

## Item 5.

### **Public Exhibition - Planning Proposal - 30-62 Barcom Avenue, Darlinghurst - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment**

**File No: X018299**

#### **Summary**

30-62 Barcom Avenue, Darlinghurst is located on the City's eastern fringe, within 800 metres of Kings Cross Station and serviced by a number of bus services and cycle routes connecting the site to the CBD and Bondi Junction.

The site comprises a part-two, part-three storey warehouse building which is currently occupied by a self-storage facility. The existing building currently has 2,374 square metres of gross floor area. This exceeds the existing Floor Space Ratio (FSR) development standard of 2:1 in Sydney Local Environmental Plan 2012 by approximately 0.45:1

The surrounding area is zoned B4 Mixed Use. It is generally residential in character, with a small cluster of commercial buildings immediately adjacent to and including the site. Directly opposite lies the Barcom Avenue Heritage Conservation Area which is dominated by one to three storey Victorian terraces. The site is not located within the heritage conservation area.

In May 2018, Ethos Urban, on behalf of site owner Clanricarde, submitted a planning proposal request to the City to increase the maximum FSR and building height controls that apply to the site under Sydney Local Environmental Plan 2012.

The change would facilitate a development concept consisting of a building with an additional two storeys of commercial floor space on top of the existing warehouse building, which would remain as a self-storage facility. The additional floor space would accommodate a co-working office space, with kitchen and end-of-trip facilities, within a 5 storey building.

The proposed use is permissible on the site and the resultant built form respects the streetscape and the adjoining heritage conservation area. Strategic merit is demonstrated through sustainability improvements, and the opportunity to support Sydney's start-up business community via the provision of flexible co-working office space.

A planning proposal has been prepared by the City of Sydney which recommends an amendment to Sydney Local Environmental Plan 2012 to include 'alternative' controls that will incentivise a building on the site that aligns with the proponent's development concept.

The amendment would allow for a building with an FSR of 3.75:1 and height of 18 metres on the following conditions:

- (a) the whole building is used for non-residential purposes;
- (b) there is no increase in car parking on the site; and
- (c) a 6 star building NABERS Energy Commitment Agreement is in place.

An accompanying draft development control plan proposes the following site-specific provisions:

- (a) Building envelope controls to ensure an appropriate street wall character and relationship with adjoining terraces; and
- (b) encourage the provision of a green roof.

This report recommends that Council support the planning proposal for submission to the Greater Sydney Commission seeking a Gateway Determination. If the proposal receives Gateway Determination, it will be placed on public exhibition in accordance with the requirements of that determination.

## Recommendation

It is resolved that:

- (A) Council approve Planning Proposal: 30-62 Barcom Avenue, Darlinghurst, shown at Attachment A to the subject report, for submission to the relevant local plan making authority with a request for a Gateway Determination;
- (B) Council approve the *Planning Proposal: 30-62 Barcom Avenue, Darlinghurst* for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;
- (C) Council seek authority from the relevant local plan making authority to exercise the delegation of all the functions under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan to put into effect the Planning Proposal: 30-36 Barcom Avenue, Darlinghurst;
- (D) Council approve the Draft Sydney Development Control Plan 2012 - 30-62 Barcom Avenue, Darlinghurst, shown at Attachment B to the subject report, for public authority consultation and public exhibition in parallel with the Planning Proposal;
- (E) authority be delegated to the Chief Executive Officer to make any minor variations to Planning Proposal: 30-62 Barcom Avenue, Darlinghurst, following receipt of the Gateway Determination; and
- (F) authority be delegated to the Chief Executive Officer to make any minor variations to Draft Sydney Development Control Plan 2012 – 30-62 Barcom Avenue, Darlinghurst, to correct any drafting errors and/or ensure it is consistent with the Planning Proposal following the Gateway Determination.

## Attachments

**Attachment A.** Planning Proposal - 30-62 Barcom Avenue, Darlinghurst

(Note - The Appendices to this attachment will be circulated separately from the Agenda Paper in limited numbers. It will be available for inspection on the Council's website and at the One Stop Shop)

**Attachment B.** Draft Sydney Development Control Plan 2012 - 30-62 Barcom Avenue, Darlinghurst

## Background

1. In May 2018, Ethos Urban, on behalf of site owner Clanricarde, submitted a formal request to amend Sydney Local Environmental Plan 2012 (Sydney LEP 2012) as it applies to 30-62 Barcom Avenue, Darlinghurst. The request seeks to increase the maximum building height and Floor Space Ratio (FSR) to enable a co-working office space above the existing warehouse building.
2. The site has been the subject of two previous development applications. In July 1997 a development application for the renovation and refurbishment of the existing self-storage facility, including an additional storey providing an extra 860 square metres of floor area, was refused by Council as it did not comply with the height and FSR controls.
3. In September 2008 a development application (D/2008/1705) sought consent for several amendments to the existing building, including the construction of an additional storey. Council granted consent to the majority of amendments, but did not grant development consent for the additional storey as it did not comply with the height control. The additional storey would have resulted in a building of a significantly greater scale than the adjoining vehicle dealership that addresses New South Head Road.
4. Previous development applications were determined some eight to 19 years ago, when a 12 metre height limit applied to the site. Recently a number of sites within the vicinity have been redeveloped, including the adjacent vehicle dealership which is now five storeys.

## Site details and context

5. 30-62 Barcom Avenue, Darlinghurst (the site) comprises a part-two, part-three storey warehouse building occupied by a self-storage facility.
6. The site is an irregular 'L' shape with an area of 992.5 square metres and a frontage to Barcom Avenue of approximately 45 metres. The site slopes significantly from RL 15-16m AHD at Barcom Avenue to RL 8.7m AHD at the eastern boundary. The cross fall equates to approximately 7-8 metres over the site and results in the existing building presenting as a two storey warehouse on the Barcom Avenue frontage and three storeys at its rear elevation.
7. The surrounding area is generally residential, with the exception of a five storey car dealership adjoining the site to the east (at the corner of New South Head Road and McLachlan Avenue), and a one to three storey car dealership located at the rear of the site (on McLachlan Avenue).
8. Adjoining the site to the west along Barcom Avenue are a number of two storey terrace houses. Similarly, two storey terrace houses are also located opposite the site, along the northern side of Barcom Avenue. A four storey residential apartment building is located to the south on McLachlan Avenue.
9. The site is directly opposite the Barcom Avenue Heritage Conservation Area, which is dominated by one to three storey Victorian terraces. All of the properties directly opposite the subject site are 'contributory buildings' within the heritage conservation area.
10. The area is zoned B4 Mixed Use. Commercial uses are permissible with consent.

11. The site is located in Darlinghurst, to the east of Central Sydney. It benefits from convenient public transport access, located within 800 metres of Kings Cross Station and serviced by a number of bus services connecting the site to the Central Sydney and Bondi Junction.
12. The site location and surrounding context are shown in Figure 1 and Figure 2. Photos of the site and its surroundings are shown in Figures 3 to 5.




 32-60 Barcom Avenue (the site)

Figure 1: Site location



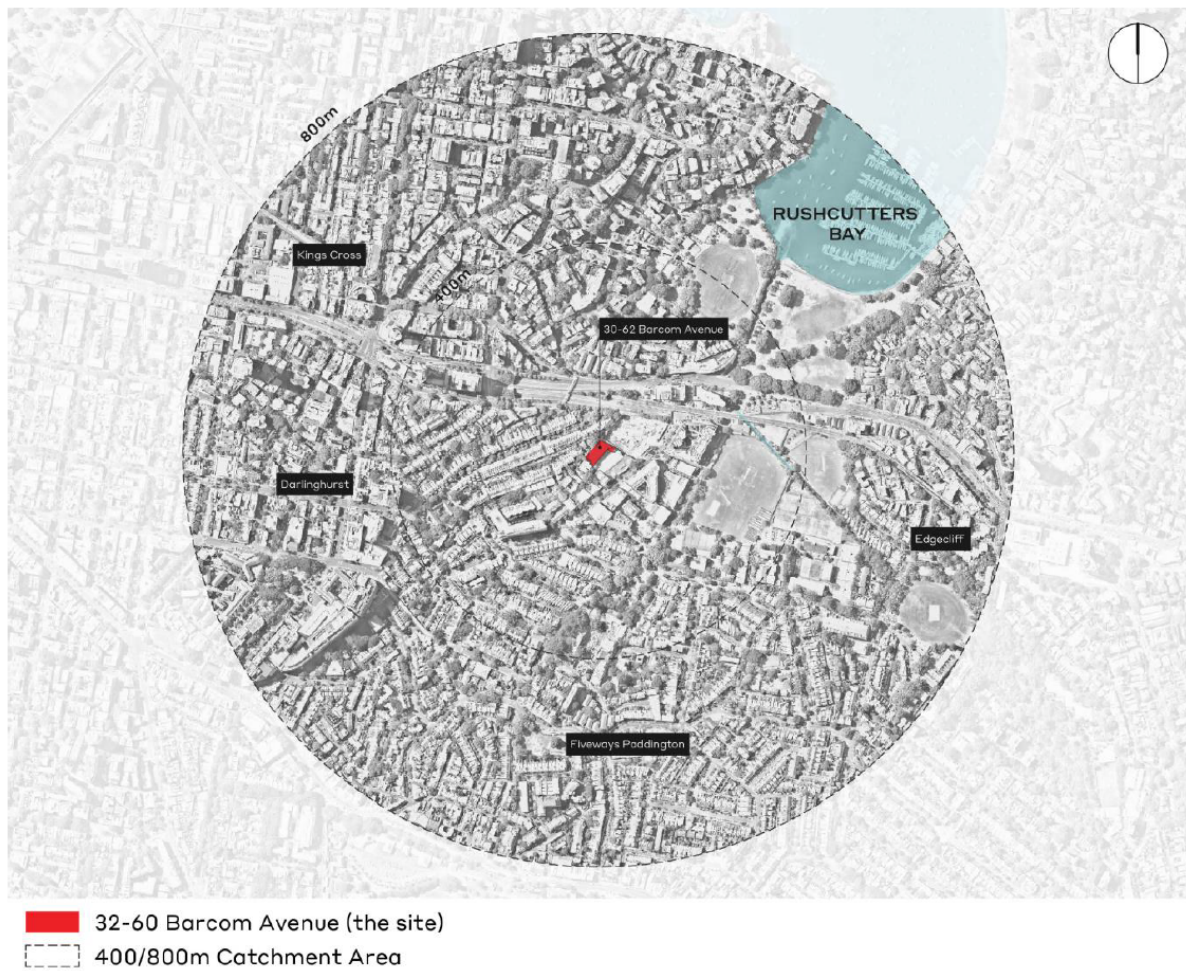


Figure 2: Site context



Figure 3: Photographs of the site and existing building, (L-R) looking south and looking north-east





Figure 4: Adjoining residential terraces, (L-R) to immediate south of site along Barcom Ave and heritage items on the opposite side of Barcom Ave within the conservation area



Figure 5: Residential interface with site, (L-R) 2 storey terraces to south-east of site and view towards four storey residential building to south of site

### Planning Proposal - Amendments to Sydney LEP 2012

13. The existing warehouse building is built to the boundary, with a maximum building height of 12.1 metres and an existing FSR of approximately 2.45:1. The existing planning controls allow for a maximum building height of 15 metres and a maximum FSR of 2:1.
14. The submitted planning proposal request seeks to amend the maximum FSR control, to allow for a development concept with approximately an additional 1,160 square metres of floor space on the site for the purposes of commercial office space. The planning proposal also seeks an increase in maximum building height to 18 metres, in order to facilitate the additional floor space.
15. The resulting development would be a five storey non-residential building with a total gross floor area of 3,535 square metres, made up of 2,375 square metres of self-storage premises over three storeys (basement to level 1) and 1,160 square metres of office premises over two storeys (levels 2 and 3). An indicative development concept submitted with the planning proposal request envisages the co-working office space as comprising:

- (a) a combination of private offices (90-95%) and permanent desks (5-10%), which will range in size to suit varying sizes of teams (from two person offices to 10 person offices);
  - (b) flexible spaces including meeting rooms, a board room, break out spaces and phone booths;
  - (c) kitchen facilities;
  - (d) bike storage and private end-of-trip facilities; and
  - (e) no parking for private vehicles.
16. Proposed LEP amendments will facilitate a building with an FSR of 3.75:1 and height of up to 18 metres may be permitted on the site if all of the following conditions are met:
- (a) the whole building is used for non-residential purposes;
  - (b) there is no increase in car parking on the site; and
  - (c) a 6 star building NABERS Energy Commitment Agreement is in place.

#### **Draft Development Control Plan**

17. A draft DCP establishes detailed controls around the building envelope. These will ensure an appropriate relationship with the heritage conservation area and neighbouring residential terraces. The draft DCP also supports an ecologically sustainable development opportunity presented through redevelopment of the site.
18. The draft DCP at Attachment B includes provisions relating to:
- (a) Height in storeys;
  - (b) Setbacks; and
  - (c) Encouraging the provision of a green roof.

#### **Key Implications**

##### **Strategic merit**

19. The Department of Planning and Environment publication "A guide to preparing planning proposals" requires a planning proposal meet various assessment criteria to establish its strategic merit. A proposal is to be assessed against its consistency with relevant regional plans and local council strategies. It must also demonstrate site-specific merit with regards to: the existing and future uses of the land; the natural environment; and the services and infrastructure that are or will be available to meet the demands arising from the proposal.
20. The planning proposal demonstrates strategic merit. It will enable additional employment floor space to foster new jobs and small business within an accessible location, and a building of appropriate design and good environmental performance. The site-specific merits of the proposal are discussed below, followed by consistency with regional and district plans, and the City's Sustainable Sydney 2030 strategy.

**Use**

21. Emerging, innovative businesses, such as tech startups are local companies which have the potential to grow rapidly and bring wider economic and employment benefits to cities, particularly if they service overseas and interstate clients.
22. The City's Tech Startup Action Plan seeks to increase business opportunities, connections and skills to enable the industry to flourish. The action plan also supports the clustering of tech startups to assist with skill, knowledge and infrastructure sharing.
23. Co-working office space, as proposed, can promote collaborative and innovative working environments, accommodating start-ups through to established business ventures. It assists small business and innovative industries in entering the marketplace by providing low capital expenditure, low overhead and scalable office space.
24. 30-62 Barcom Avenue sits on the Sydney CBD fringe, in close proximity to an existing cluster of co-working spaces and with potential to bridge the gap between the Eastern Suburbs and Sydney CBD startup communities. Darlinghurst has a number of geographic, demographic and economic advantages which support the desirability and suitability for co-working spaces.
25. The surrounding built form, together with the site's locational advantages, provide an appropriate context for an increase in height and floor space to capitalise on the site's employment generating potential. To ensure the economic benefits are secured, a site-specific LEP provision will require that the additional GFA is exclusively used for employment-related uses.

**Heritage and built form**

26. The proposed envelopes and indicative concept design are respectful of the contributory buildings opposite the site, in the Barcom Avenue Heritage Conservation Area, and the two storey Federation terraces at 64-70 Barcom Avenue, to the south of the site. Envelope setbacks at level two and three are secured in the proposed DCP to ensure the two storey street wall character is maintained and an appropriate side setback from the two storey Federation terraces at 64-70 Barcom Avenue.

**Overshadowing and amenity**

27. A shadow analysis of the proposed built form demonstrates that proposed building setbacks will not cause unacceptable overshadowing of adjacent residential dwellings and their private open space.
28. The proposed built form creates minor additional overshadowing to the façade of 61-63 McLachlan Avenue at 2:00pm mid-winter, but this is acceptable because windows to habitable rooms are not overshadowed. Some additional overshadowing occurs to the commercial building at 49-59 McLachlan Avenue. Given the use of the building, this is acceptable.

**Traffic and transport**

29. No change is proposed to the current access and loading arrangements for the storage facility on the site, namely three vehicle entry/egress points and zero on-site parking.



30. No additional parking is proposed in association with the additional office floor space sought. This is appropriate as the additional floor space is relatively small in scale and the site benefits from convenient access to public transport, including Kings Cross station within 800m and a number of bus services connecting to the CBD and Bondi Junction. The site is also well connected by cycle routes. The indicative design concept shows bicycle parking and private end-of-trip facilities.
31. A proposed LEP provision will ensure that no additional parking is to be located on the site in connection with the additional floor space being sought, to reinforce the site's high accessibility.

### **Drainage/stormwater**

32. A green roof proposed by the site owner in association with the proposed development will reduce the majority of concentrated flows from the impermeable surfaces within the development site. This is secured via a provision in the draft DCP.

### **Ecologically sustainable development**

33. The NSW Climate Change Policy Framework sets a target of net zero emissions by 2050. This is supported by the Greater Sydney Region Plan and Eastern City District Plan. This planning proposal provides the opportunity to incorporate additional ESD initiatives as part of redevelopment of the site.
34. An objective of the planning proposal is to secure a 6 star base building NABERS Energy Commitment Agreement for this commercial development, to reduce local area emissions and help to achieve the City's greenhouse gas emission reduction targets.
35. The proposed built form has significant roof area facing north-west. This means that there is significant potential for roof top photovoltaics. Solar photovoltaic panels are a cost-effective way to achieve the 6 star NABERS Energy target and would support the City's Renewable Energy Masterplan and target of 50% of electricity demand to be sourced from renewable sources by 2030. The draft DCP will encourage incorporation of a solar PV system.
36. The draft DCP also includes provisions to protect the renewable energy generation potential of the roof area, by discouraging high parapet walls and unnecessary roof clutter.
37. Securing the NABERS Energy Commitment Agreement and operating the photovoltaic system is complemented by encouraging a green roof in the draft DCP. A green roof will increase the thermal performance of the building, reducing the need for air conditioning.

### **Strategic Alignment - Greater Sydney Region Plan**

38. The Greater Sydney Region Plan, completed in March 2018, is a State Government strategic document that sets the 40 year vision and 20 year plan for all of Greater Sydney. The Plan outlines how Greater Sydney will manage growth and change and guide infrastructure delivery, and is to be implemented at a local level by District Plans.
39. The Plan identifies key challenges facing Greater Sydney, which is forecast to grow from 4.7 million people to 8 million people by 2056. Greater Sydney is to provide for an additional 817,000 jobs by 2036 and will need to provide 725,000 more homes over the next 20 years.

40. By facilitating development of additional commercial floor space on a site with good levels of accessibility by public and active transport, and within a building which can appropriately address its heritage context and promote ecologically sustainable development, the planning proposal is consistent with the relevant objectives and planning priorities of the Plan as follows:
- (a) Objective 4: Infrastructure use is optimised;
  - (b) Objective 13: Environmental heritage is identified, conserved and enhanced;
  - (c) Objective 14: Integrated land use and transport creates walkable and 30-minute cities;
  - (d) Objective 18: Harbour CBD is stronger and more competitive;
  - (e) Objective 22: Investment and business activity in centres;
  - (f) Objective 24: Economic sectors are targeted for success; and
  - (g) Objective 33: A low-carbon city contributes to net-zero emissions by 2050 and mitigates climate change.

#### **Strategic Alignment - Eastern City District Plan**

41. The Eastern City District Plan, also completed in March 2018, sets the local planning context for the City of Sydney local government area. It provides a 20-year plan to manage growth and achieve the 40-year vision of the Greater Sydney Region Plan at a district level and is a bridge between regional and local planning.
42. As part of a Greater Sydney metropolis of three cities, the eastern district covers the council areas of Bayside, Burwood, Canada Bay, City of Sydney, Inner West, Randwick, Strathfield, Waverley and Woollahra.
43. The Eastern City District Plan identifies 22 planning priorities and associated actions that are important to achieving a liveable, productive and sustainable future for the district, including the alignment of infrastructure with growth.
44. This planning proposal gives effect to these planning priorities and actions as follows:
- (a) Planning Priority E6: Creating and renewing great places and local centres, and respecting the District's heritage;
  - (b) Planning Priority E10: Delivering integrated land use and transport planning and a 30-minute city;
  - (c) Planning Priority E7: Growing a stronger and more competitive Harbour CBD;
  - (d) Planning Priority E11: Growing investment, business opportunities and jobs in strategic centres; and
  - (e) Planning Priority E19: Reducing carbon emissions and managing energy, water and waste efficiently.

45. The planning proposal will support the growth of a stronger and more competitive Harbour CBD through the provision of new and innovative office space which will foster investment and employment opportunities, especially for small business. The proposal supports strategic priorities to create a more productive, liveable and sustainable city in a CBD-fringe location, which is close to homes and serviced by existing infrastructure.

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

46. Sustainable Sydney 2030 is a vision for the sustainable development of the City of Sydney to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
- (a) Direction 1 - A Globally Competitive and Innovative City - The proposal will provide additional employment floor space on the fringe of Sydney. The co-working office space will facilitate jobs growth and promote collaboration and innovation, supporting small businesses and start-ups.
  - (b) Direction 2 - provides a road map for the City to become A Leading Environmental Performer - The planning proposal will support a more ecologically sustainable development on the site, with a target of meeting a 6 star NABERS energy rating and DCP controls which will secure rooftop photovoltaics and a green roof. This will contribute towards net-zero carbon emissions, water sensitive urban design and urban ecology outcomes.
  - (c) Direction 3 - Integrated Transport for a Connected City - The proposal will capitalise on its close proximity to existing heavy rail train stations and a significant number of bus routes connecting with the CBD and Bondi Junction. The proposal incorporates zero parking provision further limiting potential future trips by private vehicle and encouraging sustainable transport choices.
  - (d) Direction 4 - A City for Walking and Cycling - The site is located in an inner-city suburb, close to existing local centres including Kings Cross, Edgecliff, Fiveways Paddington and Darlinghurst. It benefits from convenient public transport and a number of on-road and separated cycleways connecting with the CBD.
  - (e) Direction 9 - Sustainable Development, Renewal and Design - The proposed planning controls will achieve a building envelope in keeping with its surroundings, cognisant of the heritage items and conservation area in close proximity to the site and its impact on adjoining residential buildings. Further, the proposal will support a future development that will feature additional ESD initiatives.

### **Relevant Legislation**

47. Environmental Planning and Assessment Act 1979.

**Critical Dates / Time Frames**

48. A proponent may request a review of their planning proposal by the Independent Planning Commission if a council has failed to indicate its support within 90 days of its submission to council. This planning proposal was submitted to Council on 24 May 2018. The 90 day deadline is 22 August 2018.

**Planning Proposal process**

49. Should Council and the Central Sydney Planning Committee approve the planning proposal for exhibition and consultation, it will be forwarded to the Greater Sydney Commission in accordance with section 3.34 of the Environmental Planning and Assessment Act 1979. The Greater Sydney Commission will then provide a Gateway Determination to either proceed to consultation, with or without variation, or to resubmit the planning proposal.
50. The typical timeframe following a Gateway Determination has been 21 days for public authority consultation and 28 days public exhibition. The Gateway will also establish the timeframe for completion of the local environmental plan amendment.
51. Following public authority consultation and public exhibition, the outcomes will be reported to Council and the Central Sydney Planning Committee.

**Delegation of plan-making functions**

52. In October 2012, the Minister for Planning delegated plan-making functions to councils to improve the local plan-making process. In December 2012, Council resolved to accept the delegation.
53. Council needs to receive an authorisation on a case-by-case basis to exercise the delegation. The authorisation is given through the Gateway process. Exercising the delegation means a faster plan-making process with less involvement of the Department of Planning and Environment.
54. This report recommends Council seek confirmation of its delegated authority to exercise the plan-making functions of the Greater Sydney Commission (as part of an amended Gateway Determination) under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the local environmental plan.

**Public Consultation**

55. The public exhibition process for the planning proposal will be determined by the Greater Sydney Commission. The consultation would take place in accordance with the requirements of:
- (a) Gateway Determination to be issued by the Greater Sydney Commission under section 3.34 of the Environmental Planning and Assessment Act 1979; and
  - (b) the Environmental Planning and Assessment Regulation 2000.
56. This means the public exhibition would be a minimum of 28 days, with notification:
- (a) on the City of Sydney website; and



- (b) in newspapers that circulate widely in the City of Sydney Local Government Area.

57. The associated DCP would be exhibited concurrently.

**GRAHAM JAHN, AM**

Director City Planning, Development and Transport

Samantha Bird, Specialist Planner