

**Submission in support of
request to consider the
proposed:**

**Treacy Street Mixed Use
Development Project**

**as a Major Project pursuant
to Part 3A of the
Environmental Planning &
Assessment Act 1979**

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Executive Summary

It is proposed to develop a 4,119sm site at 21 – 32 Treacy Street, Hurstville for mixed use retail and high density residential development in keeping with the key objectives of the Sydney Metropolitan Strategy.

The site is strategically located:

- in the Hurstville CBD identified as a Major Centre in the Sydney Metropolitan Strategy; and,
- between 200 – 300m (5 minute walk) from the Hurstville Railway Station;

The site is zoned 3 (b) - (City Centre Business Zone) pursuant to Hurstville LEP 1994 and the proposed mixed use retail and high density residential development complies with the objectives of the zone and is permissible development in the zone.

Existing floor space ratios and building height development control standards within the Hurstville Development Control Plan 2 restrict the potential of the site to development with no more than 7 storeys and with a floor space ratio for residential development no greater than 4.0:1.

It is proposed to develop the site with a mix of retail and high density residential land uses comprising:

- retail uses on the ground and lower ground floor (3,200sm);
- residential towers (315 units); and,
- car parking in five (5) lower ground floor levels.

Overall the built form will vary in height up to 16 storeys in keeping with the existing maximum height in the locality.

It is estimated the site will yield 3,200sm of retail floor space and 315 dwelling units.

The proposed development will have a Capital Investment Value (CIV) of \$134,004,540 million dollars (+GST) and provide approx. 35 full time jobs.

The proposed buildings will showcase exemplary contemporary architecture with environmental sustainability a fundamental component of the design philosophy with innovative schemes to limit carbon output, reduce energy consumption.

The site is not located within an “environmentally sensitive area of State significance” or a “sensitive coastal location” as defined in the Major Projects SEPP 2005.

Given the current development control standards governing floor space ratio and height limits for the site, the proponents would seek to lodge a project application comprising a concept plan to provide a broad overview of the project to gain more certainty for the project prior to proceeding any further.

By virtue of the Capital Investment Value and the permissibility of the development in the current zone, the proponents of the proposed development are seeking:

1. Opinion of the Minister for Planning that the proposed development is a project to which Part 3A of the Environmental Planning and Assessment Act 1979 applies;
2. Authorisation to submit a project application comprising a concept plan, and;
3. Notification of the Director General's requirements.

Site Description and Context

Regional Context

Regionally, the site (circled in red in Figure 1 below) is located in the Hurstville city centre which is approximately 15km south west of Sydney. Hurstville city centre is identified as a major centre in the Metropolitan Strategy and is seen as a gateway to Sydney's south.

Hurstville is seen as the main regional centre for southern Sydney with major retail, commercial, financial, community, recreational and residential land uses. It is also the main transport interchange in the region with an expansion proposed by the Council to the existing bus interchange in the city centre.

Hurstville is well located in relation to:

- Sydney Airport;
- Illawarra Rail Line; and
- M5 Motorway;

Figure 1: Regional Context



Local Context

Locally, the site (outlined in red in Figure 2) is located in the eastern precinct of the Hurstville Central Business District (CBD) as identified in the Hurstville Local Environmental Plan (HELP) 1994.

The Hurstville CBD is defined as an elongated east-west shape with the Hurstville Railway Station and the retail hub at its centre with Forest Road the main street running parallel to the Illawarra Railway Line.

Existing building heights in the Hurstville CBD range from predominantly 1-3 storeys up to 20 storeys.

Hurstville CBD is well serviced by public transport in the form of buses and the Hurstville Railway Station. The site (outlined in red in Figure 2) is between 200 – 300m (5 minutes walk) from the railway station.

The eastern precinct of the Hurstville CBD is characterised by the extension of the retail strip along Forest Road and much underutilised development along the railway line in Treacy Street. Treacy Street provides the rear vehicular and service access to properties fronting Forest Road.

A number of high density residential developments are also located at the eastern end of the precinct (refer Figure 2), including;

1. East Quarter on the former AMCOR site, with existing 14 storey and 6 storey residential buildings and approved 16 storey residential building.
2. 12 storey mixed use retail and residential development.

Figure 2: Local Context



Source: Hurstville DCP 2

----- CBD Boundary

The Site

The site, shown outlined in red in Figure 3 below, has frontage to Treacy Street, Hurstville and backs on to the Illawarra Rail Line. The site is more formally identified as Lots 1-3 & Lots 4-6 DP 2652, Lots 1-2 DP 225695, Lot A DP 398056 and Lots 5-6 DP 11931, being land known as 21 – 35 Treacy Street, Hurstville.

The site is a consolidation of seven (7) individual commercial sites and has an area of approximately 4,119sm. The frontage to Treacy Street is approximately 130 metres with a depth ranging from 27m to 35m.

Figure 3: Aerial View of Site



Relevant Planning Framework

Hurstville Local Environmental Plan 1994

The site is currently zoned 3 (b) - (City Centre Business Zone) pursuant to Hurstville Local Environmental Plan 1994.

The objectives of this zone are:

“(a) to designate sufficient areas of land to meet the projected needs of the Hurstville Town Centre as a multi-functional regional centre,

(b) to facilitate development of land within the Hurstville Town Centre for commercial, retail, residential and community purposes,

(c) to provide a single business zone for the Hurstville Town Centre as a sub-regional centre,

(d) to facilitate the implementation of a development control plan for the Hurstville Town Centre:

(i) by introducing appropriate floor space ratio controls,

(ii) by encouraging an economically viable retail core which is centrally located and in close proximity to public transport,

(iii) by enhancing employment opportunities and to service the needs of the local and regional community,

(iv) by encouraging and facilitating the use of public transport,

(v) by providing and enhancing pedestrian and public open space areas for shoppers and workers,

(vi) by maintaining and improving the environmental and aesthetic quality of the Hurstville Town Centre and its surrounds,

(vii) by ensuring adequate and accessible off-street car parking, and

(e) to improve traffic flow in and around the Hurstville Town Centre.”

Within the Hurstville LEP there are no floor space ratio or building height control standards for development in the 3(b) zone although there are for development in the 3(a) and 3(c) business zones.

Mixed use development comprising retail and residential flat buildings is development that is in keeping with the objectives of the zone and is permissible development in the zone.

Hurstville Development Control Plan 2

The Hurstville Development Control Plan 2 provides development control standards for land within the Hurstville City Centre.

Section 4 of Hurstville DCP 2 provides built form controls for individual blocks in the Hurstville CBD. The site is located in Block 29 and the development control standards allow for;

- building heights that range from 4 - 7 storeys in height; and,
- residential floor space ratios that range from 2.2:1 to a maximum 4.0:1.

Hurstville City Centre Project

Hurstville Council is currently carrying out a major review of the planning controls in the Hurstville City Centre.

In December 2004 Council adopted the Hurstville City Centre Masterplan. The Masterplan was developed in collaboration with the former NSW Government architect Mr Chris Johnson, and contains design principles to improve the amenity of the City

and reinforce its role as a regional centre for the St George Region.

Key relevant outcomes in the Masterplan include;

- site identified as “business incubator area”;
- the site is not in the commercial core of the CBD;
- site is part of an area identified by Council for review of building height controls; and,
- an upper limit of 16 storeys for any individual building in the CBD is proposed.

As a follow on from the adoption of the Master Plan Council is currently preparing a new suite of planning controls for the Hurstville City Centre. These controls include a new City Centre DCP, amendment to the Hurstville LEP 1994 and an update to the City Centre Masterplan 2004.

It is expected that the new City Centre DCP will replace DCP No. 2 - Hurstville City Centre.

Council has indicated on its web site that they anticipate “the draft LEP Amendment, draft City Centre DCP and draft update of the City Centre Masterplan will be placed on public exhibition toward mid-2010, subject to Department of Planning approval of the draft LEP. Additional urban design work has resulted in an amended timeframe for the project.”

To date, the suite of planning controls have not been placed on public exhibition and discussions with Council officers indicate that they will not be placed on public exhibition soon and there is general uncertainty as to when

the documents will be ready to be placed on public exhibition.

Hurstville City Council has instead currently placed on public exhibition a draft Local Environmental Plan (LEP) 1994 (Amendment No. 70) and an Amendment to Development Control Plan (DCP) No. 2 (Hurstville City Centre) which applies only to certain land within the Hurstville City Centre identified as the ‘City Centre Commercial Only Core Zone’ (refer Figure 4 below).

The Treacy Street precinct is not located within the proposed City Centre Commercial Only Core Zone.

Figure 4 – City Centre Commercial Core Zone



Source: draft LEP 1994 (Amendment No. 70)

Sydney Metropolitan Strategy

Hurstville CBD is identified as a Major Centre in Sydney Metropolitan Strategy.

A principle aim of the Metropolitan Strategy is *“to focus residential development within centres and corridors with access to public transport and local services. Focusing residential development around centres with access to public transport will support achieving the targets set for increasing the share of peak hour journeys on a safe and reliable public transport system (State Plan Priority S6), as well as the target set for Priority E5 ‘Jobs Closer to Home’.”*

The proposed project will meet the principle aims and objectives of the Metropolitan Strategy in relation to economy and employment, centres and corridors and housing.

South Subregion – Draft Subregional Strategy

Key relevant directions and actions for development identified in the draft South Subregional Strategy include:

1. Strengthen Hurstville's Commercial Centre by implementing the Hurstville City Centre Masterplan and limiting residential development within the commercial core of Hurstville.
2. Plan for a housing mix near jobs, transport and services by focusing residential development around Centres, Town Centres, Villages and Neighbourhood Centres.
3. Improving housing affordability.

Figure 5 outlines the Major Centre of Hurstville as detailed in the draft subregional strategy for southern Sydney and how the site is located within the core radius of the centre.

The proposed project will meet the key relevant directions and actions of the Draft South Subregional Strategy.

Figure 5: Hurstville Town Centre



Source: South Subregion – Draft Subregional Strategy

Project Description

The proponents propose to develop the site with a mix of retail and high density residential development that has a varying building height up to 16 storeys.

GVA Project Group in association with JBA Urban Planning Consultants have prepared a preliminary report which *“articulates the merits of high density precinct design principles for development in the Treacy Street precinct of a scale and density appropriate to this part of the Hurstville CBD”*. Refer Appendix A for a copy of the report.

Stanisic Associates Architects have been engaged to prepare preliminary design concepts for the site that will respond to the sites location and characteristics and meet the design guidelines and standards of SEPP 65 – Residential Design Guidelines.

This preliminary work indicates a need to provide varying building heights to achieve the necessary design guidelines and standards of SEPP 65 such as cross ventilation, sunlight etc.

Following on from this preliminary work and prior to the preparation of more detailed concept plans, Stanisic Associates Architects have indicated that the site is capable of being developed as a mixed use development comprising:

- retail uses on the ground and lower ground floor levels;
- residential towers on a podium; and
- car parking in five (5) basement levels.

Overall the built form will vary in height up to a max. 16 storeys in keeping with the existing maximum height in the locality.

It is estimated the project will provide a gross floor area of 31, 372sm and yield 3,200sm of retail floor space and 315 residential units.

The units will be developed in a 30:60:10 split of 1, 2 & 3 bedroom units respectively.

Given the scale of the project it will be necessary to stage any future development. Details of staging will be further developed in the preparation of the concept plans.

Capital Investment Value

A Preliminary Cost Plan prepared by BMT & Associates, Quantity Surveyors estimates a Capital Investment Value (CIV) for the project of \$134, 004,540 million (+GST). A copy of the Preliminary Cost Plan is provided in Appendix B.

State Environmental Planning Policy (Major Projects) 2005 (Major Projects SEPP) defines **capital investment value** of development as including “all costs necessary to establish and operate the development, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant equipment”. This does not include cost associated with GST and land acquisition etc.

The CIV is based on:

- written and verbal information from architects Stanisic and Associates; and,
- a Block Plan prepared by architects Stanisic and Associates.
- a total floor area, determined as the sum of the Fully Enclosed Covered Floor Area and the Unenclosed Covered Floor Area at all floor levels, of 50,889sm.

The project will also require around 35 full-time employees to operate the development in any one year.

The Major Projects SEPP defines **employment** of people by development as “the average number of workers (calculated on a full-time basis) that will be employed to operate the development in any one year (other than construction workers employed to establish the development)”.

Total employment yield from the project comprises:

- workers associated with strata management of the residential towers; and,
- workers employed in the new retail opportunities.

Support for Major Project

The site is not located within an “environmentally sensitive area of State significance” or a “sensitive coastal location” as defined in the Major Projects SEPP 2005.

Clause 6 (1) of the Major Projects SEPP identifies development that, in the opinion of the Minister, is development of a kind that is described in Schedule 1 is declared to be a project to which Part 3A of the EP&A Act applies.

Clause 13 (1) of Schedule 1 identifies residential, commercial or retail developments with a capital investment of \$100 million as major projects.

The Capital Investment Value of the project as proposed has been determined by a Quantity Surveyor to be \$134,004,540.

The proposed mixed use retail and high density residential development complies with the objectives of the zone and is permissible development in the zone.

In addition, the following key aspects of the project support consideration as a major project;

1. The project is located in an area identified in the Metro Strategy for increased urban development.
2. The project will contribute to employment and residential growth in the major centre of Hurstville as identified in the Sydney Metro Strategies.
3. The project will contribute to increased accessibility to public transport services by providing quality housing and some employment generating activities in the vicinity of a major transport hub.

4. Local impediments to the implementation of the project include:

- uncertainty with Hurstville Council's progress on any proposed changes to the existing planning controls; and,
- uncertainty with what changes, if any, will be proposed by Hurstville Council and how will they impact on the development potential for the project site.

Conclusion

The Treacy Street Mixed Use Development Project is a project which;

- is permissible in the zone;
- comprises residential and retail development; and
- has a Capital Investment Value (CIV) of \$134, 004,540 million dollars (+GST) as determined by a Quantity Surveyor.

The project is development of a kind which is described in Schedule 1 of the Major Projects SEPP as a project to which Part 3A of the EP&A Act applies.

By virtue of the uses proposed, a CIV over \$100M and the permissibility of the development in the current zone, the proponents of the proposed development are seeking:

1. Opinion of the Minister for Planning that the proposed development is a project to which Part 3A of the Environmental Planning and Assessment Act 1979 applies;
2. Authorisation to submit a project application comprising a concept plan, and;
3. Notification of the Director General's requirements.

Appendix A High Density Precinct Design Principles

Appendix B Quantity Surveyors Report