropriateness of the proposed building envelopes to accommodate the proposed floor space (refer to **Section 5.3** of this report); and
- residential amenity in terms of public and private open space, overshadowing, privacy, views and outlook and separation between buildings (refer to **Section 5.5** of this report).

In particular, in order to ensure that the development does not preclude the equitable and orderly development of the surrounding sites, the department has carefully considered the traffic impacts of the proposal and the development of the remainder of the McGill Street precinct. Noting that the independent cumulative traffic impacts assessment carried out by Halcrow supported the redevelopment of the sites as transit oriented development, the department is satisfied that the approval of this development would not hinder the development of the remainder of the McGill Street precinct consistent with the LEP 2011 controls.

The department recommends increased building separation in key locations to improve residential amenity and visual impacts (refer to **Section 5.5** of this report). The recommended increase in building separation is likely to result in a reduction in residential floor space by approximately 12% (53 units). This would result in a reduction in dwelling yield from 430 to approximately 377 and FSR from 3.04:1 to approximately 2.67:1. The department considers that this reduced FSR provides a balance between the opportunities to maximise residential density immediately adjacent to public transport and the need to provide a high level of residential amenity.

The department considers that additional density on the site is further justified and offset by the following public benefits available to the wider community:

- dedication of public open space to Council (discussed in **Section 5.4** of this report);
- improvements to pedestrian permeability through the site including publicly accessible open space and access to the planned Lewisham West light rail stop;

- retail and commercial land uses at the ground floor of buildings adjacent to the open space and light rail stop to provide daily convenience retail facilities as well as activation, surveillance and safety in this area;
- increased residential population within walking distance of Lewisham railway station and the planned Lewisham West light rail stop and associated benefits in terms of increased mode share by public transport and reduced car dependence and traffic generation; and
- contribution to Council through a Voluntary Planning Agreement and/or Section 94 contributions including contribution for the community facility needs of the future population, which will also be a benefit to the existing community.

5.3. Built form

One of the key issues raised in submissions is the proposed building form, in terms of height and bulk. Marrickville Council expressed concern over the proposed building height exceeding the provisions of the McGill Street Masterplan. Further, a very high proportion (86%) of public submissions raised concern that the proposed building height is out of character with the surrounding area.

The Marrickville LEP 2011 provides a maximum height limit of 32 metres across the entire site. The proposed building heights generally comply with this requirement, ranging from 4 to 10 storeys (equivalent to approximately 16 metres to 33 metres above natural ground level across the site). Aside from some minor non-compliances in part of the site (approximately 1 metre non-compliance adjacent to the light rail corridor), the proposal is considered to be numerically acceptable, having regard for the LEP 2011 height control.

While the LEP 2011 specifies a maximum height of 32 metres, the McGill Street Masterplan provides a more detailed analysis of recommended building heights (in storeys). The Masterplan provides for heights of 4 storeys at the Old Canterbury Road frontage, 6 storeys at the Longport Street frontage, 3 to 6 storeys to the north of the proposed open space area, and 9 storeys adjacent to the light rail corridor. Heights in the central parts of the site range from 4 to 6 storeys.

The proposed Concept Plan maintains the principles of increasing height towards the light rail corridor and provides part 4/part 5 storey building envelopes at the Old Canterbury Road frontage consistent with the Masterplan. However, a 8 to 9 storey building envelope is proposed at the Longport Street frontage and envelopes adjacent to the light rail corridor are 7 to 10 storeys. The height in the central portions of the site to the north of the proposed open space area range from 5 to 7 storeys, compared to 3 to 6 storeys in the Masterplan.

A comparison between the proposed building heights and the Masterplan is shown diagrammatically in **Figure 13**.



Figure 13: Proposed building heights within the PPR (left) and McGill Street Masterplan (right) (Base image source: Proponent's PPR and Marrickville Council)

The department has assessed the proposed building heights in terms of:

- (a) visual impacts; and
- (b) overshadowing.

Visual impact

The predominant building height in the surrounding area is 1 to 2 storeys. The tallest existing buildings within the area are the silos on the adjacent Allied Mills site to the west. These structures are considered to be a landmark within the otherwise low scale locality. The proposed building envelopes ranging from 4 to 10 storeys will alter the visual character of the area.

The department notes that the site is separated from surrounding sites by Old Canterbury Road to the east, Longport Street to the north, the light rail corridor to the west and proposed public open space to the south. The visual impact is considered from each of these locations.

Old Canterbury Road frontage (east)

The proposed building envelopes at the Old Canterbury Road frontage are 4 to 5 storeys in height. The Old Canterbury Road frontage is considered to be the most sensitive location as the proposal will be highly visible from the low scale residential area on the eastern side of Old Canterbury Road.

While the proposed buildings have a height of 5 storeys, they will present a height of 4 storeys to the Old Canterbury Road frontage (refer to **Figure 14**). This provides a scale appropriate for a main road and a suitable transition from the single storey development on the eastern side of Old Canterbury Road and the higher buildings towards the light rail corridor. It is noted that the building height in this location is consistent with the Masterplan.

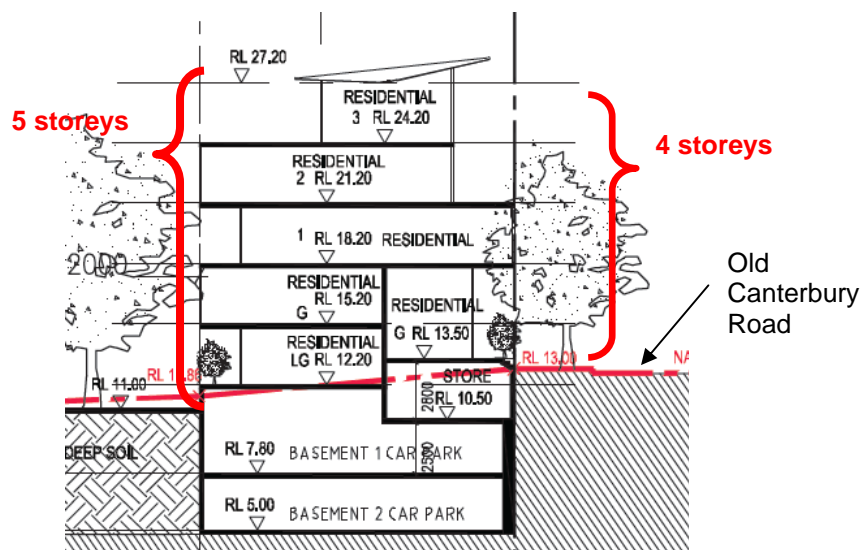


Figure 14: Cross section of Building G showing the relative height of 4 storeys at the Old Canterbury Road frontage (Base image source: Proponent's PPR)

Longport Street frontage (north)

The part of the site fronting Longport Street is considered a less visually sensitive location than the Old Canterbury Road frontage due to being located adjacent to the western suburbs railway line and light rail corridor, with associated level changes and bridges in this location. The adjacent properties in this location are currently occupied by residential dwellings and light industrial uses. These properties are also within the McGill Street precinct and subject to an uplift in zoning, height and FSR under the LEP 2011.

The proposed building envelope at the Longport Street is 7 to 9 storeys in height, however will present a height of 8 storeys to the Longport Street frontage due to the lower ground level located below footpath level. The upper two levels of the building are setback 3.5 metres from the levels below to minimise the visual impact of the upper levels from the street. The Masterplan provides a 6 storey building height in this location.

The department considers that the proposed building height and form is appropriate in this location. Given that the lower level does not extend above footpath level and the upper two levels are setback from the levels below, the department is satisfied that the proposed building, while being 8 to 9 storeys in height, will present as a 6 storey building to most ground level vantage points along Longport Street.

The height and relationship with Longport Street is demonstrated in **Figure 15**.

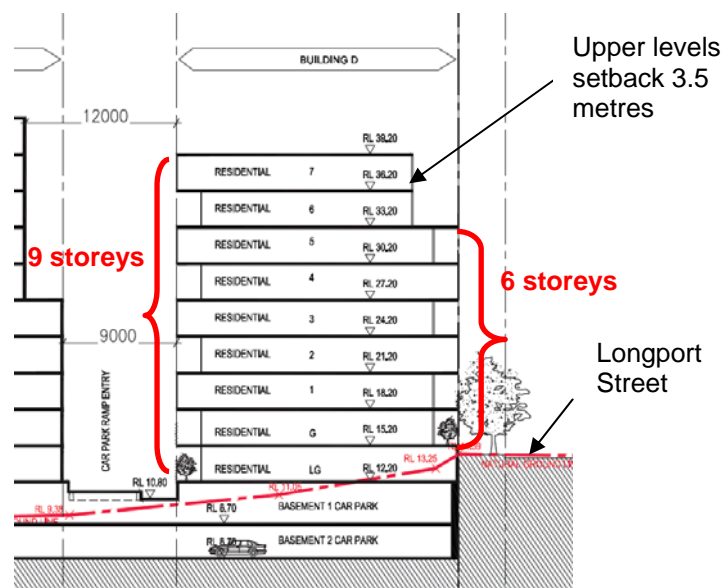


Figure 15: Proposed cross section showing the relationship between Building D and Longport Street (Base image source: Proponent's PPR)

Light rail corridor (west)

The proposed building heights adjacent to the light rail corridor range from 7 to 10 storeys. The Masterplan specifies a maximum height of 9 storeys. The department supports increased height adjacent to the light rail corridor and planned Lewisham West light rail stop and considers that 10 storey building elements in this location would have minimal additional visual impacts than a 9 storey building envisaged by the Masterplan.

Buildings A, B and D will be highly visible from the light rail corridor and Longport Street (refer to **Figure 7**). The department is concerned that these buildings will appear as a monolithic structure rather than three individual buildings, as they are provided with 4 metres and 9 to 12 metres separation distance respectively. To minimise the bulk of these buildings, it is recommended that the Concept Plan be modified by increasing the separation between the buildings, in particular through increased setbacks to reduce the visual bulk associated with the additional height. This will also improve residential amenity for apartments, as discussed in detail in **Section 5.5.1**.

Proposed public open space (south)

The proposal provides stepped building heights ranging from 5 to 10 storeys to the north of the main area of public open space. The Masterplan provides maximum building heights of 3, 4 and 6 storeys in this location.

Building E is 6 storeys in height and is generally consistent with the Masterplan which shows a 6 storey envelope in this location. However, the southern portion of Buildings A and C are 7 and 5 storeys in height respectively, where as the Masterplan nominates heights of 3 to 4 storeys for this location (Refer to **Figure 13**).

The department considers that the 5 storey height of Building C is appropriate as the 7 storey components of the building are setback 13 metres from the levels below. The department also supports a higher building height adjacent to the light rail stop and considers that Building A provides an appropriate height of 7 storeys in this location with the upper 3 levels setback between 7.5 metres and 16 metres from the levels below. Further, given the raised plaza provided adjacent to this building the building will read as 6 storeys from the main area of open space. Refer to **Figure 16**.

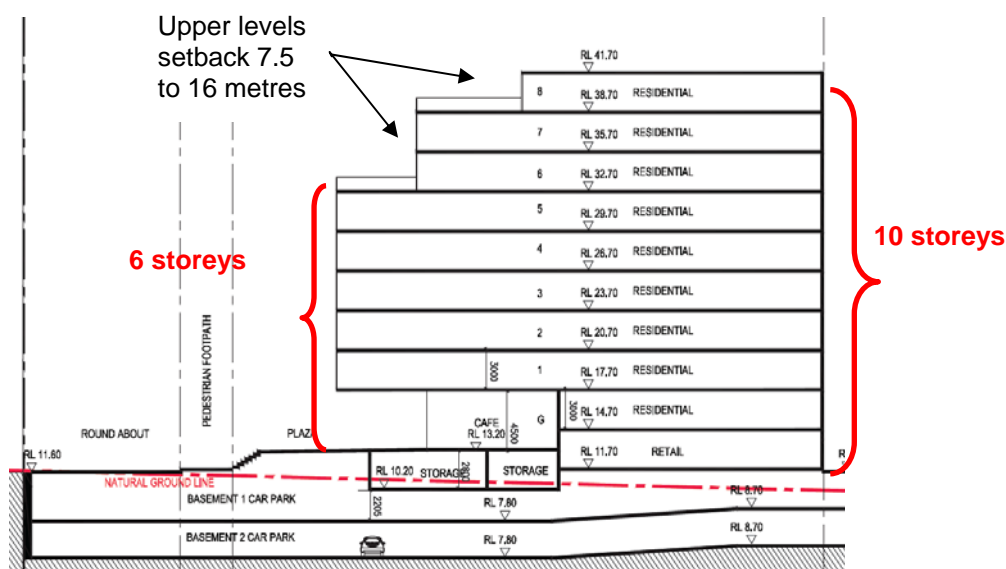


Figure 16: The height relationship of Building A with proposed plaza and with open space (Base image source: Proponent's PPR)

The department considers that heights of 5 and 6 storeys provide an appropriate scale and defined edge to the open space. Overshadowing impacts of the additional height are discussed in the following section.

Central locations of the site

The proposed building heights within the central parts of the site are generally 7 storeys in height. The Masterplan proposes heights of 4 to 6 storeys in this location.

The department considers that increased heights can be accommodated in the central parts of the site without any adverse visual impacts on the surrounding area. The increase in height in the centre of the site is also consistent with the principle of stepping up of building heights from the Old Canterbury Road frontage up to the light rail corridor. This transition is shown in the East-West Section in **Figure 6**.

Overshadowing

Council is concerned that the increased building heights to the north of the proposed open space will result in significant shadowing of this space, thereby reducing the amenity and usability of this area compared to the Masterplan which proposes 3 and 6 storey elements in this location.

The proponent submitted a shadow analysis which demonstrated that the 30 metre separation between Buildings A and C will allow sunlight to reach the open space to the

south (refer to **Figure 17**). The proponent considers that this is superior to the Masterplan which provides for a solid building envelope with no gaps along the northern boundary of the open space.

The department has reviewed the proponent's shadow analysis compared to the shadow analysis prepared by Hassell for the McGill Street Masterplan (refer to **Figure 18**).

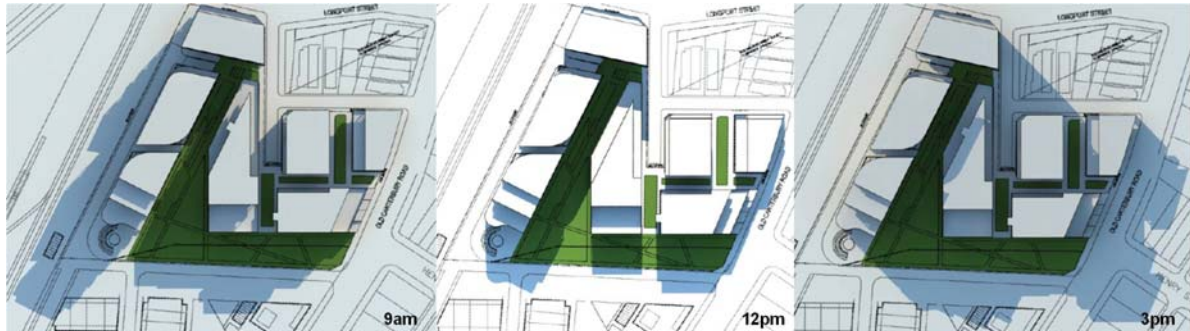


Figure 17: Overshadowing caused by the proposed building envelopes in the Concept Plan (Source: Proponent's PPR)

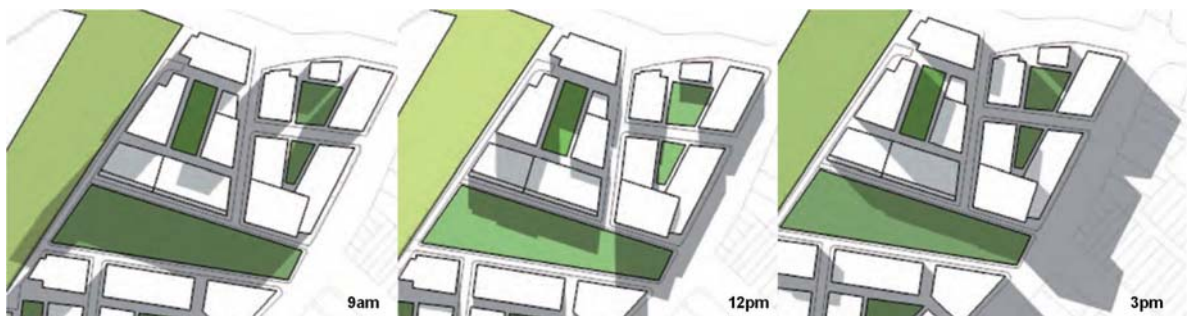


Figure 18: Overshadowing caused by the indicative building envelopes within the Masterplan (Source: Hassell, 2009)

As demonstrated in **Figure 17** and **18**, above, the extent of shadow created by the proposed building envelopes, although greater than the shadows caused by the Masterplan envelopes, will have minimal adverse impacts on surrounding properties to the south of the proposed open space or to the east of Old Canterbury Road. Shadows will be increased to the light rail corridor in the morning, but this area will not be shadowed by the proposal from about 10am onwards.

The main area of increased impact is on the proposed public open space area, which will be significantly overshadowed between 9am and 3pm, midwinter. While the separation between buildings A, C and E allows some sunlight to reach the open space in the middle of the day (primarily between 10am and 1pm), the open space area will be largely overshadowed during the morning and afternoon in mid winter. The shadow diagrams prepared by Hassell (**Figure 18**), however demonstrate that the Masterplan building envelopes will afford increased solar access to the open space.

While it is desirable to maximise solar access in mid winter, the department notes that this is the worst case scenario, and at all other times of the year the proposed public open space will receive greater solar access. The area will receive full solar access in summer, and more than 50% of the open space area will receive solar access at all times between 9am and 3pm at the autumn and spring equinox.

The department has recommended that increased building separation (from 9.5 metres to 12-18 metres) be provided between Buildings C and E directly to the north of the public open space (refer to **Section 5.5.1**). Increased separation in this location would provide improved solar access to the public open space.

The department also notes that increased setbacks to the upper levels of Buildings A, C and E would afford minor improvements to solar access. However, significant reductions in building height in accordance with the Masterplan would be required to achieve adequate solar access to 50% of the open space area in mid winter. The department does not consider that such reductions are justified, given the ability of the site to accommodate a high density transit oriented development.

Conclusion

The department notes that the site has been identified by Council as a key urban renewal area for high density residential development and that any increase in building height on this site will alter the character of the area. However, the site is considered appropriate for increased heights given its physical separation from surrounding low scale residential properties by Old Canterbury Road and two rail corridors. The increased heights also capitalise on the opportunity for transit oriented development given the sites location immediately adjacent to public transport.

The department is satisfied that the proposed building heights are acceptable given that:

- the proposal generally complies with the Masterplan in terms of the transition in heights from Old Canterbury Road up to the light rail corridor;
- proposed building heights of 4 to 5 storeys at Old Canterbury Road and 6 to 8 storeys at Longport Street adopt an appropriate scale at the edges of the site;
- areas of increased height (above the Masterplan) are limited to central locations on the site and adjacent to the light rail corridor;
- the proposed public open space will receive good solar access during most of the year (other than mid winter);
- future development applications will be required to demonstrate articulation and quality materials and finishes to provide attractive streetscapes.

5.4. Public Benefits

5.4.1 Public open space and through site links

The Masterplan provides for a central area of public open space on the site with a total area of approximately 3,140m². In addition, indicative building envelopes and private open space areas are provided with a total of 1,400m². A total open space of 4,540m² is provided under the Masterplan (approximately 34% of the total site area).

The PPR proposes approximately 4,397m² of open space across the site which represents 33% of the total site area. This includes 3,097m² of publicly accessible open space and through site links and 1,300m² of private open space. The main area of open space to the north of Hudson Street is proposed to be dedicated to Council as public open space. The proponent has advised that this area is 2,748m² in area, however as this includes the paved plaza, some of which is located within the footprint of Building A, the final area of this open space is to be negotiated with Council through a Voluntary Planning Agreement (as discussed in **Section 5.4.2**).

A comparison between the distribution of open space and through site links between the proposal and the Masterplan is demonstrated in **Figure 19**.

The key differences between the proposal and the Masterplan are:

- the proposal does not provide for the extension of Brown Street or a new east-west road to the north of the main area of open space;
- the proposed main area of open space is narrower, but opens up to a larger more functional space in the western portion of the site, including a large area between Buildings A and C and paved plaza (which is partially covered by the building above); and
- the proposal involves narrower areas of private open space in the same general location as the Masterplan.

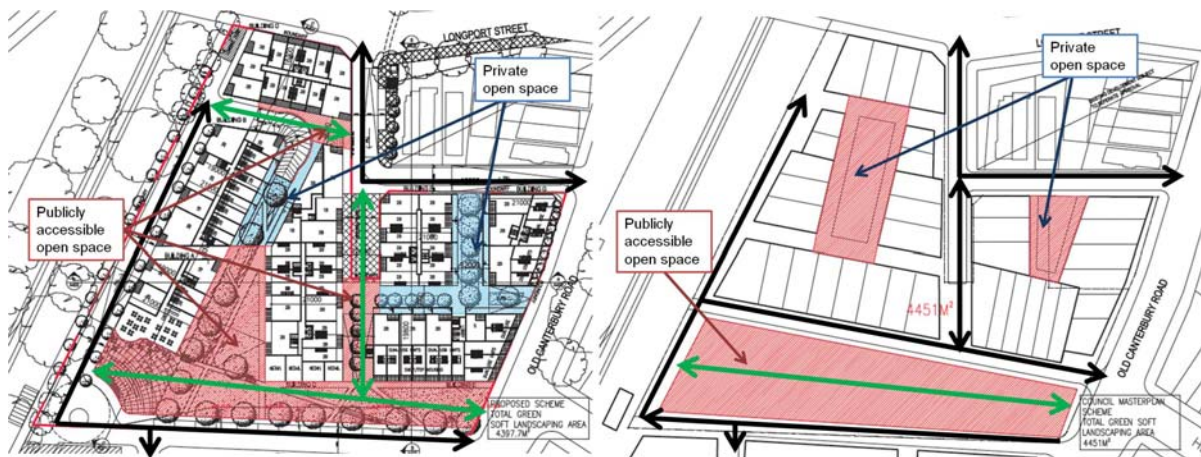


Figure 19: Comparison of proposed publicly accessible open space, private open space and through site links between the Proposal (left) and the Masterplan (right) (Base image source: Proponent's PPR)

The department considers that the proposal provides an equivalent level of site permeability to the Masterplan. Although the proposal does not include the road to the north of the proposed open space or the extension of Brown Street in accordance with the Masterplan, publicly accessible landscaped open space and through site links are provided in these locations to maintain pedestrian permeability throughout the site.

As outlined in **Section 5.1.2**, it is recommended that the Proponent negotiate with Council in relation to the closure of the portion of Brown Street between Buildings C and F and embellish this area as a fully landscaped publicly accessible through site link. It is noted that Council support this outcome in their submission to the PPR.

The proposed active ground floor uses within Buildings A, C and E provide an opportunity to activate the northern edge of the proposed public open space. It is recommended that a future assessment requirement be imposed to require a suitable treatment at the building edge to provide a defined streetscape, which will encourage pedestrian traffic and identity to these uses and a 'street address'.

It is also recommended that ground floor apartments in Buildings C, E and F which front the through site link between Brown Street and the proposed public open space be provided with increased separation and treatment at the ground level to maintain privacy and an appropriate relationship with these publicly accessible areas. This is discussed in detail in **Sections 5.5.1 and 5.5.5** of this report.

The department considers that the Concept Plan achieves high quality publicly accessible open space and through site links which will be a benefit to future residents and the wider community.

5.4.2 Linkages to Lewisham railway station and proposed light rail station

Marrickville Council requested further consideration of a direct pedestrian connection between the Lewisham West light rail stop and the Lewisham railway station.

The proponent has committed to providing pedestrian and bicycle connections to the planned light rail stop and Lewisham Station through a Voluntary Planning Agreement (VPA). It is envisaged that an overbridge would be provided over Longport Street to provide direct access to a potentially upgraded Lewisham railway station.

RailCorp has raised concern that this option to provide a new pedestrian access link may not be viable given that there are no current plans to upgrade Lewisham railway station. RailCorp also identified more technical ownership, design, construction, safety and operational issues.

RailCorp suggested that a more suitable option would be to improve existing pedestrian path networks to the station. The department considers that the proponent's offer to enter into a VPA with Council (as discussed in Section 5.4.3) adequately addresses provision of pedestrian links between the site, Lewisham railway station and Lewisham West light rail stop. It is also recommended, however, that the proponent consult with RailCorp on this issue prior to finalisation of any VPA.

5.4.3 Voluntary Planning Agreement

Marrickville Section 94 Contributions Plan 2004 applies to all land within the Marrickville LGA and sets out the contributions to be levied for all new development to enable Council to undertake acquisition, development and improvement of public facilities and amenities throughout the LGA.

The department notes that the Section 94 Plan does not envisage the residential development of the McGill Street Precinct as outlined in the Masterplan and LEP 2011. As such, Council does not have a detailed plan in place regarding the open space, community facility and traffic management works required as a result of the incoming population on this site.

In this regard, the proponent has advised that they are willing to enter into a Voluntary Planning Agreement (VPA) with Council. The proponent intends to construct, embellish and dedicate the following key items through a VPA:

- upgrade of Hudson Street;
- public open space to the north of Hudson Street;
- pedestrian access links between the site and Greenway (light rail stop), Lewisham railway station and surrounding residential areas; and
- any other parts of the site that will be upgraded, embellished, constructed or dedicated to the Council.

In addition to a VPA, the proponent has also advised that they will pay Section 94 contributions (less the value of works identified above). The department notes that the contribution rates for residential development under the current Section 94 Plan are:

- \$9,068.33 for small dwellings up to 55m²;
- \$12,846.04 for medium dwellings between 55m² and 85m²; and
- \$17,155.22 for large dwellings greater than 85m².

It is noted that the final contribution rate is dependent on the final dwelling yield, mix and proportion of small and medium sized apartments, to be determined in future development applications.

A future assessment requirement is recommended to require the proponent to enter into a VPA with Council including the upgrade of Hudson Street, embellishment and dedication of the public open space, pedestrian links between the site and the light rail stop, Lewisham railway station and surrounding residential areas and monetary contributions for the additional community facilities, open space and traffic management demand generated by the incoming population in accordance with Council's Section 94 Plan. The terms of the VPA are to be negotiated with Council.

5.4.4 Contributions to RailCorp

RailCorp also advised of the need for the proponent to consult with RailCorp prior to the lodgement of future development applications to obtain their requirements in relation to any

need to upgrade Lewisham railway station. There are no current plans to upgrade Lewisham railway station, however RailCorp suggest that the proposed increase in patronage as a result of this development may generate the need to upgrade the railway station.

The department considers that the proposed increase in density on the site is consistent with the key state planning and transport strategies to locate higher density residential development in centres and near public transport. RailCorp has not previously sought to collect contributions from developments adjacent to public transport throughout the Sydney Metropolitan area. There is no evidence that this proposal is any different.

Without any demonstrated nexus and legally binding plan in place to require a contribution towards any required upgrade to the Lewisham railway station, the cost of any required upgrade is to be borne by the State government.

5.5. Residential Amenity

The residential amenity provided by the proposed units has been considered against relevant policies including the *State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Buildings* (SEPP 65) and the accompanying *Residential Flat Design Code* (RFDC).

The Concept Plan only provides indicative building and apartment layouts and strict compliance with the RFDC criteria can be demonstrated by the proponent in future development applications. Notwithstanding, the department has assessed the level of residential amenity in terms of building separation, building depth, natural ventilation, solar access, open space, deep soil planting and treatment of ground floor apartments.

5.5.1 Building Separation

The RFDC recommends minimum building separation distances, dependent on building height, in order to maximise visual and acoustic privacy between residential flat buildings and to minimise the bulk and scale of buildings. The RFDC recommendations for minimum separation between buildings are outlined in **Table 8**.

Table 8: RFDC Building separation recommendations

Building height	Minimum separation (metres)		
	Habitable rooms	Habitable rooms and non habitable rooms	Non habitable rooms
Up to 4 storeys (12 metres)	12	9	6
Between 5 and 8 storeys (12 to 25 metres)	18	13	9
Exceeding 8 storeys (25 metres)	24	18	12

The proposal does not comply with the recommended minimum separation in the following locations as outlined in **Figure 20**:

- Buildings A and B – 4 metre separation provided up to 10 storeys
- Buildings B and D – 9 metre separation provided up to 5 storeys and 12 metres up to 9 storeys
- Buildings C and D – 9 metre separation provided up to 4 storeys
- Buildings C and E – 9.5 metre separation provided up to 7 storeys
- Buildings E and F – 9 metre separation provided up to 7 storeys
- Buildings E and G – 9 metre separation provided up to 4 storeys

Blank walls and/or elevations with no balconies/windows to habitable rooms are proposed in these locations (as highlighted in red in **Figure 20**) in order to address visual and acoustic privacy between apartments.

The proposed one metre setbacks of Buildings F and G to the William and Brown Street boundaries are considered acceptable due to the separation provided by the road reserve. The department notes that the William Street road reserve would provide a minimum 9.6 metre separation. The additional one metre setback provided by the proposal and likely similar setback to the future development of the site to the north would provide an overall setback of 11.6 metres which generally satisfies the RFDC recommendation for buildings up to 4 storeys in height (12 metres). Further, the Brown Street road reserve is currently 13 to 14 metres in width which provides adequate separation between Building D and future development to the east. The department is satisfied that the land to the north-east at the corner of Longport Street and Old Canterbury Road site could be developed in accordance with the Masterplan height limits (**Figure 13**).

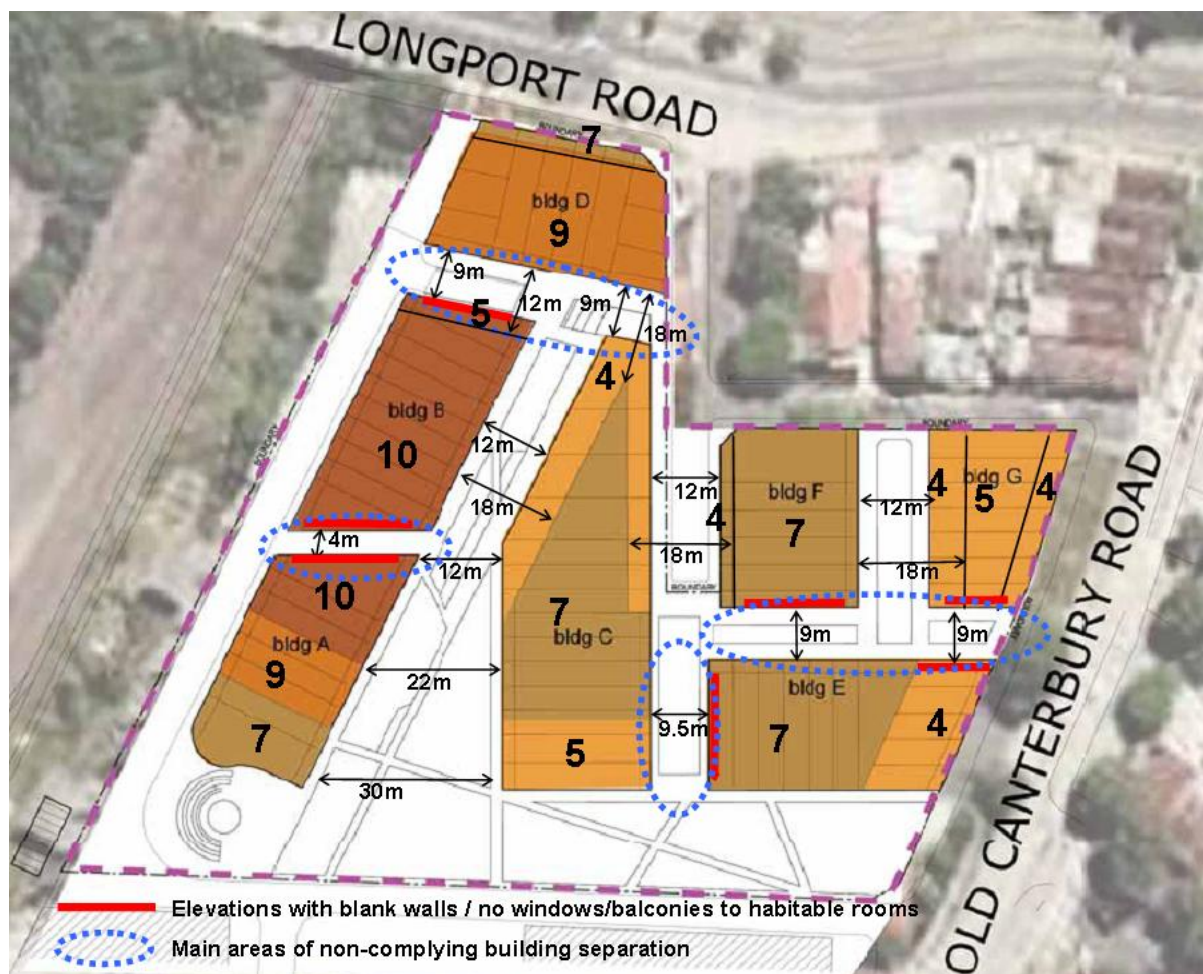


Figure 20: Building Separation

The department recommends that building separation is increased in the following locations:

Between Buildings A and B

The department raises the following concerns in relation to the proposed 4 metre separation between the two 10 storey buildings:

- the separation is not sufficient to allow window openings on either façade resulting in poor amenity for the apartments in these buildings;
- the buildings appear as one monolithic structure (as discussed in **Section 5.3**);
- the design solution to provide privacy between buildings by providing blank walls offers no passive surveillance and the space creates potential for entrapment; and

- the space between the buildings would be unusable with undesirable amenity conditions by way of shadow and wind.

It is recommended that the separation in this location be increased to a minimum of 9 metres at the ground level up to 4 storeys, 13 metres between 5 and 8 storeys and 18 metres above 8 storeys. This will provide a wider, more functional space between the buildings at ground level, provide a visual break between the buildings, and allow the inclusion of windows/balconies, particularly on the northern elevation of Building A. While this is less than the RFDC recommendations of 12, 18 and 24 metres for elevations with habitable rooms, additional measures such as offset windows and screening could be utilised to provide visual and acoustic privacy to apartments.

Between Buildings B and D and C and D

These buildings are generally setback 9 metres at lower levels, increasing to 12 metres at the upper levels. This is less than the RFDC recommended separation of 12, 18 and 24 metres. To maintain visual and acoustic privacy between these buildings, in the absence of the recommended separation distance, the proposal seeks to provide a blank wall on the northern elevation of Building B. Using blank north facing walls is poor design practice as it significantly limits sunlight access opportunity.

The limited separation at ground level also provides a poor level of amenity to future residents with an outlook over the private road to the basement entry with no setbacks provided for landscaping. The overall separation provided is also insufficient to reduce the bulk of the group of buildings which is visible from Longport Street and the light rail corridor.

Further, the department raises concerns regarding the visual and acoustic privacy implications between the north elevation of Building C and the south elevation of Building D which both contain balconies that directly face one another. The proposed 9 metre separation is not considered adequate.

It is recommended that the separation between Buildings B and D and C and D be increased to 12 metres up to 4 storeys, 18 metres between 5 and 8 storeys and 24 metres above 8 storeys to improve residential amenity, outlook and reduce the visual bulk of the buildings.

Between Buildings C and E, E and F and E and G

The department does not support the reduced separation distance and blank wall solutions for the facades of Buildings E, F and G and raises similar concerns in relation to residential amenity and visual impacts as highlighted in respect of other building envelopes.

It is recommended that the separation between each of these buildings be increased to a minimum of 12 metres up to 4 storeys and 18 metres up to 7 storeys. Increased separation would allow for windows and balconies on all elevations of the building improving the amenity of these apartments and providing passive surveillance over the proposed publicly accessible and private open space in this location.

Further, a key benefit of increasing the separation between Buildings C and E is the provision of a uniform separation between the buildings, consistent with the separation between Building C and F, to define the view corridor between Brown Street and the proposed public open space.

In summary, the department does not support the reduced building separation distances and subsequent reliance on the use of blank walls or walls without habitable windows/balconies to address visual and acoustic privacy between buildings. The department considers that this is an inappropriate solution and results in a poor residential amenity for future residents, unacceptable bulk and visual impacts.

The recommended modifications to building envelopes, as outlined above, will achieve not only achieve greater compliance with the RFDC but also the following benefits:

- increased separation at the ground and upper levels will provide increased feeling of space within the development and reduced visual bulk from key vantage points in and around the site;
- increased separation at the ground floor will provide opportunities for additional landscaping to soften the appearance of the development and improve view corridors through the site and pedestrian friendly spaces between buildings;
- providing windows and balconies on more elevations of buildings will achieve improved residential amenity in terms of cross ventilation and solar access;
- balconies and windows will add visual interest to elevations and improve the external appearance of buildings and outlook from other buildings; and
- greater opportunities will be provided for passive surveillance over the various publicly accessible and private open spaces between buildings.

5.5.2 Building Depth

The RFDC recommends building depths be no greater than 18 metres (glass line to glass line). Should building depths be more than 18 metres, satisfactory daylight and natural ventilation are to be achieved. The aim of the control is to maintain residential amenity within the units and to reduce the bulk and visual appearance of buildings. The proposed building depth varies from 19 metres to 22 metres.

The Department considers the proposed building envelope and indicative apartment depths are acceptable at the Concept Plan stage, noting that the recommended increase in building separation will result in some reduction in building depth in key locations. Further, the likely provision of a central lift core and circulation corridor within the buildings will result in apartment depths generally 10 metres or less which will ensure that the units will receive satisfactory daylight and natural ventilation.

It is expected further design development will occur at future application stages, which will introduce greater building articulation and recesses in the façade to reduce the depth of the building. A future assessment requirement is recommended accordingly.

5.5.3 Natural Ventilation and Solar Access

The RFDC recommends that 60% of units should be naturally cross ventilated. Indicative floor layouts submitted with the PPR demonstrate that approximately 72% (316) apartments will be capable of being naturally cross ventilated.

The RFDC also recommends that 70% of living rooms and private open spaces of units receive a minimum of 3 hours direct sunlight between 9am and 3pm mid winter. The proponent submitted a solar access study which demonstrates that 73% (298) apartments will achieve the recommended 3 hours of direct sunlight.

While the proposal exceeds the RFDC recommendations, the department notes that the cross ventilation and solar access calculations have also assumed that there will be window openings on both elevations of the majority of corner apartments, which is inconsistent with the proposed blank walls on many of these elevations as outlined in **Section 5.5.1** above. Should these elevations be provided with blank walls, then only approximately 66-68% (273-280) apartments would achieve adequate solar access (based on the indicative dwelling layouts provided by the proponent). The department considers that this provides further justification for the recommended modification to the concept plan to increase building separation to allow windows or balconies on these elevations, which will address this issue.

Further, the indicative floor layouts show a high proportion of cross over apartments to achieve cross ventilation and solar access. If these apartment typologies were replaced with single level apartments, there would be an increased number of single aspect apartments

and it is highly unlikely that the building envelopes would perform as well in terms of cross ventilation or solar access. As the detailed apartment layout may change in future development applications, a future assessment requirement is recommended to ensure that a minimum of 60% of apartments in each building are capable of being naturally cross ventilated and 70% of apartments in each building receive a minimum of 3 hours solar access to living areas and balconies in mid winter.

5.5.4 Open Space and Deep Soil Planting

The RFDC recommends that 25% of the site be communal open space, with 25% of this space being a deep soil zone.

The Concept Plan proposes 10% of the site area as communal private open space (1,300m²). While this does not satisfy the RFDC recommendation, it is noted that the proposal provides a further 3,097m² of publicly accessible open space and through site links. The total area of open space across the site represents 33% of the site area (4,397m²). Given that all apartments will private open space in the form of balconies or courtyards, and future residents will have excellent access to a significant area of public open space, the department is satisfied with the provision of communal open space.

The total area available for deep soil planting is 2,088.5m², which represents 47% of the total open space area. The department is therefore satisfied that the proposal satisfies the RFDC recommendations for open space and deep soil planting.

5.5.5 Ground floor apartments

The RFDC provides recommendations on the special treatment required for ground level apartments to contribute to streetscapes and increase residential amenity. In particular the RFDC recommends that where appropriate ground floor apartments are provided with individual entries and private courtyards. Where apartments are provided with a zero setback, they are to be located 1.2 metres above the footpath level to maintain privacy.

The Concept Plan involves some apartments at the lower ground level. Where these apartments adjoin public streets and/or publicly accessible open space a suitable design treatment will be required to provide an appropriate interface with the public domain while maintaining privacy to the apartment. This particularly relates to Buildings D, F and G which propose zero metre setbacks to Longport, William and Brown Streets and to Buildings A, C, E and F which have elevations which front publicly accessible through site links. A future assessment requirement to address these areas has been recommended accordingly.

5.6. Other Issues

Other issues considered in the department's assessment are outlined in **Table 9**.

Table 9: Other issues

<i>Issue</i>	<i>Consideration</i>
Flooding	<p>A flood management plan has been prepared by Cardno for the Concept Plan which assesses the impact of flooding from the Hawthorne Canal and localised overland flooding. The redirection of overland flows through the site has also been assessed. The report confirms that the proposal does not impact on flood levels of the Hawthorne Canal. The whole site is affected by the probable maximum flood (PMF) and a portion of the site is affected by the 1 in 100 year flood. In response finished floor levels of RL 12.2 are required for the development, including all entries to the basement.</p> <p>As the flooding has been assessed in concept detail only, more detailed design will accompany future development applications. The department recommends that a future assessment requirement be imposed requiring that development applications adopt the minimum finished floor levels within the Cardno assessment and also incorporate appropriate flood management measures to ensure no detrimental impacts on surrounding properties, including the planned light rail stop. Redirection of the overland flow path and existing stormwater infrastructure shall also be designed in accordance with the requirements of Council and Sydney Water.</p>
Amalgamation	<p>The DGRs required the proponent to address options for site amalgamation with properties at the corner of Longport Street and Old Canterbury Road. Further, if amalgamation was not possible, the proponent was required to demonstrate the development options for these properties.</p> <p>The proponent advised that it has been unsuccessful in its attempts to amalgamate with these properties. The EA also provided details of possible building envelopes for the properties at the corner of Longport Street and Old Canterbury Road, including 4-6 storey envelopes.</p> <p>The department notes that Marrickville Council adopted the McGill Street Precinct Masterplan in November 2009, following issue of the DGRs in March 2009. The Masterplan provides for 2 to 4 storey building envelopes with an FSR of 1.8:1 on these properties (subject to amalgamation with one another, rather than with the subject site). The Marrickville LEP 2011 provides for heights of up to 17 metres and an FSR of 1.8:1. It is also prudent to note that the existing local road network is to be retained, and given that the site is physically separated from these properties by William and Brown Streets, it is unlikely that any benefits arise from amalgamation with these sites.</p> <p>The department is satisfied that the surrounding properties can be developed in accordance with the objectives of the Masterplan and the controls within the Marrickville LEP 2011.</p>
Aircraft, Road and Railway Noise and Vibration	<p>The proponent has undertaken an assessment of the noise impacts from aircraft noise, road noise (from Old Canterbury Road) and rail noise and vibration (from the Western Suburbs Railway Line). The Noise and Vibration Assessment makes recommendations for construction levels to ensure acceptable levels of residential amenity.</p>

	<p>It is recommended that a future assessment requirement be imposed requiring the detailed design of buildings to address the noise and vibration issues.</p> <p>Furthermore, RailCorp has recommended future assessment requirements to ensure that their infrastructure and property is protected during both construction and occupation.</p>
Affordable Housing	<p>The proponent has committed to include affordable housing units in the development of the site.</p> <p>Marrickville Council have requested that the proposal outline the percentage of the total dwelling yield to be provided as affordable housing, suggesting that a quantum of 7.5% of the total dwelling yield may be appropriate. The proponent has advised that the quantum of affordable housing units will be resolved under future development applications.</p> <p>The department notes that there is no statutory requirement or policy for affordable housing provision. The proponent's commitment to provide a level of affordable housing is therefore supported. Further, the proposal would provide a greater range of unit types including smaller units which provide more affordable housing options in the locality.</p>
Flora and Fauna	<p>Previous studies have identified the presence of the Long-nosed Bandicoot in the Lewisham area, based on sightings of individuals and diggings. In this regard, the Flora and Fauna assessment undertaken by the proponent included targeted bandicoot surveys. These surveys did not reveal the presence of bandicoots on or adjacent to the site. Notwithstanding, the proponent has included a commitment within the Statement of Commitments to implement measures to ensure the protection of any Long-nosed Bandicoot population and any Threatened Bat species.</p>
Airport related height limits	<p>Although the proposed building height does not exceed the Obstacle Limitation Height imposed by the Sydney Airports Commission (SAC), the proponent may need to seek approval from SAC for cranes which may be used during construction. A future assessment requirement is recommended accordingly.</p>
Privacy impacts on surrounding sites	<p>Impacts from the proposal will be minimal as it has the benefit of facing public streets to the north and east, the proposed public open space area to the south and light rail corridor to the west. Accordingly, the building elevations overlook the public areas rather than neighbouring properties. There are no other privacy concerns relating to the proposal.</p>

6. RECOMMENDATION

The Department has assessed the merits of the proposal taking into consideration the issues raised in public submissions and is satisfied that the impacts have been addressed in the EA and PPR and related documentation, the Statement of Commitments, recommended modifications to the Concept Plan and future assessment requirements. The Department is satisfied that the site is suitable for the proposed development and that the project will provide environmental, social and economic benefits to the region.

The key issue considered in the assessment of the proposal relates to the cumulative traffic impacts of this proposal, and other planned developments on the former Allied Mills site and the McGill Street precinct. The department commissioned an independent assessment to inform its assessment of the cumulative impacts. The assessment revealed that while the local road network is congested, the proposal is worthy of support, subject to measures to suppress parking and encourage use of public transport.

The Department considers that the proposal offers an excellent opportunity to provide high density residential development immediately adjacent to existing and planned public transport. The proposal is a genuine transit oriented development and meets the objectives of the Metropolitan Plan and draft South Subregional Strategy.

The height and bulk of the proposed building envelopes is considered acceptable given the unique opportunities for urban renewal and increased residential densities immediately adjacent to public transport. Issues of residential amenity and visual bulk are addressed through recommended modifications to the Concept Plan. The recommended modifications to increase building separation will result in a reduction in residential floor space by approximately 12% (53 units). The department is satisfied that the likely resultant dwelling yield of approximately 377 units maximises the opportunities for development of the site as transit oriented development and results in significant improvements in residential amenity and visual appearance than the proposal as outlined within the revised PPR.

On balance, the proposed Concept Plan is considered appropriate for the following reasons:

- the renewal of a former industrial precinct represents a genuine transit oriented development located immediately adjacent to planned and existing public transport;
- the proposal will make a significant contribution to the housing stock of the Marrickville LGA, in a highly accessible location with excellent accessibility to transport, services, facilities and employment opportunities; and
- the proposal will deliver approximately 3,097m² of publicly accessible open space and through site links including a vital linkage to Lewisham West light rail stop to the benefit of the wider community.

The Department recommends that the Concept Plan be approved, subject to the modifications and future assessment requirements set out in the attached instrument.



**Acting Director
Metropolitan & Regional Projects South**



**Acting Deputy Director-General
Development Assessment & Systems Performance**

APPENDIX A ENVIRONMENTAL ASSESSMENT

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=2923

APPENDIX B SUBMISSIONS TO EA AND PPR

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=2923

APPENDIX C PROPONENT'S RESPONSE TO SUBMISSIONS (EA)

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=2923

APPENDIX D PROPONENT'S RESPONSE TO SUBMISSIONS (PPR)

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=2923

APPENDIX E INDEPENDENT TRAFFIC ASSESSMENT

APPENDIX F CONSIDERATION OF ENVIRONMENTAL PLANNING INSTRUMENTS

Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation (the precautionary principle);*
- (b) *the principle of inter-generational equity - that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations (the inter-generational principle);*
- (c) *the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making (the biodiversity principle); and*
- (d) *improved valuation, pricing and incentive mechanisms should be promoted (the valuation principle).*

The department has considered the proposed development in relation to the ESD principles and has made the following conclusions:

- **Precautionary Principle** – The application is supported by technical and environmental reports which conclude that the proposal's impacts can be successfully mitigated. No irreversible or serious environmental impacts have been identified. No significant climate change risks are identified as a result of this proposal.
- **Inter-Generational Principle** – The location of new residential development on a site with excellent access to public transport will enable residents to make sustainable travel choices which will protect the environment for future generations.
- **Biodiversity Principle** – There is no threat of serious or irreversible environmental damage as a result of the proposal. . The proposal is confined to the redevelopment of a site already completely occupied by industrial buildings and, as such, is unlikely impact upon biological diversity or ecological integrity. The proponent has undertaken a flora and fauna assessment, which has revealed no evidence of the site containing any threatened or vulnerable species, populations, communities or significant habitats. Notwithstanding, as previous studies have identified the presence of the long-noised bandicoot in the locality, recommendations have been provided to ensure any habitat is not adversely affected.
- **Valuation Principle** – The valuation principle is more appropriately applied to broader strategic planning decisions and not at the scale of this application. The principle is not considered to be relevant to this particular Concept Plan application.

The Proponent submitted an assessment of the ESD initiatives available to the development, including building materials, methods of heating and cooling, renewable energy and water conservation. It is recommended that a future assessment requirement be imposed to require future development applications to incorporate best practice ESD measures. On this basis, the department is satisfied that the proposal is consistent with the principles of ESD.

Section 75I(2) of the Act / Clause 8B of Regulations

Section 75I(2) of the Environmental Planning and Assessment Act 1979 and clause 8B of the Environmental Planning and Assessment Regulation 2000 provides that the Director General's Report is to address a number of requirements. These matters and the department's response are set out below:

Section 75I(2) criteria	Response
Copy of the proponent's environmental assessment and any preferred project report	The Proponent's EA and PPR are located at Appendices A, C and D to this report respectively.
Any advice provided by public authorities on the project	All advice provided by public authorities on the project for the Minister's consideration is set out in Section 4 of this report.
Copy of any report of a panel constituted under Section 75G in respect of the project;	No statutory panel was required or convened in respect of this project.
Copy of or reference to the provisions of any State Environmental Planning Policy that substantially governs the carrying out of the project;	Each relevant SEPP that substantially governs the carrying out of the project is identified below, including an assessment of proposal against the relevant provisions of the SEPP.
Except in the case of a critical infrastructure project – a copy of or reference to the provisions of any environmental planning instrument that would (but for this Part) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project under this Division	An assessment of the development against relevant Environmental Planning Instruments is provided below.
Any environmental assessment undertaken by the Director General or other matter the Director General considers appropriate	The environmental assessment of the project application is this report in its entirety.
A statement of compliance with the environmental assessment requirements under this Division with respect to the project.	In accordance with section 75I of the EP&A Act, the department is satisfied that the Director-General's environmental assessment requirements have been complied with.
Clause 8B criteria	Response
An assessment of the environmental impact of the project	An assessment of the environmental impact of the proposal is discussed in Section 5 of this report.
Any aspect of the public interest that the Director-General considers relevant to the project	The public interest is discussed in Section 5 of this report.
The suitability of the site for the project	The site contains an existing retail centre and an industrial building that is well located to support an expansion of the retail centre. The site is well served by public transport. Overall the proposal is considered to be well suited to the proposed expansion.
Copies of submissions received by the Director-General in connection with public consultation under section 75H or a summary of the issues raised in those submissions.	A summary of the issues raised in the submissions is provided in Section 4 of this report. The Proponent's response to the submissions to the EA and PPR appear at Appendices C and D respectively. A copy of the submissions are provided at Appendix B .

State Environmental Planning Policy (Major Development) 2005

The Project remains a Part 3A project under the former provisions of Schedule 1, Clause 13, Group 5 of the Major Projects SEPP, “*residential, commercial or retail projects*” as DGRs were issued prior to 8 April 2011. The project has a capital investment value (CIV) of more than \$50 million and has been determined as an important project in achieving State and regional planning objectives.

State Environmental Planning Policy 55 – Remediation of Land

An Environmental Site Assessment has been undertaken by Environmental Investigations in respect of the proposed development. The assessment revealed generally non-detectable or low concentrations of contaminants in the soil and ground water. There were however two area on site where higher concentrations of lead and heavy metals were encountered. In this regard, future detailed assessment will be required to be undertaken after the demolition of existing buildings and structures. The proponent has included a commitment in their Statement of Commitments that the recommendations of the Environmental Site Assessment will be implemented.

State Environmental Planning Policy (Infrastructure)

The proposal involves up to 430 residential apartments. The proposal therefore exceeds the apartment number thresholds (75 dwellings with access to a classified road) referred to in Clause 104 and Schedule 3 of the Infrastructure SEPP. Accordingly, the proposal was referred to the Roads and Maritime Service as a ‘Traffic Generating Development’. The RTA provided general support of the proposal in response to the PPR. The RMS comments are discussed in **Section 4.2** and **5.1** of this report.

State Environmental Planning Policy 65 – Design Quality of Residential Flat Buildings (SEPP 65)

SEPP 65 seeks to improve the design quality of residential flat development through the application of a series of 10 design principles. An assessment against these principles is provided below.

The EA confirms the development has been designed having respect to the design principles of SEPP 65.

Key Principles of SEPP 65	Department Response
Principle 1: Context	It is considered that the proposal responds and contributes to its context adjacent to the planned Lewisham West light rail stop. The proposed building heights increase towards the light rail corridor and the proposed publicly accessible open space and a through site links will provide links between the surrounding area and the light rail stop. The proposal will contribute to the identity of the area.
Principle 2: Scale	The proposal involves building heights ranging from 4 to 10 storeys. The proposed heights provide a transition from the surrounding low density residential area up to the light rail corridor. The transition of heights is generally consistent with Council’s Masterplan for the area which sets the context for the desired future character of the site within the McGill Street precinct. The department has recommended that the Concept Plan be modified to increase the separation between buildings through increased setbacks which will assist in achieving an acceptable bulk and scale.
Principle 3: Built Form	It is considered that the proposed building envelopes, subject to modifications recommended within this report, will provide an appropriate built form outcome as outlined in Section 5.3 of this report. Future assessment requirements have been recommended to

	ensure a high quality architectural design of future buildings.
Principle 4: Density	The provision of up to 430 apartments on the site is consistent with local and regional planning strategies which seek to locate housing within centres with access to transport, jobs and services.
Principle 5: Resource, Energy and Water Efficiency	The department has made recommendations for modification of the Concept Plan to maximise solar access and natural ventilation opportunities to reduce reliance on artificial heating and cooling. A future assessment requirement has also been recommended to require ESD measures into the future design, construction and operation of the development.
Principle 6: Landscape	The Concept plan provides for landscaping between buildings and within areas of open space throughout the site. Future applications will be required to provide landscape design to enhance the appearance and amenity of the development.
Principle 7: Amenity	The department has assessed the proposal in terms of solar access, and ventilation. More detailed consideration of amenity will be undertaken in the assessment of future applications.
Principle 8: Safety and Security	The proposal provides for the activation of the main areas of open space by retail and commercial ground floor uses. The department has recommended that the Concept Plan be modified to increase building separation to increase the feeling of safety within the development by allowing additional windows/balconies and greater daylight penetration through the site.
Principle 9: Social Dimensions and Housing Affordability	The Concept Plan provides for a mix of apartment types which would encourage a diverse social mix within the area. The Statement of Commitments outlined that the future applications will provide a level of affordable housing. Adaptable housing will also be provided in accordance with Council's DCP which requires 20% of dwellings to be designed as adaptable dwellings.
Principle 10: Aesthetics	Future assessment requirements have been recommended to ensure that the elevations of the proposed building envelopes provide a high level of articulation as well as varied and high quality textures, materials and colours to make a positive contribution to the streetscape and amenity of open spaces.

Marrickville Local Environmental Plan (LEP) 2001

The provisions of Marrickville LEP 2001 (LEP 2001) applied to the site at the time of lodgement and exhibition, until its repeal on 12 December 2011. The table below contain a summary of the numerical compliance of the development against the LEP controls.

	Control	Proposed	Compliance
Permissibility: 4B Light Industrial	Industrial/ warehousing	Residential, retail, commercial and open space uses	No
Floor Space Ratio	Maximum 1:1	3.04:1	No – exceeds by 96%
*GFA	13,130m ²	39,896m ²	No – exceeds by 25,766m²

** GFA is not an LEP control, but it is provided to allow comparison of the FSR allowed under the LEP and the proposed FSR*

Marrickville Local Environmental Plan (LEP) 2011

The Marrickville LEP 2011 was published on 12 December 2011. The table below contains a summary of the numerical compliance of the development against the development standards within the LEP.

	Control	Proposed	Compliance
Permissibility: R4 High Density Residential, B4 Mixed Use, B5 Business Development, IN2 Light Industrial	Residential development, mixed use development, office premises, retail premises	Residential, retail, commercial and open space uses	Yes – with the exception of retail and residential uses within a portion of the IN2 zone, and retail uses within a portion of the R4 zone
Building Height	Maximum 32 metres	Maximum height is 33 metres	No – exceeds by 1 metre
Floor Space Ratio	Maximum 1.7:1	3.04:1	No – exceeds by 79%
*GFA	22,237m ²	39,896m ²	No – exceeds by 17,660m²

** GFA is not an LEP control, but it is provided to allow comparison of the FSR allowed under the LEP and the proposed FSR*

APPENDIX G DISCLOSURE OF CONTACT WITH LOBBYISTS

Disclosure of Contact with Registered Lobbyists

Telephone Call (T) / Meeting (M)	Date	Participants	Registered Lobbyist(s) (Name)	Organisation / Individual Represented	Matters Discussed
M	15/02/2011	Richard Pearson and Michael Woodland	Carl Scully	Demian Constructions	Proposed amendments in response to submissions

APPENDIX H POLITICAL DONATION DISCLOSURES

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=2923

APPENDIX I RECOMMENDED CONDITIONS OF APPROVAL
